

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the Matter of the Application of Black)
Hills/Kansas Gas Utility Company, LLC, d/b/a)
Black Hills Energy, for Authority to Operate as a)
Natural Gas Public Utility in an Area Heretofore) Docket No. 19-BHCG- 149 -ACQ
Privately-Owned by Green Plains Cattle Company,)
LLC)

APPLICATION

Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy ("Black Hills" or "Applicant"), files this Application pursuant to the Order issued by the Kansas Corporation Commission ("Commission") on December 18, 2007, in Docket No. 08-ATMG-182-ACQ, which approved a program and filing template for natural gas utilities to acquire Kansas municipal gas systems. Applicant requests Authority to operate as a natural gas public utility in an area heretofore privately-owned by Green Plains Cattle Company, LLC ("Green Plains"). In support whereof, Applicant states as follows:

1. That Applicant is a limited liability company organized under the laws of the State of Kansas. It is authorized to do business and is conducting business in the State of Kansas. Applicant is engaged, generally, in transporting, distributing and selling natural gas in Kansas. Black Hills delivers natural gas to approximately 114,000 residential, commercial, industrial and public authority customers in Kansas. Applicant's Kansas operations are subject to the jurisdiction of the Commission. Applicant's principal place of business within the State of Kansas is located at 601 N. Iowa Street, Lawrence, Kansas 66044.

2. Applicant has entered into an agreement with Green Plains to purchase from Green Plains for \$1.00 all of its privately-owned properties and facilities used for the distribution of natural gas. Facilities include an approximately one-mile polyethylene (PE) gas pipeline. Exhibit 1 is the executed Bill of Sale between Green Plains and Black Hills. Closing of the transaction is subject to the Commission's approval of this Application.

3. Applicant's financial strength and managerial expertise in the gas retail distribution business assure that Applicant's acquisition of the distribution system, which serves eleven (11) customers, will be in the public interest. Green Plains has requested Applicant take over the distribution system and set individual meters at each structure.

4. Applicant holds a Certificate of Convenience and Authority to operate as a natural gas utility in the area heretofore served by Green Plains, therefore, Applicant is not requesting a Certificate of Convenience and Authority with this filing. A metes and bounds legal description of the territory and a map showing the facilities are attached as Exhibit 2 to this Application.

5. No immediate major improvements to the acquired distribution assets will be needed. Applicant intends to install individual meters at eleven (11) structures.

7. There will be no changes to the existing supply contracts and Black Hills will continue to purchase supply in accordance with its normal purchasing practices.

8. Black Hills also requests it be allowed for accounting and ratemaking purposes to record the purchase price of the system assets at Black Hills' current distribution system average per customer embedded cost for meters, services and mains on an original cost basis.

WHEREFORE, Applicant requests (1) to put into effect for the service territory described in Exhibit 2 of the Application, Applicant's current rates which are on file with the Commission; (2) to be allowed, for accounting and ratemaking purposes, to record the purchase price of the system assets at Black Hills' current distribution system average per customer embedded cost for meters, services and mains on an original cost basis (3) that no separate accounting be required from Black Hills; and (4) for such other relief that is found to be necessary by the Commission as just and reasonable in this matter.




Dari Dornan
1102 East 1st Street
Papillion, Nebraska 68046
(402) 221 2288, telephone
(402) 221 2686, facsimile
Attorney for Black Hills/Kansas Gas Utility Company,
LLC, d/b/a Black Hills Energy

VERIFICATION

STATE OF NEBRASKA)
)ss:
COUNTY OF SARPY)

Dari Dornan, of lawful age, being first duly sworn on oath, states:

That she is the attorney for Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy ("Black Hills"), named in the foregoing Application, and is duly authorized to make this affidavit; that she has read the foregoing Application, and knows the contents thereof; and that the facts set forth therein are true and correct.



Dari Dornan

SUBSCRIBED AND SWORN to before me this 18th day of October, 2018.



Notary Public

Appointment/Commission Expires:



EXHIBIT 1

Bill of Sale

Exhibit 1

BILL OF SALE

Green Plains Cattle Company, LLC, a Delaware limited liability company with its address at 1811 Aksarben Drive, Omaha, NE 68106, ("Seller"), in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration paid by BLACK HILLS/KANSAS GAS UTILITY COMPANY, LLC D/B/A BLACK HILLS ENERGY, with its address at 601 N Iowa Street, Lawrence, KS 66044 ("Purchaser"), does hereby grant, sell, transfer, convey and deliver to Purchaser certain natural gas pipeline facilities described on Exhibit "1" hereto (collectively the "Facilities").

