

Kansas Corporation Commission
Commission Meeting
December 23, 2014
10:00 a.m. 1st floor hearing room
KCC Offices, 1500 Arrowhead, Topeka, Kansas

MINUTES

The Commission convened the regular scheduled open meeting of the Commission at 10:00 a.m. on December 23, 2014 in the 1st floor hearing room of the Kansas Corporation Commission, 1500 Arrowhead, Topeka, Kansas.

Present: Chair Albrecht, Commissioner Emler and Commissioner Apple.

The following were considered by the Commission:

1. **Consent Agenda:** Commissioner Apple moved for approval of the Consent Agenda: All other listed matters as presented for December 23, 2014 on the 4 page document attached hereto as "Attachment A," which is included by reference herein. Commissioner Emler seconded the Motion. Commissioner Albrecht concurred. Motion was approved.

2. **Noticed:**

- A. **Docket No. 11-CONS-259-CHOR:** *In the Matter of the Application of D & Z Exploration, Inc. for an Order Permitting the Drilling of a Well to be Drilled Horizontally in the Bartlesville Sand Formation, pursuant to K.A.R. 82-3-103a, upon certain lands in Johnson County, Kansas. (Sugar Ridge Farms #L-1)*

Commissioner Emler moved for approval of order #14-4302 - *Order Dismissing D&Z Exploration, Inc.'s Amended Application with Prejudice*. Commissioner Apple seconded the motion. Commissioner Albrecht concurred. Motion was approved.

- B. **Docket No. 15-CONS-241-CUIC:** *In the Matter of the Application of Town Oil Company, Inc. to commence injection of saltwater into the Squirrel Formation at the Savage Lease, Well #1-W, #2-W, #3W, #5W and #6W, located in the NW/4 of Section 5, Township 18 South, Range 21 East, Franklin County, Kansas.*

Commissioner Apple abstained. Commissioner Emler moved for approval of order #14-4300 - *Default Order*. Commissioner Albrecht seconded the motion. Motion was approved.

- C. **Docket No. 14-SEPE-287-CON:** *In the Matter of the Joint Application of Sunflower Electric Power Corporation and Wheatland Electric Cooperative, Inc. for Approval of Special Contract and Expedited Interim Order.*

Commissioner Apple moved for approval of order # 14-4251 - *Order Granting Joint Motion for Approval of Settlement Agreement*. Commissioner Emler seconded the motion. Commissioner Albrecht concurred. Motion was approved.

- D. **Docket No. 15-MRGT-097-KSF:** *In the Matter of the Application of Moundridge Telephone Company, Inc. for Additional Kansas Universal Service Fund Support.*

Commissioner Emler Abstained. Commissioner Apple moved for approval of order #14-4265 - *Order Converting Docket Into An Audit*. Commissioner Albrecht seconded the motion. Motion was approved.

3. Other matters:

- A. Chair Albrecht motioned to move the Commission into Executive Session for Personnel matters of non-elected personnel, pursuant to KSA 75-4319(b)(1), to protect the privacy of the individuals involved, for a period of 30 minutes. Also called into the Executive Session was Assistant General Counsel, Jay Van Blaricum; PACP Director, Jesse Borjon and Human Resources Director, Danelle Harsin. Commissioner Emler seconded. Commissioner Apple concurred.

The Commission moved into Executive Session at 10:11 a.m. and reconvened in public session at 10:41 a.m.

- B. The Commission took no action following this Executive Session.
- C. Chair Albrecht motioned to move the Commission into Executive Session for Personnel matters of non-elected personnel, pursuant to KSA 75-4319(b)(1), to protect the privacy of the individuals involved, for a period of 10 minutes. Also called into the Executive Session was PACP Director, Jesse Borjon. Commissioner Apple seconded. Commissioner Emler concurred.

The Commission moved into Executive Session at 10:44 a.m. and reconvened in public session at 10:54 a.m.

- D. The Commission took no action following this Executive Session.
- E. Chair Albrecht motioned to move the Commission into Executive Session for Attorney/Client privileged matters, pursuant to KSA 75-4319 (b)(2,) for consultation with an attorney, to obtain legal advice, for a period of 30 minutes. Also called into the Executive Session was Litigation counsel, Amber Smith and Robert Vincent. Commissioner Emler seconded. Commissioner Apple concurred.

