

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

In the Matter of Liberty Utilities (Midstates)
Natural Gas) Corp.’s Application for Authority) Case No. GF-2023-0280
to Issue Long Term Unsecured Debt)

LIBERTY’S RESPONSE TO STAFF RECOMMENDATION

COMES NOW Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty (“Liberty” or the “Applicant”) and submits this Response to Staff Recommendation regarding Liberty’s Application for Authority to Issue Long Term Unsecured Debt (“Application”). In this regard, Liberty respectfully states as follows to the Missouri Public Service Commission (“Commission”):

1. On May 19, 2023, Liberty filed an Amended Financing Application and Request for Waiver (“Application”) with the Commission pursuant to § 393.200, RSMo, and 20 CSR 4240-2.060, 2.080, and 10.125.

2. On June 16, 2023, the Staff of the Commission (“Staff”) filed a Staff Recommendation describing Staff’s examination and investigation of Liberty’s verified application, supporting documentation, and data regarding Liberty’s proposed Financing Application.

3. Staff recommends approval of the Application as not being detrimental to the public interest, subject to the following eight conditions:

a. that nothing in the Commission’s order shall be considered a finding by the Commission of the value of this transaction for rate making purposes,

b. that the Company shall file with the Commission within 30 days of issuance of any financing authorized pursuant to a Commission order in this proceeding, a report including the amount of the unsecured indebtedness issued, date of issuance, interest rate (initial rate if variable), maturity date, redemption schedules or special terms, if any, use of proceeds, estimated expenses, and loan or indenture agreement concerning each issuance. In addition, the Company shall also provide the ledger entries for each company for each issuance;

c. that the Company shall file with the Commission through its electronic filing and information system (“EFIS”) any information concerning communication with credit rating agencies concerning this issuance;

d. that the Company shall file with the Commission as a non-case related submission in EFIS under “Resources” - “Non-Case Related Query” - “Ordered Submission” any credit rating agency reports published on Liberty Midstates’ or LUCo’s corporate credit quality or the credit quality of its securities;

e. that the Company be required to file a five-year capitalization expenditure schedule in future finance cases;

f. that, to the extent that any non-regulated investments made by the Company or LUCo and affiliated companies may potentially impact the Company’s credit quality and resulting credit ratings, the Company shall notify Staff of such possibility and provide a status report to the Commission;

g. that the Commission’s grant of authority shall expire three years from the effective date of the order in this proceeding; and

h. that the Commission not approve a specific “placement fee” in this finance case, and that any ratemaking treatment involving a “placement fee” or the amortization thereof shall be determined in future rate proceedings.

4. Liberty consents to and agrees with Staff’s recommended conditions (a)-(c), (e), and (g)-(h). Liberty also consents to and agrees with condition (d), provided it applies to this issuance as suggested in condition (c).

5. Liberty, however, objects to recommended condition (f). The Applicant is not rated (it does not have its own credit rating). Further, Liberty would be unable to determine when an action of an affiliate could potentially have any impact on the Applicant’s “credit quality.” This suggested condition is not specific to this issuance and is overly broad. Imposition of this suggested condition is not required in order for the Commission’s grant of the Application to not be contrary to the public interest.

WHEREFORE, Liberty respectfully submits this Response to Staff Recommendation and requests such relief as is just and proper under the circumstances.

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 7th day of July, 2023, and sent by electronic transmission to all counsel of record.

/s/ Diana C. Carter