

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

Before Commissioners:                    Thomas E. Wright, Chairman  
   Michael C. Moffet  
   Joseph F. Harkins

In the Matter of the Application of Kansas                    )  
Gas Service, a Division of ONEOK, Inc., for                    )  
Approval to Implement the Efficiency                    )  
Kansas Energy Efficiency Program, to                    )  
Implement Natural Gas Energy Efficiency                    )  
Programs to Improve Building and                    )  
Equipment Efficiency and to Educate about                    )  
Efficient Energy Usage, to Provide for                    )  
Program Cost Recovery through a Rider                    )  
Mechanism, to Establish Administrative                    )  
Charges and a Program Initiation Fee,                    )  
Permit the Implementation of a Revenue                    )  
Decoupling Mechanism, and Appropriate                    )  
Accounting Authority to Defer Expenses                    )  
And Revenues Associated with the Filing.                    )

Docket No. 10-KGSG-421-TAR

**ORDER DESIGNATING PREHEARING OFFICER  
AND SETTING SCHEDULING CONFERENCE**

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The above-captioned matter comes before the State Corporation Commission of the State of Kansas (“Commission”) for consideration and decision. Having reviewed the files and being fully advised of all matters of record, the Commission summarizes the arguments of the parties and finds and concludes as follows:

## **I. Introduction**

1. On December 18, 2009, Kansas Gas Service, a division of ONEOK, Inc., filed an Application asking the Commission to approve an energy efficiency program it proposes to offer to its customers. Kansas Gas Service is a natural gas public utility operating in the state of Kansas, with its principal place of business located at 7421 West 129th Street, Overland Park, Kansas 66213. Application, ¶ 1. In Docket 06-KGSG-1209-RTS, Kansas Gas Service was authorized to collect revenues for residential and general service classes. Application, ¶ 32.

2. In its Application, Kansas Gas Service proposes establishing energy efficiency and conservation programs together with a revenue decoupling mechanism, to establish a portfolio of basic natural gas energy efficiency programs through Efficiency Kansas. Application, ¶ 8. Applicant requests recovery of its incremental program costs and decoupling revenues through an Energy Conservation Rider (ECR). Application, ¶ 32. Applicant asserts it anticipates incurring costs to administer the program, and requests authority to bill participants: (1) A \$2.00 administrative fee to be paid to the State Energy Office as set forth in the Efficiency Kansas Manual; (2) A \$4.00 utility maintenance (administrative) fee to recover ongoing monthly costs; and (3) A \$120.00 one-time initiation or processing fee to recover a portion of costs incurred to establish participant within the program. Application, ¶ 10.

3. Kansas Gas Service also requests a decoupling mechanism to permit it to align its financial interests with customer objectives for reducing energy consumption. Application, ¶ 11. Applicant requests accounting authority to permit it to recognize revenues on a monthly basis for the decoupling mechanism and to defer and recover program costs. Application, ¶ 12. Applicant proposes to recover program costs and decoupling revenues through the ECR. Application, ¶ 32.

4. The Citizens' Utility Ratepayer Board has filed a Petition to Intervene. The Prehearing Officer designated in this Order will address these and any additional petitions to intervene.

5. The Commission has jurisdiction over Kansas Gas Service's Application under K.S.A. 66-117. In this Order, the Commission sets a scheduling conference and designates a prehearing officer.

## **II. Scheduling Conference**

6. Having reviewed the Application, the Commission finds that a prehearing officer should be designated and a scheduling conference set to allow parties to present arguments, if any, regarding issues and to develop a procedural schedule to recommend to the Commission. The Commission recognizes that the 240-day deadline runs on Sunday, August 15, 2010, and therefore, the Commission's order must be filed on the next business day of Monday, August 16, 2010. During the Scheduling Conference, parties shall be prepared to discuss deadlines for filing of testimony and briefs and possible dates for an evidentiary hearing with the Commission presiding.

