Kansas Corporation Commission
Commission Meeting
December 22, 2015
10:00 a.m. 1st floor hearing room
KCC Offices, 1500 SW Arrowhead, Topeka, Kansas

MINUTES

The Commission convened the regularly scheduled open meeting of the Commission at 10:00 a.m. on December 22, 2015 in the 1st floor hearing room of the Kansas Corporation Commission, 1500 SW Arrowhead, Topeka, Kansas.

Present: Chair Albrecht, Commissioner Emler and Commissioner Apple. The following were considered by the Commission:

1. **Consent Agenda**: Commissioner Emler moved for approval of the Consent Agenda: All other listed matters as presented for December 22, 2015 on the 3 page document attached hereto as "Attachment A," which is included by reference herein. Commissioner Apple seconded the Motion. Commissioner Albrecht concurred. Motion was approved.

2. **Noticed :**

   A. **Docket No. 16-CONS-639-CMSC, *In the matter of the failure of Freeman E. Jockisch to comply with K.A.R. 82-3-104 at the Caylor K20 well located in the SE/4 NE/4 SE/4 SE/4 of Section 35, Township 17 South, Range 21 East, Miami County, Kansas.***

   Commissioner Apple moved for approval of order #15-4218 - *Plugging Order*. Commissioner Emler seconded. Commissioner Albrecht concurred. Motion was approved.

   B. **Docket No. 16-CONS-643-CMSC, *In the matter of sealing wells on the Barr lease for failure to have a licensed operator responsible for the wells.***

   Commissioner Emler moved for approval of order #15-4219 – *Order*. Commissioner Apple seconded. Commissioner Albrecht concurred. Motion was approved.

3. **Presentation/Discussion: Approval for Updates to the Two Existing KCC Employee Policies**

   Presenter: Danelle Harsin

   Time Requested: 5 minutes

   Commissioner Emler moved for approval of Policy Number 13-02 Flextime and 10-08 Inclement Weather presented by Human Resource Director, Danelle Harsin. Commissioner Apple seconded. Commissioner Albrecht concurred. Motion was approved.

4. **Presentation/Discussion: Proposed Revisions to Commission Bylaws**

Presenter: Amber Smith

Litigation: Amber Smith

Time: 5 minutes

Commissioner Emler moved for approval of Commission Bylaws which were presented to Commissioners on December 15, 2015. Commissioner Apple seconded. Commissioner Albrecht concurred. Motion was approved.

There being no further matters before the Commission, Commissioner Apple moved for adjournment of the Commission meeting, Commissioner Emler seconded the Motion. Commissioner Albrecht concurred. The Motion was approved, the Commission adjourned the December 22, 2015 Commission Meeting at 10:12 a.m.

Respectfully submitted,

Hail D. Alderson for
Amy L. Green
Secretary

Shari Feist Albrecht
Shari Feist Albrecht, Chair

Jay Scott Emler, Commissioner

Pat Apple, Commissioner

Kansas
Corporation Commission

ITEMS OF
Consent Agenda

Approval Date: Tuesday, December 22, 2015

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 Business Meeting. If Commission staff or a Commissioner requests an item be removed from the Consent Agenda, the affected item may be considered seperately or placed on the earliest possible Business Meeting agenda for discussion.

Consent Agenda

ITEM NO.	DESCRIPTION	DOCKET NUMBER	REMOVED
1	In the Matter of a General Investigation Regarding the U.S. Environmental Protection Agency's Final Rule on Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Utility Generating Units ***Order Granting CURB's Petition to Intervene***	16-GIME-242-GIE	
2	In the Matter of the Application of Westar Energy, Inc. and Kansas Gas and Electric Company Seeking Commission Approval for 2016 Ad Valorem Tax Surcharge Rider Tariff. ***Order Approving Ad Valorem Tax Surcharge Rider***	16-WSEE-268-TAR	
3	In the Matter of the Application of Westar Energy for Revisions to Security Area Lighting Rate Schedule ***Suspension Order***	16-WSEE-285-TAR	
4	In the Matter of the Application of Kansas Gas Service, a Division of ONE Gas, Inc., Seeking Commission Approval for 2016 Ad Valorem Tax Surcharge Rider Tariff. ***Order Approving Ad Valorem Tax Surcharge Rider***	16-KGSG-262-TAR	

