

Exhibit No.: _____
Issue: School Transportation Program Tariff Rate Design
Witness: Louie R. Ervin II
Exhibit Type: Surrebuttal
Direct Sponsoring Party: Missouri School Boards Association Case No.: GR-2021-0320
Date: April 11, 2022

MISSOURI PUBLIC SERVICE COMMISSION

CASE No. GR-2021-0320

SURREBUTTAL TESTIMONY

OF

LOUIE R. ERVIN II

ON BEHALF OF

MISSOURI SCHOOL BOARDS' ASSOCIATION

**Jefferson City, Missouri
April 11, 2022**

1 **Q. Please state your name and business address.**

2 A. My name is Louie R. Ervin II. My business address is 150 First Avenue NE, Suite 300,
3 Cedar Rapids, Iowa 52401.

4 **Q. Are you the Louie R. Ervin II that previously filed testimony in this case?**

5 A. Yes, I am.

6 **Q. On whose behalf is your testimony presented?**

7 A. I am testifying for the Missouri School Boards' Association (hereinafter "MSBA").

8 **EXECUTIVE SUMMARY**

9 **Q. Could you summarize the purpose your testimony?**

10 A. My testimony will address:

- 11 1. How the Company's aggregation, balancing and cash-out charges are not in compliance
12 with Section 393.310 RSMo and/or are not cost supported in Company's filing in this
13 case;
- 14 2. An example of why Empire's tariff would be improved with a separate rate schedule
15 or section of the tariff specific to STP; and
- 16 3. The need for the Company's Aggregator Agreement with marketers and aggregators to
17 hold Pool Operators/Marketers/Aggregators accountable for their actions or inactions,
18 particularly for small consumers, while still ensuring the customers are ultimately
19 responsible for costs, especially in the aftermath of the February 2021 Winter Storm
20 Uri.

21 **Q. Do you have any corrections to make to your direct testimony in this case?**

22 A. Yes. I would like to replace the sentence in my Direct Testimony starting on Page 10, Line
23 18 that begins, "Large industrial and commercial transportation customers..." with "Large

1 industrial and commercial transportation customers only pay a balancing charge on their
2 imbalances while schools under STP pay on the entire usage – not just imbalances.”

3 **Q. What does MSBA offer as solutions to the three areas listed above that your**
4 **surrebuttal addresses:**

5 A. MSBA is seeking an Order from the Public Service Commission (hereinafter “the
6 Commission) to:

- 7 1. Bring Empire’s STP tariff into compliance with Section 393.310 RSMo. by requiring
8 aggregation, balancing and cash-out charges reflect the Company’s costs,
- 9 2. Direct Empire to establish a separate rate schedule applicable only to the STP
10 provisions for administrative ease, clarity and to avoid confusion, and
- 11 3. Reject the redlined portions of the proposed tariff that strike the Marketer and
12 Aggregator as liable entities along with the Customer.

13 **COMPLIANCE WITH THE LAW**

14 **Q. Please explain how the Empire STP is in not in compliance with Section 393.310**
15 **RSMo.**

16 A. Given Section 393.310 RSMo requires the schools be charged at the Company’s cost,
17 MSBA contends the Commission should require Empire to provide cost support for its
18 proposed aggregation, balancing and cash-out charges in this case. The Company’s filing
19 does not have any cost support for the charges to determine if they are just and reasonable.
20 Surrebuttal of Louie R. Ervin Sr. provides more specifics behind this issue.

21 **Q. Will you please explain MSBA’s position on why the current tariff cash-out provisions**
22 **are in conflict with Section 393.310 RSMo?**

1 A. Yes. MSBA contends Section 393.310 is clear at Paragraph 4.(2) where it states: “ (2)
2 Provide for the resale of such natural gas supplies, including related transportation service
3 costs, to the eligible school entities **at the gas corporation's cost of purchasing of such**
4 **gas supplies** (emphasis added).

5 **Q. What is MSBA’s position on balancing methodology?**

6 A. MSBA is simply suggesting the carry-over method approved by the Commission for Spire
7 is the preferred approach to ensure the schools are balanced with in-kind gas and thus
8 charged the cost, however, MSBA has consistently stated it is not opposed to the cash-out
9 method provided the cash-out is billed at the Company’s cost to be in compliance with the
10 law – not at up to 150% of cost as in the current tariff.

11 **Q. Is MSBA requesting the elimination of cash-out balancing as stated by Mr. Patterson**
12 **(Patterson Rebuttal, Page 9, Lines 12-13)?**

13 A. No. As stated in my direct testimony, MSBA is not opposed in principle to the cash-out
14 method. In my direct testimony, I specifically state this fact (MSBA Ervin Direct, Page 7,
15 Lines 7-14). Mr. Patterson’s rebuttal testimony (Page 2, Lines 5-6) even notes that I
16 recommend imbalances be settled either by the carryover and netting of imbalances against
17 the following month as the Commission last approved for Spire or, in the alternative,
18 eliminate multipliers applied to the pricing of larger imbalances using a cash-out method yet he
19 leaves out the alternative MSBA suggests in his rebuttal on page 9.

20 **Q. Will you summarize what in Staff witness Patterson’s rebuttal testimony is incorrect**
21 **or needs clarification?**

22 A. Yes. Mr. Patterson’s rebuttal testimony totally misses the point of my direct testimony.
23 The purpose of my direct testimony is to achieve an Empire STP rate schedule that
24 complies with Missouri law, Section 393.310 RSMo. Throughout Mr. Patterson’s rebuttal,

1 he portrays my testimony as a list of MSBA wishes or wants. I list several parts of the
2 Company's current tariff that are in conflict with Section 393.310 RSMo. Mr. Patterson
3 makes some disingenuous misrepresentations of my testimony and goes to great lengths to
4 focus on why MSBA's points should be denied, but not once does he justify retention of
5 current tariff provisions that are in conflict with Section 393.310 RSMo.

