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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**

**Michael D. Beatty**

**on behalf of**

**The Empire District Gas Company**

**August 2021**



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THE EMPIRE DISTRICT GAS COMPANY  
BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION  
CASE NO. GR-2021-0320

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DIRECT TESTIMONY OF MICHAEL D. BEATTY  
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 Michael D. Beatty. My business address is 602 S. Joplin Avenue, Joplin,  
4 Missouri 64802.

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

6 A. I am employed by Liberty Utilities Service Corp., a wholly owned subsidiary of Liberty  
7 Utilities Co. (“Liberty Utilities”). My title is Vice President of Natural Gas Operations  
8 for the Liberty Utilities Central Region, which includes Liberty Utilities (Midstates  
9 Natural Gas) Corp. d/b/a Liberty Utilities (“Liberty Midstates”) and The Empire  
10 District Gas Company (“EDG” or the “Company”).

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

12 A. I am testifying on behalf of EDG.

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

14 A. I hold a Bachelor of Science degree in Mechanical Engineering from the Missouri  
15 University of Science and Technology (formerly, University of Missouri-Rolla). I am  
16 licensed as a Professional Engineer in Missouri, as well as in Colorado, Kansas, Iowa,  
17 Illinois, South Carolina, Tennessee (inactive), and Virginia.

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

19 A. I joined Liberty Utilities in July 2012 as the Director of Engineering and Compliance,  
20 and was promoted to President of Liberty Utilities (Midstates Natural Gas) Corp. in  
21 October of 2015. In 2017 I became the Vice President of natural gas and water for the

1 Liberty Utilities Central Region. Earlier this month, my position was reclassified as  
2 Vice President of natural gas for the Liberty Utilities Central Region to reflect the  
3 assignment of my water utility responsibilities. Prior to joining Liberty Utilities, I  
4 worked for Atmos Energy in the states of Colorado and Tennessee, and for South  
5 Carolina Electric and Gas in South Carolina. I have worked in the natural gas industry  
6 for thirty-two years and have been responsible for engineering and operations matters.  
7 My duties and experience have included oversight and direction of engineering,  
8 construction, capital budgets, measurement, and system integrity and code  
9 compliance.

10 I am actively engaged in industry organizations such as the American Gas Association  
11 (“AGA”) and Southern Gas Association (“SGA”). I had the honor of serving on the  
12 AGA Distribution Infrastructure Government – Industry Team (“DIGIT”), which  
13 developed the Phase One document for Distribution Integrity Management. I also  
14 served as the Chairman of the SGA Distribution Integrity Management Framework  
15 Document, a joint effort between the SGA and the Northeast Gas Association. I am  
16 currently on the MEA Energy Association Board of Directors.

17 **Q. What are your principal responsibilities as the vice president of natural gas and**  
18 **water operations?**

19 A. I am responsible for the natural gas utility operations for Liberty Utilities’ Central  
20 Region which includes the Company’s operations in the States of Iowa, Illinois, and  
21 Missouri, including the natural gas operations of EDG.

22 **Q. Have you previously testified in a proceeding before the Missouri Public Service**  
23 **Commission (“MPSC” or “Commission”) or before any other utility regulatory**  
24 **agency?**

1 A. Yes. Not only have I testified in front of the Commission in File No. GR-2018-0013  
2 and File No. WA-2020-0397 I have testified before the Iowa Utilities Board, the Illinois  
3 Commerce Commission, and the Arkansas Public Service Commission.

4 **II. PURPOSE OF TESTIMONY**

5 **Q. What is the purpose of your testimony?**

6 A. The purpose of my testimony is to provide an overview of the Company's rate case filing.  
7 First, I will provide background information and discuss some of the relevant prior  
8 regulatory activities regarding EDG. Second, I will discuss the Company's continued  
9 focus on providing high quality customer service. Third, I will summarize some of the  
10 major factors contributing to the Company's need to seek rate relief and the resulting  
11 rates to be implemented, both in terms of amount and in terms of rate design. Finally,  
12 I will introduce the Company's witnesses.

