

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

Before the Commissioners: Susan K. Duffy, Chair
Shari Feist Albrecht
Dwight D. Keen

In the Matter of the Application of Kansas Gas)
Service, a Division of ONE Gas, Inc., to amend)
its Certificate of Convenience and Necessity to)
Transact the business of a Natural Gas Public) Docket No. 20-KGSG-204-COC
Utility within the County of Cherokee, Kansas)
and the Vicinity Thereof.)

ORDER GRANTING APPLICATION

This matter comes before the State Corporation Commission of the State of Kansas (“Commission”) for consideration and decision. Having reviewed the pleadings and record, the Commission makes the following findings:

I. Background

1. On October 30, 2019, Kansas Gas Service, a Division of ONE Gas, Inc. (“Kansas Gas Service”) filed an Application requesting permission to expand its service territory in and near the City of Baxter Springs in Cherokee County, Kansas.¹

2. Kansas Gas Service has provided natural gas service outside of their certified area around Baxter Springs, Kansas. This Application will true-up their boundary lines. The territory requested is not currently certified to a natural gas utility.²

3. Kansas Gas Service requests that it be granted permission to operating as a natural gas public utility in the following described territory to wit:

¹ *Kansas Gas Service, a Division of ONE Gas, Inc. Application*, (“Kansas Gas Service’s Application”), (Oct. 30, 2019).

² *Id.* at 2.

South 1/2 of the Southeast Quarter Section 34, T34S, R24E; and, the South 1/2 of the Northeast Quarter of S35, T34S, R24E; and, the South 1/2 of the Northwest Quarter Section of S36, T34S, R24E; and, West 1/2 of the West 1/2 of the NW Quarter Section S7, T35S, 24E; and, West 1/2 of the Southwest portions of S7, T35S, R25E; and the North 1/2 Quarter Section of S18, T35S, R24E as is located in Kansas all in Cherokee County, Kansas.³

4. Commission Staff (“Staff”) submitted its Report and Recommendation dated February 20, 2020, recommending the Commission grant Kansas Gas Service’s request for permission to expand its Certificate to operate as a natural gas public utility in the territory described in paragraph 3 above.⁴

II. Legal Standards and Discussion

5. Pursuant to K.S.A. 66-131, the Commission has jurisdiction to grant a Certificate to any public utility seeking to transact business in the State of Kansas. The standard for granting a certificate under K.S.A. 66-131 is that public convenience and necessity will be promoted by the granting of a certificate. K.S.A. 66-1,201 et seq., more specifically, gives the Commission full power, authority and jurisdiction to supervise and control natural gas public utilities and is authorized to do anything necessary and convenient for the exercise of such power, authority and jurisdiction.

6. Based on the foregoing information, and the absence of any objection, Staff recommends the Commission find that public convenience will be promoted by the granting Kansas Gas Service’s Application to operate as a natural gas public utility in the portion of land described above in paragraph 3.

³ *Id.*

⁴ *Report and Recommendation*, at 1 (Feb. 20, 2020).

III. Findings and Conclusion

7. The Commission finds pursuant to K.S.A. 66-131, public convenience and necessity will be promoted by granting the Kansas Gas Service's Application for permission to operate as a natural gas public utility in the area described above in paragraph 3.

8. The Commission adopts Staff's Report and Recommendation dated February 20, 2020, which is attached hereto and made a part hereof by reference.

THEREFORE, THE COMMISSION ORDERS:

A. Kansas Gas Service's Application requesting permission for Certificate of Convenience and Necessity is granted pursuant to K.S.A. 66-131.

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).⁵

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.

BY THE COMMISSION IT IS SO ORDERED.

Duffy, Chair; Albrecht, Commissioner; Keen, Commissioner

Dated: 03/03/2020



Lynn M. Retz
Executive Director

cab

⁵ K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

Susan K. Duffy, Chair
Shari Feist Albrecht, Commissioner
Dwight D. Keen, Commissioner

Laura Kelly, Governor

**REPORT AND RECOMMENDATION
UTILITIES DIVISION**

TO: Chair Susan K. Duffy
Commissioner Shari Feist Albrecht
Commissioner Dwight D. Keen

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

DATE: February 20, 2020

SUBJECT: 20-KGSG-204-COC
In the Matter of the Application Kansas Gas Service, a Division of ONE Gas, Inc.,
to amend its Certificate of Convenience and Necessity to transact the business of a
Natural Gas Public Utility within the County of Cherokee, Kansas and the Vicinity
Thereof.

EXECUTIVE SUMMARY:

In Docket 20-KGSG-204-COC, Kansas Gas Service (KGS) filed an Application for a Certificate of Convenience and Necessity near and adjacent to the city of Baxter Springs in Cherokee County. The territory requested currently is not certified to a natural gas utility.

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

BACKGROUND:

KGS filed the above-captioned Application on October 30, 2019, requesting to expand their service territory in and near the City of Baxter Springs, Kansas. KGS has determined that city growth and expansion occurring since the issuance of the Company's original Certificate of Convenience and Necessity for the area has resulted in the need to obtain Commission approval to expand their Certificate in this area.

ANALYSIS:

KGS has provided natural gas service outside of their certified area around Baxter Springs, Kansas. This Application will true-up their boundary lines.

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.¹

The statutory standard of review in this matter is whether the public convenience will be promoted by the transaction of the proposed project and by permitting the Applicant to transact the business of a common carrier or public utility.

Staff has reviewed KGS's Application and has confirmed the legal description included in the Application is accurately depicted and on the map attached to the Application. Staff also confirmed the legal description is not in conflict with the Commission's Certificate records. The legal description is included as Attachment A to this Report and Recommendation.

The Commission Action date is April 27, 2020.

RECOMMENDATION:

Staff recommends that the Commission grant this Application and find that public convenience will be promoted by this transaction. Upon approval, the updated territory descriptions will be reflected in the Commission's certified territory map.

¹ K.S.A. 2016 Supp. 66-131.

ATTACHMENT A

Legal Description of Requested Natural Gas Territory
by Kansas Gas Service, a Division of ONE Gas, Inc.,
Docket No. 20-KGSG-204-COC

CHEROKEE COUNTY

South 1/2 of the Southeast Quarter Section 34, T34S, R24E; and, the South 1/2 of the Northeast Quarter of S35, T34S, R24E; and, the South 1/2 of the Northwest Quarter Section of S36, T34S, R24E; and, West 1/2 of the West 1/2 of the NW Quarter Section S7, T35S, 24E; and, West 1/2 of the Southwest portions of S7, T35S, R25E; and the North ½ Quarter Section of S18, T35S, R24E as is located in Kansas all in Cherokee County, Kansas.

CERTIFICATE OF SERVICE

20-KGSG-204-COC

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of electronic service on 03/03/2020.

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/S/ DeeAnn Shupe

DeeAnn Shupe