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

In the Matter of Liberty Utilities Verified	)	
Application for Approval of PVC Pipe	)	File No. GO-2019-0091
Replacement Program and Recovery of Associated	)	
Costs Through ISRS Mechanism	)	

# <u>LIBERTY UTILITIES' DECLARATION IN RESPONSE TO STAFF'S MOTION</u> <u>FOR CLARIFICATION</u>

**COMES NOW** Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty Utilities ("Liberty Utilities" or "Company") and in support of its Declaration in Response to Staff's Motion for Clarification, states as follows:

- 1. On November 19, 2018, the Staff of the Missouri Public Service Commission ("Staff") filed a Motion for Clarification requesting that the Commission issue an order clarifying that the instant proceeding is not subject to the 60 day and 120 day time frames contained within Section 393.1015, RSMo, and 4 CSR 240-3.265. Staff is concerned that because a portion of the Company's Application in the case addressed future ISRS treatment of the costs incurred in connection with any PVC Pipe Replacement Program that might be approved by the Commission, that this case could be construed as an ISRS filing. Staff is concerned that if the case were to be so construed, that the 60 day period for filing a Staff recommendation and the 120 day period for issuing an Order mandated by the ISRS statute would be applicable.
- 2. As Staff indicates in paragraph 11 of its Request for Clarification, it "does not believe that the 60 day and 120 day time frames contained within Section 393.1015, RSMo, and 4 CSR 240-3.265 apply to this proceeding . . ." but is seeking a clarification to that effect ". . . out of an abundance of caution and to avoid potential surprise . . . ".

- 3. The Company agrees with Staff that the 60 day and 120 day time frames set forth in Section 393.1015, RSMo. do not apply to the Company's filing in this case because such filing was not made and is not being pursued under the provisions of the ISRS statute. As the Staff correctly observes in paragraph 10 (b) and (c) of its Request, the Company's Application in this proceeding did not contain the essential components that both the ISRS statute and the Commission's implementing rules mandate for an ISRS filing. Most notably, it did not contain any proposed ISRS rate schedules or any supporting documentation regarding the calculation of the proposed ISRS. The absence of such information was intentional on the part of the Company because it was not seeking, and does not now seek, to have its Application treated as an ISRS filing in which the Company is requesting that its rates and charges be increased to recover the cost of ISRS related investments.
- 4. The Company assumed that the Commission viewed the Company's filing in a similar manner i.e. as not being a filing made under the ISRS statute because the December 28, 2018 date it chose for the Staff to submit its recommendation on the Company's Application is more than 90 days after the date the Company filed its Application. If this filing was being pursued under the ISRS statue, which it is not, such a Staff recommendation would have been due within 60 days after the filing of the Application.
- 5. Given all of these considerations, the Company concurs with Staff that this is not a filing being pursued under the ISRS statute and that the 60 and 120 day time frames set forth in the ISRS statute are not applicable to the processing of the Company's filing. To eliminate all ambiguity, however, the Company hereby declares that it was not

its intention to make or pursue an ISRS filing in this case, to seek any increase in its rates and charges in this proceeding and that it agrees that the 60 and 120 day time frames set forth in the ISRS statute and implementing Commission rules are not applicable to this proceeding.

- 6. Staff also raises a number of additional points in its Request for Clarification, including whether the Company's Application was timely filed under paragraph 17 of the Stipulation and Agreement approved by the Commission in Case No. GR-2018-0013. The Company was in substantial compliance with that provision in that its Application was filed before the end of the third month following the month in which the Commission's Order in that case became effective. In any event, no party has been prejudiced by the filing of the Application on September 28, 2018.
- 7. The Company has shared this pleading with Staff and has been advised that Staff agrees with the Company's declarations herein and requests the Commission acknowledge that the 60 and 120 day time frames do not apply to this proceeding.

**WHEREFORE**, for the foregoing reasons, Liberty Utilities respectfully requests that the Commission accept and consider this pleading in response to Staff's Request for Clarification.

Respectfully submitted,

#### LIBERTY UTILITIES

#### /s/James M. Fischer

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ATTORNEYS FOR LIBERTY UTILITIES (MIDSTATES NATURAL GAS) CORP. D/B/A LIBERTY UTILITIES

### **Certificate of Service**

The undersigned certifies that a true and correct copy of the foregoing Verified Application of Liberty Utilities was served on the General Counsel of the Staff of the Missouri Public Service Commission and the Office of the Public Counsel on this 26th day of November 2018 by hand-delivery, e-mail, fax, or by placing a copy of such document, postage prepaid, in the United States mail.

/s/James M. Fischer
James M. Fischer