

Exhibit No. 219

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REBUTTAL TESTIMONY
OF
ANGELA SCHABEN

Submitted on Behalf of the Office of the Public Counsel

THE EMPIRE DISTRICT ELECTRIC COMPANY
D/B/A LIBERTY

FILE NO. ER-2024-0261

** _____ **
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THE EMPIRE DISTRICT ELECTRIC COMPANY, D/B/A LIBERTY
CASE NO. ER-2024-0261

1 **INTRODUCTION**

2 **Q. Please state your name, title, and business address.**

3 A. Angela Schaben, Utility Regulatory Auditor, Office of the Public Counsel (“OPC” or “Public
4 Counsel”), P.O. Box 2230, Jefferson City, Missouri 65102.

5 **Q. Are you the same Angela Schaben who filed direct testimony for the OPC in this case?**

6 A. Yes.

7 **Q. What is the purpose of this testimony?**

8 A. The purpose of my testimony is to respond to Liberty witnesses Aaron Doll and John Reed on
9 Fuel Adjustment Clause (“FAC”) eligible transmission expense, Staff witness Brooke
10 Mastrogiannis on FAC reporting requirements, Staff witness Melanie Marek on bad debt
11 expense, Liberty witness Shawn Eck on cybersecurity investment, and Liberty witness Jill
12 Schwartz on corporate allocations and her assertion that local management largely makes
13 decisions relating to operations and customer service despite contradicting customer
14 comments, customer testimony, and Algonquin’s own 2024 Environmental Social Governance
15 (“ESG”) reporting suggesting otherwise.

1 **The FAC and Eligible Transmission Expense**

2 **Q. Would you please summarize Mr. Doll’s testimony related to transmission expense to**
3 **which you wish to respond?**

4 A. Within his direct testimony, Mr. Doll provides an overview of transmission service,
5 transmission service history between Liberty and SPP, the concept of Network Integration
6 Transmission Service (“NITS”), and the SPP Open Access Transmission Tariff (“OATT”), as
7 well as various particulars relating to transmission costs and allocation methodology. Mr. Doll
8 indicates that Liberty participates in the OATT process.

9 **Q. Regarding Liberty’s recovery of transmission expense, what is Mr. Doll’s**
10 **recommendation?**

11 A. Mr. Doll recommends that Liberty’s FAC be changed to include 100% of Liberty’s SPP and
12 MISO transmission expenses.¹ Case workpapers and redline tariff sheets also reveal that
13 Liberty is recommending that its transmission revenues flow through its FAC as well.

14 **Q. Do you agree with Mr. Doll’s assertion that Liberty recovering 100% of its SPP and**
15 **MISO expenses by flowing them through its FAC is reasonable and prudent?**

16 A. No.

17 **Q. Why not?**

18 A. Mr. Doll’s testimony places an emphasis on SPP expense related to regional transmission
19 projects associated with wholesale transmission expense in general, rather than transmission
20 expense specifically related to Liberty’s fuel and purchased power. Based on my
21 understanding of the FAC statute, previous witness testimonies, and prior Commission

1 decisions regarding the level of transmission expense allowed to be recovered through FACs,
2 I disagree. Wholesale transmission² expenses are generally incurred to:

- 3 1. Transmit electric power from a utility's owned generation units to its load.
- 4 2. Transmit electric power purchased from RTO markets or other third-parties
5 ("Purchased Power") to its load; and
- 6 3. Transmit electric power it sells to third parties ("Off-System Sales") that is
7 delivered to locations outside SPP.³

8 Currently 19.39% of eligible SPP transmission expense⁴ is the calculated percentage
9 transmission related to activities one and two listed above. It is the amount of transmission
10 expense to serve Liberty's load that is already included in Liberty's FAC. Liberty is proposing
11 to include all wholesale transmission costs through its FAC, not just those related to its
12 purchased power transmission costs. Liberty already recovers a normalized amount of prudent
13 transmission expense in its revenue requirement plus 95% of any increase over and 5% of any
14 decrease below that 19.39% of SPP and 50% of MISO transmission expenses. Additionally,
15 Liberty gets to keep 100% of all other increases in its SPP and MISO transmission revenues
16 since these revenues do not currently flow through its FAC.

17 **Q. Would you please explain the difference between wholesale and retail markets and how**
18 **they relate to wholesale transmission?**

19 A. Wholesale markets involve the sales of electricity among electric utilities and electricity traders
20 before it is eventually sold to retail consumers. Retail markets involve the sales of electricity
21 to consumers. Both wholesale and retail markets can be either traditionally regulated or

² Wholesale transmission expenses include costs associated with the delivery of electric power from generators to distributors.

³ Direct testimony of James R. Dauphinais; File No. ER-2014-0258, page 4. The Commission's decision and *Report and Order* issued in ER-2014-0258 refers to Mr. Dauphinais testimony.

⁴ Calculated in Case No. ER-2021-0312.

1 competitive.⁵ Wholesale transmission costs result from the process of transporting electricity
2 between electric utilities and electric traders.

3 **Q. What is your understanding of the Missouri FAC statute, Section 386.266.1, RSMo, with**
4 **regarding to recovery of wholesale transmission expenses and revenues?**

5 A. RSMo. 386.266.1, which allows the Commission to authorize a Missouri PSC rate-regulated
6 utility to have a FAC, states as follows:

7 Subject to the requirements of this section, any electrical corporation may make an
8 application to the commission to approve rate schedules authorizing an interim energy
9 charge, or periodic rate adjustments outside of general rate proceedings **to reflect**
10 **increases and decreases in its prudently incurred fuel and purchased-power costs,**
11 **including transportation.** The commission may, in accordance with existing law,
12 include in such rate schedules features designed to provide the electrical corporation
13 with incentives to improve the efficiency and cost-effectiveness of its fuel and
14 purchased-power procurement activities. (Emphasis added).

15 In its *Report and Order* in File No. ER-2014-0258,⁶ the Commission stated the following with
16 regard to the transmission expense to include in Ameren Missouri's FAC:

17 The evidence demonstrated that for purposes of operation of the MISO tariff,
18 Ameren Missouri sells all the power it generates into the MISO market and buys
19 back whatever power its needs to serve its native load. From that fact, Ameren
20 Missouri leaps to its conclusion that since it sells all its power to MISO and buys all
21 that power back, all such transactions are off-system sales and purchased power
22 within the meaning of the FAC statute. The Commission does not accept this point
23 of view. The drafters of the FAC statute likely did not envision a situation where a

⁵ <https://www.epa.gov/green-power-markets/us-electricity-grid-markets>.

⁶ File No. ER-2014-0258, *Report and Order*, issued April 29, 2015, page 115.

1 utility would consider all its generation purchased power or off-system sales. In fact,
2 the policy underlying the FAC statute is clear on its face. **The statute is meant to**
3 **insulate the utility from unexpected and uncontrollable fluctuations in**
4 **transportation costs of purchased power.** At the time the statute was drafted, and
5 even in our more complex present-day system, the costs of transporting energy in
6 addition to the energy generated by the utility or energy in excess of what the utility
7 needs to serve its load are the costs that are unexpected and out of the utility's control
8 to such an extent that a deviation from traditional rate making is justified. Therefore,
9 of the three reasons Ameren Missouri incurs transmission costs cited earlier, the
10 costs that should be included in the FAC are 1) costs to transmit electric power it did
11 not generate to its own load (true purchased power) and 2) costs to transmit excess
12 electric power it is selling to third parties to locations outside of MISO (off-system
13 sales). Any other interpretation would expand the reach of the FAC beyond its
14 intent. (emphasis added)

15 **Q. Are all of the transmission expenses Mr. Doll is requesting that the Commission allow**
16 **Liberty to recover through its FAC unexpected and outside of Liberty's control?**

17 A. Mr. Doll stated within his direct testimony that Liberty participates in the SPP OATT process
18 and is an active participant in many SPP working groups. Therefore, wholesale transmission
19 costs, as a whole, should not be entirely unexpected.⁷

20 **Q. Are all of the transmission expenses Mr. Doll is requesting that the Commission allow**
21 **Liberty to recover through its FAC associated with transportation of purchased power**
22 **to meet the energy requirements of Liberty's customers?**

23 A. No. Mr. Doll is requesting to recover transmission expense beyond the purchased power
24 transmission expense incurred by Liberty to serve the needs of its native load. True purchased

⁷ Direct testimony of Aaron Doll, page 4 -5.

1 power as the Commission defined it is the amount Liberty receives from SPP above what
2 Liberty generated in each hour, not the SPP load cost⁸.

3 **Q. Does Liberty recover from its retail customers the costs which Mr. Doll testifies that**
4 **Liberty pays for “charges that are associated with the investment in the transmission**
5 **system through the Annual Transmission Revenue Requirement (“ATRR”), which then**
6 **funds a “large” portion of the transmission investment in the bulk electric system**
7 **(“BES”)?”⁹**

8 A. Yes. These costs are normalized in revenue requirement, so the customers are ultimately
9 paying for costs associated with the ATRR and BES transmission investment.

10 **Q. Since customers are paying for these costs, then they are paying for the benefits of bulk**
11 **electric system investments¹⁰?**

12 A. Yes, customers are paying for the benefits of BES investments through their rates
13 designed to recover Liberty’s revenue requirement. Furthermore, Liberty also receives
14 benefits in the form of positive regulatory lag when its actual expenses are less than the
15 normalized expenses which are included in its revenue requirement upon which the
16 Commission designs its rates.

⁸ Based on FERC order 668 which defines purchased power as the amount provided to Liberty in each hour for its load over the amount Liberty generated. Likewise, off-system sales is the amount provided to SPP above the requirements of Liberty’s system.

⁹ Direct testimony of Aaron Doll, page 7-8.

¹⁰ Mr. Doll opines on the benefits customers receive from BES investments on page 8 of his direct testimony.

1 **Q. Liberty witness John Reed states that the Commission has adopted a narrow definition**
2 **of what constitutes “purchased power” and mentions there is “no difference in the**
3 **transmission expense incurred to deliver power purchased under traditional PPAs and**
4 **to deliver power purchased under RTO transaction”¹¹; are PPAs included in the**
5 **purchased power transmission percentage which Liberty recovers through its FAC?**

6 A. Yes. Staff’s fuel model results in this case below show how Liberty’s PPAs are included in
7 Staff’s calculation of the percentage of transmission expense related to purchased power
8 eligible for recovery through Liberty’s FAC:

9 **

10 **

11 **Q. Is Mr. Reed’s conclusion that the “share of SPP transmission expense recovered by the**
12 **Company through the FAC has fallen from 34% to 19%, heightening the risk of the**
13 **Company’s ability to earn a fair and reasonable return”¹² correct?**

14 A. No. The Commission set the 34% of eligible transmission expense recoverable through
15 Liberty’s FAC in Liberty’s Case No. ER-2019-0374 general rate case. The Commission set

¹¹ Direct testimony of Mr. John J. Reed, page 28-29.

¹² Direct testimony of Mr. John J. Reed, page 29.

1 the 19% of eligible transmission expense recoverable through Liberty's FAC in Liberty's Case
2 No. ER-2021-0312 general rate case. Staff's current recommendation of eligible transmission
3 expense recoverable through Liberty's FAC is 21.39%. Each of these percentages was
4 determined based on purchased power and the power required to serve Liberty's native load.
5 The difference between the 34% set in Case No. ER-2019-0374 and the 19% set in Case No.
6 ER-2021-0312 is due to the wind projects that were included in Liberty's cost-of-service in
7 that rate case. Since Liberty's new wind projects provide generation, Liberty required less
8 purchased power to serve its native load, which resulted in less transmission expense
9 recoverable through the FAC.

10 Meanwhile, Liberty's customers are paying investors a rate of return on the wind project
11 investment that is now recovered through Liberty's base rates. Furthermore, Liberty has
12 earned more than its rate of return in recent years, as OPC witnesses Lena Mantle and David
13 Murray testify in their rebuttal testimonies.

14 **Q. Apart from wholesale transmission costs recovery through its FAC, does Liberty recover**
15 **for its wholesale transmission costs through its base rates?**

16 A. Yes. While a percentage of the change to purchased power transmission costs are eligible for
17 recovery during a FAC recovery period, Liberty's remaining wholesale transmission costs, if
18 deemed prudent, are considered for recovery during a general rate case and normalized in
19 revenue requirement. Examples include Liberty's wholesale transmission expense incurred to
20 transmit power from its own generation resources to its own load or Liberty's wholesale
21 transmission expenses incurred to transmit electric power to third parties outside SPP (off-
22 system sales).

1 **Q. Do you agree with any of Liberty’s recommendations for FAC eligible transmission costs**
2 **and revenues?**

3 A. Yes. Within its workpapers and redline tariffs, Liberty included transmission expenses and
4 *revenues* in its base factor calculation. I agree with Liberty that revenues associated with its
5 transmission fuel and purchased power should flow through its FAC.

6 **Q. Did you not testify in direct that certain SPP charge types should not flow through**
7 **Liberty’s FAC?**

8 A. Yes. In my direct testimony I opined that the Ot El RvOffSys LTFSTF PTP Trns and Ot El
9 RvOffSys NnFrm PTP Trns charge types should not flow through Liberty’s FAC. Liberty did
10 not provide an explanation of whether these SPP charge types are associated with wholesale
11 transmission costs in general or if these charge types include fuel and purchased power
12 transmission revenues. Only revenue and expense charge types associated with fuel and
13 purchased power transmission should be flow through Liberty’s FAC and then only at the
14 percentage the Commission determines.

15 **Q. Is Mr. Doll correct that SPP Schedule 1-A and 12 administrative fees are not eligible for**
16 **recovery outside of a FAC?**

17 A. No. Normalized Schedule 1-A and 12 expenses are included in Liberty’s revenue requirement
18 upon which its rates are based.

19 **Q. Has the Commission found in the past that SPP Schedule 1-A and 12 fees are**
20 **administrative and therefore not eligible for recovery through a FAC because they are**
21 **not linked to fuel or purchased power costs?**

22 A. Yes. In Case No. ER-2014-0370, *In the Matter of Kansas City Power & Light Company’s*
23 *Request for Authority to Implement a General Rate Increase for Electrical Service*, the
24 Commission stated the following in its *Report and Order*:

1 KCPL has requested that SPP Schedule 1-A and 12 fees be included in its FAC.
2 The Commission finds that these fees are administrative in nature and not directly
3 linked to fuel and purchased power costs. These fees support the operation of SPP
4 and are not needed for KCPL to buy and sell energy to meet the needs of its
5 customers. These fees are neither fuel and purchased power expenses nor
6 transportation expenses incurred to deliver fuel or purchased power. The
7 Commission concludes that including such fees would be unlawful under Section
8 10 386.266.1, RSMo, and, therefore, Schedule 1-A and 12 fees should not be
9 included in the FAC. These fees are appropriate for recovery in base rates.¹³

10 **Q. Do you have any suggestions in response to Staff witness Brooke Mastrogiannis' list**
11 **of FAC reporting requirements found on pages 2-4 of her direct testimony?**

12 A. Only that Public Counsel be added as a recipient of these Liberty reporting requirements.

13 **Q. What level of transmission expense and revenues should the Commission allow Liberty**
14 **to flow through its FAC?**

15 A. I recommend the Commission only allow transmission expense and revenues that are related
16 to the fuel and purchased power that the Commission allows Liberty to recover through its
17 FAC. The FAC base levels for that fuel and purchased power needs to be consistent with the
18 fuel and purchased power estimates included in Liberty's revenue requirement upon which the
19 Commission designs Liberty's rates. As the Commission stated in its Case No. ER-2014-
20 0370, *Report and Order*, Section 386.266, RSMo, is meant to insulate utilities from
21 "unexpected and uncontrollable" fluctuations of their **purchased power** transportation costs,
22 not 100% of their wholesale transmission costs. Additionally, the Commission has historically
23 found that Section 386.266, RSMo., does not allow administrative costs to be recovered

¹³ File No. ER-2014-0370, *Report and Order*, issued September 2, 2015, page 36.

