

Kansas Corporation Commission
Commission Meeting
March 13, 2018
10:00 a.m. 1st Floor Hearing Room
KCC Offices, 1500 Arrowhead, Topeka, Kansas

MINUTES

The Commission convened the regularly scheduled open meeting of the Commission at 10:00 a.m. on March 13, 2018 in the 1st Floor Hearing Room of the Kansas Corporation Commission, 1500 Arrowhead, Topeka, Kansas.

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

1. **Consent Agenda:** Commissioner Apple moved for approval of the Items on the Consent Agenda dated March 13, 2018 containing pages one through four, which are attached to these Minutes. Chair Albrecht seconded the motion.

The motion was approved.

2. **Discussion/Presentation Item(s):**
FERC Matters, presented by Samuel Feathers, Deputy General Counsel and Chief FERC Counsel.
 - A. Motion for the Commission to authorize its counsel to file a petition for intervention and if the need arises to make such comments as may be necessary to protect Kansas' ratepayers in FERC Docket No. RP18-477. Commissioner Apple moved for approval; Chair Albrecht seconded the motion.

The motion was approved.

- B. Motion for the Commission to authorize its counsel to file a petition for intervention and to make such comments as may be necessary to protect Kansas' ratepayers in FERC Docket No. RP18-510. Commissioner Apple moved for approval; Chair Albrecht seconded the motion.

The motion was approved.

- C. Motion for the Commission to authorize its counsel to file a petition for intervention and if the need arises to make such comments as may be necessary to protect Kansas' ratepayers in FERC Docket No. RP18-533. Commissioner Apple moved for approval; Chair Albrecht seconded the motion.

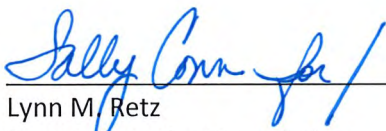
The motion was approved.

3. Other matters:

- A. Commissioner Apple presented a motion to be considered at the business meeting on Thursday, March 15, 2018. The motion would be to adopt a proposed HR Directive 3/15/18 regarding personnel matters. Commissioner Apple requested such motion be attached to these Minutes and that the motion be on the business agenda for Thursday, March 15, 2018.

There being no further matters before the Commission, Commissioner Emler moved for adjournment of the Commission meeting. Commissioner Apple seconded the motion. The motion was approved. The Commission adjourned the March 13, 2018 Commission Meeting at 10:10 a.m.

Respectfully submitted,



Lynn M. Retz
Secretary to the Commission



Shari Feist Albrecht, Chair



Pat Apple, Commissioner



Jay Scott Emler, Commissioner

Motion to Intervene in FERC Dockets

Date: February 13, 2018

Docket No. RP18-477

Background:

On February 28, 2018, Southern Star filed revised fuel reimbursement percentages.¹ Southern Star states that it used a modified methodology approved in 2017 in Docket No. RP17-438 to calculate two components of its storage loss reimbursement percentage in its 2017 and 2018 annual fuel filings. For its Production Area FL&U percentage, Southern Star proposes an overall increase of 0.01% resulting in a total Production Area FL&U percentage of 1.01%. As to its Market Area FL&U percentage, Southern Star proposes an overall decrease of 0.21%, resulting in a total Market Area FL&U percentage of 0.68%. As to its Storage Injection FL&U percentage, Southern Star proposes an overall increase of .89%, resulting in a total Storage Injection percentage of 5.82%.

Southern Star states that there were no reportable gas losses from Department of Transportation (“DOT”) reportable incidents during the 12-month period ending on December 31, 2017. Southern Star is required to submit a primary annual fuel filing including losses from DOT reportable incidents, and separately an alternate annual fuel filing with such losses removed to show their effect on the gas loss component of its FL&U percentages. Southern Star did not include an alternate annual fuel filing based on the fact that there were no reportable DOT incidents.

I would ask the Commission to approve the filing of a petition for intervention and if the need arises to make such comments as may be necessary to protect Kansas’ ratepayers, in this matter.

Motion:

I move the Commission to authorize its counsel to file a petition for intervention and if the need arises to make such comments as may be necessary to protect Kansas’ ratepayers in FERC Docket No. RP18-477.

¹ This reimbursement percentage includes lost and unaccounted for (“L&U”) gas. The Fuel Reimbursement Percentage is sometimes referred to herein as “FL&U”.

Motion to Intervene in FERC Dockets

Date: March 13, 2018

Docket No. RP18-510

Background:

On March 1, 2018, Kansas Pipeline, LLC (“KPC”) filed revised Fuel Reimbursement Percentages.¹

On a total system wide basis KPC proposes an increase in FL&U for both the summer period (from 1.2380% to 3.0532%) and the winter period (from 1.2762% to 2.9769%). KPC asserts that the magnitude of the increases is “somewhat misleading” allegedly due to the unusually low FL&U reimbursement percentages established in KPC’s 2017 FL&U rate case (Docket No. RP17-437-000). Nevertheless, KPC admits that the increases in the Fuel Reimbursement Percentages are due primarily to an increase in L&U volumes.