### *A. Designating Prehearing Officer*

7. Although the Commission will conduct the evidentiary hearing in this docket, the Commission designates a prehearing officer to conduct any prehearing conferences that might be needed in this proceeding and to address any matters that are appropriately considered in a prehearing conference, including all items listed in the Kansas Administrative Procedure Act (KAPA) at K.S.A. 77-517(b). These items include, for example, conversion of the proceeding to another type; exploration of settlement possibilities; preparation of stipulations; clarification of issues; rulings on identity and limitation of the number of witnesses; objections to proffers of

evidence; determination of the extent to which direct evidence, rebuttal evidence, or cross-examination will be presented in written form, and the extent to which telephone or other electronic means will be used as a substitute for proceedings in person; order of presentation of evidence and cross-examination; rulings regarding issuance of subpoenas; discovery orders and protective orders; and such other matters as will promote the orderly and prompt conduct of the hearing. The Commission designates Melissa Doeblin, Advisory Counsel, 1500 SW Arrowhead Road, Topeka, KS 66604-4027, telephone 785-271-3186, email address [m.doeblin@kcc.ks.gov](mailto:m.doeblin@kcc.ks.gov), to act as Prehearing Officer in this proceeding. K.S.A. 2008 Supp. 77-514; K.S.A. 77-516; K.S.A. 2008 Supp. 77-551. The Commission, as it deems necessary, may designate other staff members to serve in this capacity.

*B. Notice of Prehearing Scheduling Conference*

8. Having concluded that a prehearing conference is needed to discuss scheduling, the Commission sets a Scheduling Conference for January 19, 2010, beginning at 1:30 p.m. and concluding by 3:00 p.m., in the Third Floor Hearing Room at the Commission's offices, 1500 SW Arrowhead Road, Topeka, KS 66604-4027. This scheduling conference will focus on issues that relate to development of a procedural schedule for this docket. Parties should be prepared to discuss discovery procedures and any other prehearing issues that will promote the orderly and prompt conduct of this proceeding. K.S.A. 77-517; K.A.R. 82-1-222. Any party who fails to attend or participate in the prehearing conference, hearing or other stage of this proceeding may be held in default under the KAPA. K.S.A. 77-516(c)(8); K.S.A. 77-520. At the prehearing conference, this proceeding, without further notice, may be converted into a conference hearing or a summary proceeding for disposition of the matter as provided by the KAPA. K.S.A. 77-516(c)(7).

**III. Agency Attorneys of Record**

9. The attorneys designated to appear on behalf of the agency in this proceeding are Matthew Spurgin, telephone number 785-271-3279, and Tom Stratton, telephone number 785-271-3272, 1500 SW Arrowhead Road, Topeka, KS 66604-4027. K.S.A. 2008 Supp. 77-518(c)(2); K.S.A. 77-516(c)(2).

**IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:**

(A) The Commission appoints Melissa Doeblin to act as Prehearing Officer and directs parties to attend a scheduling conference on January 19, 2010, beginning at 1:30 p.m. and concluding by 3:00 p.m., in the Third Floor Hearing Room at the Commission's offices, 1500 SW Arrowhead Road, Topeka, KS 66604-4027, as described above in paragraphs 7 and 8.

(B) This is a procedural order and constitutes nonfinal agency action. K.S.A. 77-607(b)(2). A party may file a petition for reconsideration of this Order within 15 days of the date of service of this Order. If service is by mail, three additional days may be added to the 15-day time limit to petition for reconsideration. K.S.A. 66-118b; K.S.A. 2008 Supp. 77-529(a)(1).

(C) The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further order or orders as it may deem necessary.

**BY THE COMMISSION IT IS SO ORDERED.**

Wright, Chairman; Moffet, Com.; Harkins, Com.

**JAN 08 2010**

Dated: \_\_\_\_\_

  
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Susan K. Duffy  
Executive Director