

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: Shari Feist Albrecht, Chair
 Jay Scott Emler, Commissioner
 Pat Apple, Commissioner

In the Matter of the Application of Black Hills/Kansas Gas)
Utility Company, LLC, d/b/a Black Hills Energy, for Authority)
to Cease Transacting the Business of a Natural Gas Public)
Utility in the Northwest Quarter (NW/4) and that part of the)
East Half (E/2) of Section 6, Township 13 South, Range 19) 15-BHCG-445-CCS
East that is West of the Centerline of the K-10 Bypass and the)
East Half (E/2) of the Southeast Quarter (SE/4) of Section 5,)
Township 13 South, Range 20 East, in Douglas County,)
Kansas)

ORDER

NOW, the above-captioned matter comes on for consideration and determination by the State Corporation Commission of the State of Kansas ("Commission"). Having examined its files and records, and being fully advised in the premises, the Commission finds and concludes as follows:

1. On March 31, 2015, Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy ("Applicant") filed an application seeking to cease operating as a natural gas public utility in a portion of Douglas, Kansas. Applicant is a natural gas public utility as defined by K.S.A. 2014 Supp. 66-104. A public hearing was neither requested nor held on this Application.

2. Specifically, Applicant requests permission to cease operating in the territory described as follows:

DOUGLAS COUNTY

The Northwest Quarter (NW/4) and that part of the East Half (E/2) of Section 6, Township 13 South, Range 19 East that is West of the Centerline of the K-10 Bypass and the East Half (E/2) of the Southeast Quarter (SE/4) of Section 5, Township 13 South, Range 20 East in Venture Park, in Douglas County, Kansas, except for the location and addresses set forth below:

2004 E. 23rd St - Cornerstone Construction
2030 E. 23rd St - Slimmer Automotive
2176 E. 23rd St - Don's Steak House
2200 E 23rd St - Radical Teamwear
2206 E. 23rd St - Knights of Columbus
840 N 1500 Rd - Virginia Wulfsuhle
843 N 1500 Rd # A - Don Hazlett
843 N 1500 Rd # B - Don Hazlett
1423 E 900 Rd # A - Aeolian Corp
1423 E 900 Rd # B - Aeolian Corp
872 N 1402Rd # A - Clinton Project Office
872 N 1402 Rd # B - Clinton Project Office
872 N 1402 Rd # C - Clinton Project Office

3. Public convenience will be promoted by allowing Applicant to cease operating as a natural gas public utility in the territory described in Finding No. 2 above and granting Atmos Energy, in Docket No. 15-ATMG-444-COC, a Certificate to serve as a natural gas public utility in that territory. The application, therefore, should be granted.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

The application filed herein is granted and Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy is permitted to cease operating as a natural gas public utility in the territory described in Finding No. 2 herein.

A party may file a petition for reconsideration of this Order within fifteen (15) days from the date of service of this Order. If service is by mail, service is complete upon mailing, and

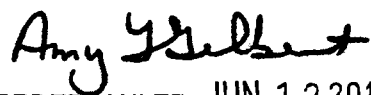
three (3) days shall be added to the above time frame. K.S.A. 66-118b; K.S.A. 2014 Supp. 77-529.

The Commission retains jurisdiction of 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.

Albrecht, Chair.; Emler, Commissioner; Apple, Commissioner

Dated: JUN 11 2015


ORDER MAILED JUN 12 2015
Amy L. Gilbert
Secretary

gdd

**REPORT AND RECOMMENDATION
UTILITIES DIVISION**

TO: Chair Shari Feist Albrecht
Commissioner Jay Scott Emler
Commissioner Pat Apple

FROM: Gary Dawdy, Utility Engineer II
Leo Haynos, Chief Engineer
Jeff McClanahan, Director of Utilities

DATE: June 2, 2015

SUBJECT: 15-ATMG-444-COC
In the Matter of the Application of Atmos Energy for a Certificate of Public Convenience and Authority to Transact the Business of a Natural Gas Public Utility in the Northwest Quarter (NW/4) and that part of the East Half (E/2) of Section 6, Township 13 South, Range 19 East that is West of the Centerline of the K-10 Bypass and the East Half (E/2) of the Southeast Quarter (SE/4) of Section 5, Township 13 South, Range 20 East, in Douglas County, Kansas.

