

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

In the Matter of Liberty Energy (Midstates) Corp.	)	
d/b/a Liberty Utilities' Purchased Gas	)	<b><u>File No. GR-2014-0060</u></b>
Adjustment Tariff Filing.	)	Tariff No. YG-2014-0196

**STAFF RECOMMENDATION TO APPROVE ADJUSTMENT TO PGA RATE**

**COMES NOW** the Staff ("Staff") of the Missouri Public Service Commission ("Commission"), by and through counsel, and in response to the Commission's October 29, 2013, *Order Establishing Time To File Recommendation*, hereby states:

1. On October 28,<sup>1</sup> Liberty Utilities ("Liberty" or "Company") filed a tariff sheet that would make a change in the Company's Purchased Gas Adjustment (PGA). On October 30, the Company filed a substitute tariff sheet to correct a minor error. The tariff has a proposed effective date of November 14.

2. The Commission directed Staff to file a recommendation on the Liberty tariff by November 7. The Commission also established a deadline date of November 7 for any other party wishing to file a recommendation.

3. As explained in Staff's *Memorandum*, attached hereto as Appendix A and incorporated by reference, the tariff sheet implements changes to the PGA factors that apply to Liberty's service areas. The PGA factors reflect the Company's estimated changes in the cost of natural gas (Regular PGA or RPGA) for the upcoming winter heating season (November 2013 through March 2014).

4. Liberty's proposed tariff sheet also reflects changes in the Actual Cost Adjustment (ACA) factor for the upcoming winter heating season. The changes in the ACA factor reflect Liberty's calculation of under- or over-recovery of gas costs during

---

<sup>1</sup> All dates herein refer to calendar year 2013, unless otherwise noted.

the most recent ACA period. Staff will investigate and make recommendations regarding the information included in this ACA filing to the Commission on or before December 19, 2014.

5. Case No. GR-2014-0060, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2012-2013 ACA filing. Case No. GR-2012-0129 was established to track the Company's PGA factors to be reviewed in its 2011-2012 ACA filing.

6. Staff found that the rate changes requested in this filing were calculated in conformance with Liberty's PGA clause, and therefore these rate changes should be approved on an interim basis, subject to refund status pending a final Commission decision in ACA Case Nos. GR-2014-0060 and GR-2012-0129. Otherwise, Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

7. Staff is of the opinion that good cause for approval of this tariff sheet on less than thirty (30) days' notice is demonstrated by Liberty's Commission-approved PGA clause allowing for ten (10) business days' notice for PGA change filings.

**WHEREFORE**, Staff recommends that the following tariff sheet be approved on an interim basis, subject to refund:

P.S.C. MO. No. 2

19<sup>th</sup> Revised Sheet No. 44, Cancelling 18<sup>th</sup> Revised No. 44

Respectfully Submitted,

**STAFF OF THE MISSOURI  
PUBLIC SERVICE COMMISSION**

**/s/ Akayla J. Jones**

Akayla J. Jones  
Legal Counsel  
Missouri Bar No. 64941

Attorney for the Staff of the  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, Missouri 65102  
Telephone: (573) 526-6036  
Fax: (573) 751-9285  
Email: akayla.jones@psc.mo.gov

**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 5<sup>th</sup> day of November, 2013.

**/s/ Akayla J. Jones**

**MEMORANDUM**

TO: Missouri Public Service Commission Official Case File,  
Case No. GR-2014-0060, File No. YG-2014-0196  
Liberty Utilities

FROM: Kim Cox, Energy Unit- Tariff, Safety, Economic and Engineering Analysis  
Department

/s/ Thomas M. Imhoff 11/05/13                      /s/ Akalya J. Jones 11/05/13  
Energy Unit/Date    Staff Counsel's Office/Date

SUBJECT: Staff Recommendation for Liberty Utilities' Winter PGA Filing Effective  
November 14, 2013

DATE: November 5, 2013

On October 28, 2013, Liberty Utilities (Liberty or Company) of Jackson, Missouri, filed a tariff sheet requesting an effective date of November 14, 2013. This tariff sheet was filed to reflect changes in Liberty's PGA factors as a result of estimated changes in the cost of natural gas for the upcoming winter heating season and changes in the Company's ACA factor. On October 30, 2013, the Company filed a substitute sheet to correct a minor error. In accordance with Liberty's tariffs, the winter heating season includes the months of November through March. This system was formerly operated as Atmos Energy Corp.

For the Liberty West Area (WEMO) including Butler, Rich Hill and Hume served by Panhandle Eastern Pipe Line Company (PEPL) and Southern Star Central Gas Pipeline Company (SCC), the effect of this change will be to increase the firm PGA rate from the current \$0.44912 per Ccf (100 cubic feet) to \$0.49373 per Ccf. This represents a \$0.04461 per Ccf increase.

For the Liberty Kirksville Area including Kirksville and Lancaster, served by the ANR Pipeline Company (ANR), the effect of these changes will increase the firm PGA rate from the current \$0.52046 per Ccf to \$0.59464 per Ccf. This represents a \$0.07418 per Ccf increase.

For the Liberty Northeast Area (NEMO) including Hannibal, Canton, Bowling Green and Palmyra or Combined District served by the PEPL, the effect of this change will be to increase the firm PGA rate from the current \$0.45687 per Ccf to \$0.53588 per Ccf. This represents a \$0.07901 per Ccf increase.

For the Liberty Southeast Area (SEMO) including Jackson, Charleston, New Madrid, Caruthersville, Neelyville and Kennett, served by the Natural Gas Pipeline Company of America, Texas Eastern Pipeline Company, Mississippi River Transmission, and Ozark Gas Transmission, the effect of these changes will increase the firm PGA rate from the current \$0.56741 per Ccf to \$0.57302 per Ccf. This represents a \$0.00561 per Ccf increase.

Case No. GR-2014-0060, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2012-2013 ACA filing. Case No. GR-2012-0129 was established to track the Company's PGA factors to be reviewed in its 2011-2012 ACA filing. This rate change should be on an interim, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2014-0060 and GR-2012-0129.

Due to the limited time available to review the documentation supporting the ACA factor represented in this filing, the Procurement Analysis Unit (PAU) has requested permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 19, 2014.

Staff has verified that the Company has filed its annual report and is not delinquent on any assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

Staff has reviewed this filing and has determined that it was calculated in conformance with Liberty's PGA Clause. Staff is of the opinion that good cause for approval of this tariff sheet on less than thirty (30) days notice is demonstrated by Liberty's Commission-approved PGA clause allowing for ten (10) business days notice for PGA change filings. Therefore, Staff recommends that the following tariff sheet be approved, interim, subject to refund:

P.S.C. MO. No. 2

---

19<sup>th</sup> Revised Sheet No. 44, Cancelling 18<sup>th</sup> Revised No. 44

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

In the Matter of Liberty Energy            )  
(Midstates) Corp. d/b/a Liberty Utilities'    )  
Purchased Gas Adjustment Tariff Filing.    )            File No. GR-2014-0060

**AFFIDAVIT OF KIM COX**

STATE OF MISSOURI    )  
  ) ss  
COUNTY OF COLE     )

Kim Cox, of lawful age, on oath states: that she has participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was given by her; that she has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of her knowledge and belief.

  
\_\_\_\_\_  
Kim Cox

Subscribed and sworn to before me this 5<sup>th</sup> day of November, 2013.

SUSAN L. SUNDERMEYER  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Callaway County  
My Commission Expires: October 03, 2014  
Commission Number: 10942086

  
\_\_\_\_\_  
Notary Public