

Exhibit No.: _____
Issues: Low-Income Programs
Witness: Nathaniel W. Hackney
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

Nathaniel W. Hackney

on behalf of

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

February 9, 2024



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

SUBJECT	PAGE
I. INTRODUCTION.....	1
II. FINANCIAL ASSISTANCE PROGRAMS	3
III. CONCLUSION	6

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

1 **I. INTRODUCTION**

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

3 A. My name is Nathaniel W. Hackney, and my business address is 602 S. Joplin Avenue,
4 Joplin, Missouri, 64801.

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

6 A. I am employed by Liberty Utilities Service Corp. (“LUSC”) as the Manager of
7 Customer Assistance Programs for the Customer Care Department in Liberty’s Central
8 Region.

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

10 A. I am testifying on behalf of Liberty Utilities (Midstates Natural Gas) Corp. (“Liberty”
11 or the “Company”).

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

13 A. In 2009, I received a Bachelor of Arts from the University of Minnesota’s Hubbard
14 School of Journalism and Mass Communication. I began my employment with The
15 Empire District Electric Company (“Empire”) in 2010, and I accepted the promotion
16 to Associate Energy Efficiency Coordinator in 2012. In 2014, I was promoted to Energy
17 Efficiency Coordinator. In 2018, I was promoted to Senior Energy Efficiency
18 Coordinator. In 2019, I was promoted to Central Region Senior Reporting and Systems
19 Analyst. In 2022, I accepted my current position of Manager, Customer Assistance
20 Programs. In this position, I manage the Company’s low-income programs for the

1 Central Region, which encompasses electric, gas, and water customers in Missouri,
2 Kansas, Oklahoma, Arkansas, Illinois, and Iowa. These include, but are not limited to
3 Low-Income Weatherization and various programs in Liberty’s Central Region
4 offering billing credits and/or discounts. I also assist with the regulatory functions of
5 solar and net metering, as well as administration, payment, tracking, and reporting of
6 Empire’s Solar Rebate and Net Metering.

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

9 A. Yes. I have filed testimony with this Commission, and also with the Arkansas Public
10 Service Commission as well as the Kansas Corporation Commission.

11 **Q. What is the purpose of your direct testimony in this proceeding?**

12 A. In this testimony, I will discuss Liberty’s financial assistance (or, low-income)
13 programs.

14 **Q. Are you sponsoring any schedules with your Direct Testimony?**

15 A. Yes. I am sponsoring the following Direct Schedules.

16 • **Direct Schedule NWH-1**: Proposed redline changes to the Low-Income
17 Affordability Program tariff schedules.

18 • **Direct Schedule NWH-2**: Proposed redline changes to the Energy Efficiency
19 tariff schedules as outlined in my Direct Testimony and Company witness
20 Kimberly Dragoo.

21 • **Direct Schedule NWH-3**: Proposed redline changes to the Red-Tag Repair
22 Program tariff schedules.

1 **II. FINANCIAL ASSISTANCE PROGRAMS**

2 **Q. Please describe the Company's current low-income offerings.**

3 A. The Company currently offers the Low-Income Affordability Program ("LIAP"), the
4 Low-Income Weatherization Assistance Program ("LIWAP"), and the Red Tag Repair
5 Program.

6 • **LIAP:** The LIAP offers monthly stipends to customers equivalent to the fixed
7 Customer Charge on their bills and offers an additional \$30 credit during the
8 winter months (November-April).

9 • **LIWAP:** The LIWAP provides weatherization assistance to customers who
10 financially qualify through registration with one of six Community Action
11 Agencies in the Company's service territory.

12 • **Reg Tag Repair:** The Red Tag Repair Program allows customers to receive
13 funding towards minor repairs or replacements of their gas appliances and
14 piping in order to obtain or retain service. The program can also offer funding
15 to help an assistance agency pay for the replacement of a qualifying piece of
16 equipment (i.e., furnace, boiler, or water heater).