6 **Q. Does Mr. Patterson address whether charging a multiplier to the cash-out cost is in**
7 **conflict with Section 393.310?**

8 A. No. Mr. Patterson never addresses whether cost multipliers are in compliance with the
9 provisions of Section 393.310 RSMo. Instead, he goes off on a tangent about why
10 multipliers are used as an incentive for large transport customers and how he doesn't think
11 the Spire carry-over method is appropriate.

12 **Q. Has the Company provided any cost support justifying the cash-out multipliers used**
13 **in its tariff?**

14 A. In this case, the Company has not provided cost support which would justify any penalty
15 for imbalances, much less a highly punitive penalty up to 50%.

16 **Q. Does Mr. Patterson justify multiplier penalties for cash-out as being in compliance**
17 **with Section 393.310 RSMo?**

18 A. No. Instead, Mr. Patterson justified the cash-out multiplier penalties by using a red herring
19 stating interstate pipelines and large transportation customers have multipliers. He does
20 not seem to recognize interstate pipelines and large transportation customer are not subject
21 to Section 393.310 RSMo. This statute intentionally establishes a separate set of
22 transportation rules for "Eligible School Entities" (ESEs), which are small schools with
23 annual consumption of 100,000 therms or less.

1 **Q. How does Company’s current tariff cash out imbalances and what is MSBA’s**
2 **recommended solution for balancing?**

3 A. Currently, the Company tariff is not cost based provided it charges up to 150 percent of the
4 market cost of gas when schools pay the Company but at as low as 50% of the market costs
5 of purchasing gas when the Company owes the schools. MSBA proposes that if the cash-
6 out method is continued, the Company simply charge STP schools at the Company’s cost
7 of purchasing per statute, which is 100% of the industry-wide publication on spot market
8 price for under- or over deliveries.

9 **Q. What is the basis of Mr. Patterson’s recommendation for the Commission approving**
10 **Aggregation and Balancing charges applicable to ESEs?**

11 A. Although the Company has submitted no cost support for these charges, Mr. Patterson
12 attempts to justify current Aggregation and Balancing charges in two ways. First, he says
13 the Company has not proposed changes in these rates from a case from seven years ago, so
14 they should be retained. I don’t believe a gas corporation should be allowed to pick which
15 rates it wants to increase and deny customers the right to challenge previous rates it wants
16 to keep. Second, he attempts to do an analysis as a substitute for the Company’s lack of
17 cost support, but his analysis is flawed. Louie R. Ervin’s surrebuttal testimony addresses
18 specifics regarding flaws in Mr. Patterson’s analysis.

19 **SEPARATE STP RATE SCHEDULE WITHIN THE TARIFF**

20 **Q. Is there anything else in the Empire tariff that does not comply with Section 393.310**
21 **RSMo?**

1 A. Yes. Empire’s tariff requiring all customers over 40,000 therms annually to have telemetry
2 is in direct conflict with 393.310 RSMo. Under Section 393.310 RSMo. subsection 4(3),
3 the utility cannot require telemetry for schools under 100,000 therms annually.

4 **Q. How does the Company explain when schools are required to have telemetry?**

5 A. The Company’s response to MSBA Data Request No. 6.5 (See Appendix 1), states:
6 “Schools using greater than 40,000 Ccf annually would be considered LVF or LVFT.” The
7 response continues: “LVFT is a standard transportation service schedule by which certain
8 schools receive transportation service. Schools receive transportation service under this
9 schedule if they are eligible under the terms of the LFVT service. The requirement to have
10 telemetry is based on the level of annual throughput, and schools who are eligible for LFVT
11 are required to have telemetry as are all eligible customers under the service.”

12 **Q. Is there another instance reflecting the Company’s tariff provision for requiring**
13 **telemetry?**

14 A. Yes. Company’s witness Ms. Earhart’s Rebuttal Testimony on Page 6, Lines 4-8 states:
15 “Under EDG’s tariffs, all large volume transportation customer which are over 40,000
16 CCfs are required to have telemetry regardless if they are schools or other entities.”

17 **Q. Is there yet another instance reflecting the Company’s tariff provision for requiring**
18 **telemetry?**

19 A. Yes. The Company’s response to MSBA’s Data Request 6.2 (See Appendix 2) states:
20 “Customers with usage greater than 40,000 ccf annually are classified as Large Volume
21 under the Company’s approved tariff. Large Volume Transportation customers are
22 required to have daily metering and balancing under the Company’s approved tariff.” Once

1 again, the Company does not take into account Section 393.310 RSMo preventing the
2 requirement of telemetry under 100,000 therms annually.

3 **Q. What is the reason for pointing out this tariff conflict with the statute?**

4 A. This simply highlights one reason a separate STP rate schedule, or even just a section
5 within the standard tariff, is needed to clearly delineate tariff provisions which are only
6 applicable to Eligible School Entities (ESEs) under unique STP requirements set forth in
7 Section 393.310 RSMo. Currently, the Company's tariff comingles requirements for STP
8 with requirements for standard transportation customers despite Section 393.310 RSMo
9 specifically establishing a different set of standards for STP ESEs. Further, a separate STP
10 tariff provides administrative ease and a clearer understanding of which terms are and are
11 not applicable to STP.

