

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

In the Matter of the Verified Application and)	
Petition of Liberty Energy (Midstates) Corp.)	
d/b/a Liberty Utilities to Change its Infrastructure)	<u>Case No. GO-2013-0048</u>
Replacement Surcharge.)	YG-2013-0071

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and in response to the Commission's October 22, 2012, *Order Directing Filing*, states as follows:

1. On August 8, 2012, Liberty Energy (Midstates) Corp., d/b/a Liberty Utilities ("Liberty"), filed a *Verified Application and Petition of Liberty Utilities to Change its Infrastructure System Replacement Surcharge*.

2. On August 30, 2012, the Commission directed Staff to file a report on Liberty's application no later than October 8, 2012.

3. On October 5, 2012, Staff filed a report recommending that the Commission reject Liberty's Infrastructure System Replacement Surcharge ("ISRS") tariff sheet, approve Staff's determination of incremental ISRS surcharge revenues, authorize Liberty to file an ISRS rate for each of its customer classes per Staff's recommendation, and approve Liberty's request for waiver of the 60-day notice requirement of 4 CSR 240-4.020(2). Liberty agreed with Staff's recommendations.

4. On October 18, 2012, the Commission issued an *Order Regarding Adjusted ISRS Rates*, in which the Commission accepted Staff's recommendations and authorized Liberty to file a tariff to adjust its ISRS rates as listed in Staff's *Recommendation*.

5. On October 19, 2012, Liberty filed its revised tariff sheet in compliance with the Commission's *Order* and also a *Motion for Expedited Treatment*, seeking a commission order allowing the proposed tariff sheet to go into effect on November 2, 2012, to coincide with the Company's next billing cycle in November.

6. On October 22, 2012, in response to Liberty's *Motion*, the Commission issued an *Order Directing Filing*, directing Staff to file a *Recommendation*.

7. In compliance with the Commission's *Order*, Staff has reviewed Liberty's proposed tariff sheet and determined that it is in compliance with the Commission's October 18, 2012, *Order Regarding Adjusted ISRS Rates*. Also, Staff has no objection to Liberty's request for expedited treatment. Staff's *Memorandum* on this matter is attached as Appendix A and incorporated herein.

WHEREFORE, because Staff is of the opinion that Liberty's tariff is in compliance with the Commission's *Order*, Staff recommends the Commission issue an order approving Liberty's tariff filing YG-2013-0071, with an effective date of November 2, 2012.

/s/ Amy E. Moore

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed with first-class postage, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 29th day of October, 2012.

/s/ Amy E. Moore