The Commission moved into Executive Session at 10:56 a.m. and reconvened in public session at 11:26 a.m.

- F. The Commission took no action following this Executive Session.
- G. Chair Albrecht motioned to move the Commission into Executive Session Attorney/Client privileged matters, pursuant to KSA 75-4319 (b)(2,) for consultation with an attorney, to obtain legal advice, for a period of 20 minutes. Also called into the Executive Session was Litigation counsel, Amber Smith. Commissioner Emler seconded. Commissioner Apple concurred.

The Commission moved into Executive Session at 11:30 a.m. and reconvened in public session at 11:50 a.m.

- H. The Commission took no action following this Executive Session.

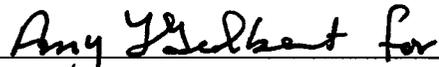
- I. Chair Albrecht motioned to move the Commission into Executive Session for Personnel matters of non-elected personnel, pursuant to KSA 75-4319(b)(1), to protect the privacy of the individuals involved, for a period of 10 minutes.

The Commission moved into Executive Session at 11:51 a.m. and reconvened in public session at 12:01 a.m.

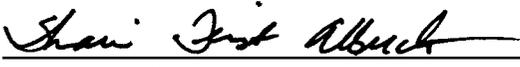
- J. The Commission took no action following this Executive Session.

There being no further matters before the Commission, the Commission adjourned at 12:02 a.m.

Respectfully submitted,



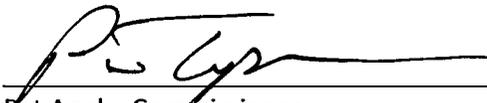
Thomas A. Day
Acting Secretary of the Commission



Shari Feist Albrecht, Chair



Jay Scott Emler, Commissioner



Pat Apple, Commissioner



ITEMS OF Consent Agenda

Approval Date: Tuesday, December 23, 2014

NOTICE TO THE PUBLIC: There will be no separate discussion of Consent Agenda items as they are considered to be routine by the Kansas Corporation Commission. Unless removed from the website's Consent Agenda, the orders appearing on the Consent Agenda will become the Order of the full Commission at the Commission's regularly scheduled Commission Meeting. If Commission staff or a Commissioner requests an item be removed from the Consent Agenda, the affected item may be considered separately or placed on the earliest possible Commission Meeting agenda for discussion.

Consent Agenda

ITEM NO.	DESCRIPTION	DOCKET NUMBER	REMOVED
1	In the Matter of a General Investigation to Determine the Assessment Rate for the Sixteenth Year of the Kansas Universal Service Fund, Effective March 1, 2012 <i>Order Accepting Final Report</i>	12-GIMT-168-GIT	
2	In the Matter of the Audit of Big River Telephone Company, LLC by the Kansas Universal Service Fund (KUSF) Administrator Pursuant to K.S.A. 2013 Supp. 2010(b) for KUSF Operating Year 17, Fiscal Year March 2013-February 2014 <i>Order Accepting and Adopting Audit Report and Recommendations</i>	15-BGRT-049-KSF	
3	In the Matter of the Application of American Energies Gas Service, LLC, to Change its Rates for Natural Gas Service and for Approval of its New Agreements with American Energies Pipeline, LLC. <i>Order Setting Procedural Schedule</i>	15-AEGG-158-RTS	
4	In the Matter of the Application of Kansas Gas Service, a Division of ONE Gas, Inc., Seeking Commission Approval for 2015 Ad Valorem Tax Surcharge Rider Tariff. <i>Order Approving Ad Valorem Tax Surcharge Rider</i>	15-KGSG-225-TAR	

