BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the Matter of the Joint Application of American Energies Gas Service, LLC/American Energies Pipeline, LLC and Kansas Gas Service, a Division of ONE Gas, Inc. for an Order Approving the Transfer to Kansas Gas Service Certificates of Convenience and Necessity with Respect to AEGS's Natural Gas Utility Business and AEPL's Pipeline Facilities Located in Harvey, Marion, and McPherson Counties, Kansas to Provide Utility Service and for Other Related Relief.

Docket No. 24-KGSG-284-ACQ

SUPPLEMENT TO APPLICATION FOR THE TRANSFER AND SALE OF PUBLIC UTILITY CERTIFICATES AND ASSETS

American Energies Gas Service LLC ("AEGS") submits the following Supplement to the Application for the Transfer and Sale of Public Utility Certificates and Assets filed with the Kansas Corporation Commission ("Commission") in the above-captioned docket on September 22, 2023 ("Application"). As part of the Application, AEGS is seeking authorization to cease providing natural gas public utility service to five customers in Kansas as part of the transfer of AEGS's certificates of convenience and necessity, American Energies Pipeline, LLC's ("AEPL") pipeline facilities, and AEGS/AEPL's obligations and responsibilities as a public utility to Kansas Gas Service, a Division of ONE Gas, Inc. ("Kansas Gas Service"). This Supplement to the Application, provides additional information as to AEGS's conversion of the five existing customers to an alternate fuel and to abandon natural gas utility service to those customers upon conversion. These customers are located on two sections of AEPL's pipeline facilities that are not included in the replacement and improvements called for under the APA. Those pipeline sections were not included in the transaction because it was uneconomical to replace those segments of the existing pipeline. AEGS has reached agreement with

the five customers to pay for the cost to convert them to an alternate fuel. In support of its request, AEGS states as follows:

1. AEGS seeks the approval of the Commission to discontinue service to five (5) residential customers in McPherson and Marion Counties in Kansas. The 5 customers are located on two different sections of AEPL's pipeline facilities. The first segment of the pipeline consists of approximately 5.5 miles of 3- and 4-1/2 inch PVC pipe and approximately four miles of 2-inch steel and 3-inch poly. The pipe is approximately 50-60 years old. This pipeline segment is located in Section 26, Township18S, Range 1W; Sections 1, 12 and 13, Township 19S, Range 1W; and Sections 20 and 21, Township 19S, Range 1E, Marion County, Kansas. This pipeline segment serves four of the residential customers. The cost to replace these pipeline facilities is estimated at over \$40,000/mile or approximately \$400,000.00. The four customers are Rick Rouse, 1957 30th Ave., Canton, Kansas 67428; Jill Beltz, 2504 Meridian, Canton, Kansas 67428; David Schmidt, 2983 Mohawk, Canton, Kansas 67428 and Mary Weir, 380 210th, Lehigh, Kansas 67073. AEGS has agreed with these four customers to pay to have their service converted to an alternative fuel.

2. The other customer is Lois Nightingale's rental property (Robert Wedel is the current tenant) 957 23rd Ave., Galva, Kansas 67443. Ms. Nightingale's rental is located on .66 miles of 1.25 inch PVC pipe. It is located in the NE/4 of Section 14, Township 20S, Range 2W, in McPherson County, Kansas. This pipeline segment is between 50-60 years old. It is estimated that it would cost over \$21,000 to replace this pipeline segment that only serves the one property. AEPL plans to cut and cap this line segment just south of Jalen Koehn's house. AEGS has agreed with Ms. Nightingale to pay to have her service converted to an alternative fuel.

3. AEGS made personal contact with all five customers informing them of the proposed

abandonment and their options to connect to an alternative fuel source. All five were sent by mail or hand delivered, letters with an election form with three options to pick from. All five signed the Election form and all picked Option 1 to get the money directly. A copy of the correspondence and the customer election forms are attached to this filing as *CONFIDENTIAL* **Exhibit C**. A copy of this Supplement to Application has been mailed to each of the five customers

4. Attached hereto as **Exhibit A** is a detailed map showing the above-described territory on 30th Ave., Meridian and Mohawk Rd. in McPherson County, Kansas, and 210th Rd. in Marion County, Kansas.

