## THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners: Andrew J. French, Chairperson

Dwight D. Keen Susan K. Duffy

| In the Matter of the Investigation into Black Hills Kansas Gas Utility Company d/b/a Black Hills Energy Regarding the February 2021 Winter Weather Events, as Contemplated by Docket No. 21-GIMX-303-MIS. | ) ) ) ) | Docket No. 21-BHCG-334-GIG |
|---|---------|----------------------------|
| In the Matter of the Application of Black Hills<br>Kansas Gas Utility Company, LLC d/b/a Black<br>Hills energy, for Waiver of Tariff.   | )       | Docket No. 21-BHCG-370-MIS |

# ORDER GRANTING INTERVENTION TO NATIONAL BEEF PACKAGING COMPANY, LLC

This matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. The Commission makes the following findings:

1. On February 15, 2021, pursuant to K.S.A. 77-536(a), the Commission issued an Emergency Order directing all jurisdictional natural gas and electric utilities to coordinate efforts and take all reasonably feasible, lawful, and appropriate actions to ensure adequate transportation of natural gas and electricity to interconnected, non-jurisdictional Kansas utilities. Jurisdictional natural gas and electric utilities were ordered to do everything necessary to ensure natural gas and electricity service continued to be provided to their customers in Kansas. The Commission authorized every jurisdictional natural gas distribution utility that incurs extraordinary costs associated with ensuring their customers or the customers of interconnected Kansas utilities that are non-jurisdictional to the Commission continue to receive utility service during Winter Storm

\_

<sup>&</sup>lt;sup>1</sup> Docket No. 21-GIMX-303-MIS (Docket 21-303), Emergency Order, ¶ 3 (Feb. 15, 2021).

 $<sup>^{2}</sup>$  *Id*. ¶ 4.

Uri to defer those costs to a regulatory asset account.<sup>3</sup> The Commission mandated that once Winter Storm Uri ended, and after all costs have been accumulated and recorded, each jurisdictional utility is directed to file a compliance report in the 21-303 Docket detailing the extent of such costs incurred, and present a plan to minimize the financial impacts of this event on ratepayers over a reasonable time frame.<sup>4</sup>

- 2. On March 9, 2021, the Commission issued an Order Adopting Staff's Report and Recommendation (R&R) to Open Company-Specific Investigations.<sup>5</sup> On July 20, 2021, the Commission deemed it in the public interest, as a matter of judicial efficiency, to consolidate Docket No. 21-BHCG-334-GIG and Docket No. 21-BHCG-370-MIS.<sup>6</sup>
- 3. On July 15, 2021, National Beef Packaging Company, LLC (National Beef) filed a Petition to Intervene in the 21-334 Docket.<sup>7</sup> National Beef is a beef processing company with facilities in Liberal, Dodge City, and Kansas City, Kansas. Black Hills serves multiple facilities of National Beef in both Liberal and Dodge City, Kansas. As a result of the cold weather event, National Beef has received a bill for its main Liberal facility in the amount of \$757,200.78 for the month of February, as compared to an invoice of approximately \$68,991 in the prior month.<sup>8</sup>
- 4. National Beef claims the effects of the cold weather event were particularly acute on them. Further, National Beef claims Black Hills' plans to minimize financial effects of the cold weather event will have a significant cumulative effect on National Beef. National Beef alleges

<sup>&</sup>lt;sup>3</sup> *Id*.  $\P$  4.

<sup>&</sup>lt;sup>4</sup> *Id*. ¶ 5.

<sup>&</sup>lt;sup>5</sup> Order Adopting Staff's R&R to Open Company-Specific Investigations; Order on Petitions to Intervene of Bluemark and CURB; Protective and Discovery Order (Docket No. 21-GIMX-303-MIS) (Mar. 9, 2021).

<sup>&</sup>lt;sup>6</sup> Order Consolidating Dockets, Docket No. Docket No. 21-BHCG-334-GIG and Docket No. 21-BHCG-370-MIS, July 20, 2021. ₱ 5.

<sup>&</sup>lt;sup>7</sup> National Beef Petition to Intervene (July 15, 2021).

<sup>&</sup>lt;sup>8</sup> *Id*. ¶ 5.

the merit and prudence of those cost increases and how Black Hills proposes to allocate those costs, will substantially impact National Beef.<sup>9</sup>

- 5. The Commission shall grant intervention if the petition: (1) is submitted in writing and properly served; (2) states facts demonstrating the petitioner's legal rights, duties, privileges, immunities or other legal interests may be substantially affected by the proceeding or that the petitioner qualifies as an intervenor under any provision of law; and (3) the interests of justice and the orderly and prompt conduct of the proceedings will not be impaired by allowing the intervention. The Commission has discretion to grant intervention at any time where intervention is in the interests of justice and will not impair the orderly and prompt conduct of the proceedings. At any time during a proceeding, the Commission may impose limitations on an intervenor's participation, which may include limiting an intervenor's participation to designated issues in which the intervenor has a particular interest demonstrated by the petition, limiting intervenor discovery, cross-examination and other procedures, and requiring intervenors to consolidate their participation in the proceedings.
- 6. The Commission finds National Beef has met the requirements for intervention in K.S.A. 77-521, and should be granted intervention in this Docket.
- 7. National Beef shall be added to the mailing list, with service of pleadings, testimony, and other documents directed to:

<sup>&</sup>lt;sup>9</sup> *Id.*, ¶ 5.

