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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

TRANSCRIPT OF PROCEEDINGS
LOCAL PUBLIC HEARING

In the Matter of the Request)
of Liberty Utilities,)
(Midstates Natural Gas) Corp.)
d/b/a Liberty to Implement)
a General Rate Increase for) File No. GR-2024-0106
Natural Gas Service in the)
Missouri Service Areas of the)
Company)

August 29, 2024
6:00 p.m.

Jefferson City, Missouri 65101
via WebEx

Volume 6

CHARLES HATCHER, Presiding
SENIOR CHIEF REGULATORY LAW JUDGE

KAYLA HAHN, Chair,
MAIDA J. COLEMAN,
GLEN KOLKMEYER,
JOHN MITCHELL,
COMMISSIONERS

REPORTED BY:
Shelley L. Mayer, CCR

Job No. 171332

1 APPEARANCES:

2 MR. ERIC VANDERGRIFF
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5 For: Staff of the Missouri Public Service
Commission

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8 P.O. Box 2230
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9 573.751.5324
For: Office of the Public Counsel

10 MS. JERMAINE GRUBBS
11 602 South Joplin Avenue
Joplin, Missouri 64801
12 For: Liberty Utilities

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1 (On the record at 6:23 p.m.)

2 JUDGE HATCHER: Let's go on the record.
3 I see that we have our trusty court reporter in
4 attendance. We'll start this hearing. First I would
5 ask that everyone please mute themselves unless they
6 are speaking. That will cut down on any background
7 noise and prevent any audio feedback.

8 Today is August 29th, 2024. The
9 Missouri Public Service Commission has set this
10 time for a local public hearing to give members of
11 the public a chance to comment about Liberty's
12 General Rate Increase application. And that is File
13 No. GR-2024-0106.

14 The Commission regulates the rates
15 charged by public utility companies in Missouri to
16 ensure that those rates are just and reasonable. The
17 Commission also regulates the quality of service and
18 safety of the operations of public utilities.

19 There are five commissioners. They are
20 appointed by the governor and confirmed by the
21 senate. The Commission itself also employs a staff
22 of engineers, accountants, attorneys, financial
23 analysts, and other specialists in the field of
24 utility regulation.

25 My name is Charles Hatcher and I'm the

1 regulatory law judge that will preside over this
2 hearing. Online with me today are Chair Kayla Hahn,
3 Commissioner Maida Coleman, Commissioner Glen
4 Kolkmeyer, and Commissioner John Mitchell.

5 The commissioners have not made any
6 decisions in this case and, therefore, they cannot
7 answer any questions that you might have today as
8 they have to remain impartial until after all of the
9 evidence is presented.

10 Are there any opening remarks from the
11 commissioners before we begin?

12 Okay. We'll move on to our entries of
13 appearance by the parties. For Liberty, please go
14 ahead. If that's Ms. Grubbs, you're hard to hear
15 again. And a reminder, if you've called in, it is
16 Star 6 to unmute yourself.

17 MS. GRUBBS: Good evening. This is
18 Jermaine Grubbs on behalf of Liberty Utilities,
19 Midstates Natural Gas Corporation doing business as
20 Liberty. I am a director of legal services for
21 Liberty's central region. My business address is 602
22 South Joplin Avenue in Joplin, Missouri 64801. Thank
23 you.

24 JUDGE HATCHER: Thank you, ma'am. And
25 for the Commission Staff.

1 MR. VANDERGRIFF: Good evening. I'm Eric
2 Vandergriff representing Staff counsel. Our
3 business address is the Governor's Office Building,
4 Suite 800, 200 Madison Street, P.O. Box 360,
5 Jefferson City.

6 JUDGE HATCHER: Thank you, sir. And,
7 Ms. Martin, for the Office of the Public Counsel, go
8 ahead.

9 MS. MARTIN: My name is Anna Martin. I
10 am the attorney for the Office of the Public Counsel.
11 We are in a separate suite from the PSC Staff
12 because we are a separate entity. However, we are
13 also at 200 Madison Street in the Governor's Office
14 Building.

