

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

In the Matter of the Application of Liberty)	
Utilities (Midstates Natural Gas) Corp.)	
d/b/a Liberty to Change its)	File No. GT-2023-0229
Infrastructure System Replacement)	
Surcharge)	

RESPONSE TO COMMISSION ORDER

COMES NOW Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty (the “Company” or “Liberty”), and pursuant to the Commission’s *Order and Notice* issued in this matter on March 22, 2023, submits this Response to Commission Order regarding the recommendation filed in this case by the Staff of the Commission (“Staff”) on June 15, 2023.

1. The Staff Recommendation describes Staff’s examination and investigation of Liberty’s Verified Application, supporting documentation, and data regarding Liberty’s proposed changes to its Infrastructure System Replacement Surcharge (“ISRS”).

2. In the Recommendation, Staff proposes three rate base adjustments. The first recommends exclusion of invoices for sewer inspections and sewer line repairs. The second is to remove subcontractor markups on specific invoices. Thirdly, Staff recommends exclusion of corporate overheads related to the sewer costs and markups (items one and two). These three adjustments result in a recommended reduction of \$96,324 from the Company’s proposed ISRS rate base of \$9,905,635. Additionally, Staff proposes an adjustment to remove property tax associated with retired plant.

3. Lastly, the Staff Recommendation requests that Liberty be directed to preserve the same data and information that was provided to certain external parties regarding overhead capitalization, with the data and information to be provided for Staff’s review in Liberty’s next rate case.

4. Liberty accepts Staff's suggested adjustments, rates, and other recommendations. The Company looks forward to working with Staff in the next rate case regarding Staff's review of Liberty's cost allocation and capitalization processes.

WHEREFORE, Liberty respectfully requests that the Commission accept this Response to Commission Order and, thereafter, issue an order consistent with the Staff Recommendation.

Respectfully submitted,

/s/ Diana C. Carter

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CERTIFICATE OF SERVICE

I hereby certify that the above document was filed in EFIS on this 26th day of June, 2023, and sent by electronic transmission to the Staff of the Commission and the Office of the Public Counsel.

/s/ Diana C. Carter