ATTACHMENT A

Consent Agenda

ITEM NO.	DESCRIPTION	DOCKET NUMBER	REMOVED
5	In the Matter of the Complaint Against Texas-Kansas Oklahoma Gas, LLC for an Order for Adjustment and Refund of Unfair, Unreasonable and Unjust Rates for the Sale of the Natural Gas for Irrigation Based on Inaccurate and/or False Pressure Base Measurements, By Circle H Farms, LLC, Richard L. Hanson, Rome Farms, and Stegman Farms Partnership. ***Initial Briefing Schedule***	15-TKOG-236-COM	
6	In the Matter of the Application of ONEOK NGL Pipeline, L.L.C. Seeking Commission Approval for K.C.C. Tariff No. 9.2 Which Increase its Rates in Item No. 110, Rates Applicable to Transportation of Product, and Item 115, Rates Applicable to Transportation of Ethane-Propane Mix ***Suspension Order***	16-ONEP-282-TAR	
7	In the matter of the failure of Christopher Ballou ("Operator") to comply with K.A.R. 82-3-400 injection authority and/or K.A.R. 82-3-409 reporting requirements regarding injection that took place during the 2014 calendar year. ***Order Approving Settlement Agreement***	16-CONS-008-CPEN	
8	In the Matter of Rural Telephone Service Company, Inc. dba Nex-Tech Filing Tariff Modifications ***Order Approving Tariff Revisions***	16-RRLT-261-TAR	

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

For the Commission:

Shari Feist Albrecht, Chair

Jay Scott Emler, Commissioner

Pat Apple, Commissioner

Attest: Gail D. Alderson for
Amy L. Green
Secretary to the Commission

BYLAWS
Of
The State Corporation Commission of the State of Kansas

Preamble

The State Corporation Commission of the State of Kansas is an independent agency managed by three Commissioners who are each appointed by the Governor for a term of four years pursuant to K.S.A. 74-601. It is the duty of the Commission to administer the State Corporation Commission as an agency.

In addition to its administrative role, the State Corporation Commission operates at times in either a quasi-legislative or quasi-judicial role. While the agency or Commissioners execute their respective duties in either a quasi-legislative or quasi-judicial role, attention and care shall be made to ensure that all agency business is conducted in accordance with the Kansas Open Meetings Act, or the Kansas Administrative Procedure Act, when applicable.

Article I

Organizational Structure Authority

Pursuant to K.S.A. 74-629, the State Corporation Commission of the State of Kansas (Commission) is authorized to organize its office as it deems most efficient so long as it is not in conflict with Kansas or Federal law.

Article II

Creation of Bylaws

The Commission hereby establishes bylaws for the internal organization, operation, and governance of certain internal matters of the Commission. These bylaws shall supplement Kansas Statutes and Kansas Administrative Regulations, and shall be binding only upon the Commission itself and its staff.

Article III

Amendments to Bylaws

All amendments to these bylaws must be voted upon by the Commission in a meeting open to the general public. All amendments to these bylaws must be proposed at an open meeting, and be open for discussion for at least one week. At the expiration of one week, the Commission may vote as to whether the proposed amendments shall be adopted. A majority vote is required to create, amend, or repeal any bylaws of the Commission.

Article IV

Organizational Structure of the State Corporation Commission

The organizational structure of the State Corporation Commission of the State of Kansas shall be as follows. The Commission's operations shall be divided into divisions responsible for their respective industries, and non-regulatory divisions. The core regulatory divisions shall be: transportation, utilities, and conservation. The non-regulatory divisions shall be: energy, human resources, public affairs and consumer protection, fiscal services, information technology, general counsel, and litigation. The non-regulatory divisions shall promote the interests of the core regulatory divisions, commissioners, and the Agency as a whole. Within each core regulatory division, and in accordance with K.S.A. 74-630, there shall be a division director. The collection of positions reporting directly to the Commission shall be referred to as the Management Team.