<sup>&</sup>lt;sup>10</sup> K.S.A. 77-521(a).

<sup>&</sup>lt;sup>11</sup> K.S.A. 77-521(b)).

<sup>&</sup>lt;sup>12</sup> K.S.A. 77-521(c)).

Bret G. Wilson Vice President and General Counsel National Beef Packing Company, LLC 12200 N. Ambassador Drive, Suite 500 Kansas City, MO 64195-0046 (816) 713-8589 Bret.wilson@nationalbeef.com Frank A. Caro, Jr.
Andrew Schulte
Polsinelli PC
900 W. 48<sup>th</sup> Place
Suite 900
Kansas City, MO 64112
(816) 572-4754
fcaro@polsinelli.com
aschulte@polsinelli.com

### THEREFORE, THE COMMISISON ORDERS:

A. National Beef Packaging Company, LLC is granted intervention.

French, Chairperson; Keen, Commissioner; Duffy, Commissioner

### BY THE COMMISSION IT IS SO ORDERED.

| Dated: _ | 07/27/2021 |             |
|----------|------------|-------------|
|          |            | Lynn M. Rof |

Lynn M. Retz
BGF Executive Director

#### **CERTIFICATE OF SERVICE**

#### 21-BHCG-334-GIG, 21-BHCG-370-MIS

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of

| electronic service on | 07/27/2021 |  |
|-----------------------|------------|--|
| EIECTIONIC SELVICE ON |            |  |

JAMES G. FLAHERTY, ATTORNEY ANDERSON & BYRD, L.L.P. 216 S HICKORY PO BOX 17 OTTAWA, KS 66067 Fax: 785-242-1279

jflaherty@andersonbyrd.com

ROB DANIEL, MGR. REG. & FINANCE
BLACK HILLS/KANSAS GAS UTILITY COMPANY LLC
D/B/A Black Hills Energy
601 NORTH IOWA STREET
LAWRENCE, KS 66044
rob.daniel@blackhillscorp.com

JEFFREY DANGEAU, ASSOCIATE GENERAL COUNSEL BLACK HILLS/KANSAS GAS UTILITY COMPANY, LLC D/B/A BLACK HILLS ENERGY 655 EAST MILLSAP DRIVE FAYETTEVILLE, AR 72703 jeff.dangeau@blackhillscorp.com

TOM STEVENS, DIRECTOR REGULATORY & FINANCE BLACK HILLS/KANSAS GAS UTILITY COMPANY, LLC D/B/A BLACK HILLS ENERGY 655 EAST MILLSAP DRIVE FAYETTEVILLE, AR 72703 tom.stevens@blackhillscorp.com

MIKE WESTBROCK
BLUEMARK ENERGY
4200 East Skelly Drive
Suite 300
Tulsa, OK 74135
westbrock@bluemarkenergy.com

JEFF AUSTIN AUSTIN LAW P.A. 7111 W. 151st St. Suite 315 Overland Park, KS 66223 jeff@austinlawpa.com

ANN STICHLER, SNR. ANALYST-REG. & FINANCE BLACK HILLS/KANSAS GAS UTILITY COMPANY LLC D/B/A Black Hills Energy 2287 College Road Council Bluffs, IA 51503 ann.stichler@blackhillscorp.com

DOUGLAS LAW, ASSOCIATE GENERAL COUNSEL BLACK HILLS/KANSAS GAS UTILITY COMPANY, LLC D/B/A BLACK HILLS ENERGY 1731 Windhoek Drive Lincoln, NE 68512 Fax: 402-829-2635 douglas.law@blackhillscorp.com

JULIE AGRO
BLUEMARK ENERGY
4200 East Skelly Drive
Suite 300
Tulsa, OK 74135
jagro@bluemarkenergy.com

JOSEPH R. ASTRAB, ATTORNEY
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3116
j.astrab@curb.kansas.gov

