

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

NOV 20 2007

In the Matter of the Amended Application of)
Midwest Energy, Inc. Requesting Approval of)
a Temporary Waiver of the 900 BTU)
Standard Contained in its Distribution)
Transportation Terms and Conditions)

 Docket
Room

Docket No.: 08-MDWG- 486-MIS

**MIDWEST ENERGY'S AMENDED APPLICATION FOR A
TEMPORARY WAIVER OF THE 900 BTU STANDARD CONTAINED IN
ITS DISTRIBUTION TRANSPORTATION TERMS AND CONDITIONS**

COMES NOW Midwest Energy, Inc. ("Midwest Energy" or "Company"), and pursuant to K.S.A. 66-104, 66-117, 66-131, and 66-1,200 *et seq.*, files this Amended Application with the State Corporation Commission of the State of Kansas ("Commission" or "KCC") for the purpose of requesting a temporary waiver of the 900 Btu/scf minimum requirement which is contained in Section 5(B)(3) of its Distribution Transportation Terms and Conditions. In support of such request, Midwest Energy states as follows:

1. Midwest Energy is a Kansas corporation, operating on a not-for-profit cooperative basis, in good standing in all respects, and is engaged among other things, in the business as a natural gas public utility, as defined in K.S.A. 66-1,200, in certain areas in Kansas. Midwest Energy holds certificates of convenience and necessity issued by the KCC authorizing Midwest Energy to engage in such utility business. Midwest Energy's principal place of business is located at 1330 Canterbury Drive, Hays, Kansas, 67601.

2. In addition to the undersigned, copies of all pleadings and correspondence in this docket should be sent to:

Patrick Parke
Vice President Customer Service
Midwest Energy, Inc.
1330 Canterbury Drive
P.O. Box 898
Hays, KS 67601
patparke@mwenergy.com

3. On December 12, 2005, in the Docket No. 05-MDWG-674-TAR, the Commission approved Midwest Energy's Application requesting approval to combine its Distribution Transportation Service ("DTS") Schedule and Distribution Transportation General Terms and Conditions ("GT&C") Schedule into a single schedule entitled Distribution Transportation Terms and Conditions ("DTTC"). Pursuant to Section 5(B)(3) of the DTTC, which is listed on Sheet 5 of 28 Sheets (Index No. 206), Midwest Energy is currently required to receive at each Point of Receipt, gas that "the Gross Dry Heating Value of such gas shall not be less than 900 BTUs nor more than 1020 BTUs per cubic feet."

4. The reason for Midwest's current request is based on the Btu level of gas that Midwest Energy is currently receiving from Kinder Morgan Interstate Gas Transportation Company's ("KMIGT") Holcomb to Scott City Pipeline via several taps. In order to address the needs of ONEOK Field Services Company ("OFS"), KMIGT recently notified Midwest Energy of the need to transport gas via this pipeline at a lower Btu level until a permanent solution is reached regarding its gas transportation, in which a pipeline would be constructed from KMIGT's Holcomb compressor station to the west five miles, which would divert unprocessed gas from ONEOK to the KMIGT Lakin pipeline, where it would then flow to the same end location—the Scott City ONEOK processing plant.

5. Because Midwest Energy's tariff currently requires Midwest Energy to receive gas between 900 and 1020 Btus, and consequently supply its customers with this gas, Midwest

Energy hereby files this request for a temporary waiver of its tariff, allowing it to receive gas and serve customers supplied from the KMIGT Holcomb line at a lower Btu level until May 1, 2008.

6. The temporary waiver to its tariff would allow KMIGT to supply Midwest Energy with gas at a minimum gas heating value of 840 Btu/scf until May 1, 2008, but after this date, the Btu requirement would again be enforced at the 900 Btu level. OFS has also stated that it may have excursions below the 840 Btu/scf amount, but that these will not last more than 8 hours. Therefore, Midwest Energy also requests that the Commission allow it to serve its customers with this lower Btu-level gas for such periods. Finally, as a condition of these revisions, Midwest Energy has requested that OFS be required to supply daily Btu records to Midwest Energy.