1 through FACs. Therefore, I recommend that Schedule 1-A and 12 administrative costs remain
2 excluded from Liberty's FAC.

3 **Bad Debt Expense**

4 **Q. How did Staff determine the level of bad debt expense to include in Empire's revenue**
5 **requirement?**

6 A. According to Staff witness Melanie Marek, "Staff determined a five-year average ending
7 March 31, 2025, was appropriate for bad debt expense for all service areas."¹⁴

8 **Q. Based on Ms. Marek's workpapers does "all service areas" indicate total Company bad**
9 **debt, which includes Empire's operations in Kansas, Oklahoma, and Arkansas?**

10 A. Yes. Based on Ms. Marek's workpapers, Staff's bad debt recommendation includes total
11 Empire bad debt, not just Missouri allocated bad debt.

12 **Q. Is Staff's recommendation in this case in line with Staff's bad debt recommendation in**
13 **Case No. ER-2021-0312?**

14 A. No. In Empire's previous rate case, ER-2021-0312, Staff recommended including only
15 Missouri bad debt expense in Empire's revenue requirement.

16 **Q. Do you recommend including only Missouri's bad debt in revenue requirement?**

17 A. Yes. Missouri customers should only pay for Missouri's share of bad debt expense, not the
18 bad debt expense of all Empire's service territories outside of Missouri.

¹⁴ Direct testimony of Melanie Marek, page 2.

1 **Q. What amount of bad debt expense should be included in revenue requirement?**

2 A. Using the methodology Staff used in Case No. ER-2021-0312, I calculated a Missouri
3 jurisdictional bad debt expense adjustment of \$489,434, which includes a total of \$1,721,956
4 of bad debt expense in the revenue requirement.

5 **Q. What is your recommendation to the Commission?**

6 A. I recommend the Commission order only Missouri jurisdictional bad debt expense in Empire's
7 revenue requirement so Missouri residents are not subsidizing the bad debt expense for Empire
8 residents residing in other states.

9 **Cybersecurity Investment/O&M**

10 **Q. What is Liberty requesting for recovery of its cybersecurity-related expenses in this rate**
11 **case?**

12 A. According to Liberty witness Shawn Eck's direct testimony, Liberty is requesting \$6.42
13 million in rate base additions¹⁵. Furthermore, Mr. Eck states annual "non-labor O&M costs
14 associated with the Cybersecurity Program are estimated to be \$1.53 million for calendar year
15 2024 with additional ongoing costs expected through 2027" with Liberty also requiring "an
16 incremental increase in headcount **over the lifespan of the Cybersecurity Program as**
17 **capabilities become operational and in-service**, with an estimated increase in headcount of
18 20 FTEs by the year 2027."¹⁶ (emphasis added)

¹⁵ Direct testimony of Mr. Shawn Eck, page 13.

¹⁶ Direct testimony of Mr. Shawn Eck, page 14.

1 **Q. Are these costs Empire incurs directly or are they allocated to Empire?**

2 A. According to Mr. Eck, these costs are allocated to Empire based on APUC's¹⁷ Cost Allocation
3 Manual ("CAM"), and then refers to the direct testimony of Company witness Jill Schwartz.¹⁸

4 **Q. What is Algonquin's holding company corporate structure?**

5 A. In her direct testimony filed on February 26, 2025, Ms. Jill Schwarz testifies that the "overall
6 corporate structure of APUC and the regulated utilities has remained unchanged since
7 Empire's last rate case (Case No. ER-2021-0312)."¹⁹ Ms. Schwartz further goes on to state
8 that "Algonquin Power Co. d/b/a Liberty Power is an unregulated entity that provides
9 renewable power generation from facilities owned throughout the United States and
10 Canada."²⁰

11 **Q. Based on recent business activities, has APUC's corporate structure changed since
12 Empire's last rate case?**

13 A. It appears so. In 2023, APUC announced it would pursue a sale of its unregulated power
14 business, which included Algonquin Power Co. ("APCo") doing business as Liberty Power
15 ("LPCo"). As of January 2025, LS Power acquired 100% of the issued and outstanding
16 trust units of APCo.²¹ Algonquin retains only a *de minimis* investment in unregulated
17 hydroelectric power.

¹⁷ Algonquin Power & Utilities Corp. ("APUC") CAM.

¹⁸ Direct testimony of Mr. Shawn Eck, page 14.

¹⁹ Direct testimony of Company witness Jill Schwartz, page 3.

²⁰ Direct testimony of Company witness Jill Schwartz, page 4.

²¹ https://s25.q4cdn.com/253745149/files/doc_financials/2024/q4/AIF-2025-Final-LINKED.pdf; page 5. See also Schedule ADS-R-1.

1 **Q. Does the divestiture of LPCo potentially affect Liberty’s southwest Missouri ratepayers?**

2 A. Yes. According to documents I found within Liberty Utilities New York Water Case 23-W-
3 0235, the 2022 Corporate cost allocations for LPCo. consisted of 7.84% of corporate IT
4 allocations and 7.84% of Business IT allocations. LPCo. also received 18.98% of Executive
5 allocations.²² Furthermore, additional documents within the New York Water Case 23-W-
6 0235 show that LPCo. was allocated millions of dollars in Customer First capital and O&M
7 costs.²³ Unless APUC adopted efficiencies, the divestiture of most of LPCo.’s assets would
8 leave nearly all of LPCo.’s allocations for distribution amongst APUC’s regulated utilities.
9 Liberty’s southwest Missouri ratepayers could see higher allocations that were previously
10 earmarked to LPCo., including LPCo.’s Customer First allocations.

11 **Q. Is there any additional information that you gleaned from APUC’s January 2022**
12 **allocations that you wish to point out?**

13 A. Yes. These allocations included APUC’s acquisition of Kentucky Power, which was
14 ultimately denied by FERC because the initial application lacked sufficient evidence to show
15 that the sale would not lead to increased transmission rates or other adverse effects on
16 consumers.²⁴ Since APUC’s acquisition of Kentucky Power ultimately fell through, a portion
17 of the allocations designated for Kentucky Power in Schedule ADS-R-2 would have been
18 reallocated to Empire Electric due to Empire Electric’s larger customer base, and rate base, in
19 part.²⁵

²² Schedule ADS-R-2; New York 2022 allocations.

²³ Schedule ADS-R-3; New York customer first report.

²⁴ Schedule ADS-R-4; FERC Kentucky Power Order and Commissioner James Danly Concurrence.

²⁵ Allocations beyond impaired costs related to the termination of the Kentucky Power acquisition. Impaired costs associated with the Kentucky Power acquisition should not be allocated and should not borne by regulated utility ratepayers since these costs are specific to the Kentucky Power acquisition attempt.

1 **Q. How does this bear on Liberty’s cybersecurity program costs?**

2 A. Liberty served 164,320 Missouri electric customers as of the end of the ordered September 30,
3 2023, test year.²⁶ If Liberty’s cybersecurity non-labor O&M costs were indeed \$1.53 million
4 as Mr. Eck estimated, that equates to \$9.31 in non-labor O&M costs for each Liberty electric
5 customer. In contrast, as of the test year of Ameren Missouri’s most recent general electric
6 rate case, Case No. ER-2024-0319, non-labor cybersecurity O&M costs averaged out to
7 approximately \$3.96 per Ameren Missouri customer²⁷ a difference of $\$9.31 - \$3.96^{28} = \$5.36$
8 per customer. Likewise, Evergy Missouri West²⁹ requested \$3.72³⁰ in base level non-labor
9 cybersecurity O&M expense in ER-2024-0189, a difference of $\$9.31 - \$3.72 = 5.59$ per
10 customer. Not only does Liberty’s estimated non-labor cybersecurity O&M expense for 2024
11 exceed Ameren’s and Evergy West’s by over \$5, Liberty anticipates adding another 20 full
12 time employees (“FTE”) dedicated to the Cybersecurity Program by 2027.³¹

13 **Q. Are you aware of any notable differences between Liberty, Ameren Missouri, and Evergy**
14 **operations that might affect their cybersecurity costs?**

15 A. Yes. Ameren Missouri and Evergy operate nuclear power plants and therefore are required to
16 adhere to security standards related to the operation of nuclear facilities.

17 **Q. Would the costs of the additional 20 full-time employees referenced by Mr. Eck be**
18 **assigned or allocated to Empire?**

19 A. According to Mr. Eck’s testimony they would be allocated³².

²⁶ Direct testimony of Timothy N. Wilson, page 5.

²⁷ Calculated with approximately 1.2 million Ameren Missouri customers.

²⁸ Ameren Missouri response to Staff DR 0243 in ER-2024-0319.

²⁹ Calculated with 345,100 Evergy West customers.

³⁰ Evergy West’s requested base level of \$1,283,620 in revenue requirement for a cybersecurity tracker – actual expenses during 2023 were slightly lower.

³¹ Direct testimony of Shawn Eck, page 14.

³² *Id.*

1 **Q. How does Mr. Eck describe Liberty’s Cybersecurity Program in his direct testimony?**

2 A. Mr. Eck describes the Program as ** _____
3 _____
4 _____
5 _____
6 _____

7 _____ ** Mr. Eck goes on to say that the Company is required
8 to adhere to the five functions of the NIST Cybersecurity Framework in order to “timely and
9 adequately keep up with ever-evolving threats”. Additionally, Mr. Eck names other
10 frameworks, common controls and rules to which Liberty must adhere.³⁴

11 **Q. Of the Organizations, Standards, and/or Frameworks Mr. Eck mentioned, have any of**
12 **them been developed recently or been subject to enforcement recently?**

13 A. Not that I have found. Each of the overarching frameworks, rules, or organizations mentioned
14 have been around over a decade:

Organizations/Standards/Frameworks:	In Effect Since:
NERC Reliability Standards	6/18/2007
Sarbanes-Oxley Act "SOX"	7/30/2002
National Institute of Standards and Technology "NIST" Cybersecurity Framework 1.0	February 2014

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³³ Direct testimony of Shawn Eck, page 10.

³⁴ Direct testimony of Shawn Eck, page 11-12.

1 **Q. Has Liberty specifically requested to include an amount in its revenue requirement for**
2 **cybersecurity in any of its prior rate cases?**

3 A. Not that I have found.

4 **Q. Does that indicate Liberty did not have a cybersecurity program before?**

5 A. No. Mr. Eck has been serving in cybersecurity roles within Liberty since 2013; therefore,
6 Liberty must have implemented some form of cybersecurity standards since at least 2013.
7 Furthermore, Algonquin’s sustainability/ESG reports at least going back to 2019³⁵ indicate the
8 existence of a cybersecurity program in some form, for which Liberty should have requested
9 recovery in prior rate cases.

10 **Q. Does Mr. Eck illustrate what benefits Liberty’s customers are receiving from the**
11 **Cybersecurity Program costs Liberty is requesting?**

12 A. Mr. Eck does claim that Liberty’s Empire customers are realizing benefits from this program
13 and that these benefits are as follows:

14 ** _____
15 _____
16 _____
17 _____
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20 _____
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³⁵ ESG Reports Schedule ADS-R-5 through Schedule ADS-R-10.

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_____ ** (Emphasis added).

Q. What is your understanding of what he means by “benefits” to customers?

A. Mr. Eck’s paragraph leads to the assumption that the Cybersecurity Program upgrades correlate to, and are necessary due in part to, the **_____**.

Q. Do Liberty’s customers agree with Mr. Eck?

A. Based upon the customer comments, customer participation in the Liberty’s Local Public Hearings, and the general overall customer reported issues related to Customer First, I would say a majority of Liberty’s customers disagree with Mr. Eck’s idea of customer benefits or customer ROI resulting from the Enterprise-wide Cybersecurity Program upgrade costs of which the Company is seeking recovery through higher rates – especially after the sheer amount of customer testimony describing their bad customer service experiences from Customer First.

Q. What do you recommend regarding Liberty’s Cybersecurity investment and expenses?

A. As stated in Mr. Eck’s direct testimony, Liberty’s Cybersecurity Program is an Enterprise level program whose costs are allocated to Algonquin’s affiliates. Liberty and its affiliates’ January 2022 cost allocation breakout shows that the non-regulated affiliate Liberty Power was allocated 7.84% of Business IT expenses, 7.84% Corporate IT expenses, and was also allocated millions in Customer First Expenses. Based on the Cost Allocation Manual attached to Ms. Schwartz’s direct testimony, Liberty Power was allocated costs based on a percentage of revenue, O&M, and net plant, and to a lesser extent, number of employees. As of January 2025, Liberty Power’s non-regulated renewable assets were sold. APUC retains only a small

³⁶ Direct testimony of Shawn Eck, page 12.

1 segment of hydroelectric assets³⁷. Since a majority of Algonquin’s non-regulated assets were
2 sold, costs that were once allocated to non-regulated assets might be shifted to regulated
3 affiliates, to include Customer First and costs associated with the Cybersecurity Program.
4 Liberty’s non-labor cybersecurity costs per customer presented in Mr. Eck’s testimony equates
5 to over \$5 more per customer than Ameren Missouri or Evergy West’s non-labor cybersecurity
6 costs. Mr. Eck also alludes that Liberty’s upgraded Cybersecurity Program is a **_____

7 _____ ** At this point in time, it’s difficult to determine what benefits
8 Customer First has actually delivered to deem it used and useful for customers. Until Liberty
9 can realize efficiencies and reduce O&M allocations to reasonable levels, has won back the
10 trust of its ratepayers and can prove that Customer First provides material benefits to
11 customers, I recommend the Commission not allow the Cybersecurity Program rate base or
12 Cybersecurity O&M expenses in Liberty’s revenue requirement upon which it designs
13 Liberty’s rates.

14 **LIBERTY CUSTOMERS AND COMMUNITY REPRESENTATIVES QUESTION**
15 **WHETHER LIBERTY IS REALLY PUTTING THEIR “CUSTOMERS FIRST”**

16 **Q. Based on the direct testimony of Liberty witness Jill Schwartz, what is Liberty’s**
17 **approach to operating its regulated utilities?**

18 **A. According to Ms. Schwartz, Liberty’s approach to operating its regulated utilities is as follows:**

19 “Liberty balances the importance of local management with the advantages our
20 customers receive by being part of a larger utility organization. Liberty uses a
21 decentralized approach to operating its regulated utility business, which emphasizes
22 the importance of local control of day-to-day business operations. This approach is
23 premised on the belief that utility services are best delivered locally, and this is

³⁷ Algonquin 2024 annual report; https://s25.q4cdn.com/253745149/files/doc_financials/2024/ar/AQN-2024-Annual-Report.pdf.

