

Exhibit No.: _____
Issues: Minimum Filing Requirements,
Stipulation Compliance
Witness: Meagan Grafton
Type of Exhibit: Direct Testimony
Sponsoring Party: Liberty Utilities
(Midstates Natural Gas) Corp. d/b/a Liberty
Case No.: GR-2024-0106
Date Testimony Prepared: February 2024

**Before the Public Service Commission
of the State of Missouri**

Direct Testimony

of

Meagan Grafton

on behalf of

Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty

February 9, 2024



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FOR THE DIRECT TESTIMONY OF MEAGAN GRAFTON
LIBERTY UTILITIES (MIDSTATES NATURAL GAS) CORP. D/B/A LIBERTY
BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION
CASE NO. GR-2024-0106

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1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is Meagan Grafton. My business address is 602 South Joplin Avenue, Joplin,
4 MO, 64801.

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

6 A. I am employed by Liberty Utilities Service Corp. (“LUSC”) as Manager, Rates and
7 Regulatory Affairs in Liberty’s Central Region, which includes Liberty Utilities
8 (Midstates Natural Gas) Corp. d/b/a Liberty (“Liberty” or “Company”).

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

10 A. I am testifying on behalf of Liberty.

11 **Q. Please describe your educational and professional background.**

12 A. I hold a Bachelor of Arts degree in Accounting from Saint Ambrose University in
13 Davenport, Iowa where I graduated in May of 2012. From May of 2012 to June of
14 2013, I was employed as a cost accountant with Fabricators Plus, an aluminum
15 manufacturer in Muscatine, Iowa. I was responsible for expense tracking through a
16 purchase order database, preparing, analyzing, and presenting financial statements for
17 internal and external audiences, as well as other duties such as accounts payable,
18 accounts receivable, and payroll. In July of 2013, I accepted an accountant role at
19 Cerner in Kansas City, Missouri. During my time at Cerner, I was responsible for
20 implementing systematic billing and revenue requirements based on individual client

1 contracts and maintaining these records throughout the life of the contract. I also
2 worked closely with interdepartmental teams to process various transactions,
3 reconciliations, and audit requirements related to these accounts.

4 In November of 2015, I left my role at Cerner to pursue opportunities that
5 aligned more closely with my personal interests. From 2015-2019, I held several roles
6 in customer service as well as account management that allowed me to grow in many
7 other areas and industries. In January of 2021, I began my first regulatory role as
8 Licensing and Regulatory Manager at Companion Protect. As the Licensing and
9 Regulatory Manager, I was responsible for managing business entity and employee
10 property and casualty licenses. My other duties in this role included drafting and filing
11 insurance policies and rate manuals within 52 jurisdictions as well as responding to
12 state staff objections regarding these filings. In March of 2022, I was promoted to
13 Regulatory Manager at Companion Project where I worked with a team to oversee the
14 complete lifecycle of the insurance filings for various corporate partnerships. In
15 September of 2022, I accepted my current role as Manager of Rates and Regulatory at
16 Liberty. My primary duties are to lead ratemaking and compliance activities across the
17 utilities within the Central Region, including the Company.

18 **Q. Have you previously testified before the Missouri Public Service Commission**
19 **(“Commission”) or any other regulatory agency?**

20 A. While I have not testified before the Commission, I have testified on behalf of The
21 Empire District Electric Company, an affiliate of the Company, in Arkansas Public
22 Service Commission Docket Nos. 16-053-U and 13-111-U.

23 **Q. What is the purpose of your Direct Testimony in this proceeding?**

1 A. The purpose of my Direct Testimony is to explain and demonstrate the Company's
2 compliance with the Commission's Minimum Filing Requirements ("MFRs") and
3 explain and demonstrate compliance with certain obligations under the stipulation and
4 agreement entered into and approved in Case No. GR-2018-0013. I also address the
5 Company's compliance with the Order Granting Billing Variances Related to the
6 Company's Implementation of its Customer First Program issued in Case No. GE-
7 2024-0046.

