BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

| n the Matter of The Empire District |) | |
|-------------------------------------------------------------------------|---|-------------------------|
| Gas Company d/b/a Liberty's Turchased Gas Adjustment Tariff Iling |) | Case No. GR-2026-0118 |
| |) | Tariff No. JG-2026-0067 |

STAFF RECOMMENDATION

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

- 1. On November 4, 2025, The Empire District Gas Company d/b/a Liberty ("Empire") filed revised tariff sheets bearing an effective date of December 1, 2025, Tariff File No. JG-2026-0067, 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, 2025, directing Staff to file a recommendation regarding Empire's request and corresponding tariff sheets, Tariff File No. JG-2026-0067, no later than November 19, 2025.
- 3. On November 7, 2025, Empire filed a substitute tariff sheet (23rd Revised Sheet No. 62) under JG-2026-0067 to address a decimal error noted by Staff. Empire also submitted a single cover letter to explain the reason for the substitution.
- 4. Staff has reviewed Empire's filings and determined that the rates in the proposed tariff sheets and substitute tariff sheet, Tariff No. JG-2026-0067,

were calculated in conformance with Empire's PGA Clause. Staff does not oppose the approval of these tariff sheets on less than thirty (30) days' notice. Such action is supported by Empire's Commission-approved PGA Clause allowing for ten (10) business days' notice for PGA change filings.

- 5. Case No. GR-2026-0118, under which these changes were filed, was established to track Empire's PGA factors to be reviewed in its 2024-2025 ACA filling. These rate changes should be made on an interim basis, subject to refund pending final Commission decisions in this case and ACA Case No. GR-2025-0137 (2023-2024 ACA period).
- 6. Staff recommends the Commission approve the tariff sheets and substitute tariff sheet in Tariff File No. JG-2026-0067, on an interim basis, subject to refund, for service on and after December 1, 2025.
- 7. 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, 2026.

WHEREFORE, for the foregoing reasons and those stated in Staff's Memorandum attached hereto and incorporated by reference herein, Staff recommends that the Commission issue an order approving Empire's tariff sheets and substitute tariff sheet filed in Tariff No. JG-2026-0067, on an interim, subject to refund status; and further order Staff to file its recommendation Empire's ACA filing no later than December 15, 2026.

P.S.C. MO. No. 2

23rd Revised Sheet No. 62, Cancelling 22nd Revised Sheet No. 62- as substituted 22nd Revised Sheet No. 63, Cancelling 21st Revised Sheet No. 63 22nd Revised Sheet No. 65, Cancelling 21st Revised Sheet No. 65 Respectfully submitted,

/s/ J. Scott Stacev

J. Scott Stacey
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ATTORNEY FOR STAFF OF THE 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 17th day of November, 2025.

/s/ J. Scott Stacey

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,

Case No. GR-2026-0118, Tariff No. JG-2026-0067

The Empire District Gas Company

FROM: Lisa Schlup, Lead Sr. Utility Regulatory Auditor

/s/ David M. Sommerer 11/17/2025 Financial and Business Analysis Div./Date

SUBJECT: Staff Recommendation for Empire District Gas Company Scheduled Winter

PGA/ACA Filing Effective Date December 1, 2025

DATE: November 17, 2025

On November 4, 2025, 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, 2025. In addition, Empire filed a single page cover letter and supporting worksheets. On November 7, 2025, Empire filed a substitute tariff sheet to correct a decimal error. This substitute tariff sheet submitted bears the same issue and proposed effective dates as the originally filed tariff sheet.

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 increase the firm PGA rate from the current \$0.70364 per Ccf (100 cubic feet) to \$0.80827 per Ccf. For the North service area, the effect of these changes will increase the firm PGA rate from the current \$0.18554 per Ccf to \$0.34318 per Ccf. For the Northwest service area, the effect of these changes will increase the firm PGA rate from the current \$0.07986 per Ccf to \$0.42032 per Ccf."

There is a significant increase in the proposed Total PGA rates for the Northwest Region due to the elimination of a large credit that was part of the existing rates. This credit related to a refund from a FERC regulated interstate pipeline that the Company had credited to rates over the past year. The impact of removing this one-time FERC-related refund for the ongoing total PGA rates was a significant increase for this district.

MO PSC CASE NO. GR-2026-0118

Tariff No. JG-2026-0067

OFFICIAL CASE FILE MEMORANDUM

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On November 5, 2025, 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 19, 2025.

Case No. GR-2026-0118, under which these changes were filed, was established to track Empire's

natural gas costs to be reviewed in its 2024-2025 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 GR-2025-0137 (2023-2024 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, 2026. The ACA procedure involves a review of and

true-up to the actual gas costs incurred.

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 is of the opinion that good cause

for approval of these tariff sheets on less than thirty (30) days' notice is demonstrated by Empire's

Commission-approved PGA clause allowing PGA changes with a notice of ten (10) business days

unless the Company has elected a longer notice period, not to exceed thirty days. Therefore, Staff

recommends that the following tariff sheets, filed on November 4, 2025, as substituted on

November 7, 2025, be approved on an interim basis, subject to refund:

P.S.C. MO. No. 2, 23rd Revised Sheet No. 62, Canceling 22nd Revised Sheet No. 62

P.S.C. MO. No. 2, 22nd Revised Sheet No. 63, Canceling 21st Revised Sheet No. 63

P.S.C. MO. No. 2, 22nd Revised Sheet No. 65, Canceling 21st Revised Sheet No. 65

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

| In the Matter of The Empire District Gas Company d/b/a Liberty's Purchased Gas Adjustment Filing | | |) | <u>Case No. GR-2026-0118</u> Tracking No. JG-2026-0067 | | |
|--------------------------------------------------------------------------------------------------------|-----|-----|---|-----------------------------------------------------------|--|--|
| AFFIDAVIT OF LISA SCHLUP | | | | | | |
| STATE OF MISSOURI |)) | ss. | | | | |

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.

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 ______ day of November 2025.

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

Notary Public