BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of The Empire District Gas Company's Purchased Gas Adjustment Tariff Filing

Case No. GR-2025-0137 Tariff No. JG-2025-0062

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and for its Recommendation, states as follows:

1. On November 4, 2024, The Empire District Gas Company d/b/a Liberty ("Empire") filed revised tariff sheets bearing an effective date of December 1, 2024, Tariff File No. JG-2025-0062, and an accompanying cover letter with supporting worksheets. The tariff sheets were filed to reflect changes in Empire's Current Purchased Gas Adjustment ("CPGA") factors as a result of estimated changes in the cost of natural gas. Also included in this filing is the annual change to the Actual Cost Adjustment ("ACA").

2. The Commission issued an order on November 5, 2024, directing Staff to file a recommendation regarding Empire's request and corresponding tariff sheets, Tariff File No. JG-2025-0062, no later than November 14, 2024.

3. Staff has reviewed Empire's filings and determined that the rates in the proposed tariff sheets, Tariff No. JG-2025-0062, were calculated in conformance with Empire's PGA Clause. Staff does not oppose the approval of these tariff sheets on less (30) than thirty davs' notice. Such action is supported by Empire's Commission-approved PGA Clause allowing for ten (10) business days' notice for PGA change filings.

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4. Case No. GR-2025-0137, under which these changes were filed, was established to track Empire's PGA factors to be reviewed in its 2023-2024 ACA filing. These rate changes should be made on an interim basis, subject to refund pending final Commission decisions in this case and ACA Case Nos. GR-2023-0129 (2021-2022 ACA period) and GR-2024-0150 (2022-2023 ACA period).

5. Staff recommends the Commission approve the tariff sheets in Tariff File No. JG-2025-0062, on an interim basis, subject to refund, for service on and after December 1, 2024.

6. Due to the limited time available to review the documentation supporting the ACA factors Empire submitted in this filing, Staff requests the Commission order Staff to submit its results and recommendations regarding the information in this ACA filing to the Commission on or before December 15, 2025.

WHEREFORE, for the foregoing reasons and those stated in Staff's Memorandum attached hereto, Staff recommends that the Commission issue an order approving Empire's tariff sheets filed in Tariff No. JG-2025-0062, on an interim, subject to refund status; and further order Staff to file its recommendation Empire's ACA filing no later than December 15, 2025.

P.S.C. MO. No. 2

22nd Revised Sheet No. 62, Cancelling 21st Revised Sheet No. 62 21st Revised Sheet No. 63, Cancelling 20th Revised Sheet No. 63 21st Revised Sheet No. 65, Cancelling 20th Revised Sheet No. 65

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Respectfully submitted,

/s/ J. Scott Stacev

J. Scott Stacey Deputy Counsel Missouri Bar No. 59027 Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102 573-522-6279 573-751-9285 (Fax) scott.stacey@psc.mo.gov

Attorney for Staff of the Missouri Public Service Commission

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been transmitted by electronic mail to counsel of record this 12th day of November, 2024.

/s/ J. Scott Stacey

MEMORANDUM

- TO: Missouri Public Service Commission Official Case File, Case No. GR-2025-0137, Tariff No. JG-2025-0062 The Empire District Gas Company
- **FROM:** Lisa Schlup, Lead Sr. Utility Regulatory Auditor

<u>/s/ David M. Sommerer 11/12/2024</u> Financial and Business Analysis Div./Date

- SUBJECT: Staff Recommendation for Empire District Gas Company Scheduled Winter PGA/ACA Filing Effective Date December 1, 2024.
- **DATE:** November 12, 2024

On November 4, 2024, The Empire District Gas Company, d/b/a Liberty ("Empire" "EDG" or "Company"), filed three tariff sheets bearing a proposed effective date of December 1, 2024. In addition, Empire filed a single page cover letter and supporting worksheets.

The tariff sheets were filed to reflect changes in Empire's Purchased Gas Adjustment ("PGA") factors as the result of estimated changes in the cost of natural gas for the upcoming winter season and changes in the Actual Cost Adjustment ("ACA") factors.

The cover letter makes the following representations about the pending PGA filing:

As a result of this filing, for the South service area, the effect of these changes will decrease the firm PGA rate from the current \$0.82071 per Ccf (100 cubic feet) to \$0.70364 per Ccf. For the North service area, the effect of these changes will decrease the firm PGA rate from the current \$0.59865 per Ccf to \$0.18554 per Ccf. For the Northwest service area, the effect of these changes will decrease the firm PGA rate from the current \$0.34303 per Ccf to \$0.07986 per Ccf.

On November 5, 2024, the Commission issued its "*Order Directing Staff Recommendation and Setting Time for Responses*". The order directs Staff to file its recommendation no later than November 14, 2024.

Case No. GR-2025-0137, under which these changes were filed, was established to track Empire's natural gas costs to be reviewed in its 2023-2024 ACA filing. These rate changes should be made

MO PSC CASE NO. GR-2025-0137 Tariff No. JG-2025-0062 OFFICIAL CASE FILE MEMORANDUM PAGE 2 of 2

on an interim basis, subject to refund pending final Commission decisions in this case and ACA Case Nos. GR-2023-0129 (2021-2022 ACA period) and GR-2024-0150 (2022-2023 ACA period).

Due to the limited time available to review the documentation supporting the ACA factors submitted in this filing, the Procurement Analysis Department ("PAD") requests permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 15, 2025.

The Staff has verified that the Company has filed its annual report and is not delinquent on any assessment. Staff has reviewed this filing and is not aware of any issue currently pending before the Commission that affects or is affected by this filing, other than those mentioned above.

Staff has reviewed this filing and determined that the rates on the proposed tariff sheets were calculated in conformance with Empire's PGA Clause.

Staff recommends that the following tariff sheets, filed on November 4, 2024, be approved on an interim basis, subject to refund.

The Empire proposed effective date is the date – December 1, 2024– noted on the bottom of the proposed tariff page.

RECOMMENDATION

- 1. Approve the following tariff sheets as filed on November 4, 2024, and effective on December 1, 2024, on an interim basis, subject to refund:
 - a. P.S.C. MO. No. 2, 22nd Revised Sheet No. 62, Canceling 21st Revised Sheet No. 62
 - b. P.S.C. MO. No. 2, 21st Revised Sheet No. 63, Canceling 20th Revised Sheet No. 63
 - c. P.S.C. MO. No. 2, 21st Revised Sheet No. 65, Canceling 20th Revised Sheet No. 65

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

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In the Matter of The Empire District Gas Company's d/b/a Liberty (Empire) Purchased Gas Adjustment Tariff Filing <u>Case No. GR-2025-0137</u> Tariff No. JG-2025-0062

AFFIDAVIT OF LISA SCHLUP

STATE OF MISSOURI)) ss. COUNTY OF COLE)

COMES NOW LISA SCHLUP, and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation, in Memorandum form;* and that the same is true and correct according to her best knowledge and belief, under penalty of perjury.

Further the Affiant sayeth not.

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 124, day of November 2024.

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2027 Commission Number: 15207377

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