12 **Q. Is the Company opposed to having a separate STP section in the tariff?**

13 A. No. In its response to MSBA Data Request No. 6.3 (See Appendix 3), the Company stated
14 it is willing to work with Staff and MSBA to develop a standalone tariff structure. Louie
15 Ervin Sr.'s Rebuttal Testimony goes into more detail on the history of working with the
16 Company in 2018 to develop a standalone STP rate schedule and how it was blocked by
17 Staff's contention that a standalone STP rate Schedule must be part of a rate case. Yet now
18 that we are in another rate case, Staff's Mr. Patterson states it can't be done in this case due
19 to not having sufficient time left in this case. (Patterson Rebuttal Page 18, Line 18). If Staff
20 was not aware in 2018, Staff was aware of MSBA's recommendation for a standalone tariff
21 on February 15, 2022, when my direct testimony was filed. Yet, Staff does nothing on this
22 subject and now states it doesn't have enough time in this case to address a standalone rate

1 schedule. Louie R. Ervin’s surrebuttal testimony presents a standalone rate schedule and
2 discusses this subject in more detail.

3 **MARKETERS, AGGREGATORS, POOL OPERATORS AND CUSTOMERS**

4 **LIABILITY**

5 **Q. Does MSBA contend that Customers should not be held liable for costs under the**
6 **tariff?**

7 A. No. MSBA recognizes the customer may be ultimately responsible for costs under the
8 tariff, but we contend that Marketers, Aggregators, and Pool Operators are necessary
9 parties in the gas transportation sector and should be held liable for their actions or
10 inactions prior to the Company passing penalty costs on to the customer.

11 **Q. Did Empire attempt to hold the Customer responsible for costs incurred during the**
12 **2021 Winter Storm Uri?**

13 A. No. To Empire’s credit, they are taking necessary steps to collect costs from MSBA’s
14 supplier. MSBA paid exorbitant charges as a result of the Winter Storm Uri to its supplier.

15 **Q. What is MSBA’s recommendation regarding the proposed redlined tariff?**

16 A. MSBA seeks to maintain the language in the current Empire tariff which lists Marketer,
17 Aggregator and Customer as parties which all have responsibilities rather than removing
18 Marketer and Aggregator from that list and leaving only the Customer to fend for itself as
19 proposed by Empire in this case. The Spire-Symmetry, Constellation and Clearwater
20 complaint case before the Commission, which involves millions of dollars, is a case in
21 point as is the Empire-Symmetry complaint case before the Commission.

1 **Q. Is Mr. Patterson correct in his contention that Company’s transportation rate**
2 **provisions only apply to customers and customer’s separate contracts govern**
3 **responsibilities of Marketers, Aggregators and Pool Operators?**

4 A. No. The Company’s tariff Original Sheet No. 23 (See Appendix 4) defines Aggregation,
5 Aggregation Pool, Aggregator and Aggregator Agreement. The definition of Aggregator
6 per the Empire tariff is: “An entity that is responsible for the Aggregation of natural gas to
7 be delivered to more than one Customer. Any Aggregator or Marketer that serves more
8 than one Customer that is eligible to be pooled for the purpose of forming an Aggregation
9 Pool will be deemed to be an Aggregator, and **will be required to execute an Aggregator**
10 **Agreement as well as a Marketer Agreement** (emphasis added).” This requirement is
11 reinforced in the Company’s tariff Original Sheet No. 30 stating: “All Marketers and
12 Aggregators must enter into a contract with the Company.” (See Appendix 5)

13 **Q. Does the Company have an Aggregator Agreement or Marketer Agreement as stated**
14 **in its tariff?**

15 A. It appears that they do but there seems to be some confusion within the Company. In
16 response to MSBA’s Data Request 2.7 asking for a copy of the Aggregator Agreement and
17 the tariff sheets containing such agreement, the Company provided a Large Volume
18 Transportation Service Agreement and a Small Volume Customer Transportation
19 Agreement and stated: “No proposed Aggregation Agreements or tariff sheets exist.” (See
20 Appendix 6). However, MSBA recently received a template for a Marketer/Aggregator
21 Agreement (See Appendix 5) but does not see that it is part of the tariff on file.

22 **Q. Does the Company propose to change the counterparty of the Aggregator Agreement**
23 **from the Company to the Customer?**

1 A. Yes, in the Company’s proposed redline tariff on Original Sheet No. 23, it proposed to
2 replace the word “Company” with “Customer”. (See Appendix 4)

3 **Q. In response to MSBA’s Data Request 2.7, is there anything noteworthy in the**
4 **provided Small Volume Transportation Agreement provided given there wasn’t an**
5 **Aggregator Agreement?**

6 A. Yes. Although the Company would like to avoid stating that the Aggregator has any
7 responsibility, it clearly states in its tariff otherwise as well as in the Small Volume
8 Transportation Agreement (See Appendix 7) where it states: “Customers gas
9 marketer/aggregator will be _____ and must have an approved aggregation
10 pool set up with EDG in accordance with EDG tariffs. The aggregator will become
11 responsible for all daily gas nominations and balancing activities required by the tariff on
12 behalf of Customer and must abide by all terms, rules and regulations applicable to this
13 service as stated in the EDG tariffs on file with the Missouri Public Service Commission.”

