

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of an Investigation into)
the Customer Service and Billing of)
Liberty Utilities Including Electric,)
Gas, and Water Utilities)

Case No. OO-2025-0233

STAFF’S INVESTIGATION REPORT

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), by and through counsel, and hereby submits its *Investigation Report*, accompanying this pleading.

I. INTRODUCTION

A. *The Nature of the Case*

1. This case concerns Liberty Utilities’ compliance with Commission rules and Commission approved tariffs, billing accuracy and timeliness, and complaint handling after Liberty Utilities replaced multiple business operation systems as part of an enterprise-wide solution called Customer First (“C1”). C1 is a single, integrated platform built on SAP and consolidated multiple information systems into one, supporting business functions such as billing, customer service, finance, and operations. Liberty Utilities completed the deployment of C1 for its Missouri utilities on April 8, 2024. Notably, despite anticipated benefits, Liberty Utilities experienced significant operational and billing disruptions post-conversion, resulting in widespread complaints and deficiencies in service to Missouri customers.

B. *Procedural History*

2. On February 27, 2025, the Commission issued its *Order Opening an Investigation* (the “Order”) directing Staff to conduct an investigation of all of the Liberty

Utility companies operating in the state of Missouri, noting that the Commission has had numerous inquiries, complaints, comments, and testimony concerning issues with Liberty Utilities' billing and customer service.¹

3. In the Order the Commission directed Staff to conduct an investigation of Liberty Utilities' electric, gas, and water customer service and billing practices, and file a report of its investigation when it has completed the investigation. The Commission further directed Staff to file status reports every three months beginning on April 30, 2025, informing the Commission of the status of its investigation and stating when it expects to file its final investigation report.

4. Staff filed *Status Reports* updating the Commission on the status of its investigation on April 30, July 30, September 18, December 29, 2025, and February 27, 2026. Staff's final report, attached hereto, provides findings and actionable recommendations.

C. *The Parties*

5. Staff is the Staff of the Missouri Public Service Commission, acting through the Staff Counsel as authorized by Commission Rule 20 CSR 4240-2.070(1).

6. The Empire District Electric Company, d/b/a Liberty ("Empire Electric") is a Kansas corporation with its principal office and place of business at 602 S. Joplin Ave., Joplin, Missouri 64801. Empire Electric's registered agent is C T Corporation System, 5661 Telegraph Rd., Ste. 4B, St. Louis, Missouri 63129.

¹ The Commission indicated that it has received inquiries through the Commission's customer service hotline, comments and testimony submitted at local public hearings for Liberty Utilities rate cases, and constituent inquiries received by Missouri's legislators.

7. The Empire District Gas Company, d/b/a Liberty (“EDG”) is a Kansas corporation with its principal office and place of business at 602 S. Joplin Ave., Joplin, Missouri 64801. EDG’s registered agent is C T Corporation System, 5661 Telegraph Rd., Ste. 4B, St. Louis, Missouri 63129.

8. Liberty Utilities (Midstates Natural Gas) Corp., d/b/a Liberty (“Liberty Midstates”) is a Missouri corporation with its principal office and place of business at 602 S. Joplin Ave., Joplin, Missouri 64801. Liberty Midstate’s registered agent is C T Corporation System, 5661 Telegraph Rd., Ste. 4B, St. Louis, Missouri 63129.

9. Liberty Utilities (Missouri Water) LLC, d/b/a Liberty (“Liberty Water”) is a Missouri limited liability company with its principal office and place of business at 2751 N. High St., Jackson, Missouri 63755. Liberty Water’s registered agent is C T Corporation System, 5661 Telegraph Rd., Ste. 4B, St. Louis, Missouri 63129.

D. Jurisdiction

10. Empire Electric is engaged in the business of generating, purchasing, transmitting and distributing electricity in portions of the State of Missouri, and is thus an “electric corporation” and a “public utility” as defined in Section 386.020, (15) and (43), RSMo., subject to the regulatory jurisdiction of this Commission under chapters 386 and 393, RSMo.

11. EDG is engaged in the provision of retail natural gas service in portions of the State of Missouri, and is thus a “gas corporation” and a “public utility” as defined in Section 386.020, (18) and (43), RSMo., subject to the regulatory jurisdiction of this Commission under chapters 386 and 393, RSMo.

12. Liberty Midstates is engaged in the provision of retail natural gas service in portions of the State of Missouri, and is thus a “gas corporation” and a “public utility” as defined in Section 386.020, (18) and (43), RSMo., subject to the regulatory jurisdiction of this Commission under chapters 386 and 393, RSMo.

13. Liberty Water is engaged in the provision of retail water and sewer service in portions of the State of Missouri, and is thus a “water corporation,” a “sewer corporation,” and a “public utility” as defined in Section 386.020, (59), (49), and (43), RSMo., subject to the regulatory jurisdiction of this Commission under chapters 386 and 393, RSMo.

14. For the purposes of this pleading, Empire Electric, EDG, Liberty Midstates, and Liberty Water will be collectively referred to as “Liberty Utilities.”

15. The Commission has jurisdiction over the subject matter of this investigation because it involves Liberty Utilities’ obligations under statutes administered by the Commission, in particular, its obligation to provide safe and adequate service at just and reasonable rates to all persons and entities requesting such service within its Commission-authorized service areas. Sections 386.250(1); 393.130.1, RSMo.