Division directors may organize their respective divisions in the most efficient manner as they deem appropriate. Nothing shall prohibit any Commissioner from working or communicating directly with Commission staff subject to the provisions and limitations of K.S.A. 77-545, as applicable.

The Organizational Hierarchy of the State Corporation Commission is illustrated in Appendix 1 to these bylaws.

Article V

Director Reporting

Division Directors and any Executive Director shall report directly to the Commission.

Article VI

Action on Personnel Matters

Matters relating to the employment of any employee who reports directly to the Commission as provided in Article V above, including hiring and termination, may only be made by the Commission, as defined in K.S.A. 74-601. However, the Chair of the Commission shall have the authority to place someone on administrative leave, pursuant to K.A.R. 1-2-74. The Chair of the Commission may authorize changes in salary, job description, and/or employment status including termination upon consultation and discussion with the other two Commissioners at a duly called Commission Meeting. The Director of Human Resources shall notify all Commissioners of any changes in employment status, salary and/or job description for all Corporation Commission employees. Nothing in these bylaws shall limit or restrict the Commission's ability to address employment matters.

Article VII

Vehicles for Agency Use

The Director of Fiscal Services shall report to the Commission on the status of the Commission's vehicle fleet at or prior to the organizational meeting each January. Authorization for specific vehicle purchases/replacements, which deviate from the approved budget or constitute special situations, shall be given only by Commission action at a Business Meeting.

Article VIII

Commission Use of Outside Entities and Agencies

At its discretion and upon motion and vote in a meeting open to the public, the Commission may contract with the Kansas Office of Administrative Hearings pursuant to the Kansas Administrative Procedures Act.

Article IX

Organization and Planning of Commission Schedule

On the Thursday following the second Monday of January of each calendar year, the Commission shall hold an organizational meeting at 10:00 a.m. in the First Floor Hearing Room of the State Corporation Commission's Topeka office. During this meeting, the Commission shall: (1) determine and announce its planned schedule of Commission Meetings for the following 12 month period, (2) review internal policies as prescribed by Article X of these bylaws, and (3) elect the Commissioner to serve as Chairperson. Business Meetings shall be conducted in accordance with K.A.R. 82-1-208(b) and shall occur every Tuesday and Thursday at a uniformly set time unless otherwise determined by the Commission. In June of each calendar year, the Commission shall revisit its planned meetings for the remainder of the calendar year, and make any revisions as the Commission deems appropriate. Nothing herein shall limit the Commission's ability or authority to amend its meeting schedule as it deems necessary throughout the year.

Article X

The Executive Director of the Commission

The Executive Director shall aid the Commission in the administration and execution of Commission business. The Executive Director shall not use this authority to create Commission policy or interfere with communications between the Commission and Directors of Commission Divisions or Management Team. The Executive Director shall faithfully carry out any other functions as prescribed by law or regulation.

Specifically, the Executive Director shall perform such duties and exercise such powers as are delegated by the Commission in accordance with K.S.A. 74-629; serve as the secretary to the Commission in accordance with K.S.A. 74-630; sign and approve certain

motor carrier certificates pursuant to K.S.A. 66-1,114b; receive communication, confidential information, and requests for confidential information on behalf of the Commission in accordance with K.A.R. 82-1-206 and K.A.R. 82-1-221a; receive filings made with the Commission in accordance with K.A.R. 82-1-215; assign docket numbers and captions in accordance with K.A.R. 82-1-219; bear the official signature of the Commission pursuant to K.A.R. 82-1-232; receive notice of termination relevant to gas gathering systems on behalf of the Commission in accordance with K.A.R. 82-3-804; submit a copy of distribution system incident reports to the United States Department of Transportation in accordance with K.A.R. 82-11-5; and receive applications for Video Service Authorization certificates on behalf of the Commission in accordance with K.A.R. 82-15-1.

In the absence of the position Executive Director being filled, these duties may be fulfilled by the Secretary to the Commission or other personnel as authorized by the Commission.