13 **III. OVERVIEW OF THE FILING**

14 **Q. Would you please provide a brief description of the company?**

15 A. EDG is a corporation organized and existing under the laws of the State of Kansas,  
16 with its principal office located at 602 Joplin Street, Joplin, Missouri 64802. EDG is a  
17 wholly-owned subsidiary of The Empire District Electric Company and an indirect  
18 subsidiary of Liberty Utilities Co. EDG is a "gas corporation" and a "public utility" as  
19 those terms are defined in Section 386.020 RSMo and as such is subject to the  
20 jurisdiction of the Missouri Public Service Commission ("Commission") as provided  
21 by law. EDG provides natural gas service to approximately 44,000 in the Missouri  
22 counties of Cooper, Henry, Johnson, Lafayette, Morgan, Pettis, Platte, Ray Saline,  
23 Vernon, Chariton, Grundy, Howard, Linn, Atchison, Holt, Nodaway, Andrew and  
24 Livingston. EDG was authorized to provide natural gas service pursuant to authority

1 granted by the Commission in File No. GO-2006-0205, by Commission Order issued  
2 on April 18, 2006. The Company's distribution system is comprised of approximately  
3 1,038 miles of mains and 42,938 active service lines.

4 **Q. Please provide a brief overview of the company's request for a change in base**  
5 **rates as put forth in the company's filing.**

6 A. The Company is requesting that the Commission approve new base distribution rates  
7 to alleviate a revenue deficiency calculated by the Company to be \$1,362,350, which  
8 represents an increase of approximately 4.16 percent in total base revenue. This  
9 proposed revenue change is based on a test-year ending December 31, 2020 and is  
10 weather normalized and adjusted for operating results and a fair rate of return.

11 **IV. BACKGROUND AND RECENT REGULATORY ACTIVITY**

12 **Q. Please provide a brief background on Liberty Utilities' natural gas operations in**  
13 **Missouri.**

14 A. By its Order Approving Stipulations and Agreements and Authorizing Merger  
15 Transaction issued in File No. EM-2016-0213 (the "Order"), the Commission approved  
16 the stipulations and agreements entered in that proceedings and authorized a transaction  
17 under an Agreement and Plan of Merger by and between The Empire District Electric  
18 Company ("Empire"), Liberty Utilities (Central) Co. ("LU Central") and Liberty Sub  
19 Corp. (collectively, "Applicants") pursuant to which Liberty Sub Corp. merged with  
20 and into Empire with Empire as the surviving corporation. As a result of the merger,  
21 LU Central acquired all of the common stock of Empire Electric and assumed operation  
22 of EDG. LU Central is owned by Algonquin Power & Utilities Corp. ("APUC"), which  
23 is listed on the New York and Toronto Stock Exchanges and serves approximately one  
24 million customers in twelve states across the United States through its electric, gas,

1 water and wastewater utilities. In addition to its regulated utility business, APUC also  
2 operates its Liberty Power business, which owns approximately 1.36 GW of renewable  
3 generation in the United States and Canada.

4 **Q. What are the sources of the requirements imposed upon EDG in File No. EM-**  
5 **2016-0213 (the “Merger Docket”)?**

6 A. The application filed various, separate non-unanimous stipulations and agreements in  
7 the Merger Docket. On August 10, 2016, the Commission issued the Order Approving  
8 Stipulations and Agreements, approving four stipulations filed with the Commission  
9 on July 19, 2016: the City of Joplin Stipulation; the Empire District Retired Members  
10 & Spouses Association LLC (“EDRA”) Stipulation; the Laborer’s International Union  
11 of North America (“LiUNA”) Stipulation; and the International Brotherhood of  
12 Electrical Workers (“IBEW”) Locals 1464 and 1474 Stipulation. On September 7,  
13 2016, the Commission issued its Order Approving Stipulations and Agreements and  
14 Approving Merger Transaction, approving: the Office of the Public Counsel (“OPC”)  
15 Stipulation filed on August 23, 2016; the Staff Stipulation filed on August 4, 2016; the  
16 EDESR Stipulation filed on August 23, 2016; the Division of Energy and Renew  
17 Missouri Amended Stipulation filed on August 24, 2016; and the IBEW 1464 and  
18 IBEW 1474 Amended Stipulation filed on August 26, 2016.

19 **Q. Are there any human resources requirements found in stipulations in the Merger**  
20 **Docket?**

21 A. Yes, paragraph 5 of the OPC stipulation requires EDG to “maintain Corporate Officers  
22 who have a fiduciary duty to Empire,” and paragraph 8 of the OPC stipulation requires  
23 the Company to “maintain its own Board of Directors with a majority of non-  
24 management, independent Directors.”

