BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Verified Application and Petition of Liberty Energy (Midstates) Corp. d/b/a Liberty Utilities to Change its Infrastructure System Replacement Surcharge.

) Case No. GO-2014-0006

LIBERTY UTILITIES' RESPONSE TO PROPOSED RECONCILIATION

)

COMES NOW Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty Utilities¹ ("Liberty Utilities"), and for its response to the Reconciliation filed in this matter on November 27, 2013, by the Staff of the Missouri Public Service Commission ("Staff"), respectfully states as follows:

1. On November 20, 2013, the Commission issued its *Order Directing Staff to File Proposed Reconciliation*, wherein the Staff was ordered to prepare and file a reconciliation by December 3, 2013, and any party wishing to respond to Staff's reconciliation was given until December 5, 2013 to file such response.

2. Liberty Utilities has reviewed Staff's Reconciliation. While Liberty Utilities does not agree that the Section 386.520, RSMo (Supp. 2012) process is applicable to an ISRS proceeding, Liberty Utilities agrees that the Staff Reconciliation provides the information relevant to Section 386.420.4, RSMo (Supp. 2012) regarding the two issues identified by the parties and decided by the Commission.²

¹ By its *Order Granting Application* issued on October 17, 2013 and effective November 1, 2013 in Case No. GN-2014-0090, the Commission granted the application and recognized the name change of Liberty Energy (Midstates) Corp. d/b/a Liberty Utilities to Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty Utilities.

 $^{^2}$ Section 386.420.4, RSMo (Supp. 2012) states, in pertinent part, "... a detailed reconciliation containing the dollar value and rate or charge impact of each contested issue decided by the commission, and the customer class

WHEREFORE, Liberty Utilities respectfully submits its response to the Staff's Reconciliation filed herein.

Respectfully submitted,

/s/ Larry W. Dority_

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billing determinants used by the commission to calculate the rates and charges approved by the commission in such proceeding." As noted by the Commission in its Report and Order, there were only two issues identified by the parties for resolution in this case. "The first issue for determination is whether the Commission should approve an incremental ISRS revenue requirement increase for Liberty in this case." (Report and Order, page 9). "Having concluded that the Commission should approve an incremental ISRS revenue requirement increase for Liberty in this case." (Report and Order, page 9). "Having concluded that the Commission should approve an incremental ISRS revenue requirement increase for Liberty, the final issue for determination is what amount of incremental ISRS revenue requirement increase should the Commission approve (total and by district), and what composite/cumulative ISRS rate should Liberty be authorized to file for each customer class by district based on such increase." (*Id.*, page 16). As determined by the Commission, "[t]he only credible evidence concerning this issue was presented by Staff, with which Liberty agrees." (*Id.*). The Commission further found, "Public Counsel did not present any evidence that Staff's ISRS calculations were incorrect or provide evidence of an ISRS revenue requirement or rates based on Public Counsel's own calculations." (*Id.*, page 7).

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing pleading was served on all parties this 5th day of December, 2013 by electronic mail.

/s/ Larry W. Dority Larry W. Dority