1 especially true for customer service, operations, employee and regulatory functions and
2 community outreach activities.”³⁸

3 Ms. Schwartz goes on to say that Liberty’s shared services and corporate cost allocation model
4 maximizes economies of scale and minimizes redundancy and that APUC’s regulated utilities
5 “can access maximum expertise at lower costs”.

6 **Q. Do Liberty’s customers agree with Ms. Schwartz?**

7 A. Liberty’s Local Public Hearings (“LPHs”) pertaining to this rate case were well attended.
8 Based on the number of customers who spoke at the LPHs, the number of customers who spoke
9 out in Staff’s Customer First investigation, File No. OO-2025-0233³⁹, the number of customer
10 comments filed in this case⁴⁰, and the number of customer comments filed in the File No. OO-
11 2025-0233 investigation case⁴¹, I surmise that Liberty customers residing in southwest
12 Missouri do not agree with Ms. Schwartz that local management is really in control or that
13 customers are receiving advantages by being a part of a larger utility organization.

14 **Q. Are there common themes Liberty customers raise in their numerous comments and**
15 **testimonies?**

16 A. Similar to past cases, customers commented on affordability and customer service; however,
17 the number of commenters in this case on those themes was much greater.⁴² Further,
18 commenters raised other themes. Liberty’s customer comments and testimonies submitted in
19 this case can be separated into several different categories:

³⁸ Direct testimony of Jill Schwartz, page 4.

³⁹ Transcripts.

⁴⁰ 615 customer comments as of 08/11/2025.

⁴¹ 400 customer comments as of 08/11/2025.

⁴² Over 1,000 customer comments have been filed between ER-2024-0261 and OO-2025-0233. Furthermore, both the question & answer sessions plus on the record testimony of Local Public Hearings in ER-2024-0261 and Town Halls in OO-2025-0233 were well attended with a majority of the events lasting approximately 2 hours or more.

- 1 • Liberty's customers cannot afford Liberty's rates;
- 2 • Liberty's customer service is poor;
- 3 • Liberty's rates are contributing to the economic demise of its service territory;
- 4 • Liberty's customers are paying the highest rates in the state; and
- 5 • Liberty's customers have lost trust in the Company's ability to provide reliable
- 6 service at just and reasonable rates.

7 **Q. Since Liberty's customer comments encompass several different categories, would you**
8 **address each separately?**

9 A. Yes. However, I will start off with one rate case comment from a Missouri legislator that
10 encompasses several of the categories mentioned above:

11 **P202600470** Dear Dr. Kayla Hahn, As a member of the Missouri House Utilities
12 Committee and a representative for Southwest Missouri, I'm writing to ask that you
13 reject Liberty Utilities' proposed rate increase at this time. I attended multiple public
14 hearings regarding Liberty Utilities, many late into the evening, and I continue to hear
15 ongoing concerns from constituents about billing accuracy, customer service
16 responsiveness, and overall service quality. I've listened closely to what constituents
17 are saying. The message is clear: this increase would place too heavy a burden on
18 working families, seniors, and others already struggling to make ends meet. Liberty
19 also has rates that are significantly higher per kWh than the other utilities in our area.
20 I've heard directly from people making real sacrifices just to keep the lights on. Some
21 have gone without heat or air conditioning for years. I hear that Liberty is providing
22 financial help, but when this on the backs of the middle upper-class, it is still a burden
23 on customers in the Liberty network. I understand Liberty has made large investments
24 in infrastructure, and I recognize that part of that was influenced by federal energy
25 policy and environmental mandates beyond their control. However, **it appears they**
26 **may have aligned too closely with their own internal priorities rather than the**

1 **needs of their ratepayers.** I also respect that utilities need to recover costs and earn a
2 reasonable return. But in this case, a nearly 10% return on equity, while customers are
3 seeing bills jump by a third or more, simply doesn't sit right. There are also serious
4 concerns about the decision to demolish the Asbury Power Plant, a facility that had
5 already undergone modernization, and how those costs are now being passed on to
6 ratepayers. That decision has left many people in my district with questions that
7 deserve real answers. Until Liberty has taken steps to rebuild public trust and clearly
8 show how future investments will benefit customers directly, I believe approving this
9 increase would be premature and harmful! I respectfully urge the Commission to hold
10 off on approving this request and to consider the real-world impact it would have on
11 the people we serve. Sincerely, Cathy J Loy State Representative District 163
12 (emphasis added)

13 **Q. What does Algonquin say in its 2024 ESG Report (“ESG report”) that you introduced**
14 **earlier in this testimony as Schedule ADS-R-10 about its priorities and their impact on**
15 **achieving reliable service at just and reasonable rates?**

16 A. On page 12 of the ESG report Algonquin states the following:

17 **Closing out our initial set of ambitious ESG targets**

18 In 2019, Algonquin set out nine ESG targets (shown right) to be achieved by the end
19 of 2023. Although the period between 2019 and 2023 has been more turbulent than
20 expected, with a global pandemic and associated challenges, we are pleased to report
21 that five of these nine targets have been fully met and the remaining four are more than
22 90% complete. Particularly worth highlighting are the over 1 million tonnes of carbon
23 emission reductions and over 2,000 MW of renewable generation brought into service.
24 These are key components towards ultimately achieving our long-term net-zero by
25 2050 target for Scope 1 and 2 emissions.

1 Looking beyond 2023, significant progress on these targets has laid a foundation for
2 future sustainability efforts. Algonquin remains committed to advancing its ESG
3 strategy and impact, particularly with a renewed focus on climate resilience, our
4 commitment to Net-zero 2050, and the introduction of our new interim ESG targets.

5 On page 13 of the 2024 ESG report, Algonquin goes on to further present new 2030 ESG
6 targets focusing on continuing emissions reductions and DEI enhancement. What the ESG
7 report does not provide, is how Liberty will achieve reliable service at just and reasonable rates.
8 In 2019, Algonquin set ESG goals for the operating companies under its umbrella with two of
9 its targets related to renewable generation – the goal of reaching a target of 75% of renewable
10 generation and the goal of adding 2,000 MW of renewable generation between 2019-2023.
11 The 2021 ESG report points to Asbury’s retirement 15 years ahead of schedule and how the
12 closure contributed to APUC’s ESG goals. As Representative Loy points out in the comment
13 above, it appears the Liberty network may have aligned too closely with their own internal
14 Algonquin priorities rather than the needs of their customers. The ESG report certainly does
15 not report how much rates have increased in Liberty’s southwest Missouri service territory
16 since 2019, or how Missouri retail customers are benefitting from advantages Liberty
17 customers “receive by being part of a larger utility organization.⁴³” What does seem apparent
18 is that Liberty’s service territory in southwest Missouri is paying a high price for “ambitious
19 ESG targets.”

20 **AFFORDABILITY**

21 **Q. What is “affordability”?**

22 A. According to the Cambridge dictionary affordability is “the state of being cheap enough
23 for people to be able to buy.”

⁴³ Direct testimony of Jill Schwartz, page 4.

1 **Q. Why is affordability a relevant factor in this rate case?**

2 A. Affordability should always be a factor when evaluating the rate increase request of a regulated
3 utility company. A rate case is a time to assess prudent operation and maintenance (“O&M”)
4 expenses and capital investments; but it is also a time to assess whether this necessary service
5 is affordable to those who want it.

6 **Q. Are customers concerned they will have to choose between basic necessities and paying**
7 **their electric bills as a result of this rate case?**

8 A. Based on several of the customer comments about having to choose between having food,
9 medicine, medical treatment, space heating, or space cooling, I would say “yes.” The
10 comments submitted by Liberty customers suggest that many residential customers cannot
11 afford Liberty’s proposed increase. This concern is raised most by or behalf of customers
12 on low fixed incomes, such as elderly residential customers living month-to-month from
13 social security benefits. For these customers, an increase of this magnitude to their electric
14 bill, in addition to recent increases for water and sewer bills, may require that they make
15 sacrifices in spending on important expenses like food and medicine. Only a small sample
16 of customers’ comments and testimonies are provided below:

17 “I get a little emotional when I talk about these people. They've given me a great
18 life. 27 years in law enforcement. The citizens I serve are good, good people. They
19 are the people who would bring a casserole to a neighbor that's in need. They are
20 the people who would fill a hospital waiting room if I was seriously injured in the
21 line of duty. They are people who would give what they can even when they don't
22 have much themselves. But this town is not wealthy. 60 percent of Aurora under
23 the age of 65 is on some form of government assistance. I know that from doing the
24 stats that I do for law enforcement. Many are surviving on social security benefits
25 that barely stretch to cover the cost of food and medicine. They're paying staggering
26 medical bills and outrageous insurance premiums. They're fighting daily against an

1 economy that has absolutely punished them for the last five years. When I'm called
2 to a home where the power is off in the middle of July and I'm kneeling on the floor
3 of a sweltering house giving CPR to an elderly resident who couldn't afford their
4 electric bill, that's why I decided to stand up and say something. And that's
5 happened. When my officers and I at one o'clock in the morning deliver blankets to
6 some little kids in January because their parents can't afford to turn on the heat, that's
7 why I decided to stand up and that happened I personally deliver those and have
8 many, many times. The proposed 30 to 40 percent increase is not just a number on
9 a ledger. These are real human beings that are living in our community and barely
10 making it day to day. It's a difference between life and death for them. And I have
11 sworn to protect them. I think just staying quiet was not the right thing to do. It's a
12 difference between a family eating dinner or sitting in the dark. I just implore you
13 to look beyond the financial charts and corporate projections and see what the human
14 cost is here. 30 to 40 percent is not negligible. This community cannot sustain that
15 kind of burden. Neither one of the communities that I represent can. It's not fair
16 and a lot of them just simply can't survive it. So on behalf of the people that I've
17 sworn to serve and on behalf of the oath I've taken, I just urge you to really, really
18 consider this and not approve an upwards of 40 percent increase on a bill that they
19 already are willing to pay. Thanks.”⁴⁴

20 “I am an accountant. I'm also a volunteer firefighter, have been for the last 12 years.
21 So I've served alongside that man that just spoke a minute ago, Mr. Coatney, and I
22 can definitely testify to some of those things that he said. The poverty line in the
23 state of Missouri is 12.6 percent of the citizens of the state of Missouri live below
24 that line. In Aurora, Missouri, that number is 17.23 percent, one of the highest in
25 the state for any community. The number of people that you're putting in a very

⁴⁴ Testimony of Mr. Coatney, Aurora and Marionville Chief of Police; Aurora 6:00 PM Local Public Hearing; page 55 line 1 through page 56 line 23.

1 poor situation by raising 30 to 40 percent for their utility bills, 30 percent of the base
2 rate and then all the other things that calculate on top of that, is putting those people
3 in a very horrible situation. Yes, there are programs that they can apply for, other
4 programs that are available but it doesn't mean they're going to qualify. You're
5 putting a lot of people of the community that I love and that I serve in a very horrible
6 position, a position that they have no control over whatsoever.”⁴⁵

7 “I would like to say that my landlord checked in on me and found my temperature
8 at inside my apartment at 94 degrees. Now, he wasn't really happy about that, but I
9 am in a fixed income and I have to choose between my utilities and whether or not
10 I have food. Now, I've already cut my food budget back to one meal a day, plus one
11 snack just to keep me from being hungry and eating the wrong foods, because I'm
12 educated enough to know what a balanced meal is. And I'm not happy with my
13 utility company, have not been happy with it for a long time. And if I could choose
14 without being -- like, I'm being -- I feel like I'm being extorted, being forced to pay
15 an extortion in order keep my utilities on. Now, my landlord is not going to let me
16 live in my apartment if I don't have utilities. Now, I'm down to turning the breaker
17 off on my refrigerator. Now, what would you have me do? I have a right to life just
18 as you do or anybody in this room. And I feel like that I'm going to be forced out
19 on the street. And possibly suffer from heat exhaustion, a heat stroke or even death.
20 I have grandchildren that I love, and they should have a right to know their
21 grandmother. I can't help be angry over what's being done to me. This is the 21st
22 century people. Electricity was not just now invented. Thank you.”⁴⁶

23 **P202500938** “Missouri families are hurting, and a 20% rate increase is both
24 insensitive and insulting to customers whose ONLY source of electricity is Liberty
25 Utilities. As there are no other options for utility providers other than Liberty,

⁴⁵ Aurora 6:00 PM Local Public Hearing; page 62 line 2-22.

⁴⁶ Branson Local Public Hearing; page 36 line 9 through page 37 line 11; and page 37 lines 15-18.

1 customers cannot shop around for the best service for their budget and are forced to
2 accept any rate increase approved. 20% is too much of an increase for Missourians
3 hurting from the last four years of inflation, especially since this makes the 6th local
4 utility company requesting customers pay more each month for their utilities including
5 gas, electric, water, and sewer. Liberty needs to know customers are not unlimited
6 revenue generators to make up for the lower 2023 profit generated.”

7 **P202501712** “Something needs to be done with Liberty price gouging. Why should
8 we have to pay for Winter Storm Uri? I didn't even live in this state.”

9 **P202501831** "To whom it may concern. I just heard that Liberty has ask for an even
10 larger increase. I am a senior on a fixed income, this huge increase is a projected 30%
11 in my utility bill which is going to be a unsustainable increase for a majority of the
12 consumer. I don't know of any person getting a 30% increase. Thank you for your
13 attention to this matter."

14 **P202501841** “I am writing to formally express my strong opposition to Liberty’s
15 proposed rate increase of approximately \$152 million, an increase of 29.64%, as
16 outlined in the amended rate filing submitted on February 26, 2025. This increase is
17 excessive, unreasonable, and unaffordable for the hardworking families, senior
18 citizens, and small business owners in Missouri who are already struggling with the
19 rising cost of living. As a community planner serving four counties in Southwest
20 Missouri, I see firsthand how economic challenges affect families across our region.
21 Every day, I work with municipalities, businesses, and residents who are trying to
22 navigate the financial strains of rising costs, stagnant wages, and limited economic
23 opportunities. Additionally, working in the same facility as economic security
24 programs, I witness the growing number of individuals and families who are struggling
25 to afford basic necessities—including utilities. Many of these residents are already
26 facing tough choices between paying for rent, food, medical care, and electricity.

1 Liberty’s original request for a 15.99% rate increase was already concerning, but nearly
2 doubling that request to 29.64% in a matter of months is simply unsustainable for many
3 households. Unlike Liberty, which can pass on its increased operating costs to
4 customers, Missouri families and small businesses cannot simply increase their
5 incomes to absorb such a steep rate hike. Fixed-income seniors, working-class families,
6 and struggling small business owners will bear the brunt of this decision, pushing some
7 closer to financial hardship or even forcing them to go without essential services.
8 Furthermore, Liberty has not provided sufficient transparency on why such a drastic
9 increase is necessary or what cost-cutting measures have been considered before
10 shifting the financial burden onto ratepayers. At a time when families are being forced
11 to stretch their budgets further than ever, asking them to absorb an almost 30% increase
12 in electric rates is not just unfair—it is harmful. I urge the Missouri Public Service
13 Commission to reject Liberty’s amended rate increase request. This increase would be
14 devastating to the financial stability of countless households in Southwest Missouri and
15 beyond. I encourage the PSC to explore alternative solutions that do not place undue
16 hardship on those who can least afford it while ensuring that necessary investments in
17 energy infrastructure are made responsibly. Thank you for your time and consideration.
18 I appreciate your commitment to protecting Missouri residents from unjust and
19 excessive utility rate increases.”

