

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

Before the Commissioners: Andrew J. French, Chairperson
 Dwight D. Keen
 Annie Kuether

In the Matter of the Application of The Victory)
Electric Cooperative Association, Inc. seeking)
Commission Approval to Update its Local) Docket No. 23-VICE-793-TAR
Access Delivery Service Tariff Pursuant to the)
34.5kV Formula Based Rate Plan Approved in)
Docket No. 21-SEPE-049-TAR.)

**ORDER APPROVING THE VICTORY ELECTRIC COOPERATIVE
ASSOCIATION, INC.'S APPLICATION**

This matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed the pleadings and record, the Commission makes the following findings:

1. On May 1, 2023, The Victory Electric Cooperative Association, Inc. (Victory) filed an Application seeking approval to update its Local Access Delivery Service (LADS) tariff. The proposed update would increase the current Local Access Charge (LAC) by 9.54% from \$2.80 to \$3.07 per kilowatt month.¹ The Application was filed in accordance with Victory's 34.5 kV Formula Based Rate (FBR) approved in Docket No. 21-SEPE-049-TAR.

2. Also on May 1, 2023, Shane Laws, Victory's CEO, and Elena E. Larson, Manager of Rates and Regulatory Services, Economics, Rates, and Business Planning for Power System Engineering, Inc., submitted testimony on behalf of Victory in support of the Application.

3. On May 2, 2023, Kansas Municipal Energy Agency (KMEA) entered its appearance.

¹ Application, pg. 1 (May 1, 2023).

4. On May 9, 2023, Kansas Electric Power Cooperative, Inc. (KEPCo) entered its appearance.

5. On August 28, 2023, Commission Staff (Staff) submitted its Notice of Filing of Report and Recommendation (R&R). In its R&R, Staff analyzed Victory's proposed LAC rate and revenue requirement. Staff made minor adjustments to the revenue requirement resulting in a revenue requirement of \$3,430,751 and a recommended LAC of \$3.06 per kilowatt month.² This represents a \$0.01 decrease from Victory's requested rate but an increase of \$0.26 from the previous rate.³ Staff attributes this increase to a 32% increase in principal payments from 2021 to 2022.⁴ No party has filed rebuttal testimony to Staff's R&R.

6. While Victory has elected to deregulate from Commission jurisdiction under K.S.A. 66-104d, the Commission retains jurisdiction over charges related to transmission services pursuant to K.S.A. 66-104d(f). Because services rendered to wholesale customers on a 34.5 kV system are designated transmission services, the Commission has jurisdiction over Victory's Application in this docket.

7. Public utilities operating in Kansas are required to (1) furnish reasonably efficient and sufficient service and facilities for the use of any and all products or services rendered, and (2) establish just and reasonable rates, charges, and exactions, pursuant to K.S.A. 66-101b.

8. The Commission agrees with Staff regarding Victory's revenue requirement and LAC rate. Staff's R&R is adopted in its entirety and incorporated by reference. Victory's Application as modified by Staff's R&R will result in rates that are just and reasonable and allow for continued efficient and sufficient service over their 34.5 kV system.

² Notice of Filing of Staff's Report and Recommendation, pg.2 (August 28, 2023).

³ *Id.*

⁴ *Id.*

THEREFORE, THE COMMISSION ORDERS:

- A. Victory's Application as modified by Staff's R&R is approved.
- B. Victory's 34.5 kV-FBR revenue requirement of \$3,430,751 and monthly LAC rate of \$3.06 per kilowatt month are approved.
- C. 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).⁵

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 09/21/2023



Lynn M. Retz
Executive Director

DGC

⁵ K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

CERTIFICATE OF SERVICE

23-VICE-793-TAR

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of
electronic service on 09/21/2023.

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