16. Section 386.390.1, RSMo, authorizes the Commission to hear and determine complaints:

Complaint may be made by the commission of its own motion, or by the public counsel or any corporation or person, chamber of commerce, board of trade, or any civic, commercial, mercantile, traffic, agricultural or manufacturing association or organization, or any body politic or municipal corporation, by petition or complaint in writing, setting forth any act or thing done or omitted to be done by any corporation, person or public utility, including any rule, regulation or charge heretofore established or fixed by or for any corporation, person or public utility, in violation, or claimed to be in violation, of any provision of law, or of any rule or order or decision of the commission

17. The Commission has by Rule 20 CSR 4240-2.070(1) authorized the Staff Counsel to bring complaints on the behalf of the Staff: “A complaint may also be filed by ... the commission staff through the staff counsel”

18. The authority to bring complaints necessarily extends to and encompasses the authority to pursue investigations. Section 393.140, RSMo.

II. SCOPE OF STAFF’S INVESTIGATION

19. The scope of this investigation included a review of Liberty Utilities’ customer service operations, billing processes, and all operations and processes relevant to providing adequate and compliant customer service to Missouri customers. Specifically, the investigation focused on:

- The accuracy and consistency of customer billing statements;
- The adherence to Commission rules and Liberty Utilities’ Commission-approved tariffs;
- The installation, set-up and removal of meters;
- Call center response to customer questions and complaints;
- The management decisions and communication concerning customer service and billing practices before and after the launch of C1; and
- The application of correct fees, taxes and surcharges.

20. The review covered October 2023 through January 2026, with primary focus on the critical issues encountered after April 8, 2024, the effective date of C1 conversion. Context from prior and subsequent periods is referenced where material.

III. METHODOLOGY

21. In conducting its investigation, Staff utilized the following methods and sources:

- Staff reviewed case filings, testimony, and data requests (“DRs”) in previous and current cases before the Commission involving Liberty Utilities.
- Staff reviewed all the public comments from this investigation and those in related matters.
- In addition to reviewing DRs in other cases involving Liberty Utilities, Staff requested and reviewed hundreds of DRs in Case No. OO-2025-0233 and continues to seek information and clarification at the time of this report.
- Staff, The Office of the Public Counsel (“OPC”) and Liberty Utilities held Town Hall meetings with customers that occurred from June 10, 2025, through June 12, 2025, in Aurora, Branson, Ozark and Joplin, Missouri. In addition to attending these meetings, Staff reviewed the transcripts from the Town Halls as part of its investigation.
- Staff attended and reviewed other public meetings concerning billing and customer service issues in Bolivar and Joplin, Missouri.
- Staff requested and reviewed over 500 phone calls from Liberty Utilities in which customers contacted the contact center after the C1 conversion.
- As follow-up to the Town Hall meetings, Staff requested and reviewed phone calls. Staff reached out to some customers who appeared to have unresolved issues.
- Staff made several site visits to interview Liberty Utilities’ employees concerning previous and current practices pre- and post-C1. Staff observed Liberty employees in the electric meter shop, call center, billing center, and credit and collections.
- Staff regularly meets with Liberty Utilities, per standing Commission orders, and reviewed quarterly meeting notes and presentations as part of its investigation.
- Additionally, beginning February 2025, Staff initiated monthly meetings with Liberty Utilities and OPC to discuss the persistent and prolonged issues. Liberty Utilities discussed and delivered presentations concerning changes, progress, issues and next steps during each meeting. Staff has reviewed these presentations as part of this investigation.

- Staff reviewed all the informal complaints that involved billing and customer service issues. This included account notes and activity, billing statements, and recorded calls between Liberty Utilities and the customer.
- During the investigation, Staff reviewed thousands of customer billing statements.
- Staff and OPC met with personnel from the New Hampshire Department of Energy on May 15, 2025, to discuss what occurred in New Hampshire and what Missouri customers and Staff should expect regarding C1 issues.

22. Staff notes both cooperation and ongoing data limitations, inconsistent responses, and changing methodologies from Liberty Utilities, which affected the reliability of certain information reviewed.

IV. FINDINGS AND RECOMMENDATIONS

23. Staff's *Investigation Report*, attached and incorporated by reference, documents extensive and ongoing deficiencies in Liberty Utilities' customer service and billing practices since its C1 implementation. Among these, Staff found persistent and material failures in billing accuracy and timeliness, communications, customer access to self-service and call center support, and the execution of field service orders. Staff documented violations of numerous Commission rules and Commission-approved tariff sheets. These failures have collectively led Staff to conclude that Liberty Utilities has not met its obligation to provide adequate customer service to Missouri customers.

24. Staff has developed 34 specific recommendations as set forth in the attached *Investigation Report*, including but not limited to: correcting estimation processes, improving billing and call center quality control, issuing refunds where overcharges have occurred, strengthening training and compliance systems, improving communication regarding customer rights and Commission remedies, and updating

internal and Commission-facing reporting and auditing processes. Staff explicitly recommends Commission oversight and follow-up regarding the adoption and effectiveness of these corrective actions. Further, Staff is actively considering additional “next steps,” up to and including the filing of complaints.

WHEREFORE, Staff prays that the Commission will accept its *Investigation Report*; and grant such other and further relief as is just in the circumstances.

/s/ Mark Johnson

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all parties and/or counsel of record as reflected on the certified service list maintained by the Commission in its Electronic Filing Information System this 6th day of March, 2026.

/s/ Mark Johnson