

*Exhibit No.:*  
*Issue(s):* *Billing Determinants -  
Transportation*  
*Witness:* *Joseph P. Roling*  
*Sponsoring Party:* *MoPSC Staff*  
*Type of Exhibit:* *Direct Testimony*  
*Case No.:* *GR-2021-0320*  
*Date Testimony Prepared:* *January 24, 2022*

**MISSOURI PUBLIC SERVICE COMMISSION**

**INDUSTRY ANALYSIS DIVISION**

**TARIFF/RATE DESIGN DEPARTMENT**

**DIRECT TESTIMONY**

**OF**

**JOSEPH P. ROLING**

**THE EMPIRE DISTRICT GAS COMPANY,  
d/b/a Liberty (Empire)**

**CASE NO. GR-2021-0320**

*Jefferson City, Missouri*  
*January 2022*

1 **DIRECT TESTIMONY**

2 **OF**

3 **JOSEPH P. ROLING**

4 **THE EMPIRE DISTRICT GAS COMPANY,**  
5 **d/b/a Liberty (Empire)**

6 **CASE NO. GR-2021-0320**

7 Q. Please state your name and business address.

8 A. My name is Joseph P. Roling, and my business address is Missouri Public  
9 Service Commission, P.O. Box 360, Jefferson City, Missouri, 65102.

10 Q. By whom are you employed and in what capacity?

11 A. I am employed by the Missouri Public Service Commission (“Commission”) as  
12 a Regulatory Economist in the Tariff/Rate Design Department in the Industrial Analysis  
13 Division.

14 Q. Please describe your educational and work background.

15 A. Please see Schedule JPR-d1.

16 Q. What is the purpose of your testimony?

17 A. The purpose of my direct testimony is to describe Staff’s calculation of retail  
18 rate revenues for the following Transportation rate classes and provide support for any revenue  
19 adjustments Staff made to the Transportation class revenues. The Transportation rate classes  
20 are as follows:

- 21 - Small Volume Firm Transportation Small (SVFTS)
- 22 - Small Volume Firm Transportation Medium (SVFTM)
- 23 - Small Volume Firm Transportation Large (SVFTL)
- 24 - Large Volume Firm Transportation Service (LVFT)

25 Q. What is the intent of Staff’s adjustments?

1           A.     The intent of Staff’s adjustments is to determine the level of revenue that  
2 The Empire District Gas Company, d/b/a Liberty (“Empire”) would have collected on an  
3 annual, normal-weather basis, based on information "known and measurable" at the end of the  
4 test year (in this case, updated through September 2021, as explained below). The two major  
5 categories of revenue adjustments are known as “normalizations” and “annualizations.”

6           Q.     What adjustments did Staff make to the retail rate revenues for the  
7 Transportation rate classes?

8           A.     Staff performed two adjustments to the Transportation rate class revenues.  
9 First, Staff updated the test year revenues through September 2021. Next, Staff reviewed the  
10 individual customer bills of each transportation customer. If the customer left the transportation  
11 class during the 12 months ending September 2021, Staff removed this customer from the  
12 transportation class. If the customer started service on a transportation rate schedule prior to  
13 September 2021, but did not have 12 months of service, Staff averaged the customer’s known  
14 usage to estimate the level of usage for the missing months. The purpose of this adjustment is  
15 to reflect 12 months of usage for all customers currently receiving service on the transportation  
16 rate schedules. Revenues adjustments have been updated and are listed below:

17

<b>Transportation Class Revenue</b>	<b>Total</b>
"Lg Volume Trans/North"	\$ 249,330
"Lg Volume Trans/NW"	\$ 205,781
"Lg Volume Trans/ODB35"	\$ 284,954
"Lg Volume Trans/ODB60"	\$ 7,448
"Lg Volume Trans/South"	\$ 1,896,428
"Sm Volume Trans/Large"	\$ 403,787
"Sm Volume Trans/Medium"	\$ 596,891
"Sm Volume Trans/Small"	\$ 95,285
<b>Grand Total</b>	<b>\$ 3,739,906</b>

18

1 Q. Did Staff make any other adjustments to the retail rate revenues for the  
2 Transportation rate classes?

3 A. No.

4 Q. Does Staff's retail rate revenue calculation include revenues for the  
5 Infrastructure System Replacement Surcharge ("ISRS") or the Purchased Gas Adjustment  
6 ("PGA") tariff?