1 **Q. Is EDG in compliance with these two provisions?**

2 A. Yes. EDG's current Directors, who all have a fiduciary duty to EDG, are as follows:  
3 Arun Banskota, Anthony "Johnny" Johnston, Alan Marble, Paul Baker and John N.  
4 Thompson. Messrs. Marble and Thompson and Ms. Baker are non-management,  
5 independent directors. EDG's officers – David Swain, Tisha Sanderson, and myself –  
6 also have fiduciary duties to EDG.

7 **Q. What is the third human resources requirement found in the OPC stipulation?**

8 A. Paragraph 10 of the OPC Stipulation provides that "(i)n its first general rate case after  
9 the close of the Transaction, Empire shall provide testimony discussing the  
10 employment metrics related to the number of full time employees [in the state of  
11 Missouri] and the average turnover rate along with any material changes to those  
12 metrics since the close of the Transaction."

13 **Q. Is this proceeding the first general rate case filed by EDG following the close of**  
14 **the merger?**

15 A. Yes.

16 **Q. Please explain the employment metrics related to the number of full-time**  
17 **employees in the state of Missouri and the average turnover rate along with any**  
18 **material changes to those metrics since the close of the merger transaction.**

19 A. As shown in the table below, the average number of full-time Missouri employees is  
20 slightly lower during 2017 and 2018 compared to 2016, the year immediately prior to  
21 the close of the merger transaction. This is reflective of a higher level of voluntary  
22 retirements and resignations subsequent to the merger transaction close, as displayed  
23 in the higher post-closing turnover rate. Overall, the decrease in the total number of  
24 full-time employees is not substantial.



Year	Head Count (avg.)	Turnover Rate
2016	49	6.10
2017	47	10.64
2018	46	8.70
2019	49	4.08
2020	48	10.42

1

2 **Q. What are the human resources requirements found in the EDRA stipulation?**

3 A. There are five requirements set forth in the EDRA stipulation. The first requirement is  
4 regarding life insurance benefits, the second requirement is regarding health benefits,  
5 the third requirement is regarding Liberty-Empire's pension plan, and the fourth and  
6 fifth requirements are regarding the health and pension benefits of Liberty-Empire's  
7 retirees.

8 **Q. Is EDG in compliance with the five provisions?**

9 A. Yes.

10 **Q. Are there other provisions from the Merger Docket that you would like to**  
11 **address?**

12 A. Yes, the Company complied with the following requirements:

- 13 • The Company has continued to contribute to charitable entities and local  
14 community programs at the agreed-to annual level.
- 15 • EDG funded an account in the amount of \$1,500,000 to be available to the  
16 community action agencies.
- 17 • As part of its Stipulation and Agreement with the Office of the Public Counsel,  
18 filed on August 23, 2016, the Company committed to abstaining from filing a rate case  
19 for one year after the closing of the transaction. Given that the closing occurred in

1 January 2017, the new rates pursuant to this filing will be implemented well after the  
2 rate case moratorium has expired.

3 **Q. As additional background on regulatory activity, would you please address**  
4 **Empire’s most recent rate proceedings before this commission?**

5 A. Yes. EDGs last general rate proceeding began in 2009 as Commission File No. GR-  
6 2009-0434. The Partial Stipulation and Agreement executed by The Empire District  
7 Gas Company, the Staff of the Missouri Public Service Commission, and the Office  
8 of the Public Counsel in that docket was approved by the Commission's Order effective  
9 January 30, 2010, with new rates effective April 1, 2010. In that case, EDG was  
10 authorized to increase its annual non gas revenues by \$2,600,000. More recently, in  
11 Commission File No. GR-2018-0229, EDG filed tariffs to reduce its base rate revenue  
12 by \$773,566 to reflect the effect of the Tax Cuts and Jobs Act of 2017 (TCJA) on the  
13 rates charged by EDG for natural gas service that the Commission allowed to take  
14 effect on October 24, 2017. Subsequently, in the same docket, EDG and the Staff of  
15 the Commission filed a Stipulation and Agreement to establish a regulatory liability to  
16 account for the tax savings associated with Excess Accumulated Deferred Income  
17 Taxes (“EADIT”), with calculation of the regulatory liability of EADIT to begin as of  
18 January 1, 2018. Given that the revenue requirement reduction related to the tax rate  
19 reduction did not take effect until October 24, 2018 and that revenue collected by EDG  
20 between January 1, 2018 and October 24, 2018 will not be retroactively refunded to  
21 customers, the stipulation and agreement provided that EDG would not file a rate case  
22 before January 1, 2020.

