

## Exhibit No. 2

Exhibit No.:  
Issues: STP Tariffs  
Witness: Tatiana Earhart  
Type of Exhibit: Surrebuttal Testimony  
Sponsoring Party: The Empire District  
Gas Company  
Case No.: GR-2021-0320  
Date Testimony Prepared: April 11, 2021

**Before the Public Service Commission  
of the State of Missouri**

**Surrebuttal Testimony**

**of**

**Tatiana Earhart**

**on behalf of**

**The Empire District Gas Company**

**April 11, 2022**



SURREBUTTAL TESTIMONY OF TATIANA EARHART  
THE EMPIRE DISTRICT GAS COMPANY  
BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION  
CASE NO. GR-2021-0320

1 **Q. Please state your name and business address.**

2 A. My name is Tatiana Earhart. My business address is 602 S. Joplin Avenue,  
3 Joplin, Missouri 64802.

4 **Q. Did you also filed Rebuttal Testimony in this case?**

5 A. Yes.

6 **Q. What is the purpose of your Surrebuttal Testimony?**

7 A. The purpose of my surrebuttal testimony is to respond to the Rebuttal Testimony of  
8 Keenan B. Patterson filed on behalf of the Commission Staff (“Staff”), which was  
9 filed on March 17, 2022.

10 **Q. What is EDG’s overall response to the position of Mr. Patterson in this case?**

11 A. EDG is generally in agreement with his rebuttal testimony.

12 **Q. Mr. Patterson states on pages 20-21 of his rebuttal testimony that Staff**  
13 **recommends that the Commission deny MSBA’s request related to balancing.**

14 **Do you agree with this recommendation?**

15 A. Yes. As I stated in my rebuttal testimony at page 4, EDG’s aggregation and balancing  
16 fees are the legal rates approved by the Commission in its last rate case, and EDG has  
17 charges them since the effective date of its rates in 2010. EDG believes that the cash-  
18 out charges work to provide incentives for the STP pool to stay in balance. Such fees  
19 also help reduce the gas commodity fees charges to EDG’s firm customers through  
20 the Purchased Gas Adjustment (PGA) Clause. Changing the aggregation and

1 balancing fees at this time, either lower or higher, without any analysis on the impact  
2 to firm customers, would be inappropriate. As a result, I agree with Mr. Patterson's  
3 recommendation related to balancing issues.

4 **Q. Mr. Patterson recommends on page 21 that the Commission deny MSBA's**  
5 **request for a separate tariff for the school aggregation tariff at this time. Do**  
6 **you have a response to his position?**

7 A. Yes. EDG agrees with his recommendation on this point. As I explained in my  
8 rebuttal testimony, Empire agrees that it would be helpful and appropriate to  
9 develop a separate rate schedule for the STP schools. Eventually, Empire hopes to  
10 have a separate rate schedule for both EDG and Liberty Midstates-Missouri that  
11 includes the best practices for STP programs. However, we do not believe that it  
12 would be reasonable to merely adopt the stand-alone tariff that currently exists for  
13 Liberty Midstates or incorporate parts of that tariff into the EDG tariff at this time.  
14 EDG believes that there needs to be significant updates and other language  
15 improvements in the Liberty Midstates STP tariff. We believe that it will take some  
16 time to develop and implement some of these changes. We therefore agree with  
17 Mr. Patterson that the development of a separate stand-alone STP tariff is not  
18 practical in the time left in this case.

19 **Q. How would EDG propose to address this concern?**

20 A. As I have already explained in my rebuttal testimony, EDG would agree to submit  
21 to Staff and MSBA a draft of a separate School Transportation Program (STP) rate  
22 schedule upon the filing of the next Liberty Utilities (Midstates Natural Gas)  
23 Corp.'s ("Midstates") rate case. EDG would be willing to work with Staff, MSBA

1 and any other interested party to develop and implement a stand alone STP rate  
2 schedule to that would contain best practices for the school aggregation programs  
3 of both EDG and Midstates. This effort would include a review of the aggregation  
4 and balancing charges.

5 **Q. Mr. Patterson recommends that the Commission deny MSBA’s request to**  
6 **keep the current tariff language related to the responsibilities of**  
7 **transportation customers and their agents in relation to compliance balancing,**  
8 **operational flow orders, and related tariff compliance. Do you have a**  
9 **response?**

10 A. EDG proposed some revisions to its tariff in response to problems that developed  
11 during the Winter Storm Uri in February, 2021. In some instances, marketers  
12 defaulted on their bills, and these revisions of EDG’s tariffs are designed to ensure  
13 that the ultimate customer is liable for the charges for the gas they received in the  
14 event that the marketer or aggregator that served the customer defaulted.

15 As I explained in my rebuttal testimony, EDG is willing to withdraw its  
16 proposed revisions on Sheet No. 43 and add the following paragraph to the existing  
17 Operational Flow Order Section, paragraph 2 on Sheet No. 43: “Responsibility for  
18 Payment: Unauthorized Over- or Under-Delivery Penalties for individually  
19 balanced customers shall be billed to and collected from the applicable customer.  
20 Unauthorized Over- or Under- Delivery Penalties for pools shall be billed to and  
21 collected from the agent representing the aggregated customers. Customers will  
22 continue to have ultimate responsibility for all charges on the account.” We believe  
23 that this paragraph will clarify that customers will continue to have ultimate

1 responsibility for the account in the event that the aggregator or marketer defaults  
2 on payment of the pool account.

3 **Q. Does this conclude your Surrebuttal Testimony?**

4 **A.** Yes, it does.

**VERIFICATION**

I, Tatiana Earhart, under penalty of perjury, on this 11th day of April, 2022,  
declare that the foregoing is true and correct to the best of my knowledge and belief.

/s/ Tatiana Earhart