

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

The Staff of the Missouri)	
Public Service Commission,)	
)	
Complainant,)	
)	
v.)	<u>Case No. GC-2015-0218</u>
)	
Liberty Energy (Midstates Natural Gas) Corp.)	
d/b/a Liberty Utilities,)	
)	
Respondent.)	

STAFF RESPONSE TO ORDER DIRECTING FILING

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and in response to the Commission's April 3 *Order Directing Filing* in this matter hereby respectfully states:

1. On March 9, 2015, Staff filed this complaint against Liberty Energy (Midstates Natural Gas) Corp. d/b/a Liberty Utilities ("Liberty" or "Company"). During its investigation of a customer complaint, Staff discovered that on March 2, 2015, Liberty discontinued natural gas service to 55 of its residential customers without providing notice to those customers of the pending disconnection, as required by Commission Rule 4 CSR 240-13.050(5). Staff's complaint alleged that these disconnections violated this rule.

2. Staff's investigation also showed that Liberty responded promptly to address this mistake. Therefore, Staff's complaint did not recommend that the Commission impose penalties on Liberty for this violation. Instead, Staff recommended that Liberty explain how the error occurred, and how the Company addressed the error.

3. On April 1, 2015, Liberty filed a timely answer to Staff's complaint. On April 3, the Commission ordered the parties to state how they wished to proceed.

4. In its *Answer and Response to Complaint*, Liberty has provided the relief Staff requested in its complaint. Liberty admitted that none of the 55 customers disconnected on March 2 had received a written disconnect notice beforehand. Liberty explained that the customers did not get the notice due to an error in the computer system.

5. According to Liberty, all 55 customers were delinquent and subject to disconnection for non-payment. However, Liberty's computer system does not automatically send disconnect notices—a Liberty employee must send a computer file to its billing vendor to have the notices sent. In this case, Liberty stated that the computer file sent to its billing vendor was rejected because of a typographical error in a long file name, and so the disconnect notices were never sent before Liberty discontinued gas service to those 55 customers.

6. Liberty stated that it has made a change to address this problem. In discussions with Staff, Liberty stated that it provided internal training, and, in addition, Liberty stated that its billing vendor will now notify Liberty if it rejects a computer file that Liberty sends, so that Liberty will have notice that the file has been rejected.

7. Liberty re-connected 39 of the customers by March 5. By March 13, Liberty addressed all the disconnections except for 5 remaining residences, which Liberty determined were vacant.

8. In discussions with Liberty, Staff asked a series of questions about the incident and its procedures, which Liberty addressed in its answer.

9. Liberty fully cooperated with Staff's informal investigation of the disconnections, and Liberty responded promptly after it learned of the problem. Liberty stated it has taken steps to ensure such an error does not happen in the future. As Staff requested in its complaint, Liberty investigated the incident and provided Staff and the Commission with a full explanation.

10. Because Liberty has provided Staff with the relief it sought in its complaint, Staff recommends the Commission dismiss Staff's complaint. Staff has discussed this recommendation with counsel for Liberty, which agrees with Staff's recommendation.

WHEREFORE, Staff recommends the Commission dismiss this complaint with prejudice.

Respectfully Submitted,

**STAFF OF THE MISSOURI
PUBLIC SERVICE COMMISSION**

/s/ John D. Borgmeyer

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CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 13th day of April, 2015.

/s/ John D. Borgmeyer