I would ask the Commission to approve the filing of a petition for intervention and to make such comments as may be necessary to protect Kansas’ ratepayers, in this matter.

Motion:

I move the Commission to authorize its counsel to file a petition for intervention and to make such comments as may be necessary to protect Kansas’ ratepayers in FERC Docket No. RP18-510.

¹ This reimbursement percentage includes lost and unaccounted for (“L&U”) gas. The Fuel Reimbursement Percentage is sometimes referred to herein as “FL&U”.

Motion to Intervene in FERC Dockets

Date: March 13, 2018

Docket No. RP18-533

Background:

On March 1, 2018, TIGT filed a Fuel and Lost and Unaccounted for (“FL&U”) Reimbursement and Power Cost Tracker Periodic Rate Adjustment report for the year ending in December 31, 2017. TIGT states that its proposed FL&U Reimbursement Percentages and Power Cost Charges reflect only the actual usage and throughput observed on the TIGT system for the 12 months ending December 31, 2017, plus applicable deferred account amounts.

TIGT requests a limited waiver of its Tariff to assess zero percent rates instead of negative rates for gas that flows solely on the Colorado Lateral facilities, and PAWS Wheeling Service. TIGT states that it will account for any over recoveries from the zero percent rates in applicable deferred accounts, thus returning such amounts to applicable shippers in its next FL&U/Tracker filing. Additionally, TIGT states that it established a separate service group and deferred accounts for PAWS fuel, but did not allocate any fuel to the wheeling Service under Rate Schedule PAWS.

I would ask the Commission to approve the filing of a petition for intervention and if the need arises to make such comments as may be necessary to protect Kansas’ ratepayers, in this matter.

Motion:

I move the Commission to authorize its counsel to file a petition for intervention and if the need arises to make such comments as may be necessary to protect Kansas’ ratepayers in FERC Docket No. RP18-533.

Proposed HR Directive 3/15/18

I move the Commission adopt HR Directive 3/15/18 which requires that no action shall be taken regarding personnel matters involving Division Directors, General Counsel, or an Executive Director without the Commission's approval. Any documentation addressing personnel matters involving Division Directors, General Counsel, or an Executive Director shall be provided in advance to each Commissioner and shall require the signature of the majority of the Commission to be effective.



ITEMS OF Consent Agenda

Approval Date: Tuesday, March 13, 2018

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 separately or placed on the earliest possible Business Meeting agenda for discussion.

Consent Agenda

ITEM NO.	DESCRIPTION	DOCKET NUMBER	REMOVED
1	In the Matter of the Application of Zito Missouri-Kansas, LLC Filing for Kansas Video Service Authorization. <i>Order Granting VSA Transfer</i>	13-ZMKZ-162-VSA	
2	In the Matter of the Application of Zito West Holding, LLC for Video Service Authorization <i>Order Granting Video Service Authorization</i>	18-ZWHT-375-VSA	
3	In the Matter of a General Investigation for Pix Wireless, LLC to Show Cause Why this Commission Should Not Initiate Sanctions and Fines and/or Refer the Company to the Attorney General's Office for Non-Compliance with Commission Orders and Kansas Statutes. <i>Order to Show Cause</i>	18-PIXZ-383-SHO	
4	In the Matter of a General Investigation for US Mobile, LLC to Show Cause Why this Commission Should Not Initiate Sanctions and Fines and/or Refer the Company to the Attorney General's Office for Non-Compliance with Commission Orders and Kansas Statutes. <i>Order to Show Cause</i>	18-USMZ-384-SHO	

