

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

Recommendation dated June 18, 2018, recommending the Commission grant DS&O's Application and its request to cease operating as an electric public utility in the territory described in paragraph 2 above.

II. LEGAL STANDARDS AND DISCUSSION

4. Pursuant to K.S.A. 2017 Supp. 66-131, the Commission has jurisdiction to grant a Certificate to any public utility seeking to transact business in the State of Kansas. K.S.A. 66-1,170 et seq., the Retail Electric Suppliers Act (RESA), requires the State of Kansas to be divided into electric service territories in which only one retail electric supplier is established for a given territory. Notwithstanding the mandated single electric provider service territories, RESA also provides that retail electric suppliers may enter into agreements to amend boundaries between their facilities. The agreements are subject to Commission approval, and if so approved, the Commission shall issue a certificate accordingly.¹

5. According to Staff, DS&O was contacted by a customer requesting electric service to his new hunting cabin. DS&O contacted Westar Energy, Inc. (Westar) since Westar has existing facilities adjacent to the customer's point of service. DS&O has agreed to release the territory described in paragraph 2 above in order to allow Westar to provide electric service to the requesting customer. In a companion filing made May 25, 2018, in Docket No. 18-WSEE-487-COC, Westar is requesting that the Commission issue it a Certificate of Convenience and Authority (Certificate) in order to serve the new customer. The Commission has authority to grant Westar the requested Certificate pursuant to K.S.A. 2017 Supp. 66-131.

6. Staff states that it has reviewed the Applications of both DS&O and Westar and determines that the legal descriptions and maps provided with the Applications of both DS&O and

¹ K.S.A. 66-1,175.

Westar are accurate and that the legal descriptions are not in conflict with the Commission's Certificate records. Concluding, Staff recommends the Commission grant DS&O's Application authorizing DS&O to cease transacting the business of an electric public utility in the territory described in paragraph 2 above. Upon approval, Staff states that the updated territory descriptions will be reflected in the Commission's certified territory map.²

III. FINDING AND CONCLUSION

7. The Commission adopts Staff's analysis and recommendation of June 18, 2018, as stated in its Report and Recommendation, which is attached hereto and made a part hereof by reference, and finds that DS&O's Application should be granted, and that the public convenience will be promoted by issuing an Order authorizing DS&O to cease transacting the business of an electric public utility in the territory described in paragraph 2 above.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Application of DS&O Electric Cooperative, Inc. is hereby granted and DS&O is authorized to cease transacting the business of an electric public utility in the territory described in paragraph 2 above.

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).³

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.

² Report and Recommendation, page 2.

³ K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 06/26/2018



Lynn M. Retz
Secretary to the Commission

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STATE OF KANSAS



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REPORT AND RECOMMENDATION UTILITIES DIVISION

TO: Chair Shari Feist Albrecht
Commissioner Jay Scott Emler
Commissioner Dwight D. Keen

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

DATE: June 18, 2018

SUBJECT: 18-DSOE-542-CCS
In the matter of the Application of DS&O Electric Cooperative Solomon KS for permission to Cease Operating as a Public Electric Utility in the State of Kansas.

18-WSEE-487-COC
In the matter of the Application of Westar Energy, Inc. for a Certificate Public Convenience and Authority to transact the business of an electric public utility specially in a portion of Section 7, Township 13 South, Range 2 East, in Dickinson County Kansas.

EXECUTIVE SUMMARY:

DS&O Electric Cooperative, Inc. (DS&O) is seeking the approval of the Commission to cease operating as an electric utility in a small tract of land in Dickinson County, Kansas. Westar Energy, Inc. (Westar) seeks a Certificate of Public Convenience and Authority in this tract of land.

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

BACKGROUND:

On June 15, 2018, DS&O filed an Application to Cease in Docket 18-DSOE-542-CCS. In Docket 18-WSEE-487-COC, Westar filed an Application for a Certificate of Public Convenience and Authority on May 25, 2018.

DS&O was contacted by a customer requesting electric service to his new hunting cabin. DS&O contacted Westar, as Westar has existing facilities adjacent to the customer's point of service. DS&O agreed to release the territory described in Attachment A to allow Westar to provide service for a substantial initial cost saving for the customer.

K.S.A. 66-1,170 et seq. the Retail Electric Suppliers Act (RESA) requires the State of Kansas to be divided into electric service territories in which only one retail electric supplier is established for a given territory. Notwithstanding the mandated single electric provider service territories, RESA also provides that retail electric suppliers can enter into agreements to amend boundaries between their facilities. The agreements are filed in the form of Certificates and, if approved by the Commission, Certificates to amend territory are issued.

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

ANALYSIS:

Staff has reviewed the Applications and determined that the legal descriptions and maps provided with the Applications are accurate. Staff has also confirmed that the legal descriptions are not in conflict with the Commission's Certificate records.

Staff recommends that the Commission find that public convenience will be promoted by the granting of this Application.

The Commission action date is November 8, 2018.

RECOMMENDATION:

Staff recommends that the Commission grant this Application. Upon approval, the updated territory descriptions will be reflected in the Commission's certified territory map.

¹ K.S.A. 66-131.

ATTACHMENT A
Legal Description of Territory Trade Between
Westar Energy, Inc. and DS&O Electric Cooperative, Inc.
Docket No. 18-DSOE-542-CCS and 18-WSEE-487-COC

DICKINSON COUNTY

A tract of land located in the Northeast 1/4 of the Northwest 1/4, and the North 1/2 of the Southeast 1/4 of the Northwest 1/4; Section 7, Township 13 South, Range 2 East, Dickinson County, Kansas.

CERTIFICATE OF SERVICE

18-DSOE-542-CCS

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of
first class mail/hand delivered on 06/27/2018.

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/S/ DeeAnn Shupe

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