

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

In the Matter of the Application of The Empire)
District Electric Company, The Empire District)
Gas Company, Liberty Utilities (Midstates)
Natural Gas) Corp., and Liberty Utilities)
(Missouri Water), LLC for Approval of Their)
Cost Allocation Manual)

File No. AO-2017-0360

STAFF STATUS REPORT

COMES NOW Staff of the Missouri Public Service Commission ("Staff"), by and through Staff Counsel's Office, and submits the Staff Status Report in response to the Commission's August 18, 2017, Order Directing Filing Of Status Report and requests on behalf of itself and the other Parties¹ that the Staff be ordered to submit another Status Report by no later than March 30, 2018. In support of the Staff Status Report, Staff states as follows:

1. On August 18, 2017, the Commission issued an Order Directing Filing Of Status Report. The Commission directed the filing in this file of a status report by Staff by December 17 regarding the state of the negotiations by the Parties regarding a cost allocation manual ("CAM").

2. On October 11, 2017, the Applicants formally presented to the other Parties their proposed Algonquin and Empire CAM. On December 13, 2017, Staff e-mailed to the Applicants and the other Parties, Staff's proposed Empire Electric CAM.² The Staff also e-mailed to the Parties four (4) similar prototype services agreements for

¹ The Parties in File No. AO-2017-0360 are the Applicants: The Empire District Electric Company ("Empire Electric"), The Empire District Gas Company ("Empire Gas"), Liberty Utilities Corp. ("Midstates Gas"), and Liberty Utilities, LLC ("Missouri Water"); two Parties as a matter of right: Staff and the Office of the Public Counsel ("OPC"); and an intervenor: Midwest Energy Consumers Group ("MECG").

² The Staff is proposing separate CAMs for Empire Electric, Empire Gas, and Midstates Gas.

Algonquin Power & Utilities Corp., Liberty Utilities Co., Liberty Utilities (Canada) Corp., and Liberty Utilities Service Corp. to each provide a services company business function for one or more of the Applicants Empire Electric, Empire Gas, Midstates Gas, and/or Missouri Water.

3. The Staff suggested that the Parties next find a date and a time when Staff can by a meeting / conference call explain its drafts and answer questions of the Parties. The Parties have agreed to this approach and are attempting to find a mutually convenient date and time.

4. The Parties have agreed that the Staff should request in this Status Report that the Commission direct the Staff to submit another status report by no later than March 30, 2018. The Parties agree that this request does not prejudice any Party's right to make a filing prior to March 30, 2018, if a Party believes that sufficient progress is not being made, and the delay of setting a procedural schedule should be lifted and a procedural schedule should thereafter be put in place to resolve this docket.

WHEREFORE the Staff submits its Staff Status Report in response to the Commission's August 18, 2017, Order Directing Filing Of Status Report and requests on behalf of itself and the other Parties that the Staff be ordered to submit another Status Report by no later than March 30, 2018.

Respectfully submitted,

/s/ Mark Johnson

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 15th day of December, 2017.

/s/ Mark Johnson