Consent Agenda

ITEM NO.	DESCRIPTION	DOCKET NUMBER	REMOVED
5	<p>In the Matter of Westar Energy, Inc. and Kansas Gas and Electric Company Seeking Commission Approval to Implement Changes in their Transmission Delivery Charges Rate Schedules. Order Acknowledging Effective Date of Transmission Delivery Charge Subject-To-Refund Pursuant to K.S.A. 66-1237</p>	18-WSEE-355-TAR	
6	<p>In the Matter of the Application of Kansas City Power & Light Company for Approval of its 2017 Actual Cost Adjustment ("ACA") Protective Order and Discovery Order</p>	18-KCPE-372-ACA	
7	<p>In the Matter of the Application of Kansas Gas and Electric Company, Doing Business as Westar Energy, for Authority to Cease Transacting the Business of an Electric Public Utility, Specifically in Portions of Section 35, Township 21 South, Range 2 West in McPherson County, Kansas. Order Assessing Costs</p>	18-KG&E-381-CCS	
8	<p>In the Matter of a General Investigation Regarding the Effect of Federal Income Tax Reform on the Revenue Requirements of Kansas Public Utilities and Request to Issue an Accounting Authority Order Requiring Certain Regulated Public Utilities to Defer Effects of Tax Reform to a Deferred Revenue Account. Order Granting Intervention to CURB</p>	18-GIMX-248-GIV	
9	<p>In the Matter of the Application of Kaw Pipe Line Company for Permission to Cease Operating as a(n) Liquids Pipeline Common Carrier in the State of Kansas. For a Specified Route in Rooks County. Order Assessing Costs</p>	18-KAWP-374-CCS	
10	<p>In the Matter of the Investigation of Kansas Gas Service, A Division of ONE Gas, Inc., of Overland Park, Kansas, Regarding Violation(s) of the Kansas Underground Utility Damage Prevention Act (KUUDPA) (K.S.A. 66-1801, et seq., and K.A.R. 82-14-1 through 82-14-6), and the Commission's Authority to Impose Penalties and/or Sanctions (K.S.A. 66-1,151). Order Rescinding Civil Penalty</p>	18-DPAX-318-PEN	
11	<p>In the Matter of the Investigation of Custom Flatwork, Inc. of Goddard, Kansas, Regarding Violation(s) of the Kansas Underground Utility Damage Prevention Act (KUUDPA) (K.S.A. 66-1801, et seq., and K.A.R. 82-14-1 through 82-14-6), and the Commission's Authority to Impose Penalties and/or Sanctions (K.S.A. 66-1,151). Penalty Order</p>	18-DPAX-376-PEN	
12	<p>In the Matter of the Investigation of Aquarius-Greenbelt, Inc. of Maize, Kansas, Regarding Violation(s) of the Kansas Underground Utility Damage Prevention Act (KUUDPA) (K.S.A. 66-1801, et seq., and K.A.R. 82-14-1 through 82-14-6), and the Commission's Authority to Impose Penalties and/or Sanctions (K.S.A. 66-1,151). Penalty Order</p>	18-DPAX-377-PEN	

Consent Agenda

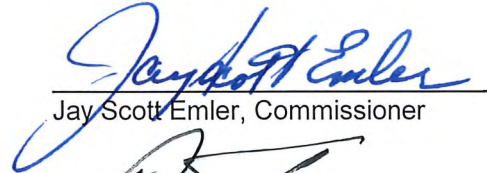
ITEM NO.	DESCRIPTION	DOCKET NUMBER	REMOVED
13	In the Matter of the Investigation of Heartland Pool and Spa Services, LLC of Lenexa, Kansas, Regarding Violation(s) of the Kansas Underground Utility Damage Prevention Act (KUUDPA) (K.S.A. 66-1801, et seq., and K.A.R. 82-14-1 through 82-14-6), and the Commission's Authority to Impose Penalties and/or Sanctions (K.S.A. 66-1,151). <i>Penalty Order</i>	18-DPAX-378-PEN	
14	In the Matter of the Emergency Suspension of Operating Authority of Salgado Lopez Cable, LLC of Kansas City, Kansas, for Failure to Comply With New Entrant Safety Requirements as Required by Motor Carrier Safety Statutes, Rules and Regulations. <i>Emergency Suspension of Operating Authority Order</i>	18-TRAM-379-OOS	
15	In the Matter of the Emergency Suspension of Operating Authority of Nile Kings United Logistics, LLC, d/b/a NKU Logistics of Leawood, Kansas, for Failure to Comply With New Entrant Safety Requirements as Required by Motor Carrier Safety Statutes, Rules and Regulations. <i>Emergency Suspension of Operating Authority Order</i>	18-TRAM-380-OOS	
16	In the Matter of the Investigation of Harles Hauling LLC of La Harpe, 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. <i>Penalty Order</i>	18-TRAM-382-PEN	
17	In the matter of the failure of Prairie Gas Operating, LLC ("Operator") to comply with K.A.R. 82-3-603 and K.A.R. 82-3-604 at five wells in Greeley and Hamilton County, Kansas. <i>Default Order</i>	18-CONS-3181-CPEN	
18	In the matter of the failure of Prairie Gas Operating, LLC ("Operator") to comply with K.A.R. 82-3-126 at the Hoffman G #32-1 in Greeley County, Kansas. <i>Default Order</i>	18-CONS-3203-CPEN	
19	In the matter of the failure of Ace Energy, LLC. ("Operator") to comply with K.A.R. 82-3-120(f). <i>Penalty Order - Ace Energy, LLC</i>	18-CONS-3339-CPEN	
20	In the Matter of Certification of Compliance with Section 254(e) of the Federal Telecommunications Act of 1996 and Certification of Appropriate Use of Kansas Universal Service Fund Support. <i>Order Directing Submission of Revised Certification Letters to the FCC and USAC</i>	17-GIMT-405-GIT	

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:



Lynn M. Retz
Secretary to the Commission