14 **Q. What is MSBA’s position on the liability of the customers and aggregators?**

15 A. As stated previously, MSBA does not disagree that the Customer is ultimately responsible,
16 but it does not make logical sense nor is it consistent with its own tariff to pretend the
17 Aggregators and Marketers have no liability as it clearly requires them to abide by the rules
18 of the tariff and specifies in the tariff certain responsibilities. MSBA contends the attempt
19 to remove any reference of liability for the Aggregators and Marketers is moving in the
20 wrong direction and suggests that the Company should have an enforceable Aggregator
21 Agreement and Marketer Agreement as their tariff suggests. This agreement could be
22 similar to the one in Liberty Midstates tariff on Sheet No. 66 (See Appendix 8) or the
23 template provided to MSBA (See Appendix 5) if it is fact part of the Empire tariff.

1 MSBA's position is that in the wake of Storm Uri, there needs to be careful consideration
2 given to holding Marketers/Aggregators/Pool Operators responsible for their actions or
3 inaction rather than immediately placing the financial burden on customers. Until after the
4 decisions are in on Storm Uri related lawsuits and Commission complaints, the Company's
5 proposal to delete references to Marketer/Aggregators/Pool Operators should be rejected.
6 Louie R. Ervin's surrebuttal testimony address more specifics on this issue.

7 **Q. Does this complete your surrebuttal testimony?**

8 A. Yes, it does.

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

**In the Matter of The Empire District Gas)
Company's d/b/a Liberty Request to File Tariffs)
to Change Its Rates for Natural Gas Service)**

Case No. GR-2021-0320

AFFIDAVIT OF LOUIE R. ERVIN II

STATE OF Iowa)
)
COUNTY OF Linn)

ss.

Louie R. Ervin II, being first duly sworn on his oath, states:

1. My name is Louie R. Ervin II. I work in Cedar Rapids, Iowa and am employed by Latham, Ervin, Vognsen & Associates, Inc. as the President & COO.
2. Attached hereto an made a part of hereof for all purposes is my Testimony on behalf of Missouri School Boards' Association which has been prepared in written form for introduction into evidence in the above referenced case.
3. I hereby swear and affirm that my answers contained in the questions therein propounded are true and correct to the best of my knowledge and belief.




Louie R. Ervin II
President & COO
Latham, Ervin, Vognsen & Associates, Inc.

Subscribed and sworn to before me this 7th day of April, 2022.



MICHAELA MILNER
Commission Number 829754
My Commission Expires
January 27, 2024



Notary Public

Appendix 1
Issue: School Transportation Program Tariff Rate Design
Witness: Louie R. Ervin II
Exhibit Type: Surrebuttal
Sponsoring Party: Missouri School Boards Association
Case No.: GR-2021-0320

Date: April 11, 2022

MISSOURI PUBLIC SERVICE COMMISSION

CASE No. GR-2021-0320

APPENDIX 1

Empire's Response to MSBA DR 6.5

ON BEHALF OF

MISSOURI SCHOOL BOARDS' ASSOCIATION

**Jefferson City, Missouri
April 11, 2022**



Liberty Utilities (The Empire District Gas Company)

Case No. GR-2021-0320

Missouri School Board Association Data Request - 6.5

Data Request Received: 2022-03-22

Response Date: 2022-04-01

Request No. 6.5

Witness/Respondent: James Young

Submitted by: Richard Brownlee, rbrownlee@rsblobby.com

REQUEST:

In your rate design for the LVFT class requires annual use of over 40,000 Ccf and contains a demand charge. (a) How does Empire meter the monthly demand? (b) Does Empire require telemetry that measures daily demand for LVFT? (c) How does the LVFT 40,000 Ccf comply with under Section 393.310 RSMo which is applicable to schools with annual use of 100,000 therms or less? (d) How does the LVFT comply with the Section 393.310 RSMo requirement to not require telemetry or special metering, except for individual school meters over one hundred thousand therms annually?

RESPONSE:

- A. For purposes of determining the billing demand under this rate schedule, the billing months of November through March shall be considered winter months; all other billing months shall be considered summer months. The billing demand for any winter month shall be the maximum use in Ccf during any consecutive period of 24 hours in such month. The billing demand for any summer month shall be one-half of the maximum use in Ccf during any consecutive period of 24 hours in such month. The Company will normally compute the maximum use in Ccf during any consecutive period of 24 hours in any billing month as 1/20th of the number of Ccf used during such billing month, adjusted to a base monthly billing period of 30 days. For customers not consuming natural gas uniformly throughout the billing month, Company and Customer may agree to determine the maximum use in Ccf during any consecutive period of 24 hours during any billing month by use of metering when such capability is available. The billing demand for any billing month shall not be less than the greatest billing demand for any of the preceding eleven months. If gas service was furnished during any of the preceding eleven months under any other rate schedule in effect, for the purpose of determining billing demand use under such other rate schedule shall be treated as if this Rate Schedule applied thereto.
- B. Yes, the Company requires telemetry for LVFT customers. The calculation for demand is the

same for LVF and LVFT customers. The total monthly usage is used for the calculation.

- C. Schools using greater than 40,000 Ccf annually would be considered LVF or LVFT. LVT does not require telemetry, LVFT does require telemetry. EDG does not have a separate tariff rate for service for school transportation. LVFT is a standard transportation service schedule by which certain schools receive transportation service. Schools receive transportation service under this schedule if they are eligible under the terms of the LFVT service. The requirement to have telemetry is based on the level of annual throughput, and schools who are eligible for LFVT are required to have telemetry as are all eligible customers under the service.