20 **P202501851** “I realize that this is probably a useless endeavor, however I
21 respectfully urge this commission to deny Liberty their latest request. As a senior
22 citizen I understand how many cannot pay their bills, or are forced to choose between
23 medication, food and utilities. PLEASE don't allow this company to suck the life blood
24 out of our citizens in this great state. They have the monopoly of being the only game
25 in town so we are forced to use them. I am fortunate in that my husband is still
26 employed even though I am retired. We don't have much in the way of savings or
27 investments and are barely surviving. I cannot begin to imagine how seniors who are

1 trying to stay in their homes and live strictly on their Social Security checks, who have
2 sacrificed to keep their homes all these years must be feeling at this time. It is absolutely
3 deplorable that this money hungry company is trying to garner yet another raise on the
4 heels of the exorbitant one they just received.”

5 **P202501854** “The customer called to say that this is too high. She lives by herself.
6 She's not there half of the time. She goes to work. Her bill is more than \$233 a month
7 with no lights on. She hasn't used the heating or air conditioner. She does not
8 comprehend why her bill is so high. It wasn't like this last year. They are trying to
9 gouge too much. This is a monopoly.”

10 **P202501876** “Dear Commissioner Hahn, I am writing to express my strong
11 opposition to the proposed electricity rate increase requested by Liberty Electric
12 Company. As a concerned resident and ratepayer in Neosho, MO I urge you to deny
13 this request in the interest of the consumers who rely on affordable electricity. The
14 proposed rate hike would place an undue financial burden on households and
15 businesses, many of whom are already struggling with rising costs of living. I am a
16 public school teacher, and increasing electricity prices will negatively affect my
17 family’s budget. As a Public Services Commissioner, you have the responsibility to
18 ensure that utility rates remain fair and just. I strongly request that you consider the
19 economic strain on residents and deny Liberty’s request for a higher rate.”

20 **P202501880** “I am reaching out in regards to our astronomical billing rates that we
21 already receive from Liberty Utilities. I reside in Webb City, MO. In a 1400sqft home
22 that costs us minimally \$300 (but usually much higher a month) to keep at 68 degrees
23 this winter. We are cautious with our usage. We are not home during the days from
24 630pm-530pm and all electric that can be off, IS off. When we purchased our home in
25 July 2020, our bills were never more than \$300. Back then, \$300 was insane. I am
26 concerned that if their request for 30% increase is accepted, many families in our area

1 will struggle even more financially than we already do. Because we have no choice but
2 to use Liberty, I feel that they are price gouging us for every penny that they can. This
3 is a very common issue amongst nearly every house hold in our area forced to use their
4 service. Is there ANYTHING that can be done about this?"

5 **P202501891** "Patrick is on a fixed income. Rates for Liberty are already too high
6 and are some of the highest rates in the state. He would like the PSC to deny any
7 increase in rates. In addition, Liberty has numerous issues with their new system and
8 do not deserve any increase in rates due to the number of problems they still have after
9 almost a full year of having this new system."

10 **P202501912** "I want to know what someone is doing about our ridiculous high
11 electric bills!! Our bill doubled from last winter and we do not use electric heat!!! This
12 is ridiculous they are asking for another increase. How are we supposed to pay for this.
13 When is someone going to do an audit and find out why they can charge so much!!
14 When is someone going to look into everyone's pockets getting padded by all of us
15 paying these outrageous prices!! I know there is an investigation but why. Nothing will
16 get done. The same ones investigating are the same ones who has approved every rate
17 increase!! We are on limited income and struggling to pay our electric bill!! What do
18 we have to do take out a loan because no one cares about what it is doing to all of us!"

19 **P202501922** "My bill is already so high, I cant afford to pay an extra \$40 a month.
20 Right now I pay \$50 every Friday just so I can keep up with my bill. My paycheck is
21 only \$200 every Friday. I still have to pay all of my other bills too with what is left.
22 This is ridiculous! Liberty won't stop gouging us for money until we are homeless.
23 They have a monopoly on ALL of our utilities. Gas, Water, & Electric. Someone please
24 help us!!!"

25 **P202501924** "This rate increase comes at a time when older adults are facing
26 massive increases in the cost of living. One in five Missourians are aged 60 or over.

1 This increase will have devastating effects on this vulnerable population. Furthermore,
2 the Area Agency on Aging is already seeing record numbers of older adults spending
3 summer and winter days at locations other than their homes because they cannot afford
4 to heat/cool their residence. This rate increase does nothing for millions of Missourians
5 but causes severe harm. Lastly, an almost 30% hike in rates is an egregious amount.
6 30%?!?!?! Your popularity in serving the community is at an all time low. Social
7 Security continues to not keep up with inflation. Many older adults' monthly income
8 is at or below Federal Poverty level rates as it is. One more hit, such as this rate increase,
9 will be devastating for an already at-risk population."

10 **P202501927** "They're asking for a large hike in rates and we know several people
11 who that would hurt. If they're under investigation for billing issues then a rate increase
12 doesn't seem right."

13 **P202501928** "Absolutely not to the rate increase. That is way too much. I used to
14 work there and they need to trim costs elsewhere. People are already financially
15 struggling. They waste too much money for them to be asking for this kind of increase."

16 **P202501931** "Writing in regards to the proposed increase for electric by Liberty
17 Utilities in the Joplin area. As a Single income household, these increase rates are
18 larger than the average cost of living and cost of rising grocery price. Electricity is
19 a basic necessity, an essential part of daily lives, not a luxury. Liberty Utilities has
20 the monopoly on our electric, we have no other alternative energy providers. These
21 rates are higher than other electric providers in the area of Missouri and Kansas,
22 New-Mac and KAMO. Liberty Utilities has been continuously raising prices
23 keeping Individuals and Families struggling, this community can not afford these
24 increases. These increases will hurt the local business by high electric bills will be
25 passed on to the consumers. Please take consideration in helping the people in our
26 community by not voting or passing this increase."

1 **P202501932** "Thank you for reading, short and sweet, this exorbitant rate increase
2 will devastate folks already struggling. We already pay well above the national average
3 rate for utilities. Thank you so much for your representation and kind consideration."

4 **P202501933** "They just had a rate increase. We are elderly and on SSI and are very
5 responsible with our electric use and we cannot afford this. We need help."

6 **P202501936** "Liberty does not need this raise. What are people supposed to do? I've
7 got COPD and won't be able to afford to use our A/C if they raise this high. There are
8 going to be a lot more homeless people because of these things rising."

9 **P202501983** "I am a 78 year old disabled lady on a fixed income and I am aware of
10 Liberty raising their fees once again. We are all at their mercy. We have to use them
11 and have no other choice in our area. I know of other cities that give you options of
12 different companies to choose from that helps to keep fees lower? Why not in Joplin?
13 So I am asking if you can essentially be the voice of reason for those of us caught in
14 the middle? Thank you in advance."

15 **P202502007** "I beg for your consideration to reject Liberty Utilities rate increase
16 request. As consumers we have been forced to pay for their company's mistakes and
17 misfortunes, such as the Asbury plant and Winter Storm in 2021. They have unlimited
18 unchecked power, and they have a complete monopoly for electric services in the
19 Joplin area. There is no other alternate company to use here. We are forced to pay
20 whatever they choose, and we are a low income community... We have almost no
21 resources for bill assistance in our area. I have had to let my bill accumulate to 2000
22 because I literally cannot pay anything towards it and there is NO help. Please consider
23 those of us who cannot afford ANY increases."

24 **P202502008** "I am against Liberty hiking their rates again. It's hard enough to make
25 ends meet these days and there's no reason for them to do this. Unless they're needing

1 us to pay for all their new buildings. Also, if the governor passes SB 4 we're really
2 going to be hurting. My husband and I are seniors and on a fixed income. We aren't on
3 any government assistance and we struggle to keep our heads above water. Please
4 consider how this will affect folks like us. Thank you for your time."

5 **P202502009** "Please please please do not let Liberty utilities that serves Branson MO
6 have a rate increase. I live in a condo with two inside walls and only two outside walls
7 and my bill averages 389 a month for this winter. And I keep my heat on 64 and just
8 suffer thru the cold. How much are their executives making in salaries and bonuses.
9 Most of us suffer with paying bills these days. I think k they could give up some of
10 there billions in profit and salaries or find more efficient methods ! Thank you "

11 **P202502030** "It seems very strange that they need to amend the amount of their
12 original request. I know they are a for-profit organization but at whose expense?
13 Southwest Electric is a not-for-profit electricity company and they have rate changes
14 very seldom and provide a great service. Since they just increased water and sewer
15 rates for Bolivar by 63% over 4 years, how are those on fixed incomes and big
16 consumers of electricity, such as the hospital and Southwest Baptist University, going
17 to be able to afford this?"

18 **P202502031** "The fact that Liberty even requested the 15.9% increased shows that
19 they are poor managers of their money. And then to turn around and increase their
20 request to 29.64% is an insult on your intelligence. Being from Bolivar we know
21 firsthand about their mismanagement. Several times they've made requests and when
22 there was a pushback, they said oops we didn't figure the numbers right. Instead of
23 agreeing to their current request, which is almost double their original, consider cutting
24 their original request in half and making them live on a budget like the rest of us. For
25 example, a few years back, I think five, Liberty operated out of a small, rented space
26 in a strip mall. There was no trouble with billing. Then they built a very large building

1 and their service has plummeted. I have several fixed income friends that I worry about
2 being able to afford this after the 63% increase in water and sewer. Also our hospital
3 and university will be greatly affected for the negative.”

4 **P202502042** "Why should a company making record profits year over year be
5 entitled to take more money out of the pockets of people who can sometimes barely be
6 able to pay their electric bill? Sometimes not at all. What are they putting back into the
7 community for this rate hike? Or is the money just going into somebody wearing a suit
8 and tie? Especially a company who is under investigation for deceptive billing practices
9 and horrible customer service. Just my 2 cents."

10 **P202502051** “They have made utilities unaffordable for a normal income as it is
11 there is absolutely no reason to go higher to line their pockets. When a normal home
12 with 5 people is paying close to \$500 a month. There is no room to pay anything else.
13 You just pray nothing major breaks or kid need anything big. Because I should not
14 have to get a 2nd job just to pay my utilities. There has got to be a happy medium some
15 where. My house is not huge I don’t keep it extremely warm or cold. Just want to
16 survive. I’m not asking a lot just to have reasonable utilities. So maybe other things
17 like car payment and insurance would not be such a burden. I don’t want to get a second
18 job just to survive and hope that nothing breaks or rates get higher. Thank you”

19 **P202502053** "I don't believe we should have to pay for the utility co to build new
20 stations. They make millions and I'm a sr. citizen-I'm 86 years old- and I can't afford a
21 raise. You are going to make me homeless. I already pay \$300-\$400 per month for
22 utilities which is ridiculous, and I certainly don't want to pay for any new stations. They
23 make millions, let them pay for it."

24 **P202502155** “Liberty Utilities are a monopoly and taking financial gain from being
25 the only Electric company for Jasper County residents. People are unable to afford their
26 electric bills as it is. This is breaking communities. They should not be allowed to raise

1 rates at all. In fact, rates should be cut and stop charging people for weather extremes
2 from several years ago. The change in weather each year is expected and part of their
3 job. NO RATE INCREASE!"

4 **P202502242** "My bill went from \$70 per month to \$120 per month. Now with a \$33-
5 \$39 increase coming, this 74 year old living on social security cannot afford this. Where
6 are we seniors supposed to come more money?"

7 **P202600457** "We are writing to express ours and our membership's concerns about
8 the proposed rate increase for residential customers in our area. As members of the
9 community and due diligence seekers for our clients, we understand the challenges that
10 the utility company faces in maintaining services and infrastructure. However, we
11 firmly believe that this increase could be crippling to many of the most vulnerable
12 members of our society, including working-class families, new homeowners, seniors,
13 individuals with disabilities, and low-income households. For many of these residents,
14 every dollar matters, and even a modest increase in utility costs can place a significant
15 strain on their already limited budgets. For seniors and individuals with disabilities,
16 fixed incomes can make it especially difficult to absorb additional expenses. Similarly,
17 working families and new homeowners often already struggle with rising costs of
18 living and limited resources. The proposed rate increase could potentially force these
19 individuals to choose between paying their electric bill and other essential needs, such
20 as food, medical care, or housing. We respectfully urge you to reconsider this rate
21 increase, or at the very least, offer special assistance programs for vulnerable groups
22 who may struggle the most to meet these higher costs. Additionally, we would
23 encourage the company to explore alternative solutions for balancing the budget, such
24 as efficiency initiatives, reducing waste, or finding ways to better support residents who
25 are most impacted. It is important that we work together to ensure that electricity
26 remains affordable and accessible for all members of our community, especially those
27 who are most in need. Ultimately, we just want people to WANT to come and live in

1 our area and not search elsewhere when they hear of how high their electric bills will
2 be should they choose to live here. Thank you for your time and consideration. We
3 look forward to your response and hope that the voices of concerned citizens will be
4 taken into account in this decision-making process.”

5 **P202600461** “I just received a cost-of-living increase on my pension, but the
6 increases from Liberty for my water and what they’re proposing for electric are going
7 to eat up that increase. Southwest Missouri is tired of Liberty. My water bill more than
8 doubled, and now they want a 30% increase in electric. Even a 5% increase would be
9 hard on this community. I called the PSC to ask why our water rate doubled, and I was
10 told that the Office of the Public Counsel is responsible for that, not the PSC. The PSC
11 is passing the buck and blaming someone else, despite the PSC being the one that
12 approves rate increases.”

13 **CUSTOMER SERVICE**

14 **Q. What evidence is there of the level of customer service that Liberty has been**
15 **providing?**

16 A. The best evidence of customer service is to hear directly from Liberty’s customers. The
17 notice sent by the Company to customers solicits feedback for this reason – to hear directly
18 from the public receiving services from the utility. This is the same public that will also be
19 asked to shoulder any rate increase. Many Liberty customers took this opportunity to reach
20 out to the Commission and voice their concerns with the proposed increase by submitting
21 comments into EFIS and by offering comments at one of the local public hearings.

22 **Q. How should the Commission factor public comments into the decisions it makes on the**
23 **issues raised in this case?**

24 A. One of the purposes of the Public Service Commission is to be a substitute for competition
25 because as a natural monopoly, public utilities do not have competitive pressure to keep

1 rates affordable and customer service satisfaction high. Those pressures must come from
2 the Commission because public utilities have “captive” customers in that they cannot leave
3 the utility to receive water and sewer services from another provider. The Commission
4 should ask whether the level of services provided by the public utility would allow it to
5 sustain the same customer base if the public had options to receive their water or sewer
6 services from other providers with better services and rates. If customer services are poor
7 and in a competitive environment customers would likely choose to take their business to
8 other utility companies, one way to mimic a competitive environment is to reduce revenues
9 consistent with unsatisfied customers leaving the system to take their business to
10 competitors.