7 A. No. Currently, Empire does not have an effective ISRS rate and a customer's  
8 gas-related revenues are reflected in the PGA mechanism. Staff's direct filed revenues in this  
9 case only include the customer's charges for gas delivery. For example, charges included in  
10 Staff's calculating of retail rate revenues in this case include a customer charge, per centum  
11 cubic feet (Ccf) delivery charge, an additional meter if applicable, and a per Ccf demand charge  
12 for Large Volume Transportation customers.

13 Q. Do customers who transport their own gas incur other charges in addition to the  
14 gas delivery charges included in this case?

15 A. Yes. Customers who transport gas also may incur gas balancing charges and  
16 aggregation charges that are reflected in the Company's PGA.

17 Q. Does this conclude your testimony?

18 A. Yes it does.

BEFORE THE 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 ) Case No. GR-2021-0320  
to Change its Rates for Natural Gas Service )

**AFFIDAVIT OF JOSEPH P. ROLING**

STATE OF MISSOURI )  
 ) ss.  
COUNTY OF COLE )

COMES NOW JOSEPH P. ROLING and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Direct Testimony of Joseph P. Roling*; and that the same is true and correct according to his best knowledge and belief.


Further the Affiant sayeth not.

  
JOSEPH P. ROLING

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 20<sup>th</sup> day of January 2022.

D. SUZIE MANKIN  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Cole County  
My Commission Expires: April 04, 2025  
Commission Number: 12412070

  
Notary Public

## **Joseph P. Roling**

### **Present Position:**

I am a Regulatory Economist in the Tariff and Rate Design Unit, Operational Analysis Department, Commission Staff Division, of the Missouri Public Service Commission. I have been employed by the Missouri Public Service Commission since March of 2016.

### **Educational Background and Work Experience:**

I have a Bachelor of Science degree in Business Administration, Finance & Banking with a minor in Economics from the University of Missouri – Columbia in 1991, and a Master of Business Administration from Lincoln University in 1995. Prior to joining the Commission, I was employed in the Financial Service Industry.

Additionally, I completed Financial Planning Certificate Program from Bryant University in October, 2015.

### **Regulatory Training while at PSC:**

5/19/16 – Carbon Markets 101 – Keys to Effective Design & Management

6/27/16 – Evaluation, Measurement & Verification (EM&V) for Energy Efficiency

6/29/16 – Long Term Gas Hedging Why and How

7/2/16 – Setting Baselines for Planning & Evaluation of Efficiency Programs EMV

8/25/16 - Leveraging Power Markets to Achieve a Reliable, Least-Cost Transition to a Low-Carbon Power System Regulatory Assistance Project

9/21/16 – FRI Symposium Attendance - “Managing the Triple Threat to Public Utility Profitability: Safety, Reliability & Affordability.”

10/13/16 - Gas Efficiency Programs – What does it take to pass cost-effectiveness tests?

11/3/16 - More is Less - Environmentally Beneficial Electrification

**cont'd Joseph P. Roling**

**cont'd Regulatory Training while at PSC:**

01-17-17 Harness the Momentum of Power Sector Transformation - Regulatory Assistance Project (RAP) Webinar

01-25-17 New Study on Demand Charge Savings from Residential Solar – Electric Markets & Policy Group, Lawrence Berkeley National Laboratory.

