

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES DIVISION  
BEFORE THE IOWA UTILITIES BOARD

IN RE:

LIBERTY UTILITIES (MIDSTATES  
NATURAL GAS) CORP.  
d/b/a LIBERTY UTILITIES

DOCKET NO. EEP-2016-0002

**APPLICATION FOR APPROVAL OF FOUR –YEAR ENERGY EFFICIENCY PLAN**

COMES NOW Liberty Utilities (Midstates Natural Gas) Corp. d/b/a Liberty Utilities (“Liberty”), and pursuant to Section 476.6(16) of the Iowa Code, files this Application for Approval of its Energy Efficiency Plan (“Plan”). In support of its Application, Liberty states as follows:

**I. BACKGROUND**

1. The Company. Liberty Utilities is a rate-regulated public utility as defined in Iowa Code § 476.1, and is therefore subject to the Iowa Utility Board’s (“Board”) jurisdiction. Liberty Utilities is filing this Application for approval of its Plan pursuant to Iowa Code 476.6(16) and 199 IAC Chapter 35. Liberty Utilities is headquartered in Jackson, Missouri and serves approximately 4,000 customers in Iowa.

2. Procedural Background. Pursuant to the provisions of the Iowa Utilities Board Order dated March 28, 2003, Liberty is required to file an energy efficiency plan. On May 14, 2007, the Board issued an Order Granting Waiver by which Liberty was granted a waiver of 199 IAC 35.4, 35.6, 35.8, and 35.10 which require Liberty to participate in a collaborative study with other rate-regulated utilities for the purpose of assessing the factors associated with the development, filing, and implementation of a new energy efficiency plan. Liberty was granted a

waiver on the grounds that it serves only 4,000 retail natural gas customers in Iowa and participation in the costly study would create undue hardship for Liberty and its customers. Instead of filing a new energy efficiency plan, the Board required Liberty to file an annual assessment of its current programs and assess whether spending levels are appropriate for low-income energy efficiency programs.

## **II. OVERVIEW OF NEW PLAN**

3. New Plan. In 2015, Liberty met and worked extensively with the Office of Consumer Advocate to develop its new Plan, which is attached hereto as Exhibit 1. The new Plan includes three programs designed to help customers manage energy use, reduce costs, and promote education of energy efficiency measures. The programs call for an expansion of activity, funding and projected energy savings. In particular, the new Plan is designed to educate customers and help customers install energy efficiency measures which total more than \$362,000 between 2016-2019. Liberty projects that by year-end 2019, such measures will provide cumulative savings of over 22,000 therms.

4. Program Additions. Liberty is proposing a few new features to its energy efficiency plan. Specifically, the Plan calls for a partnership with GIAC to provide energy evaluations at no cost to customers. Liberty believes that such partnership will allow Liberty to reach additional customers and produce additional energy savings. In addition, the school-based energy education program has been supplemented by providing for a partnership with the EarthWays Center of the Missouri Botanical Garden to provide three professional development workshops. Finally, the budget for the appliance rebate program has been increased to be more consistent with the rebates offered by other gas utilities. The annual budget for the four-year plan (2016-2019) is \$90,539 per year, which constitutes an increase from the amount that Liberty

actually spent on energy efficiency programs under its prior plan.

5. Cost Effectiveness Internal Study. Iowa Code § 476.6(14) requires energy efficiency plans to be cost effective. Liberty has performed an internal study which supports the cost effectiveness of its Plan. Specifically, in 2011, the cost-effectiveness of the Appliance Rebate Program and Residential Low Income Weatherization Assistance Program was completed by the Cadmus Group for Liberty's Missouri operations. The Cadmus study supports a finding that Liberty's Plan is cost effective because the geographic service territories of Liberty's Missouri service area and Iowa (both are rural in nature) are similar and thus, the results are expected to be similar. In addition, a separate analysis for Liberty's Iowa operations would be cost prohibitive given Liberty's small customer base in Iowa.

6. Required Board Findings. The Board has outlined energy efficiency plan requirements in 199 IAC Chapter 35. The attached Plan demonstrates Liberty's commitment to energy efficiency and complies with Iowa Code § 476.6(17), (19), (20), and (21) and Iowa Administrative Code Chapter 35 and Liberty requests that the Board approve the attached plan.

WHEREFORE, Liberty Utilities respectfully requests the Board approve Liberty Utilities Energy Efficiency Plan for the program years 2016-2019.

Dated February 17, 2016.

Respectfully submitted,

*/s/ Rachel T Rowley*

Rachel T Rowley  
Philip E. Stoffregen  
Brown, Winick, Graves, Gross, Baskerville &  
Schoenebaum, P.L.C.  
666 Grand Avenue, Suite 2000  
Des Moines, IA 50309-2510  
Telephone: (515) 242-2415  
Fax: (515) 323-8515  
[stoffregen@brownwinick.com](mailto:stoffregen@brownwinick.com)  
rowley@brownwinick.com

ATTORNEY FOR LIBERTY UTILITIES (MIDSTATES  
NAUTRAL GAS) CORP. d/b/a LIBERTY UTILITIES