BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Liberty Utilities)	Case No. GT-2021-0273
(Midstates Natural Gas) Corp. d/b/a Liberty)	Tariff File No. JG-2021-0162
(MNG) Filing of its Revised Weather)	
Normalization Adjustment Rider Tariff)	

STAFF RECOMMENDATION FOR APPROVAL OF TARIFF SHEETS REGARDING THE LIBERTY (MNG) WEATHER NORMALIZATION ADJUSTMENT RIDER (WNAR)

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its *Staff Recommendation for Approval of Tariff Sheets Regarding The Liberty (MNG) Weather Normalization Adjustment Rider (WNAR)* ("Liberty" or "Company") ("Recommendation") states as follows:

- 1. On February 26, 2021, Liberty filed four tariff sheets to adjust its WNAR rates with a requested effective date of April 1, 2021. That same day, Liberty filed its first substitution of its originally filed four tariff sheets as ordered by the Commission. On March 1, 2021, the Commission directed Staff to file a recommendation on the pending tariff sheets no later than March 12, 2021. On March 10, 2021, Liberty filed its second set of substitute tariff sheets. On March 12, 2021, Liberty filed its third set of substitute tariff sheets to address errors in its calculation of the reconciliation. Staff's Recommendation is based on the third set of substituted tariff sheets and the accuracy presumed therein.
- 2. The WNAR tariff sheets are designed to reflect the April rate adjustment made pursuant to Liberty's WNAR for the six month period ending March 31, 2021. The rates are calculated semi-annually to adjust for heating degree days as they differ from the normal levels of heating degree days and are effective for 12 months.

- 3. Because the previous CSWNA (Current Semiannual Weather Normalization Adjustment) period experienced cooler weather than normal in Liberty's rate districts, the proposed rates are less positive in the Northeast and West rate districts and less positive in Southeast rate district. This means a residential customer that used 100 Ccf of natural gas in a given billing month would see an approximate \$0.64 decrease in their bill from the currently effective WNAR rate if located in the Northeast or West rate districts. Likewise, a residential customer in the Southeast rate district using 100 Ccf of gas would see an approximate \$0.50 decrease in their bill from the currently effective WNAR rate.
- 4. As further explained in the attached Recommendation memorandum, Staff has reviewed the following tariff sheets as initially substituted by Liberty on February 26, 2021; substituted again on March 10, 2021; and substituted again on March 12, 2021, to go into effect for service on and after April 1, 2021, the requested effective date. Staff recommends approval of:

P.S.C. MO. No. 2

6th Revised Sheet No. 67.3 Cancelling 5th Revised Sheet No. 67.2 6th Revised Sheet No. 67.3 Cancelling 5th Revised Sheet No. 67.3

6th Revised Sheet No. 67.4 Cancelling 5th Revised Sheet No. 67.4

6th Revised Sheet No. 67.5 Cancelling 5th Revised Sheet No. 67.5

WHEREFORE, as set forth above and in Staff's Recommendation memorandum, Staff recommends the Commission issue an order approving the WNAR tariff sheets filed by Liberty as substituted on March 12, 2021, and to go into effect as requested for service on April 1, 2021.

Respectfully submitted,

/s/ Robert S. Berlin

Robert S. Berlin, Deputy Staff Counsel MOBAR#51709

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record this 12th day of March, 2021.

/s/ Robert S. Berlin

MEMORANDUM

TO: Missouri Public Service Commission Official Case File

File No. GT-2021-0273, Tariff Tracking No. JG-2021-0162

Liberty Utilities

FROM: Joel McNutt, Economics Analyst, Tariff/Rate Design Department

<u>/s/ Robin Kliethermes</u> 4/1/2021 <u>/s/ Bob Berlin</u> 4/1/2021 Tariff/Rate Design Dept. / Date Staff Counsel Division / Date

SUBJECT: Staff Recommendation for the **Approval** of the Tariff Sheets Filed by

Liberty Utilities to adjust its Weather Normalization Adjustment Rider

to go into effect on April 1, 2021.

DATE: March 12, 2021

On February 26, 2021, Liberty Utilities filed four tariff sheets to adjust its weather normalization adjustment rider (WNAR) rates with a requested effective date of April 1, 2021. On February 26, 2021, Liberty Utilities filed four substitute tariff sheets as ordered by the Commission. On March 1, 2021, the Commission directed Staff to file a recommendation on the pending tariff no later than March 12, 2021. On March 10, 2021 Liberty Utilities filed a second set of substitute tariff sheets. On March 12, 2021 Liberty Utilities filed a third set of substitute tariff sheets to address errors in the calculation of the reconciliation.

Liberty's WNAR became effective on July 1, 2018. The purpose of the tariff is to adjust revenues for differences between actual heating degree days (AHDD) and normal heating degree days (NHDD). This is Liberty's sixth WNAR filing. Liberty's current and proposed rates are included in Table 1 below.

Table 1: Current and Proposed WNAR Rates by District and Class.

	Current		Proposed		
District	Residential	SGS	Residential	SGS	
Northeast and West	0.01631	0.00837	0.0097	0.00479	
Southeast	0.02457	0.00841	0.01954	0.00632	

Because the previous CSWNA (Current Semiannual Weather Normalization Adjustment) period experienced cooler weather than normal in Liberty's rate districts, the proposed rates are less positive in the Northeast and West rate districts and less positive in Southeast rate district. This means a residential customer that used 100 ccf in a given billing month would see an approximate \$0.64 decrease in their bill from the currently effective WNAR rate if located in the Northeast or West rate districts, and an approximate \$0.50 decrease in their bill from the currently effective WNAR rate if located in the Southeast district.

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Staff Recommendation

Staff has reviewed the following tariff sheets, as first substituted on February 26, 2021, substituted again on March 10, 2021, and recommends approval of the following tariff sheets, as substituted again on March 12, 2021, to go into effect for service on and after April 1, 2021, the requested effective date:

P.S.C. MO. No. 2

6th Revised Sheet No. 67.3 Cancelling 5th Revised Sheet No. 67.2

6th Revised Sheet No. 67.3 Cancelling 5th Revised Sheet No. 67.3

6th Revised Sheet No. 67.4 Cancelling 5th Revised Sheet No. 67.4

6th Revised Sheet No. 67.5 Cancelling 5th Revised Sheet No. 67.5

Staff has verified that Liberty Utilities has filed its Annual Report. Staff is not aware of any other matter pending before the Commission that affects or is affected by this tariff filing.

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Liberty Uti Corp. d/b/a Liberty (MNG) Normalization Adjustment))	<u>File No. GT-2021-0273</u>				
AFFIDAVIT OF JOEL MCNUTT						
STATE OF MISSOURI)					
COUNTY OF COLE) ss)					

COMES NOW, Joel McNutt, and on his oath declares that he is of sound mind and lawful age; that he contributed to the attached *Staff Recommendation* in Memorandum form; and that the same is true and correct according to his best knowledge and belief, under penalty of perjury.

Further the Affiant sayeth not.

/s/ Joel McNutt
Joel McNutt