

**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

MARCH 30, 2018, STAFF STATUS REPORT

COMES NOW Staff of the Missouri Public Service Commission (“Staff”), by and through Staff Counsel’s Office, and submits the March 30, 2018, Staff Status Report in response to the Commission’s December 15, 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 June 29, 2018. In support of the March 30, 2018, Staff Status Report, Staff states as follows:

1. On December 15, 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 March 30, 2018, regarding the state of the negotiations by the Parties in File No. AO-2017-0360 regarding a cost allocation manual (“CAM”).

2. The Applicants formally presented to the other Parties their proposed Algonquin and Empire CAM on October 11, 2017. 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

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.

agreements for 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 could by a meeting / conference call explain its draft documents and answer questions of the Parties. The Parties agreed on January 23, 2018, for the meeting / conference call and the meeting / conference call occurred on said date. During the meeting / conference call the Staff requested copies of certain documents to be subsequently provided to it. The Staff also said it would transcribe its notes of the meeting / conference call and e-mail the write-up to the participant Parties for review and correction, and the Staff would make any appropriate corrections to its proposed Empire Electric CAM based on what it received back. On January 31, 2018, the Staff e-mailed to the participant Parties its write-up of its notes of the January 23, 2018, meeting / conference call and questions the Staff had from the meeting / conference call.

4. On March 21, 2018, Counsel for the Applicants e-mailed to the Staff and Public Counsel, the Applicants' responses to the Staff's write-up of its notes of the January 23, 2018, meeting / conference call and Staff questions. Counsel for the Applicants also e-mailed two documents the Staff had requested. In addition to the Staff using these documents to make any appropriate corrections to its proposed Empire Electric CAM, the Applicants have now made their March 15, 2018, filing of the 2017 Empire CAM and the Midstates Gas CAM. The Staff proposes using these

documents to make any appropriate changes to the Staff's proposed Empire Electric CAM. The Staff has suggested that a meeting / conference call then would be appropriate to discuss the Staff's and Empire's versions of the Empire CAM and the Staff's and the Algonquin Power & Utilities Corp., Liberty Utilities Co., Liberty Utilities (Canada) Corp., and Liberty Utilities Service Corp.'s versions of the Services Agreements.

4. The Parties have agreed that the Staff should request in this Status Report that the Commission direct the Staff to submit another Staff Status Report by no later than June 29, 2018. The Parties agree that this request does not prejudice any Party's right to make a filing prior to June 29, 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 December 15, 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 June 29, 2018.

Respectfully submitted,

/s/ Mark Johnson
Mark Johnson
Senior Counsel
Missouri Bar No. 64940
P.O Box 360
Jefferson City, Missouri 65102
Phone: (573) 751-7431
Fax: (573) 751-9285
mark.johnson@psc.mo.gov

/s/ Steven Dottheim

Steven Dottheim
Chief Deputy Staff Counsel
Missouri Bar No. 29149
P.O Box 360
Jefferson City, Missouri 65102
Phone: (573) 751-7489
Fax: (573) 751-9285
E-mail: steve.dottheim@psc.mo.gov

Attorneys for the Staff of the
Missouri Public Service Commission

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 30th day of March, 2018.

/s/ Steven Dottheim