Appendix 2
Issue: School Transportation Program Tariff Rate Design
Witness: Louie R. Ervin II
Exhibit Type: Surrebuttal
Sponsoring Party: Missouri School Boards Association
Case No.: GR-2021-0320

Date: April 11, 2022

MISSOURI PUBLIC SERVICE COMMISSION

CASE No. GR-2021-0320

APPENDIX 2

Empire's Response to MSBA DR 6.2

ON BEHALF OF

MISSOURI SCHOOL BOARDS' ASSOCIATION

**Jefferson City, Missouri
April 11, 2022**



Liberty Utilities (The Empire District Gas Company)

Case No. GR-2021-0320

Missouri School Board Association Data Request - 6.2

Data Request Received: 2022-03-22

Response Date: 2022-04-01

Request No. 6.2

Witness/Respondent: Tatiana Earhart

Submitted by: Richard Brownlee, rbrownlee@rsblobby.com

REQUEST:

At Page 6, Line 6 you testify that school transportation customers of over 40,000 Ccf annually are required to have telemetry. How isn't the 40,000 Ccf annually breakpoint for telemetry in conflict with Section 393.310 RSMo. which specifies that no telemetry or special metering be required for school accounts of 1000,000 therms or less annually?

RESPONSE:

Customers with usage greater than 40,000 ccf annually are classified as Large Volume under the Company's approved tariff. Large Volume Transportation customers are required to have daily metering and daily balancing under the Company's approved tariff.

Appendix 3
Issue: School Transportation Program Tariff Rate Design
Witness: Louie R. Ervin II
Exhibit Type: Surrebuttal
Sponsoring Party: Missouri School Boards Association
Case No.: GR-2021-0320

Date: April 11, 2022

MISSOURI PUBLIC SERVICE COMMISSION

CASE No. GR-2021-0320

APPENDIX 3

Empire's Response to MSBA DR 6.3

ON BEHALF OF

MISSOURI SCHOOL BOARDS' ASSOCIATION

**Jefferson City, Missouri
April 11, 2022**



Liberty Utilities (The Empire District Gas Company)

Case No. GR-2021-0320

Missouri School Board Association Data Request - 6.3

Data Request Received: 2022-03-22

Response Date: 2022-04-01

Request No. 6.3

Witness/Respondent: Tatiana Earhart

Submitted by: Richard Brownlee, rbrownlee@rsblobby.com

REQUEST:

Rather than wait for an unknown period until Empire's next rate case to develop a standalone school rate schedule, will Empire agree to work with Staff and MSBA to develop a standalone school tariff structure within a set period of time, such as by September 1, 2022, with rates as approved in this case to ensure there will be no impact on other customers?

RESPONSE:

The Company is unable to commit to a certain filing date at this time but is certainly willing to work with Staff and MSBA to develop a standalone school tariff structure.

Appendix 4
Issue: School Transportation Program Tariff Rate Design
Witness: Louie R. Ervin II
Exhibit Type: Surrebuttal
Sponsoring Party: Missouri School Boards Association
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MISSOURI PUBLIC SERVICE COMMISSION

CASE No. GR-2021-0320

APPENDIX 4

Empire Tariff Sheet No. 23

ON BEHALF OF

MISSOURI SCHOOL BOARDS' ASSOCIATION

**Jefferson City, Missouri
April 11, 2022**

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. MO. No. 2 4st2nd Revised Sheet No. 23
Canceling P.S.C. MO. No. 2 1st Original Revised Sheet No. 23

Formatted Table

THE EMPIRE DISTRICT GAS COMPANY d/b/a Liberty Utilities or Liberty THE EMPIRE DISTRICT GAS COMPANY
FOR: All Communities and Rural Areas Receiving Natural Gas Service
JOPLIN, MO 64802 THE EMPIRE DISTRICT GAS COMPANY
d/b/a Liberty Utilities or Liberty
JOPLIN, MO 64802

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TRANSPORTATION SERVICE
NATURAL GAS

A. PURPOSE

This program allows non-residential customers the opportunity to purchase natural gas directly from producers and arrange their own delivery or to purchase gas from marketers or aggregators who have entered into contracts with the Company to act on behalf of customers to supply gas to the Company's city gate for delivery on a firm or interruptible basis on the Company's distribution system.

B. AVAILABILITY OF TRANSPORTATION SERVICE

Natural Gas Transportation Service (NGTS) is available to qualifying non-residential customer (s) upon Customer (s) request provided the Company has sufficient distribution capacity to supply such service. All transportation customers must meet the criteria set out below and be able to arrange for the delivery of sufficient natural gas supplies for Customer's account to the appropriate Company city gate. NGTS is available under the following rate schedules:

- 1. Small Volume Firm Transportation Service Small General Service Transportation (SVFTSSGST)
2. Small Volume Firm Transportation Service Medium (SVFTM)
3. Small Volume Firm Transportation Service Large (SVFTL)
2. 4. Large Volume Firm Transportation Service (LVFT) Medium General Service Transportation (MGST)
3. Large General Service Transportation (LGST)

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- 54. Large Volume Flexible Rate Transportation Service (LVFRT)
65. Customers are eligible for NGTS on Company's South, North or Northwest distribution systems if the customer qualifies for sales service under one or more of the following rate schedules:
a. Small Commercial Firm Service Medium Small General Service;
b. Small Commercial Firm Service Large;
c. Large Volume Firm Service; b. Medium General Service
c. Large General Service;
d. Large Volume Interruptible Service;
ee. School Districts as defined pursuant to Section 393.310, RSMo; and
ff. New Customers providing sufficient documentation and qualifying for service under the above rate schedules