15 JUDGE HATCHER: Thank you.

16 MS. MARTIN: Thank you.

17 JUDGE HATCHER: The process for our
18 hearing tonight will be calling the list that have
19 signed up to testify. We have one name tonight.
20 After I call our one witness who has preregistered,
21 I'll open up the floor for anyone else that would
22 like to testify. The process will be I'll call that
23 person's name and ask them to state and spell their
24 name for our court reporter and then I'll swear them
25 in and ask for their comments. That person is Robert

1 Matz.

2 Mr. Matz, if you would speak up and
3 that'll bring your icon to the front of our Webex.

4 MR. MATZ: I'm happy to speak up. My
5 name is Robert Matz, R-o-b-e-r-t M-a-t-z.

6 JUDGE HATCHER: Thank you, sir. And if
7 you'll please raise your right hand.

8 (Witness sworn.)

9 ROBERT MATZ

10 having been first duly sworn, testified
11 as follows:

12 JUDGE HATCHER: Thank you, sir. Please
13 go ahead and give us your comments.

14 MR. MATZ: Thank you. I appreciate the
15 opportunity to address the commissioners, the judge,
16 the OPC, the PSC, and all that are gathered here
17 about the proposed rate increase by Liberty
18 Utilities.

19 I serve as president of Hannibal-LaGrange
20 University in Hannibal, Missouri. We were first
21 informed of the rate increase by Liberty Utilities on
22 February 9th via an email that was sent directly to
23 myself. After dialoguing with folks from Liberty
24 Utilities, I was informed there would be a public
25 hearing and that I would be informed of that date via

1 the same correspondence as has taken place. I did
2 not receive that correspondence and unfortunately as
3 a result was not able to attend the in-person hearing
4 here in town. But as was shared a minute ago, that
5 the purpose of these hearings is to determine if this
6 rate increase is just and reasonable. And while I
7 can fully understand the position of Liberty
8 Utilities and a desire to rate rates, I would propose
9 to the Commission that this rate increase at the
10 level that is proposed is not just and reasonable.

11 And I would propose this to the
12 Commission for three reasons: First, a Wall Street
13 Journal article seven days after the rate increase
14 was first announced reads as follows: Natural gas
15 hasn't been this cheap in decades. Adjusted for
16 inflation, natural gas futures recently hit their
17 cheapest price since trading began on the New York
18 Mercantile Exchange in 1990. This is good news for
19 American consumers who can look forward to lower
20 utility bills.

21 Again, this is an article from the Wall
22 Street Journal that was published on February the 16
23 of this year, seven days after the rate increase was
24 announced.

25 In addition to that one when one goes and

1 checks the New York Mercantile Exchange, while there
2 has been a slight increase, the rate today I still
3 believe is below \$2 per million British thermal units
4 or BTUs. This is a significant rate increase to be
5 proposed when rates were actually higher last time
6 rate increases took place.

7 So the first reason I would propose to you
8 that these are not just and reasonable rate increases
9 at the level that is proposed is that natural gas,
10 according to the Wall Street Journal, is at its
11 lowest level pretty much ever.

12 Second reason I would propose that this
13 rate increase is not just or reasonable is it
14 neglects the gains and efficiency that Liberty notes
15 in its own press release about the rate increase.
16 Specifically, they note that they've moved to a
17 system of automated meter readings, that they've
18 updated their aging infrastructure, and that many of
19 these costs that have been there, improving their
20 customer experience, many of these things should
21 result in decreased personnel costs for them as well
22 as a stronger infrastructure.

23 Their current rate -- rate was sufficient
24 to allow them to do this and so for that reason as
25 well it would seem that a rate increase on the level

1 of 20 percent as was reported in the Courier Post
2 here in Hannibal yesterday here in -- as is being
3 proposed, seems quite extreme given those
4 circumstances.

5 Third I will hype the particular impact
6 that this rate increase will have in the northeast
7 region of the state, most particularly Hannibal. At
8 this time here in the Hannibal area, our school board
9 has recently voted to raise or to increase the
10 property tax assessment on all of us here in this
11 region by nearly half a percent. In addition to
12 that, the Hannibal Board of Public Works has recently
13 announced rate increases of both electric at a very
14 high level as well as even water at about a 3 percent
15 level.

