

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 Butler Electric)
Cooperative Ass'n, Inc. for a Certificate of) Docket No. 19-BTRE-089-COC
Convenience and Authority to Transact the)
Business of an Electric Public Utility in the State)
of Kansas.)

ORDER AND CERTIFICATE

The above captioned matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined its files and record, and being duly advised in the premises, the Commission finds and concludes as follows:

1. On August 24, 2018, the Butler Electric Cooperative Ass'n, Inc. (Butler) filed an application seeking a Certificate of Convenience and Authority to provide electric service in an area of Butler County, Kansas, which is described as follows:

North 1/2 of the Southwest 1/4 and the North 1/2 of the South 1/2
of the Southwest 1/4, Section 34, Township 29S, Range 3E, in
Butler County Kansas.

2. The territory is currently served by Kansas Gas and Electric Company d/b/a Westar Energy (Westar Energy), but is subject to an application seeking to cease the rendition of public utility electric service by Westar Energy in Docket No. 19-KG&E-049-CCS.

3. The Commission Staff (Staff) submitted a Report and Recommendation dated August 28, 2018, which is attached and referred to by reference in this Order. Staff reviewed the Butler application and determined that the legal descriptions and maps provided are accurate. The Staff concludes the legal description will not be in conflict with the Commission's Certificate

records. Staff submits the application is in the public interest and should be granted. In addition, it proposes on approval of the application to have the updated territorial descriptions as further delineated in paragraph no. 1 updated and reflected in the Commission's certified territory map.

4. The Commission finds and concludes the Staff Report and Recommendation shall be accepted and the Butler application should be approved and will promote the public convenience.

5. A Certificate of Convenience and Authority allowing Butler to provide electric service in the territory described in Finding No. 1 above should be granted.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Application of the Butler Electric Cooperative Ass'n, Inc. is hereby granted and it is permitted to transact the business of an electric utility in the territory described in Finding No. 1 herein.

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).¹

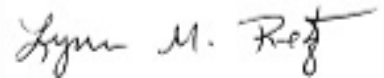
C. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further order or orders, as it may deem necessary.

¹ K.S.A. 66-118b; K.S.A. 77-503(c); and K.S.A. 77-531(b).

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 09/11/2018



Lynn M. Retz
Secretary to the Commission

wah

STATE OF KANSAS



CORPORATION COMMISSION
1500 SW ARROWHEAD ROAD
TOPEKA, KS 66604-4027

PHONE: 785-271-3100
FAX: 785-271-3354
<http://kec.ks.gov/>

GOVERNOR JEFF COLYER, M.D.

SHARI FEIST ALBRECHT, CHAIR | JAY SCOTT EMLER, COMMISSIONER | DWIGHT D. KEEN, COMMISSIONER

REPORT AND RECOMMENDATION
UTILITIES DIVISION

TO: Chair Shari Feist Albrecht
Commissioner Jay Scott Emler
Commissioner Dwight D. Keen

FROM: Jason Kerr, Electric Utility Engineering Technician
Leo Haynos, Chief Engineer
Jeff McClanahan, Director of Utilities

DATE: August 28, 2018

SUBJECT: 19-KG&E-049-CCS
In the Matter of the Application of Kansas Gas and Electric Company, doing Business as Westar Energy, Inc. for Authority to Cease Transacting the Business of an Electric Public Utility Specifically in Portions of Section 34, Township 29 South, Range 3 east, Butler County, Kansas.

19-BTRE-089-COC
In the Matter of the Application of Butler Electric Cooperative Ass'n Inc. for Certificate of Public Convenience and Authority to Transact the Business of an Electric Public Utility in the State of Kansas.

EXECUTIVE SUMMARY:

Kansas Gas and Electric Company, doing business as Westar Energy, Inc. (Westar), is seeking the approval of the Commission to cease operating as an electric utility in a small tract of land in Butler County, Kansas. Butler Electric Cooperative Ass'n, Inc. (Butler) seeks a Certificate of Public Convenience and Authority in this tract of land.

Staff recommends that the Commission grant these Applications and find that public convenience will be promoted by this transaction.

BACKGROUND:

On August 1, 2018, Westar filed an Application to Cease in Docket 19-KG&E-049-CCS. In Docket 19-BTRE-089-COC, Butler filed an Application for a Certificate of Public Convenience and Authority on August 27, 2018.

The landowner had contacted Westar requesting electric service to the location of his future home. Westar's closest facilities to provide power to this construction site is over 1/2 mile away. Westar's estimate to extend the primary line to service the customer and tree removal would potentially cost the customer \$66,000. Butler has facilities closer to the construction site. The customer obtained an estimate from Butler in the amount of \$11,648.00.¹

Staff has had conversations with the customer who stated because of the cost difference, he wishes to receive electric service from Butler.

Because of this cost difference, Westar has agreed to Cease out of this tract of land and allow Butler to apply for a Certificate.

K.S.A. 66-1,170 et seq. the Retail Electric Suppliers Act (RESA) requires the State of Kansas to be divided into electric service territories in which only one retail electric supplier is established for a given territory. Notwithstanding the mandated single electric provider service territories, RESA also provides that retail electric suppliers can enter into agreements to amend boundaries between their facilities. The agreements are filed in the form of Certificates and, if approved by the Commission, Certificates to amend territory are issued.²

The Commission has authority to grant a Certificate of Convenience and Necessity to any public utility seeking to transact business in the State of Kansas.

ANALYSIS:

Staff has reviewed the Applications and determined that the legal descriptions and maps provided with the Applications are accurate. Staff has also confirmed that the attached legal description, marked attachment A, is not in conflict with the Commission's Certificate records.

Staff recommends that the Commission find that public convenience will be promoted by the granting of this Application.

The Commission action date is February 1, 2019.

RECOMMENDATION:

Staff recommends that the Commission grant this Application. Upon approval, the updated territory descriptions will be reflected in the Commission's certified territory map.

¹ K.S.A. 66-1,171

² K.S.A. 66-131

ATTACHMENT A
Legal Description of Territory Trade Between
Kansas Gas and Electric Company and Butler Electric Cooperative Association, Inc.
Docket No. 19-KG&E-049-CCS and 19-BTRE-089-COC

BUTLER COUNTY

North 1/2 of the Southwest 1/4 and the North 1/2 of the South 1/2 of the Southwest 1/4, Section 34, Township 29S, Range 3E, in Butler County Kansas.

CERTIFICATE OF SERVICE

19-BTRE-089-COC

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of first class mail/hand delivered on 09/12/2018.

WALKER HENDRIX, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3354
w.hendrix@kcc.ks.gov

ROBERT D. SHORT, GEN MGR/CEO
BUTLER RURAL ELECTRIC COOPERATIVE ASSN., INC.
216 S VINE ST
PO BOX 1242
ELDORADO, KS 67042
Fax: 316-321-9980
rdshort@butler.coop

/S/ DeeAnn Shupe

DeeAnn Shupe