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C. DEFINITIONS

- 1. AGGREGATION - The combination of nominations and balancing of natural gas supplies by an Aggregator for deliveries to more than one Customer from Receipt Point(s) served by a common Interstate Pipeline. To qualify for Aggregation service, Customer (s) must be served by a common Interstate Pipeline in the same Interstate Pipeline operating zone and be on the same rate schedule.
2. AGGREGATION POOL - A group of more than one Customer, with each Customer meter qualifying under the applicable rate schedule for transportation service. Any Aggregator or Marketer that serves more than one Customer that is eligible for the purpose of forming an Aggregation Pool will be deemed to be an Aggregator, and will be required to execute an Aggregator Agreement.
3. AGGREGATOR (Agent) - An entity that is responsible for the Aggregation of natural gas to be delivered to more than one Customer. Any Aggregator or Marketer that serves more than one Customer that is eligible to be pooled for the purpose of forming an Aggregation Pool will be deemed to be an Aggregator, and will be required to execute an Aggregator Agreement as well as a Marketer Agreement.
4. AGGREGATOR AGREEMENT- A contract between the Company Customer and an Aggregator that sets out the services requested, the responsibilities of the parties and the term of the agreement.

5. ANCILLARY SERVICE- A service that is ancillary to the receipt or delivery of Natural Gas, including without limitation storage and balancing.

DATE OF ISSUE: ~~March 17, 2010~~August 16, 2021

EFFECTIVE DATE: ~~April 1, 2010~~September 15, 2021

ISSUED BY: ~~Kelly S. Walters~~Mike Beatty, Vice President

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Appendix 5
Issue: School Transportation Program Tariff Rate Design
Witness: Louie R. Ervin II
Exhibit Type: Surrebuttal
Sponsoring Party: Missouri School Boards Association
Case No.: GR-2021-0320

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MISSOURI PUBLIC SERVICE COMMISSION

CASE No. GR-2021-0320

APPENDIX 5

Marketer Aggregator Agreement

ON BEHALF OF

MISSOURI SCHOOL BOARDS' ASSOCIATION

**Jefferson City, Missouri
April 11, 2022**

MARKETER/AGGREGATOR AGREEMENT

This Marketer/Aggregator Agreement (“Agreement”) is made and entered into by and between _____ (“Marketer/Aggregator”) and The Empire District Gas Company (“Company”).

WHEREAS, the Company’s tariff sheets on file with the Missouri Public Service Commission (“Commission”) allow qualified Customers of the Company to secure natural gas supplies directly from Company approved third parties and transport such supplies on the Company’s local gas distribution system(s);

WHEREAS, the Company’s tariff sheets on file with the Commission also allow a Marketer (as defined in the Company’s transportation service tariff sheets) to combine and aggregate nominations, usage and balancing of natural gas receipts and deliveries for Customers; and, if a Marketer becomes responsible for the aggregation of Customers into an aggregation pool as prescribed in the Company’s transportation service tariff sheets, then a Marketer will also become an Aggregator under the terms of the Company’s transportation service tariff sheets and this Agreement;

WHEREAS, Marketer/Aggregator will provide natural gas to certain Customers pursuant to agreement(s) between such Customers and the Marketer/Aggregator, and the Marketer/Aggregator desires to transport such gas to Company’s local gas distribution system(s) on behalf of the Customers;

WHEREAS, Company will transport gas supplies sold by Marketer/Aggregator to Customers over Company’s local distribution system(s) to Customer’s delivery points, subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the above premises and the mutual covenants contained herein, Marketer/Aggregator and Company hereby agree as follows:

1. **Customer Authorization and Verification.** Marketer/Aggregator has entered into, or will enter into one or more agreements with various Customers pursuant to which Marketer/Aggregator will sell and Customers will purchase natural gas. Marketer/Aggregator will obtain from each Customer a signed Customer Verification form. Marketer/Aggregator shall forward the Customer Verification form to the Company. All Customer forms must be received at least 30 days prior to the beginning of the month in which the Customer will begin transportation services subject to the Company’s transportation service tariff sheets. Notice to the Company must be made by Marketer/Aggregator pursuant to the terms of the Company’s transportation service tariff sheets on file with the Commission prior to a Customer leaving the services of Marketer/Aggregator or an aggregation pool.
2. **Rate.** Rates applicable to Marketer/Aggregator are identified in the Company’s tariff sheets on file with the Commission, as the same may be amended from time to time.