7. By approving this temporary waiver to Midwest Energy's tariff, this would allow KMIGT, OFS, and the producers to negotiate terms and payment details for the pipeline to be constructed between KMIGT's Holcomb to Scott City Pipeline, and KMIGT's Lakin to Scott City pipeline.

8. Midwest Energy recognizes that KMIGT has tariffs filed with the Federal Energy Regulatory Commission ("FERC"), and that except for KMIGT's agreement to receive deliveries from its upstream parties, including OFS and redelivering gas to Midwest Energy off of the Holcomb line, KMIGT has not waived any of the provisions of its FERC Gas Tariff. The rights and obligations of KMIGT and its shippers shall remain as stated in its FERC Gas Tariff, including without limitation the rights and obligations of KMIGT and its shippers with respect to the heating value and other gas quality specifications applicable to gas transported by KMIGT, and shall be subject to and all applicable requirements and regulations of the FERC, including without limitation any such requirements associated with KMIGT's status as an open access

interstate pipeline. Additionally, KMIGT shall have the right at any time, and at its sole discretion, to curtail receipts of any gas into its Holcomb line which KMIGT determines to be below the 840 Btu level.

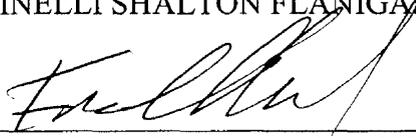
9. Midwest Energy realizes that there may be possible effects on its customers' natural gas service, and will work with the KCC Staff to research the effects of 840 Btu/scf gas on household appliances. Heating contractors in the Garden City area will also be notified of the variance in gas heating values that they could encounter on service calls. Midwest Energy also agrees to survey its affected customers and HVAC dealers in the affected area regarding gas quality issues.

WHEREFORE, based on the nature of this request, Midwest Energy respectfully requests an expedited order from the Commission temporarily waiving of the 900 Btu/scf minimum requirement which is contained in Section 5(B)(3) of its DTTC, replacing it with a 840 Btu Minimum, except that it may allow excursions below the 840 Btu minimum for not more than 8 hours at a time, and for any other relief that the Commission deems necessary.

Respectfully submitted,

POLSINELLI SHALTON FLANIGAN SUELTHAUS PC

By:


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ATTORNEYS FOR MIDWEST ENERGY, INC.

VERIFICATION

STATE OF KANSAS)
) ss.
COUNTY OF JOHNSON)

I, Frank A. Caro, Jr., being duly sworn, on oath state that I am counsel for Midwest Energy, Inc., that I have read the foregoing Amended Application by Midwest Energy, Inc., and know the contents thereof, and that the facts set forth therein are true and correct to the best of my knowledge and belief.

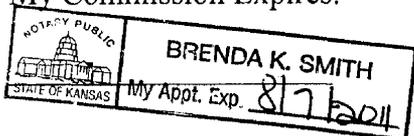
MIDWEST ENERGY, INC.

By: *Frank A. Caro, Jr.*
Frank A. Caro, Jr.

The foregoing Application was subscribed and sworn to before me this 20th day of November, 2007.

Brenda K. Smith
Notary Public

My Commission Expires:



CERTIFICATE OF SERVICE

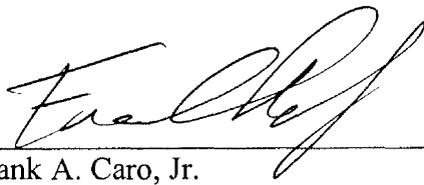
The undersigned hereby certifies that a true and correct copy of the above and foregoing pleading has been faxed, hand-delivered and/or mailed, First Class, postage prepaid, this November 20, 2007, to:

Thomas Stratton
Kansas Corporation Commission
1500 SW Arrowhead Rd.
Topeka, KS 66604

David Springe
Niki Christopher
Citizens' Utility Ratepayers Board
1500 SW Arrowhead Road
Topeka, KS 66604-4027

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Director Utility Operations
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Frank A. Caro, Jr.