

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

The Staff)	
of the Missouri Public Service Commission,)	
)	
Complainant,)	
)	
v.)	<u>Case No. GC-2015-</u>
)	
Liberty Energy (Midstates) Corp.)	
d/b/a Liberty Utilities)	
)	
Respondent.)	

COMPLAINT

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its Complaint pursuant to Section 386.390 RSMo 2000¹ hereby states:

Introduction

1. This Complaint concerns the discontinuance of residential natural gas service without notice in violation of Commission Rule 4 CSR 240-13.050. Liberty Energy (Midstates) d/b/a Liberty Utilities ("Liberty Utilities" or "Company") disconnected gas service to 55 of its customers without notice on or about March 2, 2015.

Complainant

2. The Complainant in this matter is the Staff of the Missouri Public Service Commission, acting through staff counsel pursuant to Commission Rule 4 CSR 240-2.070(1).

¹ Unless otherwise specified, all statutory references are to the Revised Statutes of Missouri ("RSMo"), revision of 2000, as amended.

Respondent

3. Respondent Liberty Energy (Midstates) d/b/a Liberty Utilities is a Missouri corporation with its principal office at 2370 N. High Street, Suite 1, Jackson, Missouri 63755. Liberty Utility's registered agent is CT Corporation System, 120 South Central Avenue, Clayton, Missouri 63105. Liberty Utilities is a wholly-owned subsidiary of Liberty Utilities Company, and an indirect subsidiary of Algonquin Power & Utilities Corp. Respondent Liberty Utilities provides retail natural gas service to approximately 55,000 customers in northeast, western, and southeastern Missouri.

Jurisdiction

4. By virtue of the activities described in Paragraph 3 above, Respondent Liberty Utilities is a "gas corporation" as defined in Section 386.020(18) and a "public utility" as defined in Section 386.020(43), and therefore Liberty Utilities is subject to the jurisdiction of the Missouri Public Service Commission and subject to the provisions of Chapters 386 and 393 RSMo.

Powers of the Commission

5. Pursuant to Sections 386.250.1 RSMo and 393.140.1 RSMo, the Commission is charged with the supervision and regulation of public utilities engaged in the retail sale of natural gas service, and the Commission is authorized to promulgate rules for this purpose. The Commission has duly promulgated rules governing utility service and billing practices at 4 CSR 240 Chapter 13.

6. Section 386.390 RSMo authorizes the Commission to hear complaints, made in writing, "setting forth any act or thing done or omitted to be done by any

corporation, person, or public utility... in violation, or claimed to be in violation, of any provision of law, or of any rule or order or decision of the commission..."

7. Section 386.570.1 authorizes the Commission to impose penalties upon a public utility that fails to comply with any rule of the Commission.

8. Section 393.140.2 authorizes this Commission to investigate the methods employed in distributing gas and to order "such reasonable improvements as will best promote the public interest."

Facts

9. On or about March 2, 2015, Liberty Utilities discontinued natural gas service to 55 of its residential customers without providing notices to those customers of the pending disconnection.

10. On March 3, Staff received an informal complaint from one of the customers whose service had been disconnected without notice.

11. Staff contacted the Company to investigate the customer complaint, and Liberty Utilities informed Staff the customers were delinquent and scheduled for disconnection, but the Company did not send the notices due to an internal error. Liberty Utilities subsequently informed Staff that the Company had restored service to all but 6 of the 55 customers. Liberty Utilities also stated that it had identified and remedied the error.

Count I

12. Commission Rule 4 CSR 240-13.050(5) provides that "[a]n electric, gas, or water utility shall not discontinue residential service... unless written notice by first class mail is sent to the customer at least ten (10) days prior to the date of the proposed

discontinuance.” Rule 4 CSR 240-13.050(8) also provides that “at least twenty-four (24) hours preceding discontinuance, a utility shall make reasonable efforts to contact the customer to advise the customer of the proposed discontinuance and what steps must be taken to avoid it.”

13. By its actions on or about March 2, 2015, as described above, Liberty Utilities failed to comply with the Commission’s Rule 4 CSR 240-13.050 by failing to provide notice to 55 customers prior to discontinuance of service as required by the rule.

14. The Company responded promptly to address the mistake, and therefore Staff is not requesting that the Commission impose penalties on the Company in this matter. However, the Company should ensure that such an error does not happen in the future. Therefore, Staff recommends the Commission order Liberty Utilities to explain how the error occurred and how it has been addressed.

WHEREFORE, Staff recommends the Commission provide service and notice as required by Section 386.390 RSMo and Commission Rule 4 CSR 240-2.070, and, after allowing the Company to respond, schedule a hearing if necessary to determine whether a rule violation occurred as stated in Count I of this Complaint. If the Commission determines that a violation occurred, Staff does not recommend that the Commission impose a penalty on Liberty Utilities. Instead, Staff recommends the Commission order Liberty Utilities to identify and fully explain how this error occurred, and fully explain the steps it has taken to prevent the error from happening again.

Respectfully Submitted,

/s/ John D. Borgmeyer

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CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 9th day of March, 2015.

/s/ John D. Borgmeyer