3. **Balancing.** Imbalances created by Customer and/or Marketer/Aggregator will be reconciled in accordance with the Company's transportation service tariff sheets on file with the Commission.
4. **Capacity Assignment.** The assignment of capacity hereunder will be subject to the provisions of the Company's transportation service tariff sheets on file with the Commission.
5. **Termination of Participation of Aggregation Program.** Marketer/Aggregator shall notify Company of its intent to terminate its aggregation pooling program at least 90 days prior to the applicable month in which the pool program can be terminated subject to the Company's transportation service tariff sheets on file with the Commission.
6. **Billing and Payment.** Company shall read Customer's meters and Company shall provide the results of such meter readings to Marketer/Aggregator. Company will bill Customers directly for the Customer Charge, Delivery Charge, Imbalance Fees, (if not in a pool) Franchise Tax, State Tax, City Tax, Federal Tax and associated interim ACA, Refund, and any other applicable costs as described in the Company's tariff sheets on file with the Commission. Company will bill Marketer/Aggregator separately and directly for any applicable Marketer and/or Aggregator charges as provided in the Company's tariff sheets on file with the Commission. Company will bill Marketer/Aggregator directly for all capacity charges associated with Company's interstate transportation capacity released to Marketer/Aggregator.
7. **Security Performance.** In the Company's sole discretion and subject to the Company's tariff sheets on file with the Commission, Marketer/Aggregator will be responsible for providing the Company with a cash deposit, surety bond, irrevocable letter of credit, corporate guarantee or such other financial instrument satisfactory to the Company.
8. **Default.** In the event Customer and/or Marketer/Aggregator fails to pay Company's undisputed charges as billed by Company or are otherwise in default under this Agreement, Company may discontinue service to the Customer and/or Marketer/Aggregator and/or take any such actions as are authorized by the Company's tariff sheets on file with the Commission and other applicable law.
9. **Term.** This Agreement shall take effect when signed by both the Company and the Marketer/Aggregator. This Agreement may be terminated by either party upon 90 days written notice to the other party, and this Agreement may be terminated by the Company as otherwise provided in the Company's transportation service tariff sheets on file with the Commission.
10. **Curtailed and Operational Flow Orders.** Marketer/Aggregator is subject to and shall comply with Company's gas curtailment and Operational Flow Order policies when it provides gas to Customers and may be subject to the penalties and charges as set forth in the Company's tariff sheets on file with the Commission.
11. **Indemnification.** Marketer/Aggregator shall indemnify and hold Company harmless from and against all costs, damages, claims and expenses including but not limited to

attorneys' fees, pipeline charges, penalties and all other charges assessed against or incurred by the Company as a result of Marketer/Aggregator's acts, omissions, or nonperformance under this Agreement, the Company's tariff sheets on file with the Commission, and/or Marketer/Aggregator's customer agreement(s).

12. **Nominations.** Marketer/Aggregator shall comply with the nomination procedures, guidelines and requirements of all applicable upstream transporting pipelines.
13. **Notices.** Notices required or otherwise given under this Agreement shall be provided in writing, either by facsimile, email, or first class mail, to the other party at the addresses provided below.

The Empire District Gas Corporation
Attention: Tatiana Earhart
602 S. Joplin
Joplin, Mo. 64801
Phone: 417-625-4291
Fax: 417-625-4251
E-Mail: Tatiana.Earhart@libertyutilities.com

Marketer/Aggregator: _____
Contact Person: _____
Address: _____

Phone: _____ Fax: _____
E-Mail: _____

14. **Assignment.** This Agreement may not be assigned by Marketer/Aggregator without the prior written consent of Company.
15. **Governing Laws.** This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri, without regard to principles of conflicts of law. Marketer/Aggregator shall operate pursuant to and in compliance with the Company's tariff sheets on file with the Commission, as the same may be revised, amended, and/or superseded from time to time, all applicable orders, rules, and regulations of the Commission, all applicable statutes, all applicable federal orders, rules, and regulations, and all rules and regulations of any upstream interstate pipeline companies. **In the event of any conflict between this Agreement and the Company's tariff sheets, the Company's tariff sheets then in effect and on file with the Commission shall control.**

16. **No Waiver.** Any failure or delay by either party to exercise any right, in whole or in part, hereunder shall not be construed as a waiver of the right to exercise the same, or any other right, at any time thereafter.

Marketer/Aggregator:

The Empire District Gas Company:

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

Appendix 6
Issue: School Transportation Program Tariff Rate Design
Witness: Louie R. Ervin II
Exhibit Type: Surrebuttal
Sponsoring Party: Missouri School Boards Association
Case No.: GR-2021-0320

Date: April 11, 2022

MISSOURI PUBLIC SERVICE COMMISSION

CASE No. GR-2021-0320

APPENDIX 6

Empire's Response to MSBA DR 2.7

ON BEHALF OF

MISSOURI SCHOOL BOARDS' ASSOCIATION

**Jefferson City, Missouri
April 11, 2022**



Liberty Utilities (The Empire District Gas Company)

Case No. GR-2021-0320

Missouri School Board Association Data Request - 2.7

Data Request Received: 2022-01-24

Request No. 2.7

Submitted by: Richard Brownlee, rbrownlee@rsblobby.com

Response Date: 2022-02-07

Witness/Respondent: James Young

REQUEST:

Please provide a copy of Empire's current and proposed Aggregation Agreements, tariff Sheet number(s) containing the proposed Aggregation Agreement and copies of Commission Order(s) approving the current Aggregation Agreements.

RESPONSE:

Attached is EDG's current LARGE VOLUME TRANSPORTATION SERVICE AGREEMENT ("Large Vol Trans CONTRACT 03-14 revised.pdf") and SMALL VOLUME CUSTOMER TRANSPORTATION AGREEMENT ("SMV CUSTOMER TRANSPORT 2.pdf"). Such tariff sheet(s) and Commission Orders, if any, are available at the Missouri Public Service Commission. No proposed Aggregation Agreements or tariff sheets exist.

Appendix 7
Issue: School Transportation Program Tariff Rate Design
Witness: Louie R. Ervin II
Exhibit Type: Surrebuttal
Sponsoring Party: Missouri School Boards Association
Case No.: GR-2021-0320

Date: April 11, 2022

MISSOURI PUBLIC SERVICE COMMISSION

CASE No. GR-2021-0320

APPENDIX 7

Empire's Small Volume Transportation Agreement

ON BEHALF OF

MISSOURI SCHOOL BOARDS' ASSOCIATION

**Jefferson City, Missouri
April 11, 2022**

**EMPIRE DISTRICT GAS COMPANY SMALL VOLUME
CUSTOMER TRANSPORTATION AGREEMENT**

Date: _____.