11 **Q. What feedback have customers provided through their comments regarding the level**
12 **of customer services provided by Liberty?**

13 A. Many customers offered comments asserting that the level of customer services they
14 received since Liberty’s last general rate review is extremely low. Issues raised include
15 numerous billing errors, missed billings, call center problems, lack of available
16 representatives, and more.

17 **Q. Please provide examples of customer service concerns raised in the customer**
18 **comments submitted in EFIS regarding Liberty’s proposal in this case.**

19 A. Similar to my request relating to customer comments on affordability, I ask that the
20 Commission please read all customer comments. Following are examples of the customer
21 service issues raised by Liberty’s customers:

22 **P202501264** “There is a FB group called Victims of Liberty. This company is rude
23 and incompetent. They do not offer the correct payment plan choices unless you call
24 them out on it. They are supposed to offer you twice the amount of time you were billed
25 incorrectly to pay off the balance and they do not do that unless you know the rule and
26 call them out on it.”

1 **P202501274** "I think it's an unfair system that allows Liberty's billing mistakes to
2 hurt the consumers and aren't being penalized for it."

3 **P202501532** "I spoke with the Commissioners at a public hearing in Bolivar last fall.
4 Part of the discussion was Liberty's inability to sent out their bills in a timely fashion.
5 When we get a bill we have a shortened time to make our payment. Their
6 mismanagement is unacceptable. On top of that they want to increase our rates. They
7 need to clean up their management mess and demonstrate they can effectively run a
8 utility before they would ever deserve an increase. We are many months from the
9 hearing and I see no evidence they have a handle on the concerns voiced at the hearing."

10 **P202501693** "For 4 months Liberty could not tell us how much our bill was. This is
11 highly incompetent and terrible customer service. No notifications were ever sent out
12 explaining what was going on. This is affecting people on fixed incomes and budgets.
13 This is a failure on Liberty's part and they aren't even offering the customers any type
14 of compensation for this headache they have created. "

15 **P202501828** "We are strongly against giving Liberty Utilities any additional funds
16 or allowing them to take more money from Missourians. If we had any options for
17 another electrical carrier we would. Their service is unreliable. They are unable to
18 manage or run their business. We did not receive an electric bill from them from June
19 2024 to February 2025. We began calling monthly and then weekly being told we will
20 get you a bill. No one had a clue. Now we are told they will work us on bringing our
21 account up to date. Please force Liberty to get their own house in order before taking
22 more from ours."

23 **P202501832** "I am reaching out to you because of the recent request of Liberty
24 utilities for yet another rate hike. Please stop the madness. Not only have my rates more
25 than doubled in the almost 10 years in this house but their reliability of service is not
26 good. The power surges and flashes have damaged more than one of my appliances.

1 The inconsistency is also cause of increased cost due to influencing efficiency. Please
2 stop this latest request to increase rates. Thank you for your consideration in this
3 matter.”

4 **P202501850** “What is up with Liberty? I personally have had issues and have called
5 half a dozen times this past year. For instance, 2 meters, 1 bill. I paid my bill. They put
6 all of it on one meter and I got a shut off notice on the 2nd meter. Another instance
7 (just last week): I got a shut off notice, dated Feb 28th and received it on Mar 7th--
8 giving me 4 days to get it to them. Thankfully I paid it online otherwise, it would have
9 been late w/ a \$30-50 reconnection fee. Two friends had no past due and received bills
10 of \$700 and \$1000. My brother and his neighbor didn't receive any bill for 3 months.
11 On and on. They are failing miserably w/ their customers. In fact, when I called
12 complaining that 11 days was not long enough to get it to them via mail, the operator
13 said, she'd relay the message but doubted it would do any good and for me to "contact
14 the commission". Now I am hearing that they want an increase in their previous rate
15 increase request, amounting to \$152 million???? What is the \$152 million going
16 TO??? I highly doubt it will be for anything FOR US!!! Are we subsidizing their
17 expenses (are they passing their expenses on down to us to cover OTHER areas?)??
18 And I'm just one out of many who are past upset w/ their incompetence and their
19 greed.”

20 **P202501853** “Liberty Electric is asking for a 30 percent increase in rates. As a
21 consumer, I'm tired of the price gouging for unreliable service they provide. It's hard
22 enough to pay their bills as it is. I see no reason as to why Missourians need to keep
23 paying exorbitant, extravagant energy prices so the CEO and their board members can
24 make more money. I'd like the Commission to lower their prices rather than increase
25 them.”

1 **P202501921** “For many years, I have contacted them and let them know. I cannot
2 get into my email. Could they please help me reset it? I get nothing from them finally
3 last year I asked by phone if they would please start sending my bill to me by mail
4 because I cannot see my bill at all. I have to call every month to see how much it is.
5 For over three years at least I have not seen my bill or my usage at all they will not help
6 me. The other issue I have would like everybody else. My bill is going up. I’m not
7 using anymore. We’ve lived here almost 9 years. Two people we work 10 hour days.
8 We are gone more than we’re here. We turn everything off. We have one light we use,
9 but our bill goes up. Why why do we not have a choice other than Liberty?”

10 **P202501930** “I have not gotten a bill since Aug, and they still have it screwed up,
11 the bill is \$2000.00. They do not deserve a rate increase. PSC, please do not approve a
12 rate increase for Liberty.”

13 **P202501984** “I oppose this rate increase. This is way too high, and it seems the
14 service is getting worse yet the prices keep going up.”

15 **P202501985** “The Commission should reject this rate increase. 30% is too high. If
16 they were asking for 2,3 or even 5% that would be more acceptable. SW electric nearby
17 charges half of what Liberty charges. Liberty service is horrible, the billing is terrible.
18 This kind of increase is hard on people with a fixed income. ”

19 **P202502004** “Electric rates in Southwest Missouri are already extremely high.
20 Liberty should perhaps find another way to reduce their expenses? Electrical service
21 reliability has plummeted here in Branson especially in the last 3 to 4 years as compared
22 to the previous 30 years.”

23 **P202502006** “If they have such poor billing practices then they should not receive a
24 rate increase; especially what they are asking.”

1 **P202502064** “I really want you to take a look at the problems your people are facing
2 with Liberty Utilities. The public service commission is not doing anything to help,
3 allowing rate increase and rate increase, and you guys think it’s a good idea to let them
4 go even higher for their projects? It’s their investment. Why would they not take the
5 hit? In Bolivar we only have Liberty. We have no choice. We have to pay crazy prices
6 or move. It’s a monopoly. Their billing is a nightmare. Some people are not getting
7 bills for months at a time and getting charged all at once. People are hurting just because
8 of their light bill, and as crazy as this world is, they don’t need to worry about being
9 able to afford the light bill. There needs to be so much reform on the energy providers,
10 and giving them the ability to increase – putting all the responsibility on the public
11 service commission, who does nothing but have meeting about it. Please help. Please
12 prove that you are not bought and paid for. The public service commission should be
13 held accountable to the people, who are hurting”

14 **P202502077** Have been trying to get a street light fixed since November. I've been
15 called at least six times. Why should they have a rate increase when they won't even
16 fix a street lightbulb???

17 **P202502140** We went from a 2000 SQF home in Greene County to a 1700 SQF
18 home in Dallas County. Since moving our bill doubled, though we have switched all
19 appliances to energy efficient, all the light bulbs, plugs, and even light fixtures. We use
20 alternative heat (gas, wood, coal) a year since moving in. Our bill for winter has been
21 as high or higher as when we had to use portable heaters the first year and are always
22 told its because of cold weather....I finally received a bill since November for 02/06/25-
23 03/31/25 for 379.43. At this time we were using wood, and gas for heating (both
24 sources) as needed There is no way our bill should be that high. We are also having to
25 pay for a storm from 2021 which was not even in our state, and asking for more?

1 **P202502276** "This request should not even be considered until Liberty can actually
2 meet the most basic competencies of a legitimate company. Our disabled son and his
3 disabled roommate live in Goodman and have not received their Liberty bill since
4 DECEMBER. The company only responds with excuses and lies as to where their bill
5 is. Both these men are on social security disability. Liberty cannot even get them a bill.
6 Terrible customer service. No Increase is warranted."

7 **P202502280** "We are a Liberty customer and do not believe they deserve a rate
8 increase of approval based on their inability to manage their billing or service. While I
9 understand the costs have possibly increased but they have poorly managed services
10 and rates are exceedingly high already! A 15% increase is just too much!!!"

11 **P202600425** "Thank you for hearing me out. I am a minister and a resident of Carl
12 Junction MO. Contrary to what many believe, most ministers don't make a lot of money
13 and are rarely in line for raises. While my salary is not increasing, my utility bills are;
14 mainly Liberty. 30+% is beyond unfair. They may attempt a justification citing
15 increases in business usage, but the variance between what they've paid out and what's
16 coming in isn't close. I struggle to pay my bill now and when it increases, I'll be in
17 trouble. I'm asking for you to review why the Asbury Plant was destroyed and why we
18 must be on the receiving end of those costs. I also want a review and audit of how
19 billing is done. I've had several people I know complain about how they are billed. I
20 know that's hearsay and can't be taken seriously, but I can tell my personal story. Our
21 church, Christpoint Church, although located in Galena KS, right outside of Joplin MO,
22 is serviced out of Joplin. In May of 2024, Liberty brought a new meter. Upon setting it
23 up, the technician inaccurately coded it (I have this in writing from Liberty). Over the
24 next several months, we were not receiving full bills. I consistently called and was told
25 there was no problem. Eight months later, we get a bill with a \$12K credit. I call about
26 it and am told it's no big deal. They then send a \$35K bill which I call about again and
27 am told they will work on it, but that I shouldn't owe that much. After weeks of me

1 calling and them saying that they're working on it, we get the final bill due of \$18K+.
2 When I oppose their ruling, even with the fault they've admitted, they simply say, "you
3 used the electricity; you owe it." This is one of many stories. Please do the right thing
4 and take care of your constituents. Please do not fall prey to their financial kickbacks.
5 Please do the right thing.”

6 We've been blessed to start a family here. I can truly say I love my community. I mean,
7 it's full of hard working people doing their best to, you know, pay their bills and take
8 care of each other really as a community that comes together. I've witnessed it multiple
9 times. But ever since Liberty became our utility provider, doing that has become much
10 more difficult. For over a year, Liberty's billing system has wreaked havoc on my
11 community. I speak on behalf of really all of those experiencing issues. Community
12 members cannot understand their bills or how much they owe. These are extremely
13 stressful situations that do take a toll on any community that is already vulnerable and
14 struggling economically. A lot of their rates have been mentioned. We are already
15 economically at risk at a higher rate than a lot of other towns individually anyways.
16 And so the fact that Liberty is now asking for a rate hike, I mean, it really is an insult
17 when the issues that are at hand have not even been corrected. We've been treated with
18 total disregard for over a year as we've struggled to simply understand our bills or even
19 get our bills for that matter. We're not even receiving them. I've called Liberty
20 customer service many times for help. The process is an absolute nightmare. You get
21 passed back and forth. You guys have heard it. You get disconnected. It results in
22 hours of wasted time with no, no closer answers.⁴⁷

23 Thank you very much for the opportunity to speak, and I want to preface this by saying
24 I moved from Houston a couple years ago to take care of my mom. So everything is
25 deregulated there, which is really nice. It's great for the customer. I get here and what

⁴⁷ Bolivar Local Public Hearing, page 55 line 2 through page 56, line 5.

1 I found is getting multiple bills every single month. Every bill is different. When I try
2 to call in to get it resolved, you never get the same answer. So like one gentleman said
3 it's a guessing game. You don't really know what you're going to get or what you
4 actually owe. So we're in the office here frequently. We're calling and nothing is ever
5 resolved ever. The other problem I have is just lack of transparency. I worked for
6 older people on fixed incomes. I'm finding they're not turning on anything. Not using
7 their dishwasher, washing machines, air conditioning because they can't afford it. One
8 lady has a two-bedroom house and her bill was \$1,200. So it's just wrong. There's got
9 to be a better way. I mean, it would be different if we saw the value for the dollar but
10 there's none. There really isn't. I've never seen anything quite like this. So please take
11 that into consideration.⁴⁸

12 IMPACTS ON LOCAL ECONOMIESS

13 **Q. While reading through customer comments and local public hearing testimony in this**
14 **case, did you encounter many customers commenting on the effect of Liberty's rates on**
15 **the local economies in southwest Missouri?**

16 A. Yes. And these concerns affect affordability to live in those locales. Ratepayers who struggle
17 to pay their Liberty utility bills wouldn't necessarily have the luxury of supporting the local
18 economy, especially if local businesses have to raise their prices due to their own increasing
19 utility bills. Customers have testified that potential real estate buyers change their mind after
20 learning the property is located in the Liberty service area. Furthermore, customers moving to
21 southwest Missouri from western states are alarmed by the cost of Liberty utilities, which
22 apparently exceeded what they're accustomed to paying. Below is a sample of customer
23 comments and testimony related to economic concerns over Liberty's current rates and
24 proposed rate increases:

⁴⁸ Bolivar Local Public Hearing, page 26 line 5 through page 27, line 3.

1 **P202501205** “I am a landlord and Liberty is assessing \$1800 on several of my
2 potential tenants in multiple properties I own which is causing them to back out of
3 renting them or they're requesting their security deposits back due to the high deposit
4 which is making it impossible for me and other landlords to make money. This is
5 hurting commerce and needs to stop.”

6 **P202501255** “2 months, no bill. This is affecting my business's taxes. This has been
7 going on for 9 months. People are irate. Liberty needs to fix this ASAP.”

8 **P202501827** “Liberty’s original request for a 15.99% rate increase was already
9 concerning, but nearly doubling that request to 29.64% in a matter of months is simply
10 unsustainable for many households. Unlike Liberty, which can pass on its increased
11 operating costs to customers, Missouri families and small businesses cannot simply
12 increase their incomes to absorb such a steep rate hike. Fixed-income seniors, working-
13 class families, and struggling small business owners will bear the brunt of this decision,
14 pushing some closer to financial hardship or even forcing them to go without essential
15 services.”

16 **P202501842** “My wife and I did not receive an electric bill for 5 months after
17 continued calling. We paid \$150 to stay ahead only to be refunded. We are now getting
18 back-billed for their mistake and a rate increase on top would be financial strangulation.
19 We are new parents, trying our best to be honest, respectable, citizens. We love our
20 town and home but are considering moving counties/states to get away from this
21 Monopoly. Also, why would we be paying for February 2021 Storm and Asbury Cost
22 for 50years???”