15-BHCG-445-CCS
In the Matter of the Application of Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy, for Authority to Cease Transacting the Business of a Natural Gas Public Utility in the Northwest Quarter (NW/4) and that part of the East Half (E/2) of Section 6, Township 13 South, Range 19 East that is West of the Centerline of the K-10 Bypass and the East Half (E/2) of the Southeast Quarter (SE/4) of Section 5, Township 13 South, Range 20 East, in Douglas County, Kansas

15-BHCG-446-COC
In the Matter of the Application of Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy, for a Certificate of Public Convenience and Authority to Transact the Business of a Natural Gas Public Utility in Certain Portions of Douglas County, Kansas.

15-ATMG-449-CCS
In the Matter of the Application of Atmos Energy, for Authority to Cease Transacting the Business of a Natural Gas Public Utility in Certain Portions of Douglas County, Kansas.

BACKGROUND:

On March 31, 2015, Black Hills/Kansas Gas Utility Company, LLC, dba Black Hills Energy (Black Hills) filed 15-BHCG-445-CCS and 15-BHCG-446-COC and Atmos Energy (Atmos) filed 15-ATMG-444-COC and 15-ATMG-449-CCS. These four above-captioned filings are companion Applications filed for the purpose of exchanging two separate areas of natural gas territory located adjacent to Lawrence, KS in Douglas County.

ANALYSIS:

Pursuant to K.S.A. 2014 Supp. 66-131, the Commission has jurisdiction to grant a certificate to a natural gas public utility seeking to transact business in the State of Kansas.

The statutory standard of review in this matter is whether the “public convenience will be promoted by the transaction of said business and permitting said applicants to transact the business of a common carrier or public utility in this state.” K.S.A. 2014 Supp. 66-131.

Black Hills and Atmos have reached agreement and seek authority from the Commission to transfer these areas near Lawrence, KS. Due to the location of existing natural gas facilities, the transfer of these areas will result in the more efficient use of facilities serving existing and future customers in these areas. In one of the areas, located on the northwest side of Lawrence, Black Hills will transfer the area to Atmos except that it will retain and continue to serve 13 existing customers. The names and addresses of these customers are listed in the Application. The Applications include legal descriptions and maps, which accurately describe the areas being transferred. The customers listed in the Applications are current customers of Black Hills and will be retained. There are no other existing customers located within the areas being transferred which would need to be noticed of these filings. Staff is recommending that the Commission find that public convenience will be promoted by the granting of these Applications.

The Commission action date is September 27, 2015.

RECOMMENDATION:

Staff is recommending that the Applications in 15-ATMG-444-COC, 15-BHCG-445-CCS, 15-BHCG-446-COC and 15-ATMG-449-CCS, as captioned above be granted.

JUN 11 2015

KANSAS CORPORATION COMMISSION
AMY L. GILBERT, SECRETARY

DOCKET NO.: 15-BHCG-445-CCS

ORDER DATE:

NAME AND ADDRESS

NO. OF
COPIES

Patrick Joyce, Sr Managing Counsel
BLACK HILLS/KANSAS GAS UTILITY COMPANY, LLC
dba BLACK HILLS ENERGY
1102 East 1st St
Papillion, NE 68046

Ann Stichler, Sr. Regulatory Analyst
BLACK HILLS/KANSAS GAS UTILITY COMPANY, LLC
dba BLACK HILLS ENERGY
1102 East 1st St
Papillion, NE 68046

James Price
ATMOS ENERGY
PO Box 650205
Dallas, TX 75265-0205

Karen P. Wilkes
Division Vice President Of Regulatory And Public Affairs
ATMOS ENERGY CORPORATION
1555 Blake St Ste 400
Denver, CO 80202

James G. Flaherty, Attorney
ANDERSON & BYRD, L.L.P.
216 S Hickory.
PO Box 17
Ottawa, KS 66067

ORDER MAILED JUN 12 2015

The Docket Room hereby certifies that on _____, a
true and correct copy of the attached was deposited in the United States Mail, postage prepaid,
addressed to the above persons.