

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

In the Matter of the Application of)
Kansas City Power & Light Company for)
Authority to Transfer Portions of its) Docket No. 18-KCPE-433-CCS
Certificated Service Territory to the City)
of Gardner, Kansas, and for the)
Corresponding Modification of Service)
Territories.)

**JOINT APPLICATION FOR AUTHORITY TO TRANSFER
AND MODIFY SERVICE TERRITORIES**

Kansas City Power & Light Company (“KCP&L”) and the City of Gardner City, Kansas (“Gardner”) (together “Applicants”) hereby submit this Joint Application respectfully requesting the State Corporation Commission of the State of Kansas (“KCC” or “Commission”) approve the transfer by KCP&L, of the portions of its certificated service territory that is within tracts of land annexed by Gardner by way of Ordinance No. 2548, to Gardner and for the corresponding modification to the Applicants’ certificated service territories. In support thereof, the Applicants state:

1. KCP&L is a Missouri corporation and a vertically integrated electric public utility company under the jurisdiction of the Commission that is engaged in the production, transmission, delivery and furnishing of power within the meaning of K.S.A. § 66-104, in legally designated areas of Kansas. KCP&L holds appropriate certificates of public convenience and necessity from this Commission, authorizing KCP&L to transact the business of an electric public utility and provide retail electric service in its service territory pursuant to K.S.A. § 66-1,170, *et seq.* KCP&L has previously filed with the Commission certified copies of its Articles of Incorporation under which it was organized, its Certificate of Registration as a Foreign

Corporation authorized to do business in Kansas, and all amendments thereto and restatements thereof, and the same are incorporated herein by reference.

2. Gardner is an incorporated city in Kansas with a service territory defined pursuant to K.S.A. § 66-1,170 *et seq.*

3. Gardner annexed approximately seventy (70) acres of land within the certificated service territory of KCP&L (“Tracts”). These Tracts are more particularly described in Ordinance 2548, attached hereto as **Attachment A**. Gardner and KCP&L entered into negotiations, pursuant to K.S.A. § 66-1,176, for the transfer of the Tracts from KCP&L’s certificated service territory to Gardner’s certificated service territory. Subsequent to the conclusion of these negotiations, Gardner requested, and KCP&L agreed to transfer the portion of the certificated service territory within the Tracts. Gardner and KCP&L also agreed to seek the corresponding changes to the Applicants’ certificated service territories.

4. K.S.A. § 66-1,176(c) provides a formula for determining the “fair and reasonable compensation” to be paid for the termination of KCP&L’s service rights and the sale of its facilities within the Tracts. Pursuant to the formula, KCP&L and Gardner have agreed to the sum of \$68,249.00 as “fair and reasonable compensation” for the facilities and cost of removal thereof, and the right to serve the customers within the Tracts. Gardner and KCP&L have entered into a Letter Agreement, subject to any requisite approvals of this Commission and attached hereto as **Attachment B**, for the transfer and modification of the Applicants’ certificated service territories.

5. The Applicants request that the Commission approve the transfer of the certificated service territory within the Tracts pursuant to the terms of the Letter Agreement in **Attachment B**. The Applicants further request that the Commission, upon the closing of the

transaction, authorize KCP&L to discontinue its retail electric service obligations within the Tracts and to certify the Tracts as a single certified territory to Gardner.

WHEREFORE, the Applicants respectfully seek the Order from the Commission approving the transfer of KCP&L's service territory within the Tracts to the City of Gardner upon the terms of Ordinance 2548 and the corresponding Letter Agreement, authorizing KCP&L to discontinue its retail electric service obligations within the Tracts, and amending KCP&L's certificated service territory such that the Tracts are recognized as a single certificated territory of Gardner.

Respectfully submitted,

/s/ Terri Pemberton

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ATTORNEYS FOR KANSAS CITY POWER
& LIGHT COMPANY

/s/ Ryan B. Denk

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ATTORNEY FOR CITY OF GARDNER

July 28, 2017

Kansas City Power and Light Company
Attn: Lori Shaffer, Senior Manager
Customer and Community Affairs,
PO Box 418679
Kansas City, MO 64141-9679

Dear Ms. Shaffer:

The City of Gardner recently annexed 70 acres of land held south of Nike School and west of Gardner Road. At this time, the City would like to petition to serve as the electric supplier for this parcel of land.

Ordinance No. 2548 annexing the parcels of land into the City of Gardner is attached.

Thank you very much for your assistance in this matter. Please call me if you have questions or require additional information.

Sincerely,

CITY OF GARDNER



Gonzalo A. Garcia
Utilities Director
913-856-0990

Encl:

cc: Cheryl Harrison-Lee, City Administrator
Larry Powell, Economic & Business Development Director

ORDINANCE NO. 2548

AN ORDINANCE ANNEXING LAND SOUTH OF THE GARDNER ROAD AND INTERSTATE-35 INTERSECTION TO THE CITY OF GARDNER, KANSAS.

