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

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In the Matter of the Investigation into Black Hills Kansas Gas Utility Company d/b/a Black Hills Energy ) Regarding the February 2021 Winter Weather Events, ) as Contemplated by Docket No. 21-GIMX-303-MIS.

Docket No. 21-BHCG-334-GIG

### **PETITION TO INTERVENE OF FREEDOM PIPELINE, LLC**

COMES NOW Freedom Pipeline, LLC ("Freedom Pipeline") and pursuant to K.A.R. 82-1-225 petitions the State Corporation Commission of the State of Kansas ("Commission") for intervention in the above-captioned proceeding. In support of its petition to intervene, Freedom states as follows:

1. Freedom Pipeline is a Kansas limited liability company, organized and developed to own and operate an intrastate natural gas delivery system. Freedom Pipeline is owned by and delivers natural gas to six Kansas non-profit utilities. The six member-owners of Freedom Pipeline are: SWKI Stevens North, Inc.; SWKI Spikes North, Inc.; SWKI Stevens Southeast, Inc.; SWKI Seward West Central, Inc.; SWKI Stevens NE., Inc.; and SWKI Stevens HSW, Inc. (collectively, the "NPUs").

2. Freedom Pipeline holds a certificate of convenience and necessity authorizing it to provide natural gas service in Stevens, Grant and Seward Counties, Kansas, issued by the Commission on August 4, 2015 in Docket No. 14-FRPG-599-COC.

3. On February 15, 2021, the Commission issued an *Emergency Order* in Docket No. 21-GIMX-303-MIS ("21-303 Docket") to protect the public from immediate danger related to subzero temperatures which were causing increased energy demand and natural gas supply constraints throughout Kansas, resulting in rolling black-outs and extraordinarily high prices and costs for power ("Weather Event"). The Emergency Order (1) directed all utilities to do everything necessary to ensure natural gas and electricity service continued to be provided to Kansas customers, (2) authorized every jurisdictional electric and natural gas distribution utility that incurs extraordinary costs associated with the Weather Event to defer those costs to a regulatory asset account, and (3) directed each utility to file a compliance report detailing the extent of its costs incurred and present a plan to minimize the financial impacts of the Weather Event on ratepayers over a reasonable time frame.<sup>1</sup>

4. On March 1, 2021, Staff filed a Report and Recommendation ("Staff's R&R") in the 21-303 Docket, recommending the Commission open individual company-specific investigative dockets in order to manage the pending Staff investigation into how each jurisdictional electric and natural gas utility was prepared for the Weather Event, how each responded during the event, and how the event will impact each utility's Kansas customers.<sup>2</sup> Staff set out a list of topics it intended to investigate for each utility.<sup>3</sup> In addition, Staff recommended the utilities compliance reports mandated by the Emergency Order be filed in the company-specific dockets.

5. On March 9, 2021, in the 21-303 Docket, the Commission issued an *Order Adopting Staff's Report and Recommendation to Open Company-Specific Investigations; Order on Petitions to Intervene of Bluemark Energy, LLC and CURB; Protective and Discovery Order,* ("March 9<sup>th</sup> Order"), adopting Staff's recommendations and opening company-specific dockets. This docket was opened for purposes of conducting the Commission's investigation of Black Hills Kansas Gas Utility Company d/b/a Black Hills Energy ("Black Hills").

 $<sup>^1</sup>$  Emergency Order, pp. 1-2,  $\P\P$  2, 3 and 4.

<sup>&</sup>lt;sup>2</sup> Staff's R&R, p. 1.

<sup>&</sup>lt;sup>3</sup> Staff's R&R, pp. 5-6.

6. K.A.R. 82-1-225 provides that a petition for intervention shall be granted if three conditions are met: (1) the petition is submitted in writing and provided to parties at least three days before hearing; (2) the petition states facts demonstrating that the petitioner's legal rights, duties, privileges, immunities, or other legal interests may be substantially affected by the proceeding or that the petitioner qualifies as an intervener under any provision of law; and (3) the interests of justice and the orderly and prompt conduct of the proceedings will not be impaired by allowing the intervention.

7. Freedom Pipeline's legal interests may be substantially affected by the decisions of the Commission in this docket. Freedom Pipeline is a natural gas transport customer of Black Hills. Freedom Pipeline anticipates that it will be exposed to dramatically increased prices and charges related to gas purchases and deliveries occurring during the Weather Event. Some of these may be immediate, such as those related to Black Hill's imbalance penalties, and some may be longer term, such as for new capital expenditures in the future to increase the reliability of the Black Hills system. These issues are at the heart of the investigation being conducted by the Commission in this case. In the interest of justice, and because Freedom Pipeline's interests will be substantially affected by this proceeding and are not adequately represented by any other party, granting intervention to Freedom Pipeline is proper.

8. The orderly and prompt conduct of these proceedings will not be impaired by allowing Freedom Pipeline's intervention. This docket has only recently been opened and no procedural schedule has been established yet. Freedom Pipeline agrees to accept the record as it stands and is prepared to actively participate in the timely disposition of this proceeding. No prejudice will be suffered by Black Hills or any other party if intervention is granted. Freedom Pipeline agrees to accept electronic service of all pleadings, orders, and other documents in this

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proceeding as required by K.A.R. 82-1-216(a)(6) at the email addresses indicated for each individual and counsel listed below.

9. In addition to signatory counsel, the following individuals should be added to the Commission's service list for this docket:

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WHEREFORE, Freedom Pipeline requests the right to participate in all aspects of this case without limitation so that it may receive notice of all pleadings and orders, conduct discovery, present and cross-examine witnesses, be heard on the arguments, and in all other respects fully participate in this proceeding.

Respectfully submitted,

[s]Glenda Cafer

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# ATTORNEY FOR FREEDOM PIPELINE, LLC

STATE OF KANSAS ) ) ss: COUNTY OF SHAWNEE )

# **VERIFICATION**

I, Glenda Cafer, verify under penalty of perjury that I have caused the foregoing pleading to be prepared; that I have read and reviewed the same; and that the contents thereof are true and correct to the best of my information, knowledge, and belief.

|s|Glenda Cafer

#### **CERTIFICATE OF SERVICE**

I, the undersigned, hereby certify that a true and correct copy of the foregoing pleading was electronically served this 13<sup>th</sup> day of April, 2021 to:

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