23 **P202501875** “To Whom It May Concern, I am appalled by Liberty Utilities’ blatant
24 disregard for its customers through the unjustified and outrageous 30% rate increase,
25 which follows public opposition to the previously proposed 15% hike. This behavior
26 is not only exploitative but also indicative of a company that prioritizes profit over

1 customer welfare. Such actions are unacceptable and suggest a troubling abuse of
2 power. This rate increase appears to be a deliberate effort to circumvent public
3 accountability, and I demand immediate transparency and accountability for this
4 decision. As a real estate agent, I work with people buying and selling homes regularly,
5 and I am seeing more and more residents wanting to move out of the area into
6 neighboring cities, Carthage and Neosho, which are not serviced by Liberty Utilities.
7 Many senior citizens cannot afford their utility bills, and those who do have house
8 payments often find their electric bill is higher than their mortgage payment. Not to
9 mention, first-time homebuyers who are just starting families are struggling to afford
10 these costs. I believe Liberty Utilities needs to be thoroughly investigated. As a
11 Canadian-owned company, they recently held a Town Hall at Missouri Southern State
12 University to address widespread issues with billing—customers not receiving bills, a
13 lack of answers from customer service, and unexplained charges. During that meeting,
14 our questions were essentially ignored. Additionally, we were informed that we have
15 been paying extra fees to compensate for errors in how fees were calculated in other
16 areas. Instead of correcting these mistakes at the source, Liberty chose to pass the costs
17 onto Missouri residents. Now, after failing to resolve these serious concerns, they have
18 announced an even higher rate increase. This is unacceptable. Meanwhile, Liberty
19 Utilities' CEO made \$2,016,731.00 in salary, plus over \$20,800.00 in additional
20 compensation in 2023. Perhaps, instead of burdening customers with excessive rate
21 hikes, he should consider taking a pay cut. Additionally, I want an investigation into
22 all expenses and costs to determine if this increase is truly necessary. Residents should
23 not be forced to pay for the windmills that Liberty implemented when they first took
24 over from Empire District Electric. Since that acquisition, our electricity bills have
25 skyrocketed to an absurd level, placing a significant burden on everyone in the
26 community. The rapid and extreme increases are unjustifiable, and we deserve
27 transparency regarding where our money is going. As a paying customer, I insist on
28 the following: 1. A detailed, publicly accessible breakdown justifying this rate increase.

1 2. Immediate intervention by regulatory bodies to investigate Liberty Utilities’
2 practices and their compliance with state and federal regulations. 3. A full investigation
3 into the company’s expenses to determine if these costs are necessary or if consumers
4 are being unfairly charged. 4. A reversal or significant reduction of this unjustifiable
5 rate hike to prevent further financial strain on customers. 5. Immediate relief from price
6 gouging and extortion. I also recognize that deregulating electricity in our city requires
7 policy changes at multiple levels, but the first step is making our government officials
8 aware of what Liberty Utilities has been doing in our community—including Joplin,
9 Webb City, and Carl Junction, to name just a few of the local cities affected. This issue
10 demands immediate attention and corrective action. I urge you to take swift steps to
11 protect residents from these excessive rate hikes and ensure that Liberty Utilities is held
12 accountable for its actions. The people in this community deserve fair and transparent
13 energy pricing, not corporate greed at their expense. I look forward to your response
14 and to seeing meaningful action taken on behalf of the residents you serve.”

15 **P202502039** “To Whom It May Concern, My husband and I are both medical
16 professionals who recently accepted positions at a hospital in Bolivar, Missouri. As
17 part of our transition, we sought to establish roots in the community and began
18 searching for housing. We engaged with local residents through the Bolivar Facebook
19 page, eager to integrate into the area and make a home there. However, after receiving
20 extensive feedback from the community regarding the severe financial burden imposed
21 by Liberty Utilities, we made the difficult decision to rescind our offer on a home in
22 Bolivar. Upon further research, it became evident that Bolivar is not the only town
23 affected—many communities across Missouri are struggling under the immense
24 financial strain created by Liberty Utilities. We were deeply disheartened to learn of
25 families forced to choose between essential needs like food and paying their utility
26 bills. Community members shared stories of their electricity bills being nearly equal to
27 their mortgage or rent payments. Coming from a state known for its high cost of living,

1 I was shocked to discover that residents of Bolivar, many living in small homes with
2 only one to three occupants, are paying between \$400 and \$600 per month for
3 electricity. In contrast, my current monthly electric bill is approximately \$100. This
4 disparity raises serious concerns about the financial sustainability of living and
5 investing in Bolivar. As professionals moving to Missouri to provide essential medical
6 services, we had planned not only to purchase a home but also to eventually start a
7 business and contribute to the local economy. However, the exorbitant utility costs
8 have made us reconsider these plans. The financial burden created by Liberty Utilities
9 is discouraging investment in homes and businesses, and if left unaddressed, it could
10 lead to an economic decline in Bolivar and other affected towns. The long-term
11 consequences of this situation should not be overlooked. If residents continue to leave
12 due to unaffordable utility costs, Missouri will face declining property values,
13 economic stagnation, and reduced tax revenue. This will inevitably lead to budgetary
14 shortfalls and further economic distress for the state and its municipalities. I urge the
15 Public Utilities Commission to thoroughly investigate Liberty Utilities and the impact
16 its pricing structure is having on Missouri communities. Immediate action is necessary
17 to prevent further financial hardship for residents and to ensure that Missouri remains
18 a viable place for families, professionals, and businesses to thrive. Thank you for your
19 time and attention to this critical matter. I look forward to your response and to seeing
20 steps taken to address this pressing issue.”

21 **P202502108** “I’m a resident in Bolivar Mo. I was unable to attend the Public Service
22 meeting last night. I did hear a lot of the comments on facebook live. A lot of people
23 are upset with the rates and service of Liberty. As a comment was made from a realtor
24 how a lot of prospective buyers come to his office, they ask who serves the Bolivar
25 area, Liberty or Southwest Electric? He said that having Liberty is very negative to
26 buyers which in turn are driving home prices down. My question would be, how can
27 Southwest Electric rates be so reasonable compared to Liberty. Liberty has a monopoly

1 on electric and water and sewer. Please help keep the rates that Liberty is charging or
2 give us the choice to choose a competitor to serve us, by doing that it should help
3 control rates.”

4 I am a local business owner. I own the bowling alley here in Aurora, and we provide a
5 complete entertainment for the people in our city. An increase of which you're asking
6 is going to raise my electric bill roughly about 14 to \$1,500 a month. Now, I'm here
7 not just for my business but for all business in the area. You think you're just charging
8 these people 30 percent. By the time you tack on people like me that have to raise our
9 prices, people at the grocery stores have to raise their prices to keep their freezers going,
10 you're going to have to tack on another 10 to 15 percent to those people as well. And
11 you have a lady over here crying she can't put shoes on her kids' feet. How is she going
12 to buy food when we have to raise our prices. I'm going to be the first business to go,
13 because the first thing they're going to cut out is entertainment because they're not
14 going to have it if we keep raising these prices. I'm about priced out. Right now I'm
15 going to be charging more than people going to Springfield on a different electric
16 company to be able to keep their business open and I'm going to be more than that. So
17 it's cheaper for them to drive to Springfield to do whatever they want to do than it is to
18 do in our local community and that hurts us, because that's tax money out of our
19 community. That's people having to move out of our community because there's going
20 to be less jobs. I employ nine people right now. What you're proposing on me is about
21 \$20,000 a year. That's two to three part-time kids that work for me I'm going to have
22 to let go in order to stay in business. So all these people that are on fixed incomes, how
23 are they going to be able to afford your electric bill and afford to go to the grocery store
24 because the grocery store has now went up. Gas prices went up. Everything runs on
25 electricity. So you're not just raising us 30 to 40 percent. You're raising approximately
26 about 50 percent by the time you look at what it's going to cost everywhere else. You're
27 going to cost me my life savings I've poured into this businesses three years ago to buy

1 this to keep it open. It's an icon in this community for almost 60 years, and it could
2 possibly go away over this because people aren't going to have the disposable income
3 to come see me. I'm going to be the first one to be cut out. Then they're going to start
4 figuring out how are we going to buy groceries, how are we going to go out to eat.
5 You're going to close down lots of different things in this community and it's going to
6 be a ghost town. So I think that with the billing practices and everything else if you
7 can't get that right and you can't bill us right, how can you charge us more because
8 obviously if you're not billing us right that 30 percent could be 40, 50 percent. Not just
9 the 30 because if my bill is supposed to be \$500 and my bill because of your billing
10 practices is \$600, 30 percent on that \$600 is another \$30. Well, you take that for the
11 whole community, it's going to hurt everybody. This is a poor community. This is not
12 like Springfield or Kansas City or big areas where everybody is making 20, \$30 an
13 hour. A lot of the jobs in this town are minimum wage, not much above minimum
14 wage. They can't afford -- We've got lots of retired community been here all their lives.
15 They're going to have to think about selling their homes, moving into places that they
16 can afford. And they shouldn't have to do that because you guys overspend. Thank
17 you.⁴⁹

18 You know, from an economic standpoint, it's harmful to business for this area. We're
19 already in a low cost of living area. My brother build a spec home, a really, really nice
20 economical two-bed, two-bath house in town on Liberty. My father is a real estate
21 agent. He's the listing agent on the home. They've had several people call and say I
22 would love to make an offer on this house but what utility company is it on. They say
23 it's a deal breaker because it's Liberty. That house has sat on the market at a fair market

⁴⁹ Aurora Local Public Hearing; THURSDAY, JULY 24, 12:00 p.m. - 2:45 p.m.; page 34 line 9 through page 37 line 3.

1 price because it's on Liberty. This is harming my family directly. This is harming my
2 American dream.⁵⁰

3 Thank you very much for being here this evening. I am here to represent Southwest
4 Baptist University, and I serve as the vice president for advancement here. And I think
5 this is the second time maybe in the last two years that we've hosted a public hearing.
6 And I think you might forgive me if we host one next year maybe we may need to dim
7 the lights or raise the temperature due to the rate increases. SBU has been here for
8 nearly 150 years in Bolivar and we are one of the largest employers in the area. But
9 the first concern I want to express is on behalf of our neighbors for the affordability
10 and quality of life here in Bolivar. A healthy Bolivar helps SBU attract employees and
11 students who live and spend in this community. A healthy SBU is also important for
12 Bolivar. On behalf of SBU, the 30 percent increase, a 30 percent increase would
13 represent for us something pushing nearly \$500,000 increased utility costs for that.
14 Now, we have been growing in enrollment in spite of headwinds in other education --
15 in higher education I should say in part because of the attractiveness of being in this
16 community. But we're also growing because we work very hard to be as affordable as
17 possible, as competitive as possible for our tuition and fees in the higher education
18 landscape. A significant increase of this magnitude would be impossible to simply
19 absorb. We would face the need, the possibility, the probability of having to raise
20 tuition and fees that could wind up imperiling the momentum we have seen in
21 enrollment in recent years which could have a domino effect of imperiling the positive
22 impact that we're able to make on the city and the surrounding communities. So for
23 this and many other reasons that you've already heard from our neighbors and friends,
24 we would urge the Commission to decline this burdensome increase.⁵¹

⁵⁰ Bolivar Local Public Hearing; page 22 line 25 through page 23 line 11.

⁵¹ Bolivar Local Public Hearing, page 32 line 16 through page 34 line 3.

1 I have rental properties here, and all the renters say the same thing, outrageous bills,
2 you know, they don't want to leave Bolivar but they can't afford these outrageous
3 bills.⁵²

4 The rate increase seemed to be arbitrarily high, and no other industry do you see an
5 overnight rate increase of quite probably 40 percent. I think that's going to hurt not
6 only residential homeowners but business owners here in our tourist town. Ticket rates
7 are going to have go up. Hotel rates are going to have to go up. Restaurants are going
8 to have raise their rates. I worked at a large car wash for 21 years. If they're going to
9 have pay upwards of 26 to 40 some percent in a rate increase, we're going to have raise
10 prices yet again. I'll be running legislation in January to give the consumers a choice
11 in their utilities and change state statute regarding that manner. Capitalism builds
12 competition and leads to lower prices. The co-ops need to be given as a choice that
13 consumers can make if they're going to be arbitrary rate increases. Liberty is a
14 subsidiary of Algonquin Power and Utilities Corporation. I've reached out to my good
15 friend, Congressman Eric Burlison, and I will also contact Senator Eric Schmidt for
16 help in Washington to find out why a Canadian company is so involved in power
17 generation and dispersion in the United States. This is not in alignment with President
18 Trump's America First agenda. I spoke on the house floor in reference to Senate Bill
19 Bill 4 and voted no. Now, I understand that this rate increase has nothing to do with Senate
20 Bill 4, but when the lobbyists were there visiting my office, I said, okay, so rates are
21 going to go up because of Senate Bill 4 and future test models and test costs. They said
22 yes. I said, okay, so we'll keep them at current rates right now, because they're going
23 to go up anyway due to Senate Bill 4, and to a man and to a woman, they answered
24 honestly and said no. These rate increases were already planned, and we'll find further
25 rate increases due to Senate Bill 4. I think it's going to harm our local economy and the

⁵² Bolivar Local Public Hearing, page 59 lines 12 through 17.

1 residents of Branson, Missouri, cannot afford the rate increases. I appreciate your
2 time.⁵³

3 For the last 19 years, I've been a real estate agent as well, and I work with a lot of
4 developers, and I'm currently working on a \$70 million project in the City of Branson
5 right now, and I can't tell you what effect that's going on have on these developers as
6 they're coming in and that rate hike going so high. I'm telling you they're watching this
7 very carefully as they're in town right now this week looking at this. And, so, a 30
8 percent, 35 percent, 39 percent, whatever that magic number is, is really high. I can
9 look across this audience, and I bet if I asked anybody how many of you have gotten a
10 raise in the past year of 30 percent or more, I don't think there's probably going to be
11 many hands go up. And, so, you're dealing in an economy where it's really hard. It's
12 hard for people to afford a home. And when you're going into this home and, now, you
13 have this huge rate increase, it's going to make to it impossible for homeowners as they
14 go along. And, so, the one thing I would ask you to consider is, when people feel
15 they're getting the value for what you're asking for, this room would be empty if
16 everybody felt that this value was there. You heard a lot of comments about billing
17 issues, customer service. I'm going to give you just one quick example. I had a
18 customer that was selling their condo, and we called to get the changes made from the
19 solar to the buyer and electric. We give them the account number, the meter number,
20 and this is the 800 number, this is not local. They wanted us to go and to climb down
21 a gully to go verify that that was the correct meter number. I'm like you're the one who
22 has been billing this person for five years at this meter number and this account number,
23 and you don't trust your own system?⁵⁴

24 I'm also an alderman for the City of Forsyth. I have several businesses in Forsyth. I
25 want to plead on the behalf -- we had to raise our water increase. Some of it because

⁵³ Branson Local Public Hearing; Testimony of Representative Brian Seitz, page 7 line 13 through page 9 line 8.

⁵⁴ Branson Local Public Hearing; page 33 line 9 through page 34 line 24.

