

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 15th day of January, 2025.

In the Matter of Liberty Utilities (Midstates)
Natural Gas) Corp. d/b/a Liberty's Purchased) **File No. GR-2023-0253**
Gas Adjustment Tariff Filing)

ORDER ESTABLISHING ENDING ACA BALANCE

Issue Date: January 15, 2025

Effective Date: February 14, 2025

The Commission opened this case to receive the 2022-2023 Purchased Gas Adjustment (PGA) and Actual Cost Adjustment (ACA) filings of Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty. The Staff of the Commission (Staff) filed a recommendation regarding that ACA filing on December 6, 2024. Staff's recommendation and memorandum indicated Staff had completed a review of billed revenues and actual gas costs for the period September 1, 2022, through August 31, 2023, that were included in Liberty's computation of its ACA balances.

Staff's recommendation and memorandum sets out the ending balance contained in Liberty's ACA filing, and recommended some monetary adjustments to that ending balance. Staff also offered some non-monetary recommendations regarding Liberty's policies and practices. Liberty responded to Staff's recommendations on January 6, 2025, accepting Staff's analysis and recommendations.

After reviewing Staff's recommendations and Liberty's response, the Commission concludes that Staff's and Liberty's recommended ending ACA balances are in agreement, and should be accepted as a resolution of Liberty's 2022-2023 ACA audit.

THE COMMISSION ORDERS THAT:

1. The ending under- or (over)-recovery balances for Liberty's 2022-2023

Actual Cost Adjustment are established as provided in the following table:

All Areas:	Company Filed Balance 8/31/22	Staff Adjustments	Adjusted Ending Balance 8/31/22
WEMO Area			
Commodity ACA	\$494,389.02	\$8,038.00	\$502,427.02
Demand ACA	\$(1,887.49)	\$180.26	\$(1,707.23)
Storm Uri ACA	\$1,957,125.49	\$(172,899.53)	\$1,784,225.96
Total ACA	\$2,449,627.02	\$(164,681.27)	\$2,284,945.75
SEMO Area			
Commodity ACA	\$(440,769.08)	\$159,054.04	\$(281,715.04)
Demand ACA	\$(554,565.13)	\$(15,600.96)	\$(570,166.09)
Storm Uri ACA	\$299,502.58	\$(38,310.17)	\$261,192.41
Total ACA	\$(695,831.63)	\$105,142.91	\$(590,688.72)
NEMO Area			
Commodity ACA	\$953,823.58	\$10,134.64	\$963,958.22
Demand ACA	\$(333,403.47)	\$423.35	\$(332,980.12)
Storm Uri ACA	\$628,626.50	\$(78,325.71)	\$550,300.79
Total ACA	\$1,249,046.61	\$(67,767.72)	\$1,181,278.89
Kirksville Area			
Commodity ACA	\$1,203,764.92	\$4,006.24	\$1,207,771.16
Demand ACA	\$(1,117,404.67)	\$(258.19)	\$(1,117,662.86)
Total ACA	\$86,360.25	\$3,748.05	\$90,108.30

2. Liberty shall do the following:
 - A. Continue to monitor its pipeline contracts and maintain an appropriate reserve margin for each service area;
 - B. Review its school aggregation provisions to assure that those provisions properly incentivize school aggregation pool operators to balance use and deliveries;

- C. Continually monitor and be aware of any significant changes in natural gas supply and the principles of demand fundamentals over time;
 - D. Continue to assess and document the effectiveness of its hedges for the 2023-2024 ACA and beyond, including but not limited to, whether the hedging implementation was consistent with the hedging plan, identifying the benefits/costs based on the outcomes from the hedging strategy, and evaluating any potential improvements on the future hedging plan and its implementation;
 - E. Evaluate whether the hedging plan for each of the four systems has operational implications for warm and cold weather conditions; and
 - F. Continue to monitor the market movements diligently, employ disciplined (triggered primarily by the passage of time) as well as discretionary (hedge decisions influenced by the Company's view of favorable pricing environments) approaches in its hedging practices, and look into the possibility of expanding its gas portfolio to include physical as well as financial hedges, in addition to storage, that more closely track physical price risk.
3. This order shall become effective on February 14, 2025.
 4. This file shall be closed on February 15, 2025.



BY THE COMMISSION

Nancy Dippell

Nancy Dippell
Secretary

Hahn, Ch., Coleman, Holsman
Kolkmeier, and Mitchell CC., concur.

Fewell, Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 15th day of January 2025.



Nancy Dippell

Nancy Dippell
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

January 15, 2025

File/Case No. GR-2023-0253

MO PSC Staff

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Nancy Dippell
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.