

Exhibit No.: _____
Issues: Tariffs
Witness: James A. Young
Type of Exhibit: Direct Testimony
Sponsoring Party: The Empire District Gas
Company
Case No.: GR-2021-0320
Date Testimony Prepared: August 2021

**Before the Public Service Commission
of the State of Missouri**

Direct Testimony

of

James A. Young

on behalf of

The Empire District Gas Company

August 2021



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FOR THE DIRECT TESTIMONY OF JAMES A. YOUNG
THE EMPIRE DISTRICT GAS COMPANY
BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION
CASE NO. GR-2021-0320

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DIRECT TESTIMONY OF JAMES A. YOUNG
THE EMPIRE DISTRICT GAS COMPANY
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1 **I. INTRODUCTION AND QUALIFICATIONS**

2 **Q. Please state your name and business address.**

3 A. My name is James A. Young, and my business address is 602 S. Joplin Avenue,
4 Joplin, Missouri, 64801.

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

6 A. I am employed by Liberty Utilities Service Corp. (“LUSC”) as a Rates and
7 Regulatory Affairs Analyst for the Liberty Utilities Co.’s (“Liberty”) Central
8 Region, which includes The Empire District Gas Company (“EDG” or
9 “Company”).

10 **Q. On whose behalf are you testifying in this proceeding?**

11 A. I am testifying on behalf of EDG.

12 **Q. Please describe your educational background.**

13 A. In 1988, I received a Bachelor of Business Administration in Accounting from
14 Abilene Christian University College of Business, located in Abilene, Texas.

15 **Q. Please describe your professional experience.**

16 A. I began my employment with Liberty in 2018, as a Rates and Regulatory Affairs
17 Analyst. During my experience here I have been responsible for and have prepared
18 numerous gas cost and regulatory filings submitted to Commissions in various
19 states where Liberty has operations, including Missouri.

20 **Q. Have you previously testified before the Missouri Public Service Commission**
21 **(“Commission”) or other regulatory agency?**

1 A. No.

2 **II. PURPOSE OF TESTIMONY**

3 **Q. What is the purpose of your testimony in this proceeding?**

4 A. I am presenting the revised tariffs necessary to implement the proposed rates and
 5 other changes supported by the schedules and other exhibits and testimony of
 6 Company witnesses in this filing. To facilitate the Commission's review, I have
 7 attached revised redline tariffs to my testimony as Schedule JY-1, as well as
 8 presenting a “clean” version of the same tariffs as Schedule JY-2. Some of the
 9 tariff language changes are minor in nature, such as typographical or formatting
 10 revisions. In Table JY1 below, I summarize the tariff pages requested for approval
 11 in this proceeding.

12 **III. RATE SCHEDULE TARIFF CHANGES**

13 **TABLE JY1**

New tariff sheet	New Revision Number	Type of revision
2	3rd Revised	Index updated
2a	Original	Supplemental Index
8a	Original	Service Area Map
8b	Original	Service Area Map
8c	Original	Service Area Map
8e	Original	Service Area Map
8f	Original	Service Area Map
8g	Original	Service Area Map
8h	Original	Service Area Map
8j	Original	Service Area Map
8k	Original	Service Area Map
8l	Original	Service Area Map
8m	Original	Service Area Map
9	2nd Revised	Rate Change, Schedule name Change

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9.a	1st Revised	Reserved for future use
10	2nd Revised	Rate Change, Schedule name Change
10.a	1st Revised	Reserved for future use
11	2nd Revised	Rate Change, Schedule name Change, Availability change
11.1	1st Revised	Reserved for future use
11a	1st Revised	Reserved for future use
11.b	1st Revised	Reserved for future use
12	2nd Revised	Rate Change, Schedule name Change
13.a	1st Revised	Reserved for future use
14	2nd Revised	Rate Change
15.a	1st Revised	Reserved for future use
23	2nd Revised	Language and naming changes
28	2nd Revised	Name changes, Language clarification Section 7.A.
29	2nd Revised	Language clarification No. 14.
30	2nd Revised	Language clarification Nos. 17. and 21.
33	2nd Revised	Delivery charge change, Schedule name change
34	2nd Revised	Customer charge, delivery charge, language and naming changes
35	2nd Revised	Removed section H.
36	2nd Revised	Reserved for future use
36.a	1st Revised	Reserved for future use
37	2nd Revised	Customer charge, delivery charge, language and naming changes
38.a	1st Revised	Reserved for future use
39	2nd Revised	Delivery and Demand charge change
40.a	1st Revised	Reserved for future use
41	2nd Revised	Removal of special contract customers
42	2nd Revised	Language change in first paragraph
43	2nd Revised	Language changes in 2.A., B., C., D.
45	2nd Revised	Language and naming changes
46	2nd Revised	Language and naming changes
56	1st Revised	Language change in II.C.
57	1st Revised	Language change in III.
58	1st Revised	Reserved for future use
59	1st Revised	Reserved for future use
73	Original	Weather Normalization Adjustment Rider (“WNAR”)
74	Original	WNAR
75	Original	WNAR