5. Attached hereto as **Exhibit B** is a detailed map showing the above-described territory for address on 23rd Ave., Galva, Kansas, in McPherson County.

WHEREFORE, AEGS requests the Commission as part of the transaction with Kansas Gas Service issue an order allowing it to cease transacting the business of a natural gas public utility to the five customers identified in this Supplement to the Application filed in this docket.

James G. Flaherty, #11177 ANDERSON & BYRD, LLP 216 S. Hickory ~ P.O. Box 17 Ottawa, Kansas 66067 (785) 242-1234, telephone (785) 242-1279, facsimile jflaherty@andersonbyrd.com Attorneys for American Energies Gas Service, LLC/American Energies Pipeline, LLC

VERIFICATION

STATE OF KANSAS COUNTY OF FRANKLIN, ss:

James G. Flaherty, of lawful age, being first duly sworn on oath, states:

That he is the attorney for American Energies Gas Service, LLC/American Energies Pipeline,

LLC named in the foregoing Supplement to Application for the Transfer and Sale of Public Utility

Certificates and Assets and is duly authorized to make this affidavit; that he has read the foregoing and

knows the contents thereof; and that the facts set forth therein are true and correct.

James G. Flaherty

SUBSCRIBED AND SWORN to before me this 23rd day of October, 2023.

NOTARY PUBLIC - State of Kansas **RONDA ROSSMAN** Appt. Expires May 25, 2026

Roudd Rossinger

Notary Public

Appointment/Commission Expires:

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing was sent via U.S. Mail, postage prepaid, or electronic mail, this 23rd day of October, 2023, addressed to:

KENNETH R. SMITH ksmith@trekresources.com

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ROBERT E. VINCENT robert.vincent@onegas.com Lois Nightingale 957 23rd Ave. Galva, Kansas 67443

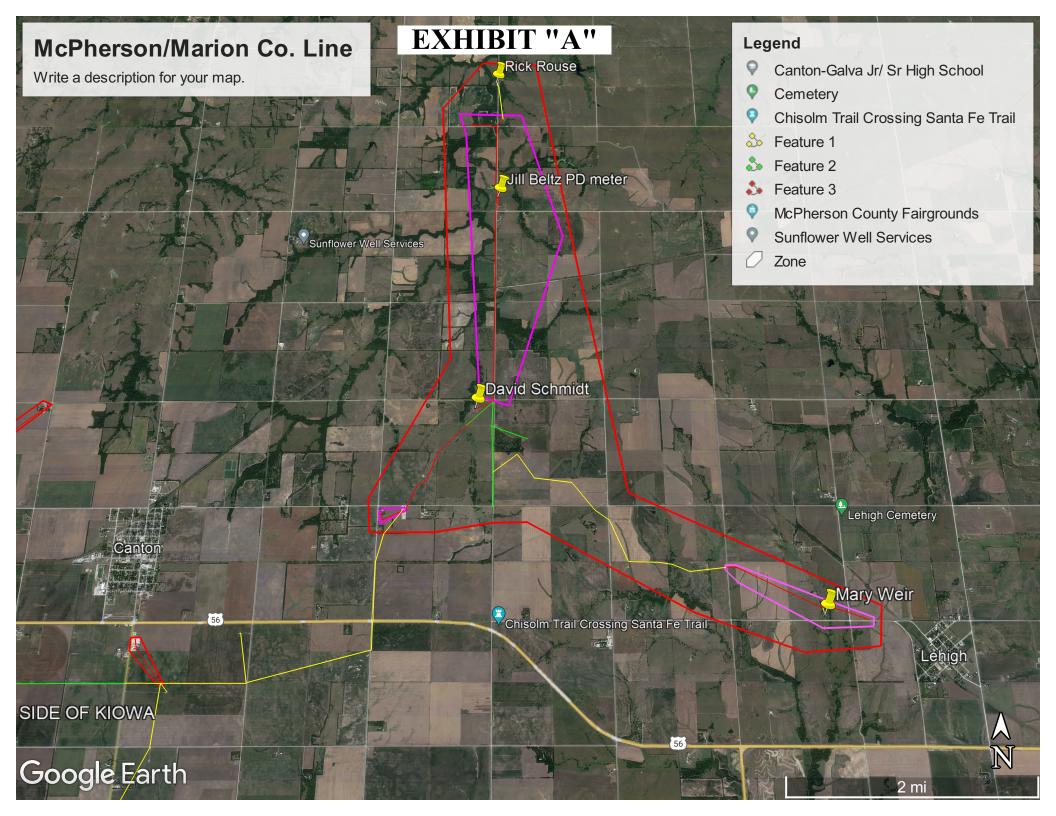
Rick Rouse 1957 30th Ave. Canton, Kansas 67428