The right, title and interest herein assigned and the provisions hereof shall extend to and be binding upon Seller and Purchaser and their respective successors and assigns.

Seller for itself, its successors and assigns, covenants with Purchaser, its successors and assigns, and shall WARRANT AND DEFEND against every person to said Purchaser, its successors and assigns, that (1) the Assets are free from any and all encumbrances made by Seller and (2) for any and all construction and operations occurring before Closing and for any defects resulting from such construction and operation

SELLER HEREBY REPRESENTS AND WARRANTS THAT THE FACILITIES SOLD TO PURCHASER ARE IN GOOD OPERATING CONDITION, ARE LOCATED IN PRIVATE RIGHT OF WAY AND ANY APPLICABLE EASEMENTS HAVE BEEN RECORDED IN A FORM ACCEPTABLE TO COMPANY, AND HAVE BEEN CONSTRUCTED IN ACCORDANCE WITH ALL APPLICABLE STATUTES, RULES AND REGULATIONS INCLUDING BUT NOT LIMITED TO ENVIRONMENTAL STATUTES, RULES AND REGULATIONS.

Seller agrees to assume responsibility for any and all permits, licenses, or authority if required by any statute, ordinance, regulation or any other form of law in connection with its operation and the sale and abandonment of its ownership of the Facilities, or any part or item of the property conveyed to Purchaser.

Purchaser agrees to assume responsibility for any and all permits, licenses, or authority if required by any statute, ordinance, regulation or any other form of law in connection with ownership, use or subsequent sale of any part or item of the property conveyed to Purchaser. Purchaser agrees to indemnify and hold Seller harmless from and against any and all liability, cost or expenses, including attorney's fees, which Seller may suffer as a result of Purchaser's failure to comply with all applicable federal, state or local laws, rules regulations and/or

ordinances, including, but not limited to, all requirements of local, state or federal environmental protection agencies.

5th IN WITNESS WHEREOF, Seller and Purchaser have executed this Bill of Sale on the day of October, 2018.

"SELLER"	"PURCHASER"
Green Plains Cattle Company, LLC Attn: Mike Veltri 1811 Aksarben Drive Omaha, NE 68106	BLACK HILLS/KANSAS GAS UTILITY COMPANY, LLC D/B/A BLACK HILLS ENERGY Attn: Jerry Watkins 601 N Iowa Street Lawrence, KS 66044

By: [Signature]
Printed name: Michelle Mays
Title: Chief Legal's Administration Officer

By: [Signature]
Printed name: Jerry A. Watkins
Title: General Manager

EXHIBIT "1"
TO BILL OF SALE

Description and Location of Facilities To Be Transferred

Approximately 5,275 feet of 2" polyethylene gas pipeline beginning at the outlet of the Purchasers interconnect facility located in the Southwest quarter of Section 15, Township 32 South, Range 33 West, Seward County, KS, lying in private right of way and extending north and west to an ending point located in the Northwest quarter of Section 15, Township 32 South, Range 33 West, Seward County, KS, and more specifically as shown in Exhibit 2 attached hereto and made a part hereof.

EXHIBIT 2

Metes and Bounds Legal Description

West Half Section 15, T32S, R33W
All in Seward County, KS

Map of Territory and Distribution System

Diagram of Section 15 showing the layout of the building and the location of the four rebar found. The diagram is a rectangle with dimensions 30'0" by 30'0". The rebar locations are marked at the corners: Northwest (NW), Northeast (NE), Southwest (SW), and Southeast (SE). The diagram also shows the location of the "KNOT CAP FOUND" and the "KNOT FOUND".