Customer: _____

Mailing Address: _____

Service Location/Account Number

1. _____

2. _____

3. _____

4. _____

5. _____

6. _____

Customer is either currently an existing gas sales customer with Empire District Gas Company (EDG) and will become a transportation customer effective _____ or has changed their natural gas marketer/aggregator provider effective _____.

Customer's gas marketer/aggregator will be _____ and must have an approved aggregation pool set up with EDG in accordance with EDG tariffs. The aggregator will become responsible for all daily gas nominations and balancing activities required by the tariff on behalf of Customer and must abide by all terms, rules and regulations applicable to this service as stated in the EDG tariffs on file with the Missouri Public Service Commission.

Empire will release the pipeline capacity currently held for customer's use on _____ Pipeline Company to the marketer/aggregator. The release will be subject to the rules, regulations and tariffs of the applicable pipeline company. If the customer changes marketer/aggregator providers, the capacity will move to the new provider.

LIST OF CONTACT PERSONNEL FOR GAS SERVICE AND EMERGENCY:

EDG Customer:

Name	Phone	FAX Number	E-mail Address
------	-------	------------	----------------

1.	_____		
----	-------	--	--

2.	_____		
----	-------	--	--

3.	_____		
----	-------	--	--

Gas Marketer:

Name: _____

Marketing Agent Contact:

Name: _____

Phone Numbers: _____

Fax Number: _____

Email: _____

Mailing Address: _____

Marketer/Aggregator Scheduler Phone Number: _____

Customer: _____ Date _____

Marketer/Aggregator: _____ Date _____

Empire District Gas Company: _____ Date _____

PLEASE RETURN THIS FORM, BY EMAIL:

EMPIRE DISTRICT GAS COMPANY
Tatiana Earhart
602 S. Joplin
Joplin, Mo 64801
Tatiana.Earhart@libertyutilities.com
Phone: 417-625-4245

Appendix 8
Issue: School Transportation Program Tariff Rate Design
Witness: Louie R. Ervin II
Exhibit Type: Surrebuttal
Sponsoring Party: Missouri School Boards Association
Case No.: GR-2021-0320

Date: April 11, 2022

MISSOURI PUBLIC SERVICE COMMISSION

CASE No. GR-2021-0320

APPENDIX 8

Liberty Tariff Sheet No. 66

ON BEHALF OF

MISSOURI SCHOOL BOARDS' ASSOCIATION

**Jefferson City, Missouri
April 11, 2022**

Canceling P.S.C. MO. No. 2

Original SHEET NO. 66

**Liberty Utilities (Midstates Natural Gas) Corp.
d/b/a Liberty Utilities**

FOR – All Areas

Name of Issuing Corporation

Community, Town or City

MISSOURI SCHOOL TRANSPORTATION SERVICE (CONT'D)

**Missouri School Transportation Service
Standard Form of Pool Operator Agreement/Group Balancing Agreement**

This Agreement is made and entered into this ___ day of _____, _____ by and between Liberty Utilities (Midstates Natural Gas) Corp. ("Liberty" or "Company"), and _____, _____ having a mailing address of _____, _____, _____, ("Pool Operator").

Term: This Pool Operator Agreement shall continue in full force and effect for a term of _____, beginning on _____.

Pool Operator represents and warrants that it is the authorized agent for one or more Missouri School Transportation Service customers and that Pool Operator is authorized to act on behalf of and account for the customers identified on Exhibit _____ ("Customers"). Those Customers have separately executed Transportation Service Agreements with Company. As the authorized agent for such Customers, Pool Operator is authorized to (a) make nominations to Company on behalf of such Missouri School Transportation Service Customers; and (b) receive from Company, for purposes related to the Missouri School Transportation Service to those Customers, usage information, copies of billings, and other such information related to the Missouri School Transportation Service provided to Customers. Such information may include any information that Liberty would customarily release to customers, including, but not limited to, all transportation rates applicable to Customers, all information concerning historic usage by and/or transportation of gas to Customers, all available tax rate information with respect to the transportation of natural gas to or for Customers, and any other information or documents in the possession of Liberty Utilities, which pertain to transportation of natural gas to Customer and/or to Liberty on Customers' accounts. Pool Operator further represents that it is properly and duly authorized by Customers to make nominations of natural gas volumes on such Customers' behalf and account in accordance with Customer transportation agreements with Company and applicable tariffs.

Pool Operator acknowledges that Missouri School Transportation Service to Customers is subject to the terms and conditions of Company's tariffs on file and in effect with the Missouri Public Service Commission and as may be amended, modified, reissued and made effective from time to time as provided by law. Company may reject this Pool Operator Agreement in the event that Company reasonably determines that Pool Operator or Customers have failed to satisfy their obligations under this Agreement, any agreements with Company or applicable Company tariffs.

To the extent this agreement is inconsistent with the Company's tariff, the terms of the tariff will be controlling.

IN WITNESS WHEREOF, the parties have executed this Pool Operator Agreement/ Group Balancing Agreement as of the day and year first above written.

Company: Liberty Utilities (Midstates Natural Gas) Corp.

Pool Operator: _____

By: _____

By: _____

Title: _____

Title: _____

Witness/Attest: _____

Witness/Attest: _____

DATE OF ISSUE: December 5, 2014
month day year

DATE EFFECTIVE: January 4, 2015
month day year

ISSUED BY: Christopher D. Krygier
name of officer

Director, Regulatory & Govt. Affairs
title

Jackson, MO
address

FILED
Missouri Public
Service Commission
GR-2014-0152, YG-2015-0216