1 **V. CUSTOMER SERVICE**

2 **Q. Please describe Liberty Utilities' operating philosophy.**

3 A. Our business model is grounded on the core principles of Quality, Care, and Efficiency  
4 and emphasizes local presence and decision-making. With our local approach to  
5 management, service and support, we deliver efficient, dependable services to meet  
6 the needs of our customers. We measure our performance in terms of service reliability,  
7 an enjoyable customer experience, and an unwavering dedication to public and  
8 workplace safety. There are many ways that these values translate to the operations of  
9 our business. For example, an increased focus on safety is paramount to Liberty  
10 Utilities and is embedded in its culture. Liberty Utilities brought this to the Company  
11 and has transformed its safety culture significantly. This heightened focus on safety  
12 has resulted in a 100% reduction in OSHA recordable accidents and a 100% decrease  
13 in the recordable incident rate ("RIR"), thereby embodying all three values of Quality,  
14 Care, and Efficiency.

15 **Q. Have there been changes to the way in which EDG operates as a result of its  
16 acquisition by Liberty Utilities?**

17 A. While most of its day-to-day operations remain the same, there have been some  
18 changes in the Company's operations. For example, the Company is now part of a  
19 larger corporate family that operates other electric, gas, and water utilities, providing  
20 opportunities for collaboration across the business to share best practices and expertise.  
21 Being part of a larger corporate family has also brought opportunities for new ideas  
22 and approaches.

23 **Q. Did this customer service approach inform EDG'S relationship with its customers  
24 during the COVID-19 pandemic?**

1 A. Yes, EDG appreciates that the COVID-19 pandemic poses unique challenges to its  
2 service area and has taken proactive measures to assist our most vulnerable customers.  
3 In particular during the summer and fall of last year, EDG offered customers an  
4 arrearage management payment plan option that allowed for account balances to be  
5 allocated pro rata over a number of months. We also ramped up communications to  
6 customers on cost-saving energy efficiency measures, like weatherization, and access  
7 to fuel assistance from organizations like the Missouri Low Income Energy Assistance  
8 Program. As part of these efforts, EDG has collaborated with local community action  
9 agencies and, in some cases, even contacted these organizations on the customer's  
10 behalf to try to match eligible customers with fuel assistance.

11 **Q. Has EDG ever filed a rate case under Liberty Utilities' ownership?**

12 A. No, this is the first rate case filed for EDG by Liberty Utilities.

13 **Q. Are there regulatory/legal factors influencing the specific timing of this rate case?**

14 A. The Agreement and Stipulation entered by the parties and approved by the Commission  
15 in File No. GR-2018-0229, contains the following language creating a rate moratorium:

16 In recognition of the fact that the revenue requirement reduction  
17 related to the TCJA did not take effect until 10/24/2018 and that  
18 revenue collected between 1/1/2018 and 10/24/2018 will not be  
19 refunded to customers or taken into account in the setting of  
20 future rates, EDG agrees that it shall not file a rate case until  
21 January 1, 2020, in the event that the Commission issues an  
22 order approving this Stipulation and Agreement without  
23 Condition or modification.

24 In addition, considering that EDG's last general rate proceeding was in 2009, the  
25 resolution of this docket will satisfy a condition precedent for the Company's imminent  
26 petition to establish an Infrastructure System Replacement Surcharge ("ISRS").  
27 Specifically, Section 393.1012.3, RSMo. provides:

1 In no event shall a gas corporation collect an ISRS for a period  
2 exceeding three years unless the gas corporation has filed for or  
3 is the subject of a new general rate proceeding; provided that the  
4 ISRS may be collected until the effective date of new rate  
5 schedules established as a result of the new general rate  
6 proceeding, or until the subject general rate proceeding is  
7 otherwise decided or dismissed by issuance of a commission  
8 order without new rates being established.

9 Therefore, in addition to addressing the Company's revenue deficiency, this filing will,  
10 among other things, enable the Company to seek the creation of an ISRS to recover the  
11 cost of eligible infrastructure replacement projects designed to maintain the safety and  
12 integrity of its natural gas distribution system.

