

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Propriety of the)
Rate Schedules for Gas Service of) File No. GR-2018-0229
The Empire District Gas Company)

RESPONSE TO COMMISSION ORDER

COMES NOW The Empire District Gas Company ("EDG"), and, in response to the *Order Scheduling a Conference Regarding Procedures for Consideration of an Accounting Authority Order* (the "*Order*") issued herein by the Missouri Public Service Commission ("Commission") on October 31, 2018, respectfully states as follows:

1. The *Order* directs EDG to "report its quantification of impacts to the Tax Cuts and Jobs Acts of 2017, as well as its quantification of its excess protected and unprotected ADIT."

2. As previously directed, EDG has been quantifying and tracking its excess protected and unprotected ADIT, back to December 31, 2017, for possible future flow back to customers. At this time, EDG estimates its total excess ADIT to be \$2,776,935, of which \$2,568,812 is estimated to be protected, and \$208,123 is estimated to be unprotected. The calculations should be completed and the numbers finalized by the end of December, 2018.

3. EDG submitted revised tariffs, which took effect October 24, 2018, to reflect a reduction in base rate revenue as the result of the Tax Cuts and Jobs Act of 2017. The annual impact of the use of a federal corporate income tax rate of 35%, compared to a recalculated revenue requirement using 21%, is approximately \$773,566, with \$627,330 being the amount applicable to the period of January 1 to October 23, 2018.

WHEREFORE, EDG respectfully submits this Response to Commission Order. EDG requests such relief as is just and proper under the circumstances.

Respectfully submitted,

BRYDON, SWEARENGEN & ENGLAND, P.C.

By: */s/ Diana C. Carter*

Diana C. Carter #50527

312 East Capitol Avenue

P. O. Box 456

Jefferson City, Missouri 65102

Telephone: (573) 635-7166

Facsimile: (573) 635-3847

Email: dcarter@brydonlaw.com

CERTIFICATE OF SERVICE

I hereby certify that the above and foregoing document was filed in EFIS on this 14th day of November, 2018, with notice of the same being sent to all counsel of record.

/s/ Diana C. Carter