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

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In the Matter of the Application of Freedom Logistics, LLC d/b/a Freedom Energy Logistics, LLC for Certification as a Seller of Energy Services in the State of Missouri

File No. GA-2023-0265

## STAFF RECOMMENDATION AND MOTION TO DISMISS

**COMES NOW** the Staff of the Missouri Public Service Commission ("Staff"), by and through counsel, and states the following:

1. On February 14, 2023, Freedom Logistics, LLC d/b/a Freedom Energy

Logistics, LLC filed an application for certification as a seller of energy services in the state of Missouri.

2. On February 15, 2023, the Commission its *Order Directing Staff Recommendation* stating that Staff shall file a recommendation regarding Freedom Energy Logistics, LLC's application or a status report indicating when a recommendation will be filed no later than April 14, 2023.

3. Under Section 393.299, RSMO, persons who provide energy services in a

political subdivision that has business license taxes in effect are required to apply to the

Commission for certification as an energy seller.<sup>1</sup>

4. Under Section 393.298(4), RSMo, energy services are defined as

...the retail sale of electricity or natural gas, propane or methane to customers or consumers and all associated services that are *necessary* for their delivery through a distribution system including but not limited to the generation, production, transmission, distribution, billing and metering of such services. [emphasis added]

<sup>&</sup>lt;sup>1</sup> In Case No. GA-0384, in its *Order Dismissing Application*, the Commission agreed with Staff's recommendation that this statute only applies to energy sellers if the transfer of title of natural gas occurs downstream of a city gate. In this case, there is no transfer of title to or from Freedom Energy Logistics, LLC.

5. Available on the Commission's website under the "Natural Gas" section is Policy Considerations Energy Sellers Report – GO-2004-1095, which states:

Another segment of the natural gas industry includes marketers and brokers. These companies help arrange for natural gas supply, often handling the nomination and coordination of deliveries. Marketers are often distinguished from brokers by the concept of who owns title to the natural gas commodity (and possibly pipeline delivery capacity). Marketers typically hold title to the gas supply, while brokers/agents merely match customers with suppliers.

6. Staff asked Freedom Energy Logistics, LLC a series of questions, and Freedom Energy Logistics, LLC informed Staff that Freedom Energy Logistics, LLC is a broker and never takes title to the natural gas. Because they never take title to the natural gas, Staff does not view brokers as "necessary" for the delivery of natural gas as required by Section 393.298(4), RSMo.

7. For the reasons stated above, Staff recommends that the Commission dismiss Freedom's Energy Logistics, LLC's application, because certification is not required in this instance.

**WHEREFORE**, Staff submits this *Staff Recommendation and Motion to Dismiss* for the Commission's information and consideration.

Respectfully submitted,

## <u>/s/ Casi Aslin</u>

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## CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was delivered to the parties and/or their counsel of record by U.S. Postal Service postage prepaid, or by hand, or served electronically, on this 13<sup>th</sup> day of April, 2023.

<u>/s/ Casi Aslin</u>