13 **Q. Are there other reasons for the Company filing?**

14 A. In addition to establishing new rates and revised designation of services, the Company  
15 is requesting the approval for (i) the continued use of its Pension/OPEB tracker  
16 approved by the Commission in File No. ER-2004-0570, (ii) revised depreciation rates  
17 that align with the rates submitted in the Company's depreciation study in 2019; (iii)  
18 revised energy efficiency programs; (iv) a proposed Weather Normalization  
19 Adjustment Rider ("WNAR"), which, like Liberty Midstate's Commission-approved  
20 WNAR, is designed to help ensure that the Company's actual revenues are consistent  
21 with authorized revenues approved by the Commission in its most recent rate case  
22 proceeding; and (v) a tracker for the return of Excess ADIT protected and unprotected.

23 **Q. Did the market disruptions and price volatility caused by extraordinary weather**  
24 **event in February of 2021 ("Winter Storm Uri") also affect the timing of the**  
25 **Company's filing?**

26 A. Yes, as the Company stated in its Notice filed on August 2, 2021 in GU-2021-0275,  
27 EDG is committed to assisting its customers by deferring recovery of the unusually  
28 high fuel costs incurred by EDG on behalf of its customers during Winter Storm Uri

1 that would otherwise be due in the near future pursuant to EDG's current Purchased  
2 Gas Adjustment (PGA)/Actual Cost Adjustment (ACA) process. To accomplish this,  
3 modification of the PGA/ACA tariff – or an authorized variance from the tariff terms  
4 – will be necessary. The tariff revisions necessary to effectuate these changes are  
5 presented as part of the pre-filed testimony of Company Witness James Young.

6 **Q. Are you requesting any cost recovery for Winter Storm Uri in this general rate**  
7 **case?**

8 A. No. These gas commodity costs are appropriately recovered through the Purchased  
9 Gas Adjustment Clause. The process for the PGA/ACA allows for tracking of costs  
10 and a true-up to the actual costs. The PGA/ACA has robust oversight by the  
11 Commission so final approval remains with the Commission. On or before November  
12 4<sup>th</sup>, the Company will submit its annual PGA/ACA filing that includes the cost recovery  
13 for Storm Uri and propose a longer recovery period than 12 months.

14 **Q. Please explain what you are requesting of the Commission in this general rate case**  
15 **regarding Winter Storm Uri.**

16 A. The Company respectfully requests the tariff revisions for the PGA/ACA as identified  
17 by Company witness James Young be recognized separately and be expedited for  
18 approval. In order to avoid a spike in the PGA that would adversely affect customers,  
19 EDG expects to start the process for Storm Uri recovery with the 2021 PGA/ACA  
20 filing, with a November 2021 effective date, which is the reason an expedited approval  
21 process is necessary.

22 **Q. What are the consequences if the Commission does not take action on the**  
23 **expedited request?**

1 A. If the Commission does not take action, the Company will need to include the Storm  
2 Uri costs in the filing for recovery over a single year per its currently effective tariff.  
3 EDG has experienced approximately \$20M in extraordinary costs, excluding carrying  
4 costs and taxes associated with the storm. Inclusion of this amount in a single year will  
5 have a significant impact to customers. EDG is committed to assisting customers and  
6 working to reduce the financial impact to customers and, therefore, is requesting the  
7 Commission expedite the consideration and approval of the PGA/ACA tariff sheets.

8 **Q. Is the Company requesting an Accounting Authority Order (“AAO”) as part of**  
9 **this general rate case?**

10 A. No. The Company understands the requested tariff language changes will allow it to  
11 recognize all costs, including carrying costs and taxes, associated with this storm in the  
12 PGA/ACA. Since tariff filings have a formal approval process, the Commission will  
13 have the ability to review prior to the tariff being effective.