ATTACHMENT A

Consent Agenda

ITEM NO.	DESCRIPTION	DOCKET NUMBER	REMOVED
5	In the Matter of the Application of Westar Energy, Inc. and Kansas Gas and Electric Company Seeking Commission Approval for 2015 Ad Valorem Tax Surcharge Rider Tariff. Order Approving Property Tax Surcharge Tariff	15-WSEE-227-TAR	
6	In the Matter of the Application of The Empire District Electric Company for Approval of its Annual Energy Cost Adjustment ("ACA") Filing Protective Order and Discovery Order	15-EPDE-228-ACA	
7	In the Matter of the Application of The Empire District Electric Company for Approval of its Asbury Environmental Cost Recovery ("AECR") Rider Suspension Order, Protective Order and Discovery Order	15-EPDE-233-TAR	
8	In the Matter of the Investigation of Free State Growers, Inc., d/b/a Alex R. Masson of Linwood, Kansas, Regarding the Violation(s) of the Motor Carrier Safety Statutes, Rules and Regulations and the Commission's Authority to Impose Penalties, Sanctions and/or the Revocation of Motor Carrier Authority. Penalty Order	15-TRAM-246-PEN	
9	In the Matter of the Emergency Suspension of Operating Authority of Jayhawk Transport, Inc. of Wichita, Kansas, for Failure to Comply With New Entrant Safety Requirements as Required by Motor Carrier Safety Statutes, Rules and Regulations. Emergency Suspension of Operating Authority Order	15-TRAM-252-OOS	
10	In the Matter of the Emergency Suspension of Operating Authority of Arrow Cold Control, Inc. of Overland Park, Kansas, for Failure to Comply With New Entrant Safety Requirements as Required by Motor Carrier Safety Statutes, Rules and Regulations. Emergency Suspension of Operating Authority Order	15-TRAM-254-OOS	
11	In the Matter of the Emergency Suspension of Operating Authority of Payday Motors, Inc. of Wichita, Kansas, for Failure to Comply With New Entrant Safety Requirements as Required by Motor Carrier Safety Statutes, Rules and Regulations. Emergency Suspension of Operating Authority Order	15-TRAM-255-OOS	
12	In the Matter of the Application of Enerjex Kansas, Inc., to authorize the injection of saltwater into the Squirrel Formation at the Orser #B2(23) well located in Section 8, Township 18 South, Range 21 East, Franklin County, Kansas. Default Order	15-CONS-429-CUIC	
12	In the Matter of the Application of Enerjex Kansas, Inc., to authorize the injection of saltwater into the Squirrel Formation at the Roseberry Lease located in Section 6, Township 18 South, Range 21 East, Franklin County, Kansas. Default Order	15-CONS-430-CUIC	

Consent Agenda

ITEM NO.	DESCRIPTION	DOCKET NUMBER	REMOVED
13	In the matter of the failure of KC Resources, Inc. dba Crystal River ("Operator") to comply with K.A.R. 82-3-407 at the Williams C D OWWO #4 in Harper County, Kansas. <i>Penalty Order - KC Resources, Inc. dba Crystal River</i>	15-CONS-465-CPEN	
14	In the matter of the failure of Roadrunner Energy, Inc. ("Operator") to comply with K.A.R. 82-3-111 at the Dorothy #12 in Cowley County, Kansas. <i>Penalty Order - Roadrunner Energy, Inc.</i>	15-CONS-466-CPEN	
15	In the matter of the failure of Petro River Operating, LLC ("Operator") to comply with K.A.R. 82-3-111 at the Brodbeck #1, Cooley #1, Rock #1-5, Rock #1-29 and Rock #1-32 wells in Cowley and Butler County, Kansas. <i>Penalty Order - Petro River Operating, LLC</i>	15-CONS-467-CPEN	
16	In the matter of the failure of Clinton Production, Inc. ("Operator") to comply with K.A.R. 82-3-111 at the Crow #3 in Reno County, Kansas. <i>Penalty Order - Clinton Production, Inc.</i>	15-CONS-468-CPEN	

The above-captioned matter(s) were approved by the Commission, unless noted as removed.

For the Commission :

Shari Feist Albrecht
Shari Feist Albrecht, Chair

Jay Scott Emler
Jay Scott Emler, Commissioner

Pat Apple
Pat Apple, Commissioner

Attest:

Amy Bellant
Thomas A. Day
Acting Executive Director