WHEREAS, the following described land is located in Johnson County, Kansas;

WHEREAS, the following described lands adjoin the City and a written consent to annexation has been signed and filed by all of the Owners of said lands with the City and accordingly may be annexed pursuant to K.S.A. 12-520(a)(7); and

WHEREAS, the Governing Body of the City of Gardner, Kansas, finds it advisable to annex such land.

NOW THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF GARDNER, KANSAS:

SECTION ONE That the following described land, meeting the conditions for annexation prescribed in K.S.A. 12-520 (a) (7) is hereby annexed and made a part of the City of Gardner, Kansas:

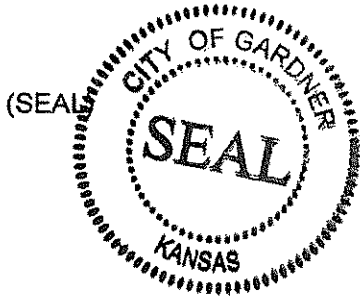
Exhibit A:

All that part of the Southeast Quarter of Section 2, Township 15 South, Range 22 East, Sixth Principal Meridian, Johnson County, Kansas described as follows: Commencing at the Northeast Corner of the Southeast Quarter of said Section 2; thence South 02 degrees 49 minutes 15 seconds East along the East line of the Southeast Quarter of said Section 2, a distance of 325.70 feet to the point of beginning; thence continuing South 02 degrees 49 minutes 15 seconds East along said East line, a distance of 996.18 feet to the Northeast corner of Friends & Neighbors II, a subdivision in the Johnson County, Kansas as now established; thence South 88 degrees 19 minutes 15 seconds West (measured) (South 88 degrees 15 minutes 53 seconds West, Plat), along the North line of Friends & Neighbors II and Friends & Neighbors, subdivision's in Johnson County, Kansas, a distance of 2655.23 feet (measured) (2655.26 Plat), to the Northwest corner of said Friends & Neighbors said point also being the Southwest corner of the North Half of the Southeast Quarter of said Section 2; thence North 02 degrees 22 minutes 48 second West along the West line of the Southeast Quarter of said Section 2, a distance of 1259.32 feet; thence North 88 degrees 30 minutes 03 seconds East, a distance of 1713.37 feet (measured) (1707.87' Deed) to a point on the West line of Lot 2, Nike School, a subdivision in the City of Gardner, Johnson County, Kansas as now established; thence South 02 degrees 48 minutes 54 seconds East (Measured & Plat) along the West line of said Lot 2, Nike School, a distance of 276.39 feet to the Southwest corner of said Lot 2; thence North 87 degrees 11 minutes 06 seconds East along the South line of said Lot 2, a distance of 932.13 feet to the point of beginning containing 70.68 acres more or less subject to that part in roads or easements.

SECTION TWO: That this ordinance shall take effect and be in force upon its passage by the City Council and publication in the official City Newspaper as required by law.

SECTION THREE: The City Clerk of the City of Gardner, Kansas, is hereby directed to file a certified copy of this ordinance in the Office of the Register of Deeds, County Assessor, County Clerk and County Election Commissioner of Johnson County, Kansas.

19th PASSED and APPROVED by the Governing Body of the City of Gardner, Kansas, on this _____ day of June 2017.



CITY OF GARDNER, KANSAS

Chris Morrow, Mayor

ATTEST:

Kimberly Garrison, City Clerk

APPROVED AS TO FORM:

Ryan B. Denk, City Attorney



January 8, 2018

Gonzalo A. Garcia, Utilities Director
City of Gardner Kansas
1150 East Santa Fe Street
Gardner, KS 66030

Dear Mr. Garcia,


The City of Gardner, on June 19, 2017, by way of Ordinance No. 2548, annexed 70 acres of land south of Nike School and west of Gardner Road. The City of Gardner petitioned Kansas City Power & Light Company ("KCP&L"), a Missouri corporation on July 28, 2017 to designate the City of Gardner as the electrical supplier for this parcel of land. The land descriptions are spelled out within Ord. No. 2548.

All of KCP&L's electrical distribution facilities located within the tract described in Ordinance No. 2548, Exhibit A, hereto including, without limitation, all poles, guys, conductors, insulators, crossarms, conduit and underground cable, and transformers will be removed by KCP&L.

The City of Gardner has agreed to pay KCP&L the Fair Market Value, Removal Cost, Revenue Differential, and Sales Tax in the sum of sixty-eight thousand, two hundred forty-nine dollars (\$68,249.00). The two parties agree to file a "Joint Application for Authority to Sell Distribution Facilities and Modification of Service Territory" to the Kansas Corporation Commission ("KCC"). Upon approval of the KCC and final payment of \$68,249.00, the two parties will coordinate on an agreed upon timeline (start and finish time) for removal of KCP&L assets.

If this matches your understanding of our agreement, please sign below and return to my attention. Should you have any questions, please let me know.

Sincerely,


Cindy Circo
Manager, Public Affairs



ACCEPTED AND AGREED TO BY:

Signature: Cheryl Harrison

Print Name: Cheryl Harrison - Yee

Title: City Administrator

Date: 1/24/18