

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

In the Matter of the Application of Liberty)
Utilities (Missouri Water) LLC for an Order) Case Nos. _____
Granting Billing Variances Related to the) and _____
Company’s Implementation of Customer First)

**APPLICATION FOR TEMPORARY VARIANCES, REQUEST FOR
WAIVERS, AND MOTION FOR EXPEDITED TREATMENT**

COMES NOW Liberty Utilities (Missouri Water) LLC (“Liberty” or “Missouri Water”), pursuant to 20 CSR 4240-2.060, 20 CSR 4240-2.205, 20 CSR 4240- 4.017(1), and 20 CSR 4240-13.065, and submits this Application for Temporary Variances, Request for Waivers, and Motion for Expedited Treatment with regard to its water and wastewater services for the Bolivar service territory. In support of its requests, Liberty respectfully states as follows to the Missouri Public Service Commission (“Commission”):

1. Missouri Water is a Missouri limited liability company with its principal office located at 602 Joplin Street, Joplin, Missouri, 64801, and provides water and sewer services to customers in its Missouri service areas, as certificated by the Commission. Missouri Water is a “water corporation,” a “sewer corporation,” and a “public utility,” as those terms are defined by RSMo. §386.020 and, therefore, is subject to the general regulatory jurisdiction of the Commission as provided by law.

2. Liberty has no pending or final unsatisfied judgements or decisions against it from any state or federal agency or court that involve customer service or rates and that have occurred within the three years immediately preceding this filing. Liberty has no annual report or assessment fees overdue to the Commission.

3. **Customer First Implementation.** In February 2024, Missouri Water will be implementing a new, modern technology platform referred to as Customer First. As a

comprehensive project, Customer First serves to install an enterprise-wide solution to replace and improve legacy computer systems, transforming how Liberty does business and manages data. The Customer First program includes technology investments, system upgrades, infrastructure improvements, and changes to business processes related to customer information, finance and accounting, network operations, procurement, accounts payable, employee time, and payroll services.

4. Missouri Water is part of the Liberty Central Region, as is Liberty Utilities (Midstates Natural Gas) Corp. (“Midstates”). On August 25, 2023, Midstates filed a similar application regarding its implementation of Customer First. The Staff of the Commission, in conjunction with recommending approval of the application, suggested certain conditions regarding waiver of late fees and other matters.

5. The requested variances were granted to Midstates by the Commission’s *Order Granting Variances* issued October 4, 2023, conditioned as recommended by Staff. Missouri Water agrees with implementation of the same conditions in conjunction with approval of its application herein.

6. **Customer Watch to SAP.** Within the current system used by Missouri Water (Customer Watch), Missouri Water obtains most of the customer meter readings toward the end of the month and then bills the customers throughout the following month. The new system (SAP), being implemented as part of Customer First, does not utilize this type of billing. Instead, the meter readings need to be received by the scheduled bill date or the system will estimate them.

7. Missouri Water’s existing system calculates all usage through the end of the month and spreads the delivery of customer bills throughout the following month. For example, a meter reading obtained on December 29 might not be billed until January 12 under the current schedule.

With the improvements available in the new system, Missouri Water can reorganize the meter reading so usage will be closer to the billing date. This will be an improvement for customers, as usage closer to the actual dates of billing helps customers to better recognize the potential impacts to their usage, such as warmer or cooler weather.

8. **Meter Read Transition Plan.** To enact the process change in a way that best serves Missouri Water’s customers, Liberty formulated a meter read transition plan. To implement this plan, Liberty requests temporary variances from Commission Rules 20 CSR 4240-13.015(1)(C)¹ and 20 CSR 4240-13.020(6)² for the Company’s Bolivar service territory. A grant of the requested variances will benefit customers and avoid harm to Liberty, as the meter read transition plan will minimize the impact on customers and make the best use of Liberty’s resources.

9. Liberty requests that the Commission act on this Application as quickly as possible. There will be a change in meter read practices during the month of February 2024, potentially necessitating the need for rule variances for the month of March 2024.

10. There will be no negative effect on Liberty’s customers or the general public if the Commission acts by the requested date. Further, Liberty does not anticipate that this matter will be a contested case, and a hearing is not required in order for the Commission to grant a variance from its rules.

11. As noted, Liberty is requesting meter read practice variances to accommodate a recalibration of meter reading needed to implement Liberty’s new customer information and billing system, scheduled to go live February 12, 2024. Liberty recognizes that any change to the

¹ Commission Rule 20 CSR 4240-13.015(1)(C) provides that billing shall be based on a “usage period of not less than twenty-six (26) nor more than thirty-five (35) days for a monthly billed customer.”

² Commission Rule 20 CSR 4240-13.020(6) provides that 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.” The Rule further provides that “(i)f a utility changes a meter reading 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.”

normal approximately 30-day time interval between bills, although potentially required, is not ideal. As such, Liberty created a meter read schedule to minimize discomfort our customers may experience because of the changes and to address feedback previously received from the Staff of the Commission and the Office of the Public Counsel in conjunction with the prior request by Midstates.

12. In conjunction with its meter read transition plan for the Bolivar service territory, and to lessen any discomfort or financial burden that could be caused by the process changes, Liberty will take the following steps: (a) waive any late fees for customers who need more time to pay and grant more time to any customer who requests a later date; (b) suspend any collection activities for all customers during this transition; and (c) send letters and conduct other outreach efforts to inform customers regarding changes due to this system transition, including changes to their billing. Additionally, if a customer wishes to enroll in budget billing, Liberty will calibrate the budget billing installment amount based on the usual 12-month usage history.

13. Liberty's meter read transition plan involves two technical steps: (1) a data processing blackout period expected to last February 5-12, 2024, while Missouri Water converts from the old billing system to the new one; and (2) recalibration of the meter read dates when Missouri Water initiates bills in the new system. Any bills rendered outside the usual bill period will have the appropriate charge proration steps so the net total cost to the customer will be the same. This transition will line the meter read dates with the billing dates, with the goal of staying within the 26-35 day read window.

14. Although the meter read transition plan does not specifically contemplate deviations from the requirements of Commission Rules 20 CSR 4240-13.015(1)(C) and 20 CSR 4240-13.020(6), deviations may occur during this transition period, and as such, Liberty requests

temporary variances from these Commission Rules.

WHEREFORE, Liberty respectfully requests, for good cause shown, that the Commission grant this Application for Temporary Variances, Request for Waivers, and Motion for Expedited Treatment, waiving the pre-filing notice requirement of 20 CSR 4240-4.017(1), granting the requested temporary billing variances from 20 CSR 4240-13.015(1)(C) and 20 CSR 4240-13.020(6), waiving the newspaper requirement of 20 CSR 4240-13.065(2), and issuing its order on an expedited basis.

Respectfully submitted,

/s/ Diana C. Carter

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CERTIFICATE OF SERVICE

I hereby certify that the above document was filed in EFIS on this 28th day of December, 2023, and sent by electronic transmission to the Staff of the Commission and the Office of the Public Counsel.

/s/ Diana C. Carter

VERIFICATION

On behalf of Liberty Utilities (Missouri Water) LLC, and pursuant to Commission Rules, the undersigned, upon his oath and under penalty of perjury, hereby states that the above filing is true and correct to the best of his information, knowledge, and belief.

/s/ Tony Penna

Liberty Central Region Vice President,
Water and Wastewater Operations