Exhibit No.: _____ Issues: Capital Expenditures SEMO District Witness: Ron Snider 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

Ron Snider

on behalf of

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

February 9, 2024



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RON SNIDER DIRECT TESTIMONY

DIRECT TESTIMONY OF RON SNIDER 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.
- A. My name is Ron Snider. My business address is 1024 B Linn Street, Sikeston, Missouri,
 63801.
- 5 Q. By whom are you employed and in what capacity?
- 6 A. I am employed by Liberty Utilities Service Corp.("LUSC"), as Director, Operations -

7 Regional for Liberty's Central Region, which includes Liberty Utilities (Midstates

8 Natural Gas) Corp. d/b/a Liberty ("Liberty" or the "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 background and professional experience.

12 A. I graduated from Twin Rivers High School in Broseley, Missouri, and joined Liberty

13 as the Gas Compliance Manager in 2012 due to an acquisition with Atmos Energy.

14 Later, I was promoted to the Director of Operations, Liberty in February 2017 for the

15 state of Illinois and Southeast Missouri.

Prior to joining Liberty, I worked for Atmos Energy and United Cities Gas Company in the states of Missouri, Illinois and Tennessee. I have worked in the natural gas industry for twenty-nine years and, over the course of my career, have been responsible for, among other things, compliance, operator qualification, National Fire Protection Association 54 code training, and operations management. 1

Q. What are your principal responsibilities in Missouri?

- A. Liberty's Missouri gas operations are currently organized into three districts: Southeast
 Missouri ("SEMO"), Northeast Missouri ("NEMO"), and Western Missouri
 ("WEMO"). I am responsible for the natural gas utility operations for the SEMO
 District.
- Q. Have you previously testified in a proceeding before the Missouri Public Service
 Commission ("Commission") or before any other utility regulatory agency?
- 8 A. I have not testified before this Commission, but I have testified before the Illinois
 9 Commerce Commission.
- 10 II. <u>PURPOSE OF DIRECT TESTIMONY</u>

11 **Q.** What is the purpose of your testimony?

A. My testimony provides an overview of the investments in transmission and distribution
 mains, services, meters, measuring and regulating station investments made by Liberty in
 the SEMO District since the Company's last rate case, File No. GR-2018-0013.

15 Q. Are you sponsoring any schedules with your testimony?

- 16A.Yes, I am sponsoring Direct Schedule RS-1 which provides a list of SEMO capital17investments organized by FERC account that Liberty has made to serve its customers18since the last rate case. Specifically, this schedule includes a description and justification19of each SEMO FERC account that has seen an increase of \$350,000 or more since the20last rate case. A complete listing of all SEMO projects since the last rate case is contained21in Direct Schedule RS-2.21Please refer to the Direct Testimony of company witness Jeff
- 22 McChristian for discussion of projects in the NEMO and WEMO districts.

RON SNIDER DIRECT TESTIMONY

1 Q. Why does Liberty invest in projects on transmission and distribution systems? 2 A. The Company's commitment to maintain and improve the reliability and safety of the 3 transmission and distribution system is evident in its reinvestment approach pertaining 4 to its infrastructure. This approach is designed to ensure that its transmission and 5 distribution systems are providing safe, reliable, and adequate service to customers. 6 Specifically, transmission and distribution reinforcements are driven by natural gas 7 safety regulations and compliance requirements, including Transmission Integrity 8 Management Plan ("TIMP") and Distribution Integrity Management Plan ("DIMP") 9 requirements, past reliability data, load growth accommodation, and the results of field 10 inspections. 11 **Q**. Why does Liberty invest in projects involving services and meters? 12 A. The Company provides new service lines and meters to expanding communities in our 13 service areas. Liberty has also replaced aged PVC service lines for various reasons

14 such as the lines being at the end of their useful life, observed leaks, and inability to 15 purchase repair fittings. Meters were replaced due to stop/dead meters, material change 16 in load, and in furtherance of the meter change out program. These projects help to 17 ensure safe and adequate service for our customers.

18 Q. Why does Liberty invest in projects related to measuring and regulation stations?

- A. These projects also involve the replacement of older measuring and regulation stations
 to ensure that the system properly regulates the pressure of natural gas and provides
 safe service to our customers.
- Q. How much investment has the Company made in capital projects in the SEMO
 District since the last rate case?

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A. As shown in my attached <u>Direct Schedule RS-2</u>, the total investment in the projects
 has been \$30,934,060 for SEMO. The projects that make up this total are further
 outlined in Direct Schedule RS-2.

4 Q. Can you provide some additional discussion related to SEMO's three largest
5 projects which have completed since the last rate case.

- 6 A. Yes. The three largest projects in the SEMO region are Asset IDs 8853-0404-18J14, 7 8853-0404-18J15, and 8853-0404-16J33. All three of these projects were completed 8 under a larger program to replace aging PVC pipes installed in 1969 which were not 9 readily locatable due to tracer wire not being installed. Also, reliability concerns arose 10 from the Company observing during prior work in Naylor and Neelyville that vintage 11 PVC was pulled out of a coupling four different times and a hole blew out the side 12 another time. Thus, all three of the projects targeted improved safety and reliability. 13 More specific details for each of the three projects are set out below, and all lengths 14 and counts set out below are approximate lengths and counts.
- 15 Asset ID 8853-0404-18J14: This project replaced 32,000 feet of 11/4-inch and 16 2-inch PVC main with 20,000 feet of 2-inch modern polyethylene pipe, 17 installed 82³/₄-inch polyethylene service lines, retired 200 existing PVC service 18 lines and vacant risers, replaced one regulator station and retired 18 19 regulator/farm tap stations, in Neelyville, Missouri. All new pipes were 20 installed with tracer wire for reliable location of the facilities. This project was 21 placed in service on November 1, 2021. Total cost of project is approximately 22 \$2.3M.

Asset ID 8853-0404-18J15: This project replaced 31,000 feet of 11/4-inch and
 2-inch PVC main with 25,000 feet of 2-inch modern polyethylene pipe,
 replaced 138 ³/₄-inch polyethylene service lines and some vacant risers, replaced
 and relocated one regulator station, and retired one regulator/farm tap station,
 in Naylor, Missouri. All new pipes were installed with tracer wire for reliable
 location of the facilities. This project was placed in service on December 31,
 2020. Total cost of project is approximately \$2.5M.

8 Asset ID 8853-0404-16J33: This project replaced approximately 15,000 feet 9 of 2-inch PVC with new 2-inch polyethylene main, replaced 75 ³/₄-inch PVC 10 service lines with new ³/₄-inch polyethylene service lines, replaced 23 PVC 11 service lines along a high supply line, added 800 feet of 2-inch polyethylene to 12 connect new customers, relocated the main regulator station feeding Qulin, 13 removed 4 regulator stations, and removed 10 farm tap stations, in Qulin, 14 Missouri. All new pipes were installed with tracer wire for reliable location of 15 the facilities. This project was placed in service on March 15, 2021. Total cost 16 of project is approximately \$2.2M.

17 III. <u>CONCLUSION</u>

18 **Q.** Do you have any closing remarks?

A. Liberty provides safe and reliable natural gas distribution service, and the various
 improvements in Liberty's infrastructure are vital to public safety and future growth in
 our service areas. The investments described in <u>Direct Schedule RS-2</u> were prudently
 incurred and necessary for Liberty to continue providing safe and reliable service.

5

1 Q. Does this conclude your Direct Testimony?

2 A. Yes, it does.

VERIFICATION

I, Ron Snider, 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/ Ron Snider