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Witness: Tatiana Earhart
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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

Tatiana Earhart

on behalf of

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

February 9, 2024



TABLE OF CONTENTS
FOR THE DIRECT TESTIMONY OF TATIANA EARHART
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. TRANSPORTATION TARIFF	2
III. SCHOOL TRANSPORATION PROGRAM.....	4

DIRECT OF TATIANA EARHART
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 Tatiana Earhart. My business address is 602 South Joplin Avenue, Joplin,
4 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 Manager of Gas Supply,
7 Operations, for the Liberty Central Region. In this role, I also manage gas supply for
8 Liberty Utilities (Peachstate Natural Gas) Corp. The Liberty Central Region includes
9 Liberty Utilities (Midstates Natural Gas) Corp. (“Liberty” or “Company”).

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

11 A. I am testifying on behalf of Liberty.

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

13 A. I hold a Bachelors in Accounting from Missouri Southern State University. I have been
14 employed by LUSC or its predecessor-in-interest since December 2008. Prior to
15 becoming the Manager of Gas Supply for Liberty’s Central Region, I worked as a Gas
16 Transportation Supervisor, Gas Transportation Analyst, Supply Management
17 Specialist, and Internal Auditor.

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

1 A. Yes. I testified before the Commission on behalf of The Empire District Gas Company
2 in Docket No. GR-2021-0320. I also testified before the Georgia Public Service
3 Commission in DN 45083.

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

5 A. The purpose of my testimony is to explain the proposed changes to Liberty's Natural
6 Gas Transportation Tariff and the School Transportation Service Program Tariff. All
7 of Liberty's revised tariff sheets are being provided separately, and the specific tariff
8 sheets discussed in my testimony are attached hereto as **Direct Schedule TE-1**.

9 **II. TRANSPORTATION TARIFF**

10 **Q. Please explain the proposed changes for the Company's Natural Gas**
11 **Transportation Tariff and the reasons for the proposed changes.**

12 A. The Company is proposing three changes to the Company's Natural Gas Transportation
13 tariff. First, the Company proposes to add a sentence requiring customers to purchase
14 cellular equipment if a dedicated analog phone line is not available. Having operational
15 telemetry equipment is a requirement to be on the Natural Gas Service rate schedule.
16 Over the last few years, some customers have begun using Voice Over the Internet
17 Protocol ("VOIP") which does not work with the Company's daily metering
18 equipment. As a result, the Company is required to provide additional equipment to
19 such customers. The purpose of this provision is to allow the Company to charge the
20 customer (the individual cost-causer) for the cost of the additional equipment,
21 functioning telemetry equipment is a requirement to be on the Transportation rate
22 schedule.

23 **Q. Please explain the second change in the Company's Natural Gas Transportation**
24 **Tariff and the reasons for the proposed change.**

1 A. The Company is proposing to add a sentence to the tariff to allow rate schedule changes
2 only once a year. This provision adds stability to the Company’s winter load and allows
3 the Company to arrange for more pipeline capacity for the upcoming winter, if needed.
4 It also would keep customers from moving to a transportation rate schedule in the
5 winter which may potentially strand costs attributable to those customers and adversely
6 affect firm customers.

7 **Q. Please explain the third proposed change to the Natural Gas Transportation**
8 **Tariff.**

9 A. The third change is to add a sentence requiring customers to take the Actual Cost
10 Adjustment (“ACA”) factor of Liberty’s Purchased Gas Adjustment clause (“PGA”) for
11 the first 12 months if they move from sales (utility supply) to transportation service.
12 The ACA factor is a true up mechanism which allows the Company to recover
13 unrecovered gas cost from the prior period or give a credit back if the Company has
14 over-recovered. The intent of this provision is to help keep customer costs or refunds
15 with the customer class which was in place at the time incurred. The factor would only
16 apply for 12 months and then be terminated. This provision would also help prevent
17 stranding firm customers with cost if a large customer moved to transportation service.

18 **Q. Are the proposed revisions to the Natural Gas Transportation tariff just and**
19 **reasonable, and should they be approved by the Commission?**

20 A. Yes. For all the reasons that I have explained, the Commission should approve the
21 Company’s proposed revisions to these tariff sheets.

1 **III. SCHOOL TRANSPORTATION PROGRAM**

2 **Q. Please provide a general description of the Missouri School Transportation**
3 **Service offered by Liberty.**

4 A. As explained in the Availability section of the School Transportation Service tariff, the
5 service is available per statute, Section 393.310, RSMo., which among other things,
6 allows aggregate purchasing of natural gas supplies and pipeline transportation services
7 on behalf of “eligible school entities.”

8 **Q. What changes to the Company’s School Transportation Service Tariff are you**
9 **proposing and what are the reasons for the proposed changes?**

10 A. The Company is proposing two key changes to its stand-alone School Transportation
11 Service Tariff. First, the Company proposes to add language back into the tariff to
12 authorize a \$0.04 aggregation charge. This provision was previously included in the
13 tariff for years, but was inadvertently deleted from the tariff in the last rate case, Docket
14 No. GR-2018-0013. This is a standard charge which is important to include in the
15 School Transportation Service Tariff to recover the cost of the service.

16 **Q. Please explain the second change in the Company’s Missouri School**
17 **Transportation Service Tariff and the reasons for the proposed change.**

18 A. The Company proposes to add language in the Operational Flow Order (“OFO”)
19 section which requires school pool operators to bring in an amount of gas as directed
20 by the schedule in the tariff or as directed by the Company. An OFO penalty of \$25/Dth
21 plus gas daily price would apply for gas supply not brought in as directed. The key
22 point here is it gives the Company a method to hold schools accountable to deliver their
23 nominated gas during peak days. This requirement will not cover all their gas needs in
24 a peak day scenario, but it will help firm customers by not supplying all of the school’s

1 gas supply needs on more expensive days. The OFO penalty will offset the cost of
2 non-delivery of the nominated gas supply by the school aggregator. In a minor change,
3 the Agency Authorization Form, which has always been required from customers in a
4 pool, is also incorporated into the tariff.

5 **Q. Are the proposed revisions to the School Transportation Service Tariff just and**
6 **reasonable, and should they be approved by the Commission?**

7 A. Yes. For the reasons that I have explained, the Commission should approve the
8 Company's proposed revisions to these tariff sheets.

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

10 A. Yes.

VERIFICATION

I, Tatiana Earhart, 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/ Tatiana Earhart