STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 20th day of February, 2019.

In the Matter of The Empire District Gas Company's)

Purchased Gas Adjustment (PGA) Tariff Filing)

File No. GR-2018-0122

ORDER ESTABLISHING ENDING ACA BALANCES

Issue Date: February 20, 2019 Effective Date: March 22, 2019

The Commission opened this case on November 3, 2017, to receive the 2016-2017 Purchased Gas Adjustment (PGA) and Actual Cost Adjustment (ACA) filings of The Empire District Electric Company (Empire). On December 17, 2018, the Staff of the Commission (Staff) filed a recommendation and memorandum indicating Staff has completed an audit of the billed revenues and actual gas costs for the 2016-2017 period included in Empire's computation of its ACA balances. Staff also examined Empire's gas purchasing practices and operating decisions.

Staff recommended the following adjustments to Empire's filed ACA balances:

Description + Under-recovery (-) Over-recovery	8-31-17 Ending Balances Per Filing	Commission Approved Adjustments 2014-2015 ACA (A)	Staff Adjustments For 2015- 2016 ACA (A-1)	Staff Adjustmen ts For 2016- 2017 ACA	8-31-17 Staff Recommend ed Ending Balances
South System: Firm ACA	\$1,026,714	B \$4,118 C \$11,308 D \$(3,425)	\$0	\$1,594	\$1,040,309
Interruptible ACA	\$0	\$0	\$0	\$0	\$0
Take-or-Pay (TOP)	\$0	\$0	\$0	\$0	\$0
Transition Cost (TC)	\$0	\$0	\$0	\$0	\$0
Refund	\$0	\$0	\$0	\$0	\$0

North System: Firm ACA	\$726,843	A \$(13,595) C \$(1,140) D \$1,653	E \$(11,112)	\$(513)	\$702,136
Interruptible ACA	\$0	\$0	\$0	\$0	\$0
Take-or-Pay (TOP)	\$0	\$0	\$0	\$0	\$0
Transition Cost (TC)	\$0	\$0	\$0	\$0	\$0
Refund	\$0	\$0	\$0	\$0	\$0
Northwest System: Firm ACA	\$(275,529)	\$0	\$0	\$0	\$(275,529)
Interruptible ACA	\$0	\$0	\$0	\$0	\$0
Take-or-Pay (TOP)	\$0	\$0	\$0	\$0	\$0
Transition Cost (TC)	\$0	\$0	\$0	\$0	\$0
Refund	\$0	\$0	\$0	\$0	\$0

- (A) Commission Order issued February 16, 2017 in Case No. GR-2016-0099 approving adjusted amounts from 2014-2015 ACA. Empire has not included these adjustments in its 2015-2016 ACA nor in its 2016-2017 ACA filling.
 - A End User Adjustment
 - B "Spot" Market Price Adjustment
 - C Cheyenne Plains Pipeline Reservation Charges Re-Allocation
 - D Demand Charge Allocation
- (A-1) Commission Order issued February 15, 2018 in Case No. GR-2017-0134 approving adjusted amounts from 2015-2016 ACA. Due to the timing of Commission's order, Empire has not included these adjustments in its 2016-2017 ACA.
 - Restates North System 8-31-15 Firm ACA balance to \$323,977 under-recovery as approved in Case No. GR-2016-0099. The Company had filed \$335,089 under-recovery requiring the \$11,112 Staff adjustment.

Staff also offered recommendations regarding Empire's policies and practices. Empire filed a response to Staff's recommendation and memorandum on January 31, 2019, and filed a supplemental response on February 11, 2019. Empire agreed with Staff's recommended balance adjustments. Both Empire and Staff agree that no issues raised by Staff's recommendations require further Commission resolution. The Commission concludes that Staff's recommended ending over/under-recovery balances should be established as Empire's ACA account balances for the 2016-2017 period.

THE COMMISSION ORDERS THAT:

 The ending over/under-recovery balances for The Empire District Electric Company's 2016-2017 Actual Cost Adjustment is established as set forth in the body of this order.

- 2. This order shall become effective on March 22, 2019.
- 3. This case shall be closed on March 23, 2019.



BY THE COMMISSION

Morris L. Woodruff Secretary

Silvey, Chm., Kenney, Hall, Rupp, and Coleman, CC., concur.

Dippell, Senior Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 20th day of February 2019.

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Morris L. Woodruff Secretary

MISSOURI PUBLIC SERVICE COMMISSION February 20, 2019

File/Case No. GR-2018-0122

Missouri Public Service Commission

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,

Morris L. Woodruff

Secretary

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.