

*Exhibit No.:*  
*Issues:* Miscellaneous Expenses,  
Governmental Affairs and  
Lobbying  
*Witness:* Sarah B. Sharpe  
*Sponsoring Party:* MoPSC Staff  
*Type of Exhibit:* Rebuttal Testimony  
*Case No.:* GR-2014-0152  
*Date Testimony Prepared:* July 30, 2014

**MISSOURI PUBLIC SERVICE COMMISSION**

**REGULATORY REVIEW DIVISION**

**UTILITY SERVICES - AUDITING**

**REBUTTAL TESTIMONY**

**OF**

**SARAH B. SHARPE**

**LIBERTY UTILITIES (MIDSTATES NATURAL GAS) CORP.  
d/b/a LIBERTY UTILITIES**

**CASE NO. GR-2014-0152**

*Jefferson City, Missouri  
July 2014*

PSC Exhibit No. 37  
Date 9 8 14 Reporter SSP  
File No. \_\_\_\_\_

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MISCELLANEOUS EXPENSES ..... 2  
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1 after review by Staff, the additional data has warranted changes to not only the adjustments to  
2 miscellaneous expenses, but to governmental affairs and lobbying.

3 **MISCELLANEOUS EXPENSES**

4 Q. What changes has Staff made to its adjustments for miscellaneous expenses?

5 A. Staff received a response to Staff Data Request No. 254 on June 9, 2014, which  
6 contained additional detailed data explaining Liberty Utilities (Midstates Natural Gas) Corp.  
7 d/b/a Liberty Utilities' ("Liberty Utilities" or "Company") costs related to employee expense  
8 reports and company credit card charges. After reviewing the additional data, Staff has made  
9 additional adjustments to its cost of service calculations to remove charges related to holiday  
10 parties and non-Missouri utility related travel. These adjustments are to remove costs for items  
11 which provide no ratepayer benefit.

12 **GOVERNMENTAL AFFAIRS AND LOBBYING**

13 Q. Has Staff made changes to its adjustments for governmental affairs and lobbying  
14 expenses incurred by Liberty Utilities?

15 A. Yes. As a result of Staff's review of the response to Staff Data Request No. 254  
16 received on June 9, 2014, Staff has made changes to its disallowance adjustments related to  
17 governmental affairs and lobbying. The review of the new data revealed additional  
18 Liberty Utilities' expenses related to lobbying activities. As Staff stated in its Report, the  
19 disallowance of these amounts is consistent with Staff's treatment of this type of cost in other  
20 rate cases; therefore, Staff made an additional adjustment to disallow these lobbying activities.

21 Q. Does this conclude your rebuttal testimony?

22 A. Yes, it does.

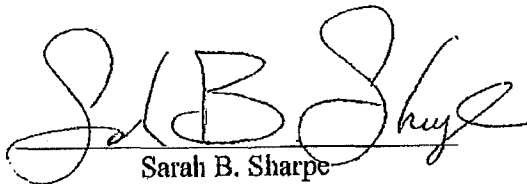
**BEFORE THE PUBLIC SERVICE COMMISSION**  
**OF THE STATE OF MISSOURI**

In the Matter of Liberty Utilities (Midstates )  
Natural Gas) Corp. d/b/a Liberty Utilities' )                      Case No. GR-2014-0152  
Tariff Revisions Designed To Implement a )  
General Rate Increase for Natural Gas Service )  
in the Missouri Service Areas of the Company )

AFFIDAVIT OF SARAH B. SHARPE

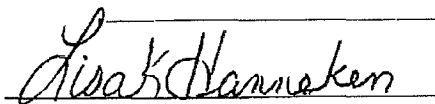
STATE OF MISSOURI        )  
  )              ss.  
COUNTY OF ST LOUIS    )

Sarah B. Sharpe, of lawful age, on her oath states: that she has participated in the preparation of the foregoing Rebuttal Testimony in question and answer form, consisting of 2 pages to be presented in the above case; that the answers in the foregoing Rebuttal Testimony were given by her; that she has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of her knowledge and belief.

  
Sarah B. Sharpe

Subscribed and sworn to before me this 29<sup>th</sup> day of July, 2014.

**LISA K. HANNEKEN**  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Franklin County  
My Commission Expires: April 29, 2018  
Commission Number: 14987138

  
Notary Public