#### **CERTIFICATE OF SERVICE**

21-BHCG-334-GIG, 21-BHCG-370-MIS

TODD E. LOVE, ATTORNEY CITIZENS' UTILITY RATEPAYER BOARD 1500 SW ARROWHEAD RD

TOPEKA, KS 66604 Fax: 785-271-3116

t.love@curb.kansas.gov

SHONDA RABB
CITIZENS' UTILITY RATEPAYER BOARD

1500 SW ARROWHEAD RD TOPEKA, KS 66604 Fax: 785-271-3116 s.rabb@curb.kansas.gov

MONTGOMERY ESCUE, CONSULTANT FREEDOM PIPELINE, LLC

PO BOX 622377 OVIEDO, FL 63762

montgomery@escue.com

MELANIE S. JACK, ASSISTANT ATTORNEY GENERAL

KANSAS ATTORNEY GENERAL Consumer Protection Division 120 SW 10th Ave., 2nd Flr. Topeka, KS 66612

melanie.jack@ag.ks.gov

DEREK SCHMIDT, KANSAS ATTORNEY GENERAL

KANSAS ATTORNEY GENERAL Consumer Protection Division 120 SW 10th Ave., 4th Flr. Topeka, KS 66612

derek.schmidt@ag.ks.gov

MICHAEL NEELEY, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION

1500 SW ARROWHEAD RD

TOPEKA, KS 66604 Fax: 785-271-3167 m.neeley@kcc.ks.gov DAVID W. NICKEL, CONSUMER COUNSEL CITIZENS' UTILITY RATEPAYER BOARD

1500 SW ARROWHEAD RD TOPEKA, KS 66604

Fax: 785-271-3116

d.nickel@curb.kansas.gov

DELLA SMITH

CITIZENS' UTILITY RATEPAYER BOARD

1500 SW ARROWHEAD RD TOPEKA, KS 66604 Fax: 785-271-3116

d.smith@curb.kansas.gov

KIRK HEGER

FREEDOM PIPELINE, LLC 1901 UNIVERSITY DRIVE LAWRENCE, KS 66044 kirkheger@gmail.com

KIMBERLEY DAVENPORT MEGRAIL, ASSISTANT

ATTORNEY GENERAL KANSAS ATTORNEY GENERAL Consumer Protection Division 120 SW 10th Ave., 2nd Flr.

Topeka, KS 66612

kim.davenport@ag.ks.gov

BRIAN G. FEDOTIN, GENERAL COUNSEL KANSAS CORPORATION COMMISSION

1500 SW ARROWHEAD RD

TOPEKA, KS 66604 Fax: 785-271-3354 b.fedotin@kcc.ks.gov

TERRI PEMBERTON, CHIEF LITIGATION COUNSEL

KANSAS CORPORATION COMMISSION

1500 SW ARROWHEAD RD

TOPEKA, KS 66604 Fax: 785-271-3354

t.pemberton@kcc.ks.gov

#### **CERTIFICATE OF SERVICE**

21-BHCG-334-GIG, 21-BHCG-370-MIS

GLENDA CAFER, ATTORNEY
MORRIS LAING EVANS BROCK & KENNEDY
800 SW JACKSON
SUITE 1310
TOPEKA, KS 66612-1216
Fax: 785-233-3040
gcafer@morrislaing.com

FRANK A. CARO, JR., ATTORNEY POLSINELLI PC 900 W 48TH PLACE STE 900 KANSAS CITY, MO 64112 Fax: 816-753-1536 fcaro@polsinelli.com

RICHARD L. HANSON RICHARD L. HANSON 16171 ROAD I LIBERAL, KS 67901 rlhanson@wbsnet.org

CONNOR A. THOMPSON SMITHYMAN & ZAKOURA, CHTD. 7400 W 110TH ST STE 750 OVERLAND PARK, KS 66210-2362 Fax: 913-661-9863 connor@smizak-law.com

JAMES P. ZAKOURA, ATTORNEY SMITHYMAN & ZAKOURA, CHTD. 7400 W 110TH ST STE 750 OVERLAND PARK, KS 66210-2362 Fax: 913-661-9863

jim@smizak-law.com

BRET G. WILSON, VICE PRESIDENT AND GENERAL COUNSEL
NATIONAL BEEF PACKING COMPANY
12200 N. Ambassador Dr.
Suite 500
Kansas City, MO 64195
bret.wilson@nationalbeef.com

ANDREW O. SCHULTE, ATTORNEY POLSINELLI PC 900 W 48TH PLACE STE 900 KANSAS CITY, MO 64112 Fax: 816-753-1536 aschulte@polsinelli.com

LEE M. SMITHYMAN, ATTORNEY SMITHYMAN & ZAKOURA, CHTD. 7400 W 110TH ST STE 750 OVERLAND PARK, KS 66210-2362 Fax: 913-661-9863

Fax: 913-661-9863 lee@smizak-law.com

ROBERT E. VINCENT, ATTORNEY AT LAW SMITHYMAN & ZAKOURA, CHTD. 7400 W 110TH ST STE 750 OVERLAND PARK, KS 66210-2362 Fax: 913-661-9863

Fax: 913-661-9863 robert@smizak-law.com