1 of increases such as utilities and everything else, and it really hurt our people from
2 businesses to everything. Now, I'm hearing there was exactly two rate increases in
3 that one, so this increase is probably going to be about 50 percent at least, if one is 42,
4 I'm sure the first rate's going to be at least ten, so we're at about a 50 percent increase
5 probably. The second you guys do this, I'm going to have to raise water rates for my
6 citizens. And because all the other costs associated when you guys allow this -- if this
7 increase is allowed, it's going to tag on all the other incidental costs from everybody
8 else that have to bump up theirs, so I'm going to turn around and hammer the citizens
9 of the Forsyth on their water bill considerably again. People have talked -- I have a
10 laundry mat. That laundry mater are (sic) usually used by people that can't afford to
11 have their own washer and dryer or have such a family that is more practical to go in
12 there to do several loads, instead of one at a time. This, just this, just the 45 increase
13 they're presenting, the 40-plus increase that they're presenting is going to cost me the -
14 - my utility -- my utility bill runs from 800 to \$900. It's going to go up to 12. I'm going
15 to pass those directly on. All of this is going to have to be passed on to everybody. So,
16 when you're talking about a citizen of Forsyth getting a rate increase under their power
17 of 45 percent, I'm going to have to add that increase to their water, and, so, it just
18 magnifies and it's just -- I mean, and then everybody is talking White River. White
19 River is a co-op. I understand that, but wherever they're doing, they're producing it a
20 lot cheaper, and they're also giving back to the community. Liberty doesn't give back
21 that I know of. I mean, there's grants. They're giving grants to the teachers, they're
22 giving -- we got \$500 as a city towards a Christmas tree from White River. They're
23 constantly giving back. They have area fundraiser events that they give back to the
24 community. I don't see nothing from Liberty, never have.⁵⁵

25 So, my family is in business in this community, has been for long time. The increase,
26 and I have a degree in chemical and petroleum refining engineering, if you can believe

⁵⁵ Branson Local Public Hearing; page 16 line 13 through page 18 line 14.

1 that, but the increase for us is six figures. So, we take this very seriously. It's one of
2 our four largest costs. So, I have some choices. I can even pass that on to the customer.
3 I can eat it, or I can try to cut my costs. And sometimes cutting costs basically amounts
4 to labor. And, so, you know, when I look at this, and you see this increase, and I've
5 heard 30; I've 39; I've heard 50; there's probably a right answer there; but it indicates
6 there's a problem. And, you know, whether that's leadership of the company, whether
7 there's poor planning, you know, it's outside sources. There's a problem. And, you
8 know, I understand this is cost recovery, and I also understand there's a return on equity.
9 I saw the return of equity at nine and a half percent. I think that's aggressive. That
10 would be above the loan rate. It would be above any CD rate, and, in fact, these senior
11 citizens who I really feel for, they could buy stock and get a better return than the CD
12 in the bank, right? And I think you got to look at that. Also, locally, I don't think the
13 problem is locally. Our folks locally are admired for hospitality and service, but I think
14 we have to remember that they just do what they're told to do. And this is the same
15 company who gave incentives to folks to reduce electricity based on a court case; and
16 I always wondered how that made any sense to resist that, because if you give those
17 incentives and people cut their electricity, they don't have to put the money -- or they
18 can push the capital back down the road; and I think that needs to be a reminder to
19 Liberty. But, in general, I would -- I think it's probably embarrassing to Liberty, and
20 to this community, to say we needed somewhere between a 30 and 50 percent rate
21 increase. I think the Office of Public Counsel probably came the closest to where we
22 should be. I ask the Public Service Commission to be harsh. I think they need a wake-
23 up call, to harsh in this issue. And I also don't like the concept of utilities coming and
24 asking for the moon and expecting for part of Montana. You know, my answer to that
25 is give them a small part of Montana. Thank you.⁵⁶

⁵⁶ Branson Local Public Hearing; page 23 line 18 through page 25 line 21.

1 My partner and I, we own two small businesses here in Branson. We're still
2 manufacturing fab shops, small construction company, material sales. We're involved
3 in a small business community. For those who are not from here, the majority of this
4 community is small business owners. You know, ma and pop outfits who we employ
5 as many people as we can employ. This is a challenging economy, because service
6 costs and everything. We can't keep pace with what the rest of the country is. I wanted
7 to mention that within the past two weeks, four small businesses that we are friends
8 and that we know had to fold. Small businesses right now, we're under attack
9 everywhere in the economy, from predatory insurance rates to gross inflation; these are
10 all costs that are a challenge for us to pass onto our customers, especially since our
11 services aren't directly related to an end customer, you know. We have to bid work;
12 anticipate what that work is going to cost; then predict what then is. Then, when we
13 have shortfallings, guess what, we take it in the teeth. That's part of being a business
14 owner. That's part of being an American. I would ask that the PSC hold Liberty to the
15 same standards that we are held to and that our four friends are held to, who had to fold
16 their businesses. These are not people who work three, four hours a day. These are
17 skilled craftsmen. These are people who work 10, 12 hours a day. We average 12-
18 hour days. We should be working right now. I'll probably be working until 9:00 o'clock
19 tonight when I leave this meeting, just to keep our doors open. We're not being made
20 rich right now. We have been operating, personally, at a loss for the past year because
21 of the way the economy is and other issues. Liberty should be held to the same standard
22 that we are as business owners. If you mismanage your business, you should fail. I
23 don't care if it's a large business or not. Second point I want to move on to, we've been
24 talking about the trees when we should look at the forest right now, okay? The
25 mismanagement and everything that has taken place in Liberty, that's fine and dandy.
26 What we should really be looking at is what the importance of energy is in any
27 economy. Energy is the foundation of any economy. It's not just people heating their
28 homes. It's how small businesses, everything, the cost of your milk, the cost of

1 something getting to your house on the truck. We should not -- we should view energy
2 as something that should be community-moderated. The same way that we community
3 moderate our roads, that are part of our infrastructure. It's opening our community up
4 to a liability to allow corporate greed and other entities to become involved in that
5 infrastructure that's so crucial to any economy. White River keeps being pointed out.
6 These larger communities, like Springfield with city utilities, when they transfer --
7 when they go to a community-operated system, it always works good. I just don't feel
8 that there's enough room or safety in a system where you have potential greed that can
9 affect the wider infrastructure of the economy. Am I making sense? Yeah, that's
10 probably my three minutes.⁵⁷

11 **Liberty Electric rates are Already the Highest in the State and Many**
12 **Parts of the Country**

13 **Q. What is your response to the many customer comments filed in this case and local public**
14 **hearing testimony about how much more Liberty customers are paying for Liberty's**
15 **quality of service in comparison to other areas of Missouri, different states, or even**
16 **nearby neighbors served by cooperatives?**

17 A. Based on customer feedback, it's become apparent that a large number of ratepayers that
18 Liberty serves in southwest Missouri seek the ability to shop around for a higher quality of
19 service delivered at a more reasonable cost than they currently receive. Furthermore, these
20 ratepayers want reliable service providers whose rates they can afford. Liberty customer
21 electric bills are increasing despite their efforts to upgrade homes with measures promoting
22 energy efficiency. At this point, Liberty customers testify that, beyond unreasonable rates,
23 quality of service and customer service are also lacking. Below are customer comments and
24 testimony related to this issue:

⁵⁷ Branson Local Public Hearing; page 78 line 22 through page 81 line 21.

1 **P202501835** "I am just writing as another citizen confirming that Liberty Utilities is
2 charging too much for electricity in Joplin. My family members with bigger houses to
3 heat and cool in other parts of the state pay less for electricity than we do in Joplin.
4 Unfortunately, Liberty Utilities still thinks they need to increase rates even further. It's
5 absurd and it needs to be stopped. It is what is in the best interests of the voting public
6 on both sides of the aisle and would do a lot to help public opinion of whoever resolves
7 this issue. "

8 **P202501836** "For what it's worth I Marvin Essley am totally against any rate
9 increase by liberty electric. I have been with Liberty / Empire district electric for 60
10 years and no matter what you do to conserve energy it's never enough I have installed
11 insulation, installed new energy efficient windows, new siding, all energy efficient
12 appliances and all led lighting and yet my rates never go down on up higher and higher.
13 In my opinion I think they should have our government to look into this to see just how
14 much price gouging and much is being paid under the table to the executives."

15 **P202501840** "Liberty is not competitive on the rates. Their billing practices are
16 ludicrous. People are forced to have Liberty as their provider and Liberty is completely
17 taking advantage of that lack of choice, charging 65% more than the power company
18 in town that I cannot choose and now they have the audacity to ask for a rate increase.
19 Please do something about Liberty utilities."

20 **P202501848** "I've been in my little 1100 sq ft house for over 6 years. In that time
21 frame, between rate hikes and "smart" meters, I have seen an increase in my electric
22 bill by approximately \$200 a month. My two most recent bills were about \$560. Based
23 on the fact that Liberty holds a monopoly on our electric service AND they are a for-
24 profit company, I find it absolutely ridiculous that anyone in public office would allow
25 any rate increase, or the bill for SB 4. As a for-profit company, their primary
26 responsibility is their shareholders and their bottom line, not to the residents of

1 Missouri!! If this increase is allowed, my electric bill will almost match my house
2 payment. PLEASE do not allow another increase by this organization!!”

3 **P202501893** “Colby would like the PSC to deny Liberty's rate increase. Rates are
4 already too high, and he believes Liberty has some of the highest rates in the state.
5 Liberty also has numerous issues with new system so they should not be given any
6 increase in rates.”

7 **P202501923** “I do not agree with the rate increase the is being requested by Liberty.
8 Over the last year alone, our overall electric bill costs for the year are already over \$500
9 more than they were from the previous year. When people are having to pay more for
10 their electric bills than our house payments that is an issue. We have lived in several
11 different areas of Missouri and also Arkansas and Liberty is by far the most expensive
12 electric company we have ever experienced for the same home size. We shouldn't be
13 made to endure another rate increase!”

14 **P202501937** “Liberty's rate increase is ridiculous. We already pay a high amount,
15 higher than most other companies around. They always talk about 1000KWH, but we
16 don't know anyone who uses that. Most people average around 1600 KWH. So this
17 increase will really affect out cost of living.”

18 **P202501938** “As a resident and taxpayer of this county, I am writing to express my
19 serious concerns regarding the proposed rate increase by Liberty Utilities. Currently,
20 Liberty Utilities' rates are approximately 65% higher than those of Southwest Electric.
21 Despite this significant disparity, Liberty Utilities is seeking approval for yet another
22 rate increase. This situation is particularly troubling as residents have no alternative
23 provider options. The monopolistic nature of this arrangement places an undue burden
24 on consumers who have no choice but to accept continually increasing rates. I
25 respectfully request that the regulatory body carefully consider the impact these
26 repeated rate increases have on community members and examine whether such

1 increases are justified given the already substantial price difference compared to
2 neighboring service areas. Thank you for your attention to this matter.”

3 **P202501990** “I understand that Liberty is asking for another price hike. This is
4 ridiculous. They say that had an accounting error is why? Come on. That’s like me
5 telling the company that pays me that they should pay me more because my checkbook
6 was wrong. We are already paying for the storm damage in which when they cut power
7 on many of us. We also incurred damages from them turning off power. Did they pay
8 us? No. I am in Branson and wish we could use another provider here as Liberty is the
9 highest priced provider in the area and now they are asking for more? A big NO. Then
10 give us a choice to change providers if they are going to have price increases every
11 year. Please do your job to protect us lowly income people from the Mega Business of
12 Liberty. Also, if you are going to raise our rates then raise the solar net meter payments
13 to 10 cents a KW. Big Mega business Liberty is taking advantage of our solar
14 generating capabilities. Have you ever pushed back on Liberty? I bet not. Make a
15 statement ... they are overcharging already based on area rates. I appreciate you
16 considering the people versus the lobbyists of Liberty. Stop Liberty from overcharging.
17 PS I certainly wouldn’t allow them any additional revenue until they get their billing
18 going correctly. I’ve had to wait 3 months for a bill and then they unload all of it on us
19 at one time. Don’t reward companies for bad and poor business practices.”

20 **P202502027** "In the matter of the request for Liberty Utilities request for yet another
21 rate increase, I am writing as a concerned citizen. Their rates are already one of the
22 highest I have seen, and I previously lived in a higher cost living area of Portland,
23 Oregon. It simply doesn't make sense that a 900 sq ft house's electric could be over
24 \$400 for one month, and MANY people across social media have been complaining of
25 similar costs or worse. The rates are already unaffordable for many citizens in the area
26 and people are already struggling. It also seems very strange to me that any rate increase

1 would be considered for Liberty Utilities whilst they are under investigation for their
2 billing and customer service practices.”

3 **P202502033** “A 15% rate increase is large enough, but turning around and doubling
4 it is absolute madness. There is no possible way that a regulated monopoly deserves a
5 pay increase of that much. In addition, Liberty has raised rates time and time again on
6 customers. We pay several surcharges in addition to the rate charge. We have also
7 given Liberty a grant of nearly \$50 million to upgrade infrastructure through the
8 Department of Energy as announced in 10/2024. I believe the investments claimed for
9 this rate increase are being made are driven by a desire to increase rates without regard
10 for the needs or limits of customer budgets. Investigate this company and deny this rate
11 increase please!”

12 **P202502056** “The rates that we all ready pay is doubled compared to other service
13 areas and it is sad. People are living on SSI and cannot afford their utility bills.”

14 **P202502086** “I’m Tricia Price, Ward 1 Alderman candidate in Bolivar, Missouri—
15 a small city of hardworking folks with little to spare. We’re under the thumb of Liberty
16 Utilities, a Canadian-owned company charging us among the highest electric rates in
17 Missouri, pushing for even more, and failing to deliver bills on time or accurately. Our
18 low-income families can’t take this—meters might be overreading, systems aren’t
19 upgraded, and relief’s nowhere in sight. I’ve been fighting for weeks—digging,
20 meeting experts, chasing every lead—to free us from Liberty’s grip. These battles take
21 time, but I won’t stop. We need your help. Bolivar’s got few resources—our people
22 can’t keep paying for a foreign giant’s mess. Please fight for Bolivar’s customers at
23 PSC against Liberty’s high rates and billing failures—we’re counting on you. Our
24 small town can’t fight this Canadian giant alone. The Bolivar Board of Aldermen are
25 hosting a town hall April 3rd, 6-8 PM at Bolivar City Hall—I understand your office
26 will be represented there along with PSC and a Liberty Utilities Representative. I am

1 asking PSC to please freeze Liberty’s rates— among Missouri’s highest—and order an
2 independent meter audit for our struggling town. Please help us in this struggle.”

3 **P202502154** “Please stop raising our rates! Check all the local rates around our area
4 and they do not compare! I’m technically in Carthage and would much rather pay
5 CWEP⁵⁸ rates but unfortunately cannot due to our location. The rate increases have to
6 stop. We sit in our home with no air or no heat running, windows open, nothing on
7 during the daytime hours and still have \$300-\$400 bills!”

8 **Q. Are you aware of other information that supports or refutes the above comments of**
9 **Liberty’s customers?**

10 A. Yes. To determine just how much higher Liberty’s rates are in comparison to Electric Coops
11 in the southwest Missouri region, I went out to several Coop websites. What I found is
12 presented below:

13 **Southwest Electric Coop’s rates (located in Bolivar, MO) as of April 20, 2024:**

14 *Single Phase Service (most residential and small commercial)*

Charge	New Rate Beginning April 20, 2024
Availability Charge	\$30.00
Energy Charge per kWh	\$0.095

15

⁵⁸ Carthage Water & Electric Plant; See Schedule ADS-R-11.

