

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

In the Matter of the Application of Liberty                    )  
Utilities (Midstates Natural Gas) Corp. to Change        )        Case No. GT-2021-0073  
Its Infrastructure System Replacement Surcharge        )

**RESPONSE TO STAFF RECOMMENDATION**

COMES NOW Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty and submits this Response to Staff Recommendation regarding Liberty’s Infrastructure System Replacement Surcharge (“ISRS”) Application. In this regard, Liberty respectfully states as follows to the Missouri Public Service Commission (“Commission”):

1.        On December 31, 2020, Liberty’s verified application was submitted herein pursuant to RSMo. §§393.1009-393.1015 and Commission Rules 20 CSR 4240-2.060, 2.080, and 3.265, requesting an adjustment to Liberty’s ISRS rate schedule in connection with ISRS-eligible infrastructure system replacements made during the period beginning April 1, 2018 through October 31, 2020.

2.        Commission Rule 3.265(2) provides that “(p)ursuant to the provisions of this rule and sections 393.1009 to 393.1015, RSMo, a natural gas utility may file a petition and proposed rate schedules with the commission to establish or change ISRS rate schedules that will allow for the adjustment of its rates and charges to provide for the recovery of costs for eligible infrastructure system replacements; provided that the ISRS, on an annualized basis, must produce ISRS revenues of at least the lesser of one-half of one percent (1/2%) of the natural gas utility’s base revenue level approved by the commission in the natural gas utility’s most recent general rate case proceeding or one (1) million dollars, but not in excess of ten percent (10%) of the subject utility’s base revenue level approved by the commission in the utility’s most recent general rate proceeding.”

3. In Commission Case No. GR-2018-0013, Liberty's most recently completed general rate case, Liberty's ISRS rates were reset to zero effective July 1, 2018, and the verified application filed herein by Liberty was its first petition to change its ISRS rates since the conclusion of Commission Case No. GR-2018-0013.

4. On March 31, 2021, the Staff of the Commission ("Staff") filed a Staff Recommendation, describing Staff's examination and investigation of Liberty's verified application, supporting documentation, and data regarding Liberty's proposed ISRS changes.

5. Six adjustments are proposed by Staff, and Liberty accepts all of Staff's recommended adjustments and suggested rates. Liberty is also in agreement with Staff's recommendations that Liberty meet with Staff prior to future ISRS filings and that supporting documentation be prepared prior to the date of filing.

**WHEREFORE**, Liberty respectfully submits this Response to Staff Recommendation and requests such relief as is just and proper under the circumstances.

Respectfully submitted,

/s/ Diana C. Carter

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**CERTIFICATE OF SERVICE**

I hereby certify that the above document was filed in EFIS on this 5<sup>th</sup> day of April, 2021, and electronically delivered to all counsel of record.

/s/ Diana C. Carter