

Exhibit No.:  
Issues: Main extension, Low Income  
Weatherization  
Witness: Kory Boustead  
Sponsoring Party: MO PSC Staff  
Type of Exhibit: Rebuttal Testimony  
Case No.: GR-2014-0152  
Date Testimony Prepared: July 30, 2014

**MISSOURI PUBLIC SERVICE COMMISSION**

**REGULATORY REVIEW DIVISION**  
Tariff, Safety, Economic & Engineering Analysis

**REBUTTAL TESTIMONY**

**OF**

**KORY BOUSTEAD**

**LIBERTY UTILITIES (MIDSTATES NATURAL GAS) CORP.**  
**d/b/a LIBERTY UTILITIES**

**CASE NO. GR-2014-0152**

*Jefferson City, Missouri*  
*July 2014*

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

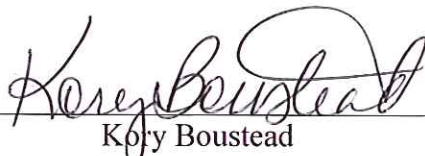
In the Matter of Liberty Utilities )  
(Midstates Natural Gas) Corp. d/b/a )  
Liberty Utilities' Tariff Revisions )  
Designed to Implement a General Rate )  
Increase for Natural Gas Service in the )  
Missouri Service Areas of the Company )

File No. GR-2014-0152

**AFFIDAVIT OF KORY BOUSTEAD**

**STATE OF MISSOURI**     )  
                                          ) ss  
**COUNTY OF COLE**     )

Kory Boustead, of lawful age, on her oath states: that she has participated in the preparation of the following Rebuttal Testimony in question and answer form, consisting of 3 pages of Rebuttal Testimony to be presented in the above case, that the answers in the following Rebuttal Testimony were given by her; that she has knowledge of the matters set forth in such answers; and that such matters are true to the best of her knowledge and belief.

  
\_\_\_\_\_  
Kory Boustead

Subscribed and sworn to before me this 29th day of July, 2014.

LAURA BLOCH Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: June 21, 2015 Commission Number: 11203914
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Notary Public

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1 **REBUTTAL TESTIMONY**

2 **OF**

3 **KORY BOUSTEAD**

4 **LIBERTY UTILITIES (MIDSTATES NATURAL GAS) CORP.**

5 **d/b/a LIBERTY UTILITIES**

6 **CASE NO. GR-2014-0152**

7 Q. Are you the same Kory Boustead who contributed to Staff's Revenue  
8 Requirement Cost of Service report?

9 A. Yes I am.

10 **EXECUTIVE SUMMARY**

11 Q. What is the purpose of your rebuttal testimony?

12 A. The purpose of my rebuttal testimony is to address Liberty Utilities (Midstates  
13 Natural Gas) Corp. d/b/a Liberty Utilities ("Liberty Utilities" or "Company") main extension  
14 proposal and the funding of the Low Income Weatherization Program contained in the Direct  
15 Testimony of witness John Buchanan, Department of Economic Development, Division of  
16 Energy.

17 **MAIN EXTENSION PROPOSAL**

18 Q. What change did Liberty Utilities propose to their main extension tariff?

19 A. Liberty Utilities current tariffed main extension policy allows 150 feet of  
20 extension free of charge. They are proposing to change the allowable amount from 150 feet  
21 to 350 feet. The Company is proposing this as a trial program until its next general rate case.  
22 If the trial program is approved, Liberty Utilities states they will work with Commission Staff  
23 and the Office of Public Counsel ("OPC") to develop a reporting format, timing, content and

1 frequency, among other items to see how the program progresses and measurements to  
2 analyze the program and monitor it on an ongoing basis.

3 **RECOMMENDATION**

4 Q. Does Staff agree with Liberty Utilities' proposal to increase the free main  
5 extension length from 150 feet to 350 feet?

6 A. No. Liberty Utilities performed no cost analyses to support its position.  
7 Without any analyses, Staff recommends no change to Liberty Utilities current main line  
8 extension policy.

9 **RECOMMENDED LEVEL OF FUNDING FOR LOW INCOME WEATHERIZATION**  
10 **PROGRAM**

11 Q. Does Staff agree with the proposed funding for Liberty's Low Income  
12 Weatherization Program in the direct testimony of John Buchanan, Department of Economic  
13 Development, Division of Energy?

14 A. No. While Staff agrees that the funding target for energy efficiency should be  
15 based on annual revenues, we do not agree to what John Buchanan stated in his direct  
16 testimony that "Low Income Weatherization Assistance funding should be in addition to the  
17 0.5 percent target funding level for energy efficiency." (Direct Testimony of John Buchanan,  
18 Department of Economic Development, Division of Energy, page 9, lines 6-7)

19 **RECOMMENDATION**

20 Q. What is Staff's recommendation?

21 A. Staff recommends the Commission approve the goal of 0.5 percent of annual  
22 revenues as the target level for both energy efficiency and Low Income Weatherization  
23 assistance programs combined. Since the utility potentially can recover the costs through

Rebuttal Testimony of  
Kory Boustead

1 rates Staff feels there is not enough information regarding how effective these programs are in  
2 reducing energy usage to justify allowing more money in addition to the 0.5 percent of annual  
3 revenues, causing a further potential future increase than what could be necessary.

4 Q. Does this conclude your rebuttal testimony?

5 A. Yes, it does.