1 **Ozark Electric Coop new rates (with offices in Nixa, MO, Mount Vernon, MO and**
2 **Cape Fair, MO) as of the April 2025 billing cycle compared to previous rates (note that**
3 **Ozark Electric Coop assumes a realistic average monthly usage of 1200 kWh):**

RESIDENTIAL RATE INCREASE		
CHARGES	CURRENT	NEW
Facilities Charge	\$35.00	\$35.00
Energy Charge (kWh)	\$0.089	\$0.106
Demand Charge (kW)	\$3.75	\$3.75
CURRENT BILL ESTIMATE		NEW BILL ESTIMATE
\$179.30		\$199.70
<i>Monthly bill calculation provided above is based on the average residential member (before taxes and PCA). Assumes average of 1200 kWh and 10 kW.</i>		

4

5 **White River Valley Electric Coop (with offices located in Branson, Ava, Gainesville,**
6 **Reeds Spring, and Ozark, MO) rates as of January 1, 2025:**

Single Phase Service		
	Current Rate	New Rate Beginning January 1, 2025
Service Availability Charge	\$31.00	\$35
kWh Charge	11.549 cents/kWh	12.011 cents/kWh

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The Coop rates provided above are examples of other Electric utility providers in southwest Missouri who are also building out and increasing their members to strengthen service quality, yet appear to expand their service territory and service quality at reasonable rates. While it's apparent that the Coops' service charges⁵⁹ are higher than Liberty's current or proposed service charge, a difference in approximately \$20 for service availability is minimal in comparison to paying a difference of \$0.06 to \$0.09 per kWh for an average of approximately \$91 more for 1200 kWhs per month⁶⁰ or even an average of approximately \$140 more per month for 2000 kWhs⁶¹.

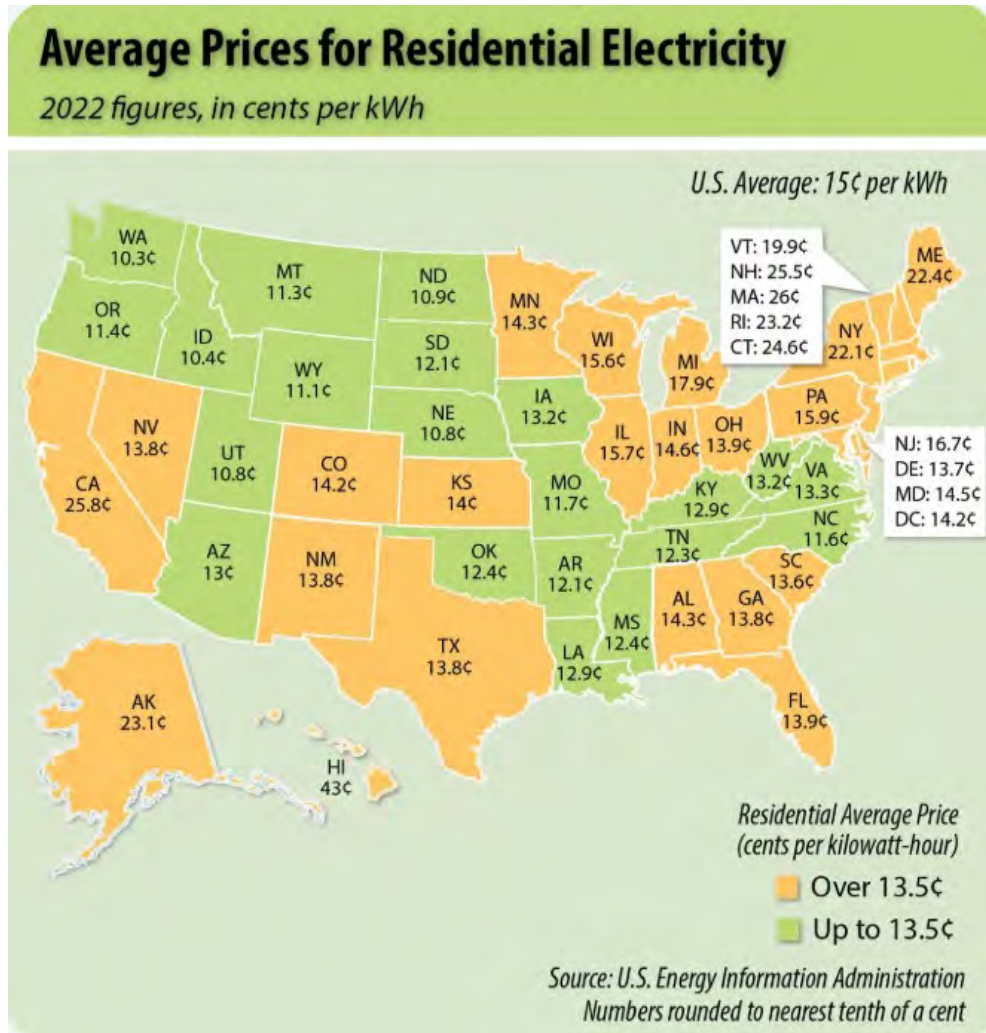
⁵⁹ It's important to note that since electric cooperatives are structured as member-owned non-profit entities, members receive an allocation of capital credits based on yearly electricity usage, which could partially offset higher monthly service availability charges. Capital credits are representative of cooperative member ownership and are returned to members when a portion of accumulated capital credits are retired.

⁶⁰ Based on approximately 1200 kWh summer hours at \$0.183 per kWh for Liberty and an average of \$0.107 per kWh for three local area electric cooperatives. Proposed base rates only – does not include other recovery mechanisms such as MEEIA, FAC, securitization charges, etc.

⁶¹ Based on approximately 2000 kWh summer hours at \$0.177 per kWh for Liberty and an average of \$0.107 per kWh for three local area electric cooperatives. Proposed base rates only – does not include other recovery mechanisms such as MEEIA, FAC, securitization charges, etc.

1 **Q. Do you have other information?**

2 A. Yes, from EIA. The image below from EIA shows average prices for electricity per kWh in
3 each state for 2022. The Missouri average was \$0.117 per kWh in 2022.



4

5 Currently Missouri's average residential rate is \$0.1297 per kWh as of August 12, 2025,⁶³
6 while Missouri neighbor Kansas's average residential rate is currently at \$0.1468 per kWh,

⁶² <https://www.swec.org/rate-structure-fees>.

⁶³ <https://www.electricchoice.com/electricity-prices-by-state/>; last updated August 12, 2025.

1 showing that despite recent legislative changes, Kansas has managed to keep residential rates
2 relatively stable and competitive. Missouri neighbor Oklahoma's current residential rate has
3 also remained relatively stable at \$0.1294 per kWh. Liberty's current residential rate exceeds
4 Missouri average residential rate. If Liberty's rate increase is approved at the level its
5 requesting, its ratepayers in Southwest Missouri will be paying per kWh rates closer to
6 Delaware's residential rate⁶⁴, whose average cost per kWh in August 2025 is 18.12 cents⁶⁵.
7 Think about that, a regulated utility company operating in Missouri, whose parent company
8 is geographically located closer to Delaware than the Southwest corner of Missouri, is
9 requesting a rate increase well beyond the Missouri average cost per kWh and more in line
10 with the average cost per kWh of an east coast state with a larger population than the number
11 of customers Liberty serves in southwest Missouri, and a deregulated electricity market.
12 Furthermore, the residential rates Liberty is requesting exceeds the average residential rate of
13 Kansas, which could promote more southeast Kansas investment or northeast Oklahoma
14 investment over southwest Missouri investment.

15 **Q. Given all the foregoing, what do you recommend?**

16 A. Ms. Schwartz's direct testimony asserts that "Liberty balances the importance of local
17 management with the advantages our customers receive by being part of a larger utility
18 organization." A large number of customers providing comments and testimony in this case
19 seem to disagree with this statement. Liberty customers report that local electric cooperatives
20 with local operations offer more affordable, reasonable rates and question whether they really
21 benefit from being served by the affiliate of a large, non-local parent corporation. Liberty
22 customers are concerned for their fellow community members struggling to pay their utility
23 bills. Community leaders express concern over fellow community members struggling to pay
24 their utility bills and also the larger impact to the local economy since residents unable to pay
25 their utility bills are unlikely have extra funds to support local businesses. Community leaders

⁶⁴ Based on average use of 1200 kWh and Liberty's proposed summer rates.

⁶⁵ *Id.*

1 have attested to performing CPR on elderly people in their sweltering homes because they
2 cannot afford to turn on their air conditioner in the summer. Community leaders have attested
3 to providing blankets to small children in early morning winter hours because their parents
4 cannot afford to turn on the heat. Community leaders have attested to the detrimental effects
5 on the local economy under current Liberty rates and the apprehension of entire communities
6 over the prospect of even higher rates. Furthermore, a growing number of Liberty's ratepayers
7 would like to choose their service provider and question what benefits they are actually
8 receiving under the current rate structure as they report poor quality of customer service and
9 reliability issues. These are relevant factors the Commission must include among the "all
10 relevant factors" it considers when it decides Liberty's rates in this case. I recommend the
11 Commission review the effect of Algonquin's ESG goals on southwest Missouri. I also
12 recommend the Commission take Liberty's customer experiences into account and consider
13 the strained effect Liberty's current rates are causing both ratepayers, and local economies
14 presently, and how raising Liberty rates further would make those consequences much worse.
15 Residential rates as high as Liberty suggests are beyond the average residential rates of Kansas
16 and Oklahoma, which could spur more investment in those states rather than southwest
17 Missouri.

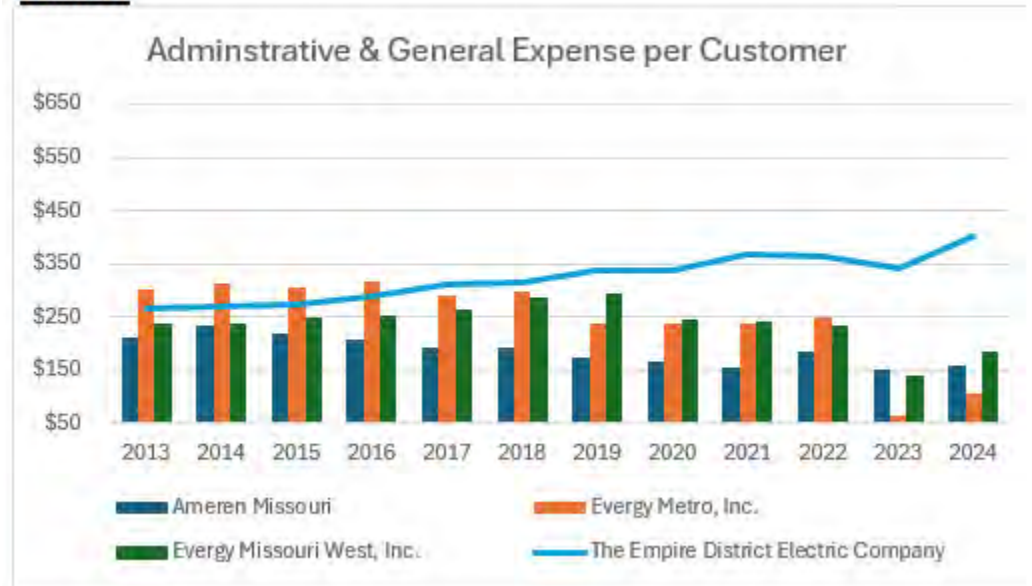
18 **Administrative and General Expenses**

19 **Q. Do you have any updates to your direct testimony in this case on administrative and**
20 **general expenses ("A&G")?**

21 A. Yes. In direct testimony I provided an overall component of A&G expenses as a component
22 of operational and maintenance expenses for each of Missouri's investor-owned utilities
23 ("IOUs") from 2013 through 2024. My recommendation depended on a comparison of
24 Liberty's 2024 A&G expenses with those of Ameren Missouri, Evergy Missouri Metro, and
25 Evergy Missouri West, and I provided a graph with several data points from 2013 to 2024.

26 I have updated that graph as follows in table 1 below:

Table 1:



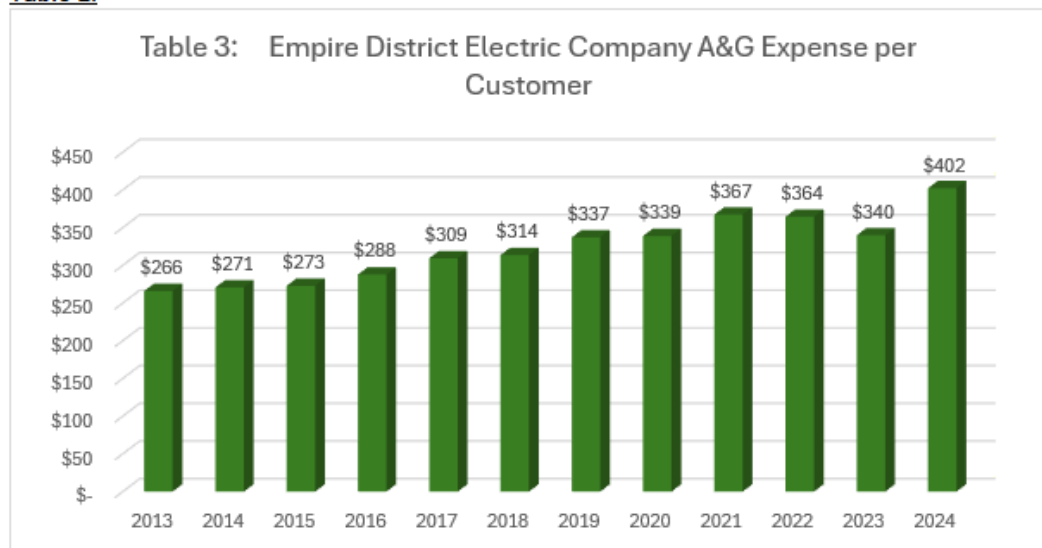
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2

3

Additionally, I have updated my graph of Liberty Empire’s A&G expense per customer from 2013 through 2024 in table 2 below:

Table 2:



4

1 **Q. Does updating these graphs change your original recommendation to the Commission**
2 **regarding the amount of A&G expenses to include in Liberty's revenue requirement?**

3 A. No. My original recommendation to the Commission was based on either 2024 data
4 concerning Missouri's four electric IOUs, or the pre-Liberty acquisition Empire data from
5 2013 through 2016. These numbers did not change, and the updated graph still shows that
6 Liberty's A&G expenses remained higher than those of its peer Missouri electric IOUs after
7 Algonquin acquired Empire.

8 **Q. Does this conclude your rebuttal testimony?**

9 A. Yes.

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

In the Matter of the Request of The)
Empire District Electric Company d/b/a)
Liberty for Authority to File Tariffs) Case No. ER-2024-0261
Increasing Rates for Electric Service)
Provided to Customers in Its Missouri)
Service Area)

AFFIDAVIT OF ANGELA SCHABEN

STATE OF MISSOURI)
) **ss**
COUNTY OF COLE)

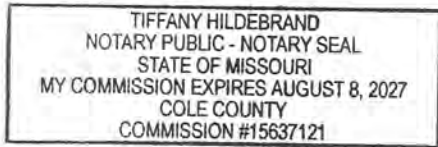
Angela Schaben, of lawful age and being first duly sworn, deposes and states:

1. My name is Angela Schaben. I am a Utility Regulatory Auditor for the Office of the Public Counsel.
2. Attached hereto and made a part hereof for all purposes is my rebuttal testimony.
3. I hereby swear and affirm that my statements contained in the attached testimony are true and correct to the best of my knowledge and belief.



Angela Schaben
Utility Regulatory Auditor

Subscribed and sworn to me this 14th day of August 2025.





Tiffany Hildebrand
Notary Public

My Commission expires August 8, 2027.