

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

In the Matter of Liberty Utilities’ Motion for)
Temporary Variances Regarding Electric, Gas,) Case No. AO-2020-0335
Water, and Sewer Tariffs and the Impact of)
COVID-19 on Missouri Customers)

RESPONSE TO COMMISSION ORDER

COME NOW The Empire District Electric Company (“EDE”), The Empire District Gas Company (“EDG”), Liberty Utilities (Missouri Water) LLC (“Liberty Water”), and Liberty Utilities (Midstates Natural Gas) Corp. (“Midstates”), all Liberty Utilities companies (collectively, the “Movants”), and for their Response to Commission Order with regard to their Informational Filing, Motion for Temporary Variances, Request for Approval of Temporary Tariffs, and Motion for Waiver filed herein on April 23, 2020 (the “Motion”), and the *Order Directing Reply* issued by the Missouri Public Service Commission (“Commission”) on May 7, 2020, respectfully state as follows:

1. The Motion was submitted to clarify and facilitate the Movants’ actions with regard to the COVID-19 pandemic. At the Commission’s direction, the Staff of the Commission (“Staff”) responded to the Motion on May 6, 2020. The Office of the Public Counsel (“OPC”) responded to the Motion and to Staff’s response on May 7, 2020.

2. As of March 16, 2020, for all customers, the Movants have been foregoing the collection of fees related to late payments, have not been disconnecting customers due to nonpayment, have not been sending collection or disconnection notices, and have been working to bring recently disconnected customers back onto the systems. To the extent required, the Movants seek temporary variances from their tariffs and the Commission’s rules in order to allow these practices to continue through the end of the declared emergency. Neither Staff nor OPC object to the grant of these requested variances.

3. Staff, however, recommends that instead of “just a variance from particular sheets,

the variance should be from the entire rule regarding disconnects, with the exceptions of tampering, unauthorized interference, or if health or safety is at risk. Staff's modifications to the variances for each individual company is further outlined in Staff's Memorandum. Staff recommends that the Commission grant the Movants' request for a temporary variance, as modified in Staff's Memorandum." The Movants have no objection to these modifications.

4. The Motion also seeks approval of temporary tariff sheets to allow EDE-electric and water, Liberty Water-water and sewer, and EDG to provide credits to customers that use a credit/debit card for electronically submitted payments and are charged a fee for said use. Staff and OPC both oppose this request.

5. With its response, Staff states that it has found that "the Movants' currently effective tariffs for its electric, gas, and Empire water operations do not include language or the rate to pay the bill via credit or debit card. It is also Staff's understanding that the fee is paid by the customer directly to the third party vendor, and not handled by the Movants. Further, the issue of including credit card fees in the cost of service versus customers paying this fee directly is to be decided by the Commission in The Empire District Electric Company's active rate case." All of these things are true, but Staff and OPC have not explained how these facts serve as a basis for denying the Movants' request.

6. Staff argues that the request for approval of the temporary tariff sheets should be denied because "the third party charge for paying by credit or debit card is not currently recovered through a line-item charge in the Movants currently effective tariffs for most customers; the credit card fees are not currently included in the Movants' Commission approved revenue requirements for most customers; and customer payment of credit card fees are paid by the customer directly to the third party vendor." Again, Staff and OPC have not explained how these facts serve as a basis for denying the Movants' request.

7. The OPC concurs with Staff and states that it “is aware of nothing prohibiting the Movants from electing to absorb such third-party fees without new regulations should the Movants choose to do so.” The Movants, on the other hand, believe Commission-approved tariffs should be in effect in order to allow the Movants to offer this new service (a bill credit) to customers. As noted, customers currently pay the third party vendor directly for the referenced credit card fees. The Company, through the proposed temporary tariffs, would like to credit customers’ bills for these fees. The credit would be equal to the amount directly charged to the customer by the third party payment processing company and paid by the customer. Currently, residential customers are directly charged \$2.25 and commercial customers are directly charged \$13.00 when they pay their utility bills online using debit or credit cards.

8. Staff states that “if the Commission were to approve the proposed tariffs, Staff recommends that no ratemaking treatment be determined regarding the cost of the credit at this time, and the Commission should make this clear if it determines the tariffs should be approved.” The Movants, of course, have no objection to this, as the Motion contains no request for ratemaking treatment.

WHEREFORE, the Movants request an order of the Commission waiving the 60-day notice requirement of Rule 4.017(1), granting temporary variances from their various tariff provisions, and approving the proposed temporary tariffs related to card fees. The Movants request such additional and further relief as is just and proper under the circumstances.

/s/ Diana C. Carter
Diana C. Carter MBE #50527
Liberty Utilities
428 E. Capitol Ave., Suite 303
Jefferson City, Missouri 65101
Joplin Office Phone: (417) 626-5976
Cell Phone: (573) 289-1961
E-Mail: Diana.Carter@LibertyUtilities.com

CERTIFICATE OF SERVICE

I hereby certify that the above document was filed in EFIS on this 11th day of May, 2020, and electronically delivered to the Staff of the Commission and the Office of the Public Counsel.

/s/ Diana C. Carter