01-31-17 Energy Efficiency - Consistency and Coordination of Energy Efficiency EM&V and Reporting

02-21-17 Assessment of Benefits Derived from Improved Reliability & Resiliency in Utility-owned Microgrid

03-01-17 Flexible & Customizable – Designing Decoupling for your State Regulatory Assistance Project

03-23-17 Part 1 Lessons Learned from Energy Efficiency Programs

03-30-17 Part 2 Lessons Learned from Energy Efficiency Programs

11-17-17 MISO 101 Overview for MPSC

02-06-18 One Size Does Not Fit All – Complexities, Use Case, Trends in Energy Storage

02-13-18 Clean Energy States Alliance-State of the US Energy Storage Industry 2017 Year on Review

05-02-18 Income Trends of Residential Solar Adopters

**Previous filed Testimony of Joseph P. Roling**

<b>Case No.</b>	<b>Company</b>	<b>Type of Filing</b>	<b>Issue</b>
ER-2019-0375	Kansas City Power & Light Company	Staff Recommendation	MEEIA
ER-2019-0397	KCPL Greater Missouri Operations Company	Staff Recommendation	MEEIA
GR-2019-0077	Ameren Missouri	Cost of Service Report	Revenues
EC-2018-0066	Ameren Missouri	Tariff Investigation Report	Customer Complaint
EC-2018-0097	Ameren Missouri	Tariff Investigation Report	Customer Complaint
GR-2018-0013	Liberty Utilities	Cost of Service Report	Revenues
GR-2021-0108	Spire Missouri, Inc., d/b/a Spire	Cost of Service Report	Revenues
GC-2017-0348	Spire Missouri, Inc., d/b/a Spire (Laclede Gas Company and Missouri Gas Energy)	Tariff Investigation Report	Customer Complaint
GR-2017-0215 and GR-2017-0216	Spire Missouri, Inc., d/b/a Spire (Laclede Gas Company and Missouri Gas Energy)	Cost of Service Report	Revenues
ER-2016-0179	Ameren Missouri	Cost of Service / Revenue Requirement Report	Revenues



Case No.	Company	Type of Filing	Issue
HO-2017-0211	Veolia Energy Kansas City, Inc.-(Steam/Heat)	Staff Recommendation	PACC Filing
ER-2019-0335	Ameren Missouri	Lighting Revenue	Revenues
ER-2019-0374	Liberty (Empire)-Investor(Electric)	Low Income Pilot Information	Revenues
ER-2021-0240	Ameren Missouri	Large Primary Service Revenue	Revenues
GA-2019-0210	Spire Missouri, Inc.-Investor(Gas) Spire-Investor(Gas)	Staff Recommendation	CCN Expansion
GA-2019-0214	Spire Missouri, Inc.-Investor(Gas) Spire-Investor(Gas)	Staff Recommendation	CCN Expansion
ER-2020-0154	Evergy Metro, Inc.-Investor(Electric) Evergy Missouri Metro-Investor(Electric)	Staff Recommendation	MEEIA
ER-2020-0388	Evergy Metro, Inc.-Investor(Electric) Evergy Missouri Metro-Investor(Electric)	Staff Recommendation	MEEIA
ET-2020-0133	Evergy Metro, Inc.-Investor(Electric) Evergy Missouri Metro-Investor(Electric) Evergy Missouri West, Inc.-Investor(Electric) Evergy Missouri West-Investor(Electric)	Staff Recommendation	Request for a variance from the Commission's billing and payment standards

<b>Case No.</b>	<b>Company</b>	<b>Type of Filing</b>	<b>Issue</b>
GA-2020-0235	Spire Missouri, Inc.- Investor(Gas) Spire-Investor(Gas)	Staff Recommendation	CCN Expansion
GO-2020-1820	Spire Missouri, Inc.- Investor(Gas) Spire-Investor(Gas)	Staff Investigation	Investigation into the Customer Service and Billing Recordkeeping Practices of Spire Missouri, Inc. d/b/a Spire
GA-2021-0010	Spire Missouri, Inc.- Investor(Gas) Spire-Investor(Gas)	Staff Recommendation	CCN Expansion
ER-2021-0312	Liberty (Empire)- Investor(Electric)	Lighting & Transmission Service Revenue	Revenues