

**THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

Before Commissioners: Shari Feist Albrecht, Chair
 Jay Scott Emler
 Dwight D. Keen

In the Matter of the Application of The Victory)
Electric Cooperative Association, Inc., Seeking)
Commission Approval to Update Its Local) Docket No. 18-VICE-479-TAR
Access Delivery Service Tariff Pursuant to the)
34.5kV Formula Based Rate Plan Approved in)
Docket No. 16-MKEE-023-TAR.)

**ORDER APPROVING THE VICTORY ELECTRIC COOPERATIVE
ASSOCIATION, INC.'S APPLICATION TO UPDATE ITS
LOCAL ACCESS DELIVERY SERVICE TARIFF**

This matter comes before the State Corporation Commission of the State of Kansas (Commission). Having reviewed its files and records, and being fully advised in the premises, the Commission makes the following findings:

1. On May 1, 2018, The Victory Electric Cooperative Association, Inc. (Victory) filed its Application seeking approval to update its Local Access Delivery Service (LADS) tariff.¹ The filing was made in accordance with the 34.5 kV Formula Based Rate Plan (34.5 kV FBR Plan) approved by the Commission in Docket No. 16-MKEE-023-TAR.² On May 1, 2018, Victory filed Direct Testimony of Elena E. Larson and Direct Testimony of Shane Laws in support of its Application.³

2. On May 4, 2018, William G. Riggins entered his appearance on behalf of Kansas Electric Power Cooperative, Inc. (KEPCo).⁴ On May 24, 2018, Curtis M. Irby entered his

¹ Application, p. 1 (May 1, 2018).

² *Id.*

³ Prefiled Direct Testimony of Elena E. Larson, Rate and Regulatory Consultant, Power System Engineering, Inc., on Behalf of The Victory Electric Cooperative Association, Inc. (May 1, 2018); Prefiled Direct Testimony of Shane Laws, Chief Executive Officer, The Victory Electric Cooperative Association, Inc., on Behalf of The Victory Electric Cooperative Association, Inc. (May 1, 2018).

⁴ Entry of Appearance, p. 1 (May 4, 2018).

appearance on behalf of Cargill, Inc., a member of the Western Kansas Industrial Electric Consumers Group.⁵

3. On May 22, 2018, the Commission issued an *Order Setting Procedural Schedule*, scheduling September 28, 2018, as the deadline for a Commission Order approving the rate adjustment based upon the paper record.⁶

4. On August 28, 2018, Commission Utilities Staff (Staff) filed a Report and Recommendation (R&R), recommending approval of Victory's ostensible proposed monthly Local Access Charge (LAC) rate of \$3.16 per kilowatt month.⁷

5. On August 29, 2018, Staff filed a Supplemental Report and Recommendation, updating its recommendation regarding Victory's proposed monthly LAC rate, such that Staff recommended approval of the rate at \$3.78 per kilowatt month.⁸ In the 16-MKEE-023-TAR Docket (16-023 Docket), the Commission approved a 34.5 kV FBR Plan which allows for Victory to make annual adjustments to its LAC demand rate assessed to wholesale customers receiving service off Victory's 34.5 kV sub-transmission facilities.⁹ The \$3.78 LAC demand rate was derived in accordance with the 34.5 kV FBR Plan approved in the 16-023 Docket.¹⁰

6. Victory's requested rate of \$3.78 per kilowatt month represents a 19.62% increase from its current LAC rate of \$3.16 per kilowatt month.¹¹ The \$3.16 rate was approved in the 17-VICE-481-TAR Docket (17-481 Docket).¹²

⁵ Entry of Appearance, p. 1 (May 24, 2018).

⁶ *Order Setting Procedural Schedule*, ¶ 3 (May 22, 2018).

⁷ Report and Recommendation, p. 1 (Aug. 28, 2018) (R&R).

⁸ Supplemental Report and Recommendation, p. 1 (Aug. 29, 2018) (Supplemental R&R).

⁹ Supplemental R&R, p. 2.

¹⁰ Supplemental R&R, p. 1.

¹¹ Supplemental R&R, p. 2.

¹² Supplemental R&R, p. 2, fn. 4.

7. After a thorough review of Victory's Application, Staff found only one minor adjustment which "is not material enough to have any impact on the final revenue requirement and, consequently, it has no effect on the final proposed LAC rate."¹³ Staff's recommendation to approve a 34.5 kV monthly LAC demand rate of \$3.78 per kilowatt month for Victory is unopposed.

8. Based on the evidence presented, the Commission adopts Staff's uncontested Supplemental Report and Recommendation to approve a 34.5 kV monthly LAC demand rate of \$3.78 per kilowatt month for Victory.

THEREFORE, THE COMMISSION ORDERS:

A. Victory's Application for a 34.5 kV monthly LAC demand rate of \$3.78 per kilowatt month is approved.

B. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).¹⁴

C. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further orders as it deems necessary.

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 09/11/2018



Lynn M. Retz
Secretary to the Commission

MJD/sb

¹³ Supplemental R&R, p. 2.

¹⁴ K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

CERTIFICATE OF SERVICE

18-VICE-479-TAR

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of electronic service on 09/12/2018.

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