

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

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

In the Matter of the Application of Midwest)
Energy, Inc. for Approval of its 2017 Update)
to the Annual Transmission Revenue) Docket No. 17-MDWE-495-TFR
Requirement (ATRR) Associated With its)
Transmission Formula Rate.)

**ORDER ACKNOWLEDGING RECEIPT OF 2017 UPDATE TO ANNUAL
TRANSMISSION REVENUE REQUIREMENT**

This matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed its files and records, the Commission finds:

1. On May 10, 2017, Midwest Energy, Inc. (Midwest) filed an Application for Approval of its 2017 Update to the Annual Transmission Revenue Requirement (ATRR) associated with its Transmission Formula Rate.¹

2. Midwest is a vertically-integrated cooperative that provides electric and natural gas distribution services to its members or customers and owns electric transmission assets that provide transmission services billed through the open access transmission tariff (OATT) at Southwest Power Pool (SPP).² At the time of filing, Kansas statutes did not allow electric cooperatives to deregulate their transmission rates and services, and authorized the Commission to regulate electric cooperatives' transmission rates.³

¹ Midwest Energy, Inc. 2017 Transmission Formula Rate Filing, May 10, 2017.

² Utilities Division's Report and Recommendation, Nov. 14, 2017, p. 1.

³ *Id.*; K.S.A. 66-104d(f).

3. On August 25, 2016, in the 16-MDWE-324-TFR Docket (16-324 Docket), the Commission approved the formula template and protocols governing Midwest's Transmission Formula annual updates and true-ups.⁴ The formula template and protocols adopted in the 16-324 Docket are currently in place, awaiting approval by the Federal Energy Regulatory Commission. Under the protocols, Midwest is required to file annual updates in a compliance docket with a TFR designation.

4. On March 5, 2018, Governor Coyler signed Sub. For S.B. 323, which amends K.S.A. 66-104d(f) by rescinding Commission jurisdiction over "charges or fees for transmission services that are recovered through an open access transmission tariff of a regional transmission organization which has its rates approved by the federal energy regulatory commission."⁵

5. Under the amended K.S.A. 66-104d(f), the 17-MDWE-495-TFR Docket will serve as the compliance docket for Midwest to file its annual updates under the protocols adopted in the 16-324 Docket. While the Commission acknowledges receipt of Midwest's Application for Approval of its 2017 Update to the ATRR associated with its Transmission Formula Rate, pursuant to K.S.A. 66-104d(f)(2), the Commission lacks jurisdiction to take any action on the Application. Midwest's annual update filings will be for informational purposes only, but the requirement to file them in a compliance docket remains in place.

THEREFORE, THE COMMISSION ORDERS:

A. This Docket will serve as the compliance docket for Midwest to file its annual updates under the protocols adopted in the 16-324 Docket. Midwest's annual update filings will be for informational purposes only.

⁴ See Order Approving Unanimous Settlement Agreement, Docket 16-MIDW-324-TFR, Aug. 25, 2016.

⁵ K.S.A. 66-104d(f)(2).