8 **II. MINIMUM FILING REQUIREMENTS**

9 **Q. What is required by Commission Rules 20 CSR 4240-3.030(3)(A) and 20 CSR**
10 **4240-3.030(4)(B)?**

11 A. Commission Rule 20 CSR 4240-3.030 sets forth the MFRs for all general rate increase
12 requests. Counsel for Liberty is providing the tariff transmittal letter as required by 20
13 CSR 4240-3.030(3)(A). The table below displays a list of the remaining MFRs as
14 required by 20 CSR 4240-3.030(3)(B) and a description of where this information can
15 be found in my supporting schedules.

Description	References
Aggregate Annual Increase Dollars and Percentage	Direct Schedule MG-1
Counties and Communities Affected	Direct Schedule MG-2
Number of Customers Affected by Service and Rate Class	Direct Schedule MG-3
Dollar and Percentage Change by Service and Rate Class	Direct Schedule MG-3
Proposed Annual Aggregate Change by Service and Rate Class	Direct Schedule MG-3
Press Release	Direct Schedule MG-4
Summary of Reasons for Proposed Changes	Direct Schedule MG-5

16

1 **Q. What is required by Commission Rule 20 CSR 4240-3.090?**

2 A. Commission Rule 20 CSR 4240-3.090 contains additional filing requirements for gas
3 utility submission of depreciation studies, database, and property unit catalogs under
4 certain circumstances.

5 **Q. Is a depreciation study included with Liberty's direct filing?**

6 A. Yes. The Company is presenting its full and complete detailed depreciation study in this
7 proceeding via the Direct Testimony of Company witness Dane Watson.

8 **III. COMPLIANCE WITH PRIOR RATE CASE STIPULATION**

9 **Q. Has the Company complied with the conditions set forth in the approved**
10 **Unanimous Stipulation and Agreement with parties from the Company's last**
11 **general rate case, Case No. GR-2018-0013?**

12 A. Yes, Liberty complied with the approved Unanimous Stipulation and Agreement,
13 including:

- 14 • The Company agreed to adopt a Weather Normalization Adjustment Rider to adjust
15 the Company's rates for the impact of weather on customer usage.
 - 16 ○ The Company currently files a Weather Normalization Adjustment Rider
17 update twice per calendar year.
- 18 • The Company agreed to implement a summer period of inclining block rate for
19 residential customers on a pilot project basis in its consolidated WEMO/NEMO
20 districts.
 - 21 ○ The Company implemented a summer billing inclining block design for the
22 months of May through October with the 1st 30 CCF charge at a rate of
23 \$0.32935 and over 30 CCF with a rate charge of \$0.38193 per the current
24 tariff approved July 1, 2018.

- 1 • The Company agreed to cooperate with the Division of Energy (“DE”) in
2 evaluating the use, impact, and structure of an inclining rate for residential
3 customers during the winter season for consideration in Liberty’s next general rate
4 case.
- 5 ○ DE did not reach out to Liberty regarding the possible study of an inclining
6 rate. In preparing this rate case filing, Liberty reached out to DE regarding
7 this issue. DE indicated they did not have any points of discussion on the
8 topic. Please refer to the Direct Testimony of Company witness Timothy
9 Lyons for further discussion of the possibility of adding an inclining rate.
- 10 • The Company agreed to establish the Low-Income Affordability Program.
- 11 ○ The Company implemented a low-income affordability program effective
12 November 30, 2018, that offers income-qualified customers a credit
13 equivalent to the fixed customer charge for their rate district, currently
14 \$16.50 per month. In addition, the program offers a \$30 credit to income-
15 qualified customers during the winter months, defined as November
16 through April.

17 **IV. COMPLIANCE WITH ORDER GRANTING BILLING VARIANCES RELATED TO**
18 **THE COMPANY’S IMPLEMENTATION OF ITS CUSTOMER FIRST PROGRAM**

19 **Q. Has the Company complied with the conditions set forth in Case No. GE-2024-**
20 **0046?**

21 A. Yes, the Company is complying by providing workpaper copies of the billing determinant data
22 outlined in the Order.

23 **Q. Does this conclude your Direct Testimony at this time?**

24 A. Yes.

VERIFICATION

I, Meagan Grafton, under penalty of perjury, on this 9th day of February, 2024, declare that the foregoing is true and correct to the best of my knowledge and belief.

/s/ Meagan Grafton