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76	Original	WNAR
R-2	2nd Revised	Item changes in item 9
R-24	1st Revised	Name Changes
R-51a	1st Revised	Revised Low Income Program Section 9.07
R-51a.1	Original	Revised Low Income Program Section 9.07
R-51b	1st Revised	Revised Low Income Program Section 9.07
R-51c	2nd Revised	Revised Low Income Program Section 9.07
R-51d	2nd Revised	Budget Amount change
R-51g	2nd Revised	Revised High-Efficiency Appliance Rebate Program
R-51g.1	Original	Revised High-Efficiency Appliance Rebate Program (cont)
R-51h	2nd Revised	EDG Energy Education Program
R-51i	2nd Revised	Energize EDG Homes
R-51j	2nd Revised	Energize EDG Homes (cont)
R-51k	1st Revised	Removed language and reserved for future use
R-51l	2nd Revised	Removed language and reserved for future use
R-51m	2nd Revised	Removed language and reserved for future use
R-51n	2nd Revised	Removed language and reserved for future use

1 **Q. Please describe the changes proposed to the existing rate schedules.**

2 A. The primary reason for revisions to the tariffs is to reflect the rates and charges
3 proposed in the Class Cost of Service (“CCOS”) study presented by Company
4 witness Mr. Timothy Lyons. In addition, and as discussed in Mr. Lyons’ testimony,
5 the Company also proposes the combination of rate classes Small Commercial Firm
6 Service Medium (“SCFM”) and Small Commercial Firm Service Large (“SCFL”)
7 into the renamed class Medium General Service (“MGS”) along with expansion of
8 its availability to customers with annual volumes of at least 5,000 Ccf but less than
9 20,000 Ccf to annual volumes of at least 5,000 Ccf but less than 40,000 Ccf.
10 Various other class names have been revised to simplify their individual
11 identification and scope. The impact and motivation of this change is addressed
12 within Mr. Lyons’ CCOS testimony and workpapers.

13 **Q. What other factors did the company consider in revising the rate schedules?**

14 A. The Company is proposing to consolidate rate schedules as discussed in the
15 testimony of Mr. Lyons, and simplify the current rate schedule names in order to
16 update the Company’s rate offerings in clearer and more concise language. For
17 example, the existing rate schedules include a designation as “small” for three of
18 the offerings as compared to the single offering of “large” service, and such
19 designation appeared to be extraneous. As discussed in other witnesses’ testimony,
20 the Company has not filed a rate case since EDG was acquired by Liberty;
21 therefore, this is the first opportunity to update the rate schedules.

22 **Q. On sheet 56 the Company is proposing revised changes to the Company’s**
23 **Purchased Gas Agreement (“PGA”)/Actual Cost Adjustment (“ACA”)**

1 **concerning the recovery of excess gas cost as a result of extraordinary events.**

2 **Please explain this language as it relates to the actual cost of gas calculation.**

3 A. Upon request by the Company, the Commission could find cause to extend the time
4 period of recovery of actual gas costs beyond the normal twelve (12) month
5 recovery period. This is due to larger than normal actual excess or deficit gas cost
6 recovery primarily related to storms or extraordinary weather events, such as
7 Winter Storm Uri in February of this year. The Company is committed to assisting
8 customers by extending the recovery period for gas costs incurred during Winter
9 Storm Uri, These revisions are designed to allow the Company to spread
10 extraordinary gas commodity costs over more than twelve (12) months, thereby
11 mitigating potentially significant customer bill impacts related to these gas costs.
12 Further, going forward, customers will have the additional benefit of less erratic
13 rate impacts when these types of events occur. .

14 **Q. Is the company seeking expedited consideration of the actual cost of gas related**
15 **language?**

16 A. Yes. The Company communicated with the Commission in the form of a notice in
17 File No. GU-2021-0275, filed on August 2, 2021, to consider expeditious review
18 of this tariff change to include the extraordinary gas cost experienced during Winter
19 Storm Uri into its annual ACA due this fall. Without expeditious treatment and
20 Commission approval of an extended recovery period, all the gas cost resulting
21 from Winter Storm Uri will be presented in the recovery amounts for the next 12
22 months after the approval of the new ACA rates. The inclusion of this language in

1 the tariff allows for an efficient process for the Commission and the Company by
2 having an approved process for these types of events.

3 **Q. Please describe the proposed revision related to the carrying cost associated**
4 **with an extended PGA/ACA recovery.**

5 A. On sheet 57, the Company is proposing language changes that in the event of
6 Commission approval of the Company's request to extend the PGA/ACA recovery
7 period, the Company will calculate and adjust the carrying cost of the extension
8 that is reasonable for the length of the extension.

9 **IV. OTHER NON-RATE RELATED TARIFF CHANGES**

10 **Q. Please describe the revision of the system service map.**

11 A. The service maps being provided have been revised to include section numbers by
12 service area. Thus, these additional maps detailing the Company's service area are
13 proposed for addition into the tariff to supplement the state map.

14 **Q. Is there a tariff related change to the proposed update of the Company's Low-**
15 **Income Program?**

16 A. Yes. The proposed revision is addressed by Company witness Jon Harrison's direct
17 testimony in this proceeding and is included beginning on Sheet R-51a.

18 **Q. Is there a tariff related to the weather normalization adjustment ("WNAR")?**

19 A. Yes, the proposed WNAR is included as Sheets 73 through 76 and is discussed in
20 the testimony by Company Witness Timothy S. Lyons.

21 **IV. CONCLUSION**

22 **Q. Does this conclude your direct testimony?**

23 A. Yes.

VERIFICATION

I, James A. Young, under penalty of perjury, on this 23rd day of August, 2021,
declare that the foregoing is true and correct to the best of my knowledge and belief.

/s/ James A. Young