BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty Filing of its Revised Weather Normalization Adjustment Rider (WNAR) Tariff

Case No. GT-2024-0054 Tariff No. JG-2024-0033

STAFF RECOMMENDATION FOR APPROVAL OF TARIFF SHEETS

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COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its *Staff Recommendation for Approval of Tariff Sheets* states as follows:

1. On September 1, 2023, Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty ("Liberty") filed four tariff sheets to revise its weather normalization rider ("WNAR") rates for Liberty Northeast, Liberty West, and Liberty Southeast Districts. The tariff sheets have an issue date of September 1, 2023, and an effective date of October 1, 2023, and were assigned Tracking No. JG-2024-0033.

2. On September 5, 2023, the Commission issued an order directing Staff to file a recommendation regarding the tariff sheets no later than September 13, 2023.

3. On September 6, 2023, Staff notified Liberty of an error on Tariff Sheet No. 67.5, and Tariff Sheet No. 67.5 was subsequently corrected.

4. On September 8, 2023, Liberty filed a substitute Tariff Sheet No. 67.5, to address the minor error.

5. On September 11, 2023, Staff notified Liberty that there was a minor error on Tariff Sheet No. 67.3. The error is located on the SRR Table, which has three rows of 2022 S2, 2023 S1, and 2022 S2. The SRR Table should read 2022 S2, 2023 S1, and 2023 S2. However, a corrected Tariff Sheet No. 67.3 has not been substituted at the time of this writing.

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6. As further explained in the attached memorandum, Staff has reviewed the tariff sheets filed by Liberty on September 1, 2023 and September 8, 2023, and recommends approval of the following:

P.S.C. MO. No. 2

Eleventh Revised Sheet No. 67.2 Cancelling Tenth Revised Sheet No. 67.2 P.S.C. MO. No. 2

Eleventh Revised Sheet No. 67.3 Cancelling Tenth Revised Sheet No. 67.3¹ P.S.C. MO. No. 2

Eleventh Revised Sheet No. 67.4 Cancelling Tenth Revised Sheet No. 67.4 P.S.C. MO. No. 2²

Eleventh Revised Sheet No. 67.5 Cancelling Tenth Revised Sheet No. 67.5.

7. Based on the weather variations in Liberty's service areas, the proposed residential rates for the Northeast, West and Southeast District service areas will increase customer bills. The effect of Liberty's WNAR tariff sheet filings means that residential customers of Liberty's Northeast and West Districts who used 100 Ccf of natural gas in a given billing month would see an approximate \$3.05 bill increase from current effective rates. The effect on Liberty's residential customers of its Southeast District who used 100 Ccf of natural gas would see an approximate \$2.39 bill increase from current effective rates.

¹ Recommends approval P.S.C. MO. No. 2, 11th Revised Sheet No. 67.3 Canceling 10th Revised Sheet No. 67.3 as corrected in Paragraph No. 5 of this pleading.

² Substitute Tariff Sheet No. 67.5 filed on September 8, 2023.

WHEREFORE, as set forth above and in the attached memorandum, Staff recommends the Commission issue an order approving the Liberty tariff sheets (Tracking No. JG-2024-0033), or allow the tariff sheet to go into effect by operation of law, for service on and after October 1, 2023.

Respectfully submitted,

/s/ J. Scott Stacey

J. Scott Stacey Deputy Counsel Missouri Bar No. 59027 P.O. Box 360 Jefferson City, MO 65102 573-522-6279 573-751-9285 (Fax) scott.stacey@psc.mo.gov

Attorney For Staff of the Missouri Public Service Commission

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been transmitted by electronic mail to counsel of record this 13th day of September, 2023.