14 **Q. What other factors are contributing to the Company’s request for increased**  
15 **general rate relief?**

16 A. Fundamentally, it is necessary for the Company to recover its operating costs and  
17 achieve an opportunity to realize a reasonable return for investors if it is to be in the  
18 position to meet its public service obligation to provide safe, reliable and cost-effective  
19 service to customers. The investment required to operate and maintain a natural gas  
20 distribution system is substantial, as these facilities require constant attention and  
21 adherence to extensive regulation by state and federal pipeline safety authorities. EDG  
22 maintains a strong focus on cost control and has managed resources efficiently since  
23 its last general rate case order effective April 1, 2010. In fact, since the first full year of  
24 Liberty Utilities ownership in 2017, operating expenses (less depreciation, income

1 taxes and fuel) has increased only a little over 5 percent for those four plus years.  
2 Nevertheless, it is not immune from increasing operations and maintenance expenses  
3 and inflationary forces. For the Company to keep up with its public safety and service  
4 reliability obligations to customers, it needs to have distribution rates in place that will  
5 adequately fund utility operations. Therefore, the Company is filing to adjust its  
6 distribution rates to account for system investment that is not included in rates and to  
7 provide it with adequate resources to meet the operational challenges further detailed  
8 in this filing.

9 **Q. What test year has the company used for the development of this rate case?**

10 A. The Company has used a 12-month test year ending December 31, 2020, with a  
11 proposed update period through September 30, 2021, to reflect known and measurable  
12 changes.

13 **Q. Would you please describe the Company's rate request?**

14 A. In this case, the Company is seeking an increase of approximately \$1.36 million or a  
15 total revenue requirement of \$21.9 million.

16 **Q. Is the Company proposing any modifications to its existing rate design in this  
17 case?**

18 A. Yes. The Company is proposing some general housecleaning changes for its tariffs,  
19 revisions to its customer charge and other rate design changes, and consolidation of  
20 certain rate classes resulting in the creation of a new rate class. In addition, the  
21 Company is proposing an expansion of its current Experimental Low Income Program  
22 for our more vulnerable customers, changes to the energy efficiency programs and the  
23 proposal to include a WNAR as described above. These changes are discussed more



1 thoroughly in the testimonies of Timothy Lyons, Jay Young and Nathaniel Hackney in  
2 this proceeding.

3 **Q. What incremental impact would the proposed increase have on the Company's**  
4 **customers?**

5 A. A residential heating customer with total consumption of 54CCF annually will see an  
6 average increase of \$2.71 per month when compared to the rates currently in effect.

7 **VI. INTRODUCTION OF WITNESSES**

8 **Q. Could you please identify the other Company witnesses presenting Direct**  
9 **Testimony in support of this rate proceeding.**

10 A. Yes. In addition to my testimony, the Company has submitted the following testimony  
11 in support of its proposals:

- 12 • LaToya Johnson, Senior Analyst - Rates and Regulatory Affairs for the Company, on  
13 minimum filing requirements and prior stipulations and agreements;
- 14 • Dana Liner, Manager - Rates and Regulatory Affairs for the Company, on revenue  
15 requirement including rate base and expense adjustments;
- 16 • Dan Stathos of Black & Veatch, supporting the Company's depreciation study and  
17 proposed depreciation rates;
- 18 • James Young, Analyst - Rates and Regulatory Affairs for the Company, in support of  
19 the changes to the Company's tariffs;
- 20 • Jill Schwartz, Director - Regulatory Shared Services for the Company, on cost  
21 allocation, including affiliate allocations and charges;
- 22 • Nathaniel W. Hackney, Senior Reporting and Systems Analyst – Energy efficiency;

- 1       • Jon Harrison, Director - Customer Experience for the Company, on Customer Service  
2       Operations and Experience;
- 3       • Timothy Lyons of ScottMadden, Inc., Partner, on rate class cost of service, rate design,  
4       and cash working capital;
- 5       • Todd Mooney, on the Company's proposed capital structure;
- 6       • James Fallert of James Fallert Consultant LLC, on the Company's accounting for  
7       pension and other post-employment benefit adjustments; and
- 8       • John J. Reed of Concentric Energy Advisors, Chief Executive Officer and Chairman of  
9       the Board, on the Company's capital structure, cost of capital, and rate of return.

10   **VII. CONCLUSION**

11   **Q.    Do you have any closing remarks?**

12   A.    Yes. EDG is dedicated to providing safe and reliable natural gas distribution service,  
13       and we are confident that the Liberty operational philosophy of being local and  
14       responsive will continue to serve our customers and other stakeholders very well. I  
15       believe that the rates requested in this filing are just, reasonable and in the public  
16       interest, and will allow the Company to meet its obligations to provide safe and reliable  
17       service and to earn a reasonable return on its investment.

18   **Q.    Does this conclude your testimony?**

19   A.    Yes, it does,

.

**VERIFICATION**

I, Michael D. Beatty, 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/ Michael D. Beatty