16 While I see the desire from Liberty
17 Utilities noting their desire to help low-income
18 customers, and that is to be commended, for small
19 businesses, nonprofits such as Hannibal-LaGrange,
20 this is an unusually burdensome increase, especially
21 when combined with other factors.

22 For these three reasons, that the rate
23 increase is not based on market forces, that it
24 neglects the gains and efficiency that Liberty
25 themselves are self-reporting, and because of the

1 particularly hard impact this will have on small
2 businesses and nonprofits that are vital to the
3 health of this community, I would propose that this
4 is not a just and reasonable rate increase. Thank
5 you.

6 JUDGE HATCHER: Thank you, Mr. Matz. Are
7 there any questions from the commissioners for
8 Mr. Matz? All right. Thank you again, Mr. Matz, for
9 testifying.

10 Is there anyone else who would like to
11 offer their comments to the commissioners tonight.
12 Okay. That sometimes happens. It can be a little
13 intimidating to -- even on Webex to offer up comments
14 to the Public Service Commission or to any public
15 body. So what I'll do is I'll ask one more time, but
16 before I do that I'll go ahead and give the
17 instructions on how to leave written comments. If
18 you know somebody who couldn't be here tonight or if
19 you would just prefer to offer your comments in
20 writing, you can go to the PSC's web page. That is
21 PSC.MO.gov. And in the upper right-hand corner
22 there's a link that says Submit Comments, and you can
23 submit your comments. Just make sure to include the
24 case number, and once again that is GR-2024-0106.
25 And I'll ask again if there's anyone in attendance

1 tonight who would also like to, like Mr. Matz, come
2 forward and offer their comments to the
3 commissioners.

4 Okay. Hearing none, are there any
5 closing comments from the commissioners? We'll be
6 ending our hearing here in just a few minutes. Any
7 closing comments from commissioners?

8 CHAIR HAHN: Judge Hatcher, Chair Hahn.
9 I just want to thank Mr. Matz for his testimony this
10 evening. It was very well-prepared and just
11 appreciate him taking the time away from his regular
12 duties to participate in this local public hearing.
13 So thank you, Mr. Matz. Without your information, we
14 wouldn't otherwise have it. And just appreciate the
15 parties and our Staff, Judge Hatcher, for helping
16 this local public hearing happen on a weeknight. So
17 thank you all. Appreciate it.

18 JUDGE HATCHER: Thank you, Chair. Any
19 other closing comments from commissioners?

20 COMMISSIONER COLEMAN: Judge Hatcher.

21 JUDGE HATCHER: Yes, go ahead,
22 Commissioner Coleman.

23 COMMISSIONER COLEMAN: I'd like to thank
24 Commission -- our Chairwoman for her comments to
25 Mr. Matz. That's exactly what I wanted to say. I

1 wanted to thank him for going the extra mile to be on
2 tonight. Unfortunately we did not have the
3 opportunity to see him in person yesterday in the
4 beautiful hamlet of Hannibal, but I do appreciate
5 your participation tonight. Thank you.

6 JUDGE HATCHER: Thank you. Any other
7 closing comments? Well, I'd like to thank all of our
8 attendees tonight and Mr. Matz. I know it can be a
9 challenge sometimes to take a little time out of your
10 evenings. If anyone does have a question for the
11 Office of the Public Counsel, as they do represent
12 the public, they can email those to MOPCO@OPC.MO.gov.
13 That was a little tongue twister. Let me give that
14 one more time. MOPCO@OPC.MO.gov.

15 And again, if you'd like to leave written
16 comments, you can go to the PSC's web page,
17 PSC.Missouri.gov. I'd like to thank everyone for
18 attendance and we are adjourned and off the record.

19 (Off the record at 6:30 p.m.)
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CERTIFICATE OF REPORTER

STATE OF MISSOURI)

COUNTY OF CALLAWAY)

I, Shelley L. Bartels, a Certified Court Reporter, CCR No. 679, do hereby certify that I was authorized to and did stenographically report the transcript of proceedings; and that the foregoing transcript, pages 1 through 12, is a true record of my stenographic notes.

I FURTHER CERTIFY that I am not a relative, employee, or attorney, or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED this 4th day of September, 2024.



Shelley L. Bartels, CCR 679

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