17 **Q. Please describe the changes proposed by the Company for the LIAP.**

18 A. The tariff currently states that customers must register with their local Community
19 Action Agency ("CAA") and must meet the threshold of 135 percent of the Federal
20 Poverty Level ("FPL"). The Company wishes to modify this threshold to match the
21 current threshold for qualification for the Low-Income Home Energy Assistance
22 Program ("LIHEAP"), which is currently 60 percent of the State Median Income.
23 Making this change will minimize administrative burden on both the Company and the
24 CAAs. It also aids in consistency, as FPL is no longer Missouri's standard for LIHEAP

1 qualification. A second reference to FPL was also removed from the tariff, this one
2 related to the eligibility for the additional \$30 credit offered during the winter months.
3 Severing this tie to FPL ensures that all customers enrolled in the program will receive
4 the credit during the winter months. These proposed tariff schedule changes are
5 reflected in redlines filed alongside my testimony as **Direct Schedule NWH-1**.

6 **Q. Please describe the changes proposed by the Company for the LIWAP.**

7 A. The program tariff sheets currently state that the Company will make payments to
8 EIERA annually, which will fund the Missouri Department of Natural Resources'
9 ("MDNR" or "DNR") administration of the program. As stipulated in the Company's
10 last rate case, Case No. GR-2018-0013¹, the Company currently contracts directly with
11 CAAs in its service territory to operate this program.

12 **Q. With which CAAs does the Company currently contract?**

13 A. The Company works with the following CAAs:

- 14 • Community Action Partnership of Northeast Missouri ("CAPNEMO")
- 15 • Delta Area Economic Opportunity Corporation ("DAEOC")
- 16 • East Missouri Action Agency ("EMAA")
- 17 • North East Community Action Corporation ("NECAC")
- 18 • South Central Missouri Community Action Agency ("SCMCAA")
- 19 • West Central Missouri Community Action Agency ("WCMCAA")

20 **Q. Does the Company wish to make any further administrative changes to this**
21 **program?**

22 A. Yes. The Company proposes removing from the restrictions on both cost-per-home and
23 overall administrative costs. The Company perceives an ideological shift amongst

¹ *Unanimous Stipulation and Agreement*, article 16, pages 17-20. Filed May 24, 2018.

1 Missouri stakeholders and CAAs away from the rigidity of such benchmarks. This shift
2 is attributable, at least in part, to significant increases in the fluidity of costs of
3 administering these programs.

4 **Q. Does the Company believe that CAAs would still operate prudently and**
5 **efficiently without these restrictions?**

6 A. Unequivocally, yes. Liberty has allowed the CAAs more discretion in cost-per-home
7 and overall administrative costs in all of its Missouri territories, and the CAAs have
8 maintained what the Company considers is a stellar level of service. Further, if the
9 Company were to ever need to impose such restrictions again, the contracts it enters
10 into with CAAs for administration of LIWAP are renewed annually, and can be
11 modified at any time.

12 **Q. How does the Company allocate the LIWAP's budget amongst the CAAs?**

13 A. The budget is divided commensurate to the number of customers served by each
14 agency. The Company added language to the tariff to clarify its discretion to change
15 this allocation methodology, so long as it does so transparently with regulatory
16 stakeholders and the CAAs.

17 **Q. Is the Company proposing any other changes to the LIWAP tariff sheets?**

18 A. Yes, one reference to "Atmos" was changed to "Liberty".

19 **Q. Where can the Company's proposed changes to the LIWAP tariff sheets be**
20 **found?**

21 A. Attached to my testimony as **Direct Schedule NWH-2.**

22 **Q. Does the Company propose any changes to the Red Tag Repair Program?**

23 A. Yes. I modified the low-income standard to match the standard for LIWAP. It had been
24 previously outlined at 185 percent of FPL. Increasing this to be tied to the standard for

1 LIWAP will: a) minimize the administrative burden on CAAs and Liberty; and b)
2 ensure that this tariff will stay accurate, even if the LIWAP standard were to change
3 from its current position of 200 percent of the FPL. These changes are redlined and
4 attached as **Direct Schedule NWH-3**.

5 **III. CONCLUSION**

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

7 A. Yes.

VERIFICATION

I, Nathaniel W. Hackney, 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/ Nathaniel W. Hackney