Jill Beltz 2504 Meridian Canton, Kansas 67428

David Schmidt 2983 Mohawk Canton, Kansas 67428

Mary Weir 380 210th Lehigh, Kansas 67073

6. James G. Flaherty



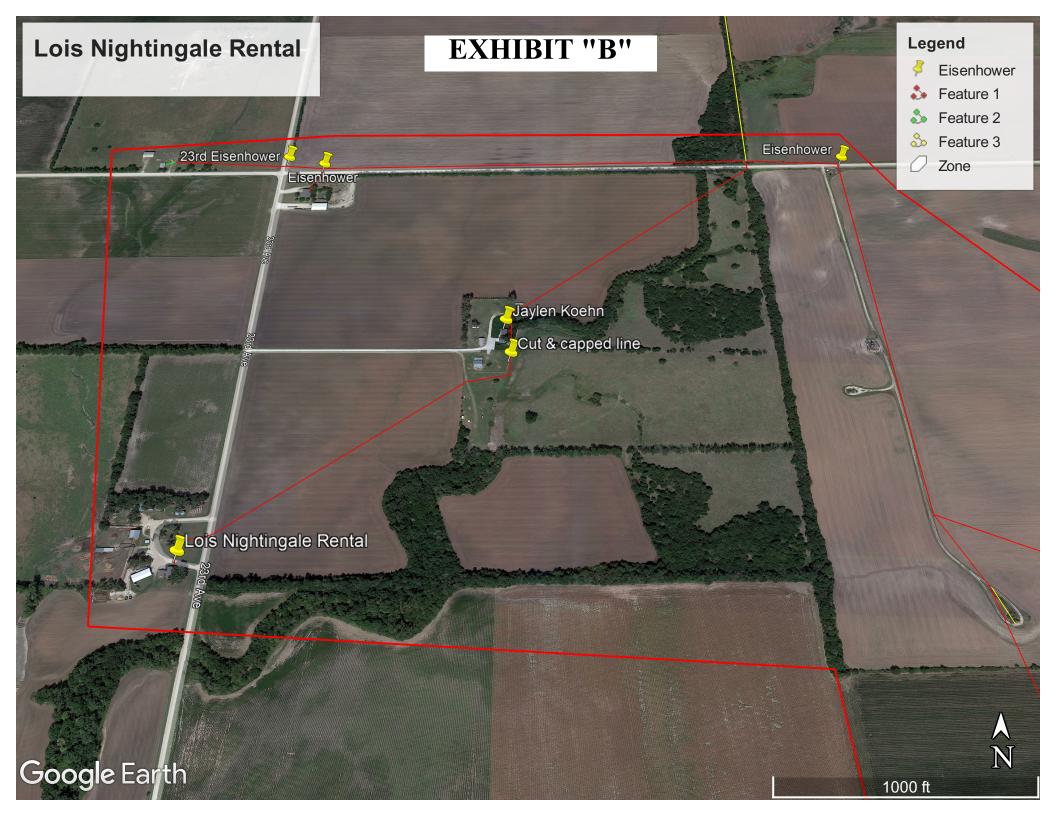


EXHIBIT C CONFIDENTIAL