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

In the Matter of the Application of Atmos	)	)
Energy to Amend its Purchase Gas	)	
Adjustment (PGA) Schedule to Add a	)	Docket No. 14-ATMG-230-TAR
Demand Charge Savings and Pipeline	)	
Bypass Savings Component to the PGA.	)	

## <u>PETITION TO INTERVENE BY</u> KANSAS CITY POWER & LIGHT COMPANY

COMES NOW Kansas City Power & Light Company ("KCP&L") and moves the State Corporation Commission of the State of Kansas ("Commission") for an order permitting it to intervene in the above-captioned matter pursuant to K.S.A. 77-521 and K.A.R. 82-1-225. In support thereof, KCP&L states as follows:

- 1. On November 15, 2013, Atmos Energy ("Atmos") filed an application with the Commission to amend its Purchased Gas Adjustment (PGA) Schedule, pursuant to K.S.A. 66-117, to add a Demand Charge Savings and Pipeline Bypass Savings Component to the PGA. Under the Application, Atmos proposed a mechanism intended to incentivize the company to take steps to capture potential demand charge reductions. Any such savings were proposed to be shared equally between Atmos and its customers. The customers' share of the savings were proposed to flow directly through the PGA via reduced demand charges.
- 2. On April 24, 2014, Atmos filed an Amended Application. Instead of sharing the savings equally between customers and shareholders, the Amended Application proposes that 100% of the savings would be used by Atmos to fund certain qualified capital projects. Those projects would fall within three categories: (1) capital projects to provide natural gas service to

under-served areas, such as all-electric subdivisions, areas served by propane, or areas where irrigation farmers do not have access to natural gas distribution service; (2) capital projects that would reduce gas supply costs, such as capital improvements to the Atmos owned storage facilities, capital improvements to access alternative pipeline or local natural gas supplies; and (3) other capital projects approved by the Commission.<sup>1</sup>

- 3. KCP&L is a corporation duly organized under the laws of the State of Missouri, with its principal place of business at One Kansas City Place, 1200 Main Street, Kansas City, Missouri, 64141. KCP&L is authorized to do business and is conducting business in the State of Kansas. KCP&L is an electric public utility in Kansas and holds a certificate of convenience and necessity issued by the Kansas Commission.
- 4. KCP&L serves at least one of the "underserved" areas referenced by Atmos in its Amended Application.<sup>2</sup> As such, Atmos would be competing in these areas for KCP&L's present and future customers. The description of the savings mechanism at issue in this docket indicates that Atmos is seeking Commission approval of a subsidy flow that will enable Atmos to commence competing in these new areas when, without the subsidy, Atmos may not be able to justify the investment contemplated. Although KCP&L has no objection to natural gas competition in its certificated territories, KCP&L does have concerns if the natural gas company is provided a competitive advantage by regulatory fiat. That appears to be the case as presented by Atmos in its Amended Application.
- 5. Accordingly, KCP&L requests permission to intervene herein for the purpose of participating in the docket to ensure its position and interests, and the interests of its customers and shareholders, are adequately represented and considered. The existing parties to this docket

<sup>&</sup>lt;sup>1</sup> Amended Application, ¶9.

<sup>&</sup>lt;sup>2</sup> Direct Testimony of Kenneth M. Malter, Exhibit KMM-1.

are not public utilities and are not competitors of Atmos. They do not have the same interests as KCP&L. Accordingly, KCP&L has a substantial interest in the outcome of this proceeding which cannot be adequately represented by any other party. Pursuant to K.S.A. 77-521, KCP&L qualifies as an intervener because the rights, duties, privileges, immunities, or other legal interests of KCP&L, its customers and shareholders may be substantially affected by this proceeding.

- 6. KCP&L agrees to accept the existing procedural schedule if its intervention is granted. As such, granting intervention and party status to KCP&L at this time will not impede the progress of the docket or impact its present status.
- 7. All pleadings, orders, notices or other documents should be served on the undersigned counsel, and on the individuals named below:

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WHEREFORE, KCP&L requests that the Commission issue an order allowing it to intervene and participate fully in this docket, including but not limited to the right to conduct

discovery, file pleadings and testimony, present oral argument, and fully participate in any scheduled hearings, and for such further and other relief as may be appropriate.

## Respectfully submitted,

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COUNSEL FOR KANSAS CITY POWER & LIGHT COMPANY

## CERTIFICATE OF SERVICE

I, the undersigned, do hereby certify that on this 3<sup>rd</sup> day of June, 2014, a true and correct copy of the above and foregoing *Petition to Intervene of Kansas City Power & Light Company* was electronically served, hand-delivered or mailed, postage prepaid, to the below-named individuals.

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