

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 4th day of October, 2023.

In the Matter of the Application of Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty for an Order Granting Billing Variances Related to the Company's Implementation of its Customer First Program)
)
) **File No. GE-2024-0046**
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ORDER GRANTING VARIANCES

Issue Date: October 4, 2023

Effective Date: October 9, 2023

On August 25, 2023, Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty filed the above-referenced application. Liberty asked for expedited treatment, stating that there will be a temporary change in billing practices, as early as September 18, 2023. Liberty also asks for a variance of the Commission's 60-day notice requirement under 20 CSR 4240-4.017.

Liberty amended its application on September 5, 2023. Liberty will be implementing a new, modern technology platform referred to as Customer First. Liberty requests billing practice variances from 20 CSR 4240-13.015(1)(C) and 20 CSR 4240-13.020(6) to accommodate a recalibration of meter reading and billing cycles needed to implement Customer First. This system is scheduled to go live October 9, 2023.

On September 6, 2023, the Commission's Staff (Staff) filed a Status Report. Staff filed its Recommendation on September 22, 2023.

In its Recommendation, Staff stated that Commission Rule 20 CSR 4240-13.015(1)(C), states in relevant part:

(C) Billing period means a normal usage period of not less than twenty-six (26) nor more than thirty-five (35) days for a monthly billed customer nor more than one hundred (100) days for a quarterly billed customer, except for initial, corrected, or final bills.

Commission Rule 20 CSR 4240-13.020(6), states in pertinent part:

(6) A utility may bill its customers on a cyclical basis if the individual customer receives each billing on or about the same day of each billing period. If a utility changes a meter route or schedule which results in a change of nine (9) days or more of a billing cycle, notice shall be given to the affected customer at least fifteen (15) days prior to the date the customer receives a bill based on the new cycle.

Staff also states that Commission Rule 20 CSR 4240-13.065(1) allows the Commission to grant a variance from its Chapter 13 rules for good cause shown. Staff recommended that the Commission grant the requested variances, subject to certain conditions. Liberty accepted Staff's conditions on September 26, 2023.

The Office of the Public Counsel (OPC) responded on September 26, 2023. OPC shares Staff's concerns, but does not oppose Liberty's requests. OPC is also concerned that Liberty customers who autopay their gas bills may incur overdraft fees imposed by financial institutions and over-the-limit fees imposed by credit card companies that they would not have incurred but for Liberty changing when it charges them for their gas service. OPC states that Liberty should hold those customers harmless from those fees. Liberty accepted OPC's additional condition on September 28, 2023.

Staff further noted that Liberty did not comply with Commission Rule 20 CSR 4240-13.065(2), which requires an applicant for variance to mail copies of the application to the newspaper with the largest circulation in each county within the service area affected by the variance. However, because customers and OPC received notice of the application, Staff recommends variance of this rule as well.

Under 20 CSR 4240-13.065(1), the Commission may grant a variance for good cause shown. The Commission finds that Liberty has presented good cause for the variance from Commission Rule 20 CSR 4240-13.015(1)(C) and 20 CSR 4240-13.020(6), and will grant the requested relief.

The Commission finds that Liberty has complied with Commission Rule 20 CSR 4240-2.080(14), and has stated good cause for expedited treatment of its application. The Commission also finds that Liberty has filed a verified declaration that it has not communicated with the Office of the Commission about this case for more than 150 days prior to filing it. Thus, Liberty has provided good cause for waiver of the 60-day notice requirement of Commission Rule 20 CSR 4240-4.017(1), and the Commission will waive it. So that Liberty may begin Customer First by October 9, 2023, the Commission will make this order effective in less than 30 days.

THE COMMISSION ORDERS THAT:

1. Liberty's motion for expedited treatment is granted.
2. Liberty's request for variance from Commission Rule 20 CSR 4240-13.015(1)(C) and 20 CSR 4240-13.020(6) is granted, subject to the following conditions:
 - A. In its next general rate case, Liberty will provide each tariffed rate class billing determinants (customer usage, number of bill and number of customers) by month, cycle with cycle dates that were utilized for billing purposes, and season (for the residential firm service, provide the first

30 Ccf and over 30 Ccf) to Staff in the following format: raw billing determinants, any and all adjustments separately (for proration, season, or any other reason) that were made to raw billing determinants, and the ending billing determinants. The ending monthly billing determinants should be the billing determinants Liberty utilizes to conduct its revenue requirement analysis in its general rate case.

B. Liberty's tariff sheet P.S.C. MO. No. 2, 1st Revised Sheet No. 20 allows for the Company to collect a \$15 charge for a "Check tendered to the Company which is dishonored for reasons other than bank error," which Staff believes could apply to failed auto pay withdrawals due to insufficient funds. The Company shall waive this fee for failed auto pay withdrawals for a period of 90 days after the transition.

C. Liberty shall waive late fees for an additional thirty (30) days. A 90-day period will allow for one new normal billing cycle to take place after the transition, allowing Liberty to verify that any issues with the transition have been resolved.

3. Liberty shall update its website to match the direct letter to customers notifying them of possible changes to October and November 2023 bills.

4. Liberty is also granted a variance from Commission Rule 20 CSR 4240-13.065(2).

5. Liberty shall hold customers who autopay their gas bills who incur overdraft fees imposed by financial institutions and over-the-limit fees imposed by credit card companies that they would not have incurred but for Liberty changing when it charges for gas service harmless from those fees.

6. The 60-day notice requirement of Commission Rule 20 CSR 4240-4.017(1) is waived.

7. This order shall become effective on October 9, 2023.
8. This file shall be closed on October 10, 2023.



BY THE COMMISSION

Nancy Dippell

Nancy Dippell
Secretary

Rupp, Chm., Coleman, Holsman, Kolkmeier
and Hahn CC., concur.

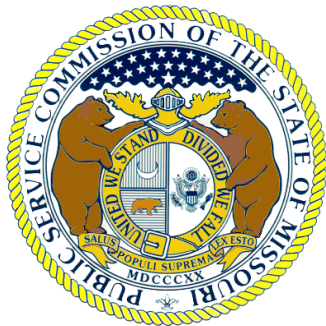
Pridgin, Deputy Chief Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 4th day of October, 2023.



Nancy Dippell

Nancy Dippell
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

October 4, 2023

File/Case No. GE-2024-0046

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Nancy Dippell
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.