/s/ J. Scott Stacey

MEMORANDUM

- TO: Missouri Public Service Commission Official Case File File No. GT-2024-0054, Tariff Tracking No. JG-2024-0033 Liberty Utilities
- FROM: Hari Poudel, Economist

<u>/s/ Hari Poudel 9/13/2023</u> Tariff/Rate Design / Date <u>/s/ Scott Stacey</u> <u>9/13/2023</u> Staff Counsel Division / Date

- **SUBJECT:** Staff Recommendation for the **Approval** of the Tariff Sheets Filed by Liberty Utilities to adjust its Weather Normalization Adjustment Rider (WNAR) to go into effect on October 1, 2023.
- **DATE**: September 13, 2023

On September 1, 2023, Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty ("Liberty") filed four tariff sheets for its weather normalization adjustment rider (WNAR) rates with a requested effective date of October 1, 2023. On September 5, 2023, the Commission directed Staff to file a recommendation regarding Weather Normalization Adjustment Rider (WNAR) tariff sheets in Tariff Tracking No. JG-2024-0033 no later than September 13, 2023. On September 1, 2023 Liberty filed its four tariff sheets for its WNAR. On September 8, 2023 Liberty filed a substitute tariff sheet no. 67.5 to reflect the actual S1 2023 "Rate Ending Effective" date of September 30, 2023, not September 30, 2024. Staff's Recommendation is based on these four tariff sheets, workpaper, and the accuracy presumed therein.

Liberty's WNAR became effective on July 1, 2018. The purpose of the tariff is to accurately represent the semi-annual adjustment made pursuant to Liberty's WNAR for the six month period ending March 31, 2024. Liberty calculated the rates semiannually to account for variations in temperature within service areas. The calculation of temperature is derived from the difference between the actual heating degree days and the normal heating degree days. Liberty's current and proposed rates are included in Table 1 below.

	Current		Proposed	
District	Residential	Small General Service	Residential	Small General Service
		(SGS)		(SGS)
Northeast and West	-0.05362	-0.03195	-0.02315	-0.01883
Southeast	-0.02886	-0.00271	-0.00494	0.00542

Table 1: Current and Proposed WNAR Rates (\$/Ccf) by District and Class.

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Based on the weather variations in Liberty's service areas, proposed residential rates for the both the Northeast and West district and Southeast service areas will increase customer bills. This means a residential customer that used 100 Ccf¹ of natural gas in a given billing month would see an approximate \$3.05 increase in their bill from the currently effective WNAR rate if located in the Northeast or West rate districts. Likewise, a residential customer in the Southeast rate district using 100 Ccf of gas would see an approximate \$2.39 increase in their bill from the currently effective WNAR rate.

Staff Recommendation

Staff has reviewed the following tariff sheets, and recommends approval of the following tariff sheets, as filed on September 1 and as substituted on September 8, 2023,² to go into effect for service on and after October 1, 2023, the requested effective date:

P.S.C. MO. No. 2 ^{11th} Revised Sheet No. 67.2 Cancelling 10th Revised Sheet No. 67.2 ^{11th} Revised Sheet No. 67.3 Cancelling 10th Revised Sheet No. 67.3 ^{11th} Revised Sheet No. 67.4 Cancelling 10th Revised Sheet No. 67.4 ^{11th} Revised Sheet No. 67.5 Cancelling 10th Revised Sheet No. 67.5

Staff has verified that Liberty Utilities has filed its Annual Report. Staff is not aware of any other matter pending before the before the Commission that affects or is affected by this tariff filing.

¹ Ccf stands for one hundred cubic feet of gas.

² P.S.C. MO. No. 2 11th Revised Sheet No. 67.5 Cancelling 10th Revised Sheet No. 67.5

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of Liberty Utilities (Midstates Natural Gas) Corp d/b/a Liberty Filing of its **Revised Weather Normalization Adjustment** Rider (WNAR) Tariff

File No. GT-2024-0054 Tariff No. JG-2024-0033

AFFIDAVIT OF HARI K. POUDEL, PhD

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

COMES NOW, Hari K. Poudel, PhD, and on his oath declares that he is of sound mind and lawful age; that he contributed to the attached Staff Recommendation in Memorandum form; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

Hari K. Poudel, PhD

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 12th day of September, 2023.

Dianne L. Vaught Notary Public

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: July 18, 2027 Commission Number: 15207377