

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

In the Matter of the Verified Application and)
Petition of Liberty Energy (Midstates) Corp.) Case No. GO-2014-0006
d/b/a Liberty Utilities to Change its Infrastructure) Tracking No. YG-2014-0004
System Replacement Surcharge.)

**LIBERTY UTILITIES' NOTICE OF AGREEMENT
WITH STAFF RECOMMENDATION**

COMES NOW Liberty Energy (Midstates) Corp. d/b/a Liberty Utilities ("Liberty Utilities" or "Liberty"), pursuant to Commission Rule 4 CSR 240-2.080(13), and submits its Notice of Agreement With Staff Recommendation. In support thereof, Liberty Utilities respectfully states as follows:

1. On September 3, 2013, the Commission Staff ("Staff") filed a Staff Recommendation that described Staff's examination and investigation of Liberty Utilities' Verified Application and Petition, supporting documentation and data regarding Liberty Utilities' proposed increase to its existing Infrastructure System Replacement Surcharge ("ISRS").

2. The Staff Recommendation was responsive to the Commission's July 30, 2013 *Order Directing Filing of Staff Report*, and Commission Rule 4 CSR 240-3.265(11) which states in part that "[t]he staff of the commission may examine the information of the natural gas utility provided pursuant to this rule and sections 393.1009 to 393.1015, RSMo, to confirm the underlying costs and proper calculation of the proposed ISRS, and

may submit a report regarding its examination to the commission not later than sixty (60) days after the natural gas utility files its petition.”

3. Based upon its investigation, the Staff recommends that the Commission issue an Order that:

1. Rejects the ISRS tariff sheet (YG-2014-0004) filed by Liberty on July 2, 2013;
2. Approves Staff’s determination of the incremental ISRS surcharge revenues in the amount of annual pre-tax revenues of \$606,978, consisting of \$31,863 for the WEMO district, \$188,304 for the SEMO District, and \$386,811 for the NEMO District;
3. Authorizes Liberty to file an ISRS rate for each customer class as reflected in Appendix B (of the Staff Recommendation); and
4. Approves Liberty’s request for waiver of 4 CSR 240-4.020(2).

4. At Paragraph 8 of its Recommendation, Staff states:

Staff would note that Staff is currently awaiting further documentation from Liberty regarding the eligibility of certain of the infrastructure replacement costs included in Liberty’s Application. At this time, Staff has not made any adjustments based on eligibility of the infrastructure replacements costs for this ISRS Application. However, should Staff’s review of the forthcoming documentation reveal new information which would preclude some of the costs from being included in Staff’s calculations, an additional filing by Staff in this case may be made to address those items.

5. Liberty Utilities has provided the above-referenced documentation requested by Staff. At this time, having reviewed the September 3, 2013 Staff Recommendation and its attached Appendices, Liberty Utilities hereby notifies the Commission that, subject to reservation regarding any additional filing by Staff as described above, it is in agreement with the rates recommended therein.

WHEREFORE, Liberty Utilities respectfully submits its Notice of Agreement
With Staff Recommendation in this matter.

Respectfully submitted,

/s/ Larry W. Dority

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Attorneys for Liberty Energy (Midstates)
Corp. d/b/a Liberty Utilities

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing pleading
was served on all counsel of record on this 13th day of September, 2013 by hand-delivery,
fax, electronic or regular mail.

/s/ Larry W. Dority
Larry W. Dority