Article XI

Policy Review

At or before the Commission's January organizational meeting, the Commission shall conduct an annual review of the following policies: Personnel, I.T. Security, and Building Security. Directors of the Divisions affected by any such review shall prepare all appropriate materials to apprise the Commission on matters that should be addressed or explored in current Commission policies. Any department that maintains a policy where an annual review is required shall submit to the Commission quarterly any material updates as required by such policies. The Director of Fiscal Services shall prepare a quarterly report to the Commission on matters related to its division. Any changes to internal Commission policy must be adopted by the Commission in these bylaws, and administrative regulations if necessary.

Article XII

Commission Meetings

Unless otherwise directed by the Commission the following meetings shall occur weekly on the following days:

1. Business Meetings – Tuesday and Thursday
2. Work Study Sessions – Tuesday
3. Administrative Meetings – Thursday

Deadlines to request items be placed on the agenda of Commission Business Meetings and/or to submit proposed orders for consideration at Commission Business Meetings shall be as follows:

> Tuesday Business Meetings: The deadline for the Tuesday Business Meeting shall be 4:00 p.m. of the immediately preceding Thursday.

Thursday Business Meetings: The deadline for the Thursday Business Meeting shall be 4:00 p.m. of the immediately preceding Monday.

The deadline to submit a request for an item to be scheduled for a Work Study Session shall be 4:00 p.m. of the immediately preceding Thursday.

Additional Commission Meetings for the purpose of facilitating discussion between the Commission and its Staff may be called by the Commission on an intermittent or recurring basis as necessary.

The Commission may call a meeting, other than a regularly scheduled Business Meeting, to discuss and take action on a particular item(s) before the Commission so long as twenty-four hours' public notice is provided. Such a meeting may be called unilaterally by the Chair of the Commission, or by a majority vote of the Commission.

The Commission may call an emergency meeting to discuss and take action upon serious or imminent threats to entities or interests under the Commission's jurisdiction, or any other matters where time is of the essence. In the event an emergency meeting is called, the Commission shall strive to provide three hours' public notice; however if that is not practicable, the Commission shall provide reasonable notice in accordance with the Kansas Open Meetings Act, K.S.A. 75-4317 through 75-4320a and amendments thereto.

The Commission may cancel any previously scheduled meeting at any time prior to the meeting. The Commission may adjust the time of a specific meeting, regardless of the type of meeting, so long as reasonable public notice is provided and any adjustment is limited to unique circumstances and evaluated on a case-by-case basis.

Any meeting outlined above shall be conducted in accordance with the Kansas Open Meetings Act, K.S.A. 75-4317 *et seq.*

Article XIII

Commission Meeting Rules

1. All Commission meetings, regardless of the type of meeting, shall be called to order by the Chair of the Commission, or designee of the Chair should the Chair be unavailable, either present in person or by telephone.
2. While the Commission conducts a meeting, Robert's Rules of Order Newly Revised, 11th Edition, shall be used as the procedural governing framework unless otherwise prohibited by law.
3. A vote by the Commission and approval from a majority of Commissioner's shall be required to adjourn a Commission meeting.
4. The process by which business is conducted in front of the Commission at a meeting may be suspended or amended at such meeting. Any suspension or amendment of these rules shall be limited in duration to the meeting in which the rules are suspended or amended.

5. The order of business for a Commission Business Meeting shall be as follows:
    a. Chair or Designee Convenes the Meeting
    b. Items
    c. Motion to Adjourn
6. The order of business for a Commission Meeting, other than a regularly scheduled Business Meeting, shall be as follows:
    a. Chair or Designee Convenes the Meeting
    b. Items
    c. Motion to Adjourn
7. The order of business for a Commission Emergency Meeting shall be as follows:
    a. Chair or Designee Convenes the Meeting
    b. Items
    c. Motion to Adjourn
8. Motions. Upon a motion and a second, the Chair will ask for discussion. After discussion, the Chair will call for the vote. If the motion is approved with a vote opposed, the Chair will ask the Commissioner casting the opposing vote, “Does the Commissioner desire to have the ‘no’ vote recorded in the minutes?”