MAIN LINE 2'		
STATION	OFFSET	DESCRIPTION
0+00.0		BEGIN @ EXISTING ANADARKO PIPELINE
		N13°58'12"E 78.8'
0+78.8		PI 3 12°05'28" LT
		N01°50'46"E 993.0'
10+71.8		PI 3 00°08'04" LT
		N01°42'42"E 309.9'
10+72	XING	EAST/WEST FENCE - CORNER 10.2' RT
10+94.3	XING	1/4 SECTION - E/4 CORNER 46.6' RT
13+81.8		PI 3 00°11'50" RT
		N01°54'32"E 1068.8'
24+48.6		PI 3 00°27'31" LT
		N01°27'01"E 187.2'
26+15.8		PI 3 35°22'17" LT
		N33°55'16"W 313.3'
28+28.1		PI 3 10°01'23" LT
		N43°56'39"W 221.1'
31+32.4	XING	FENCE
31+50.2		PI 3 30°51'15" LT
		N74°47'55"W 175.8'
33+26		PI 3 01°13'43" RT
		N73°34'11"W 44.9'
33+70.8		PI 3 08°56'07" LT - HAIRPIN
		N80°30'18"W 2.4'
33+72	XING	0+00 LATERAL 1
33+73.3		PI 3 02°38'08" RT - HAIRPIN
		N77°52'10"W 78.7'
34+53		PI 3 09°25'59" LT
		N87°18'06"W 42.2'
34+95.2		PI 3 12°15'14" LT
		S80°26'37"W 321.1'
38+16.3		PI 3 05°31'49" RT
		S85°58'27"W 10.4'
38+26.7		PI 3 01°54'10" RT - HAIRPIN
		S87°52'37"W 4.1'
38+28	XING	0+00 LATERAL 2
38+28.2	XING	VALVE
38+30.8		PI 3 05°50'28" LT - HAIRPIN
		S82°02'09"W 29.5'
38+57.3		PI 3 17°31'57" RT
		N80°25'54"W 21.0'
38+78.3		PI 3 03°34'14" LT
		N84°00'08"W 26.8'
39+05.1		PI 3 03°05'01" LT
		N87°05'10"W 30.9'
39+38		PI 3 01°44'42" LT
		N88°46'52"W 26.8'
39+82.8		PI 3 03°08'32" LT
		S88°01'36"W 320.9'
39+79	XING	EDGE ROAD
40+14	XING	EDGE ROAD
41+19	XING	EDGE ROAD
42+83.7		EOL 2" PIPELINE

LATERAL 2		
STATION	OFFSET	DESCRIPTION
0+00.0		BEGIN @ EXISTING 2" PIPELINE.
		N02°07'23"W 2.9'
0+01.6	XING	VALVE
0+02.9		PI \angle 055°58'51" LT
		N08°08'14"W 92.2'
0+95.2		PI \angle 051°33'37" RT
		N02°52'36"W 25.8'
0+98	XING	EDGE ROCK ROADWAY
1+21		PI \angle 041°18'39" RT
		N01°24'03"E 103.5'
2+24.5		PI \angle 003°37'33" RT
		N02°01'38"E 164.8'
3+89.4		PI \angle 011°7'58" LT
		N00°43'40"E 99.3'
4+88.7		EOL LATERAL LINE 2

LATERAL 1		
STATION	OFFSET	DESCRIPTION
0+00.0		BEGIN @ EXISTING 2" PIPELINE.
		N09°29'42"E 2.8'
0+01.3	XING	VALVE
0+02.8		PI \angle 031°6'40" LT - HAIRPIN
		N08°13'02"E 79.1'
0+81.9		PI \angle 030°8'03" LT
		N03°04'58"E 98.6'
1+81.5		PI \angle 011°6'47" RT
		N04°23'45"E 224.2'
4+05.7		PI \angle 001°6'53" RT
		N04°03'39"E 97.0'
4+33	XING	EDGE ROCK ROAD
4+57	XING	EDGE ROCK ROAD
5+02.7		EOL LATERAL LINE 1

NOTE: CONTRACTOR TO CONTACT KANSAS ONE CALL
PRIOR TO ANY EXCAVATION OF CONSTRUCTION
NAD 83 LAT-LONG

GREEN PLAINS
INC.

EXISTING PIPELINE IN NW/4 & SW/4 SECTION 15,
T-32-S, R-33-W, SEWARD COUNTY, KANSAS

Keller Surveying
& Mapping

6357 EAST 11106 PLACE,
TULSA, OKLAHOMA 74117
BOB 418 3253
KILLIAN-CORREIA@att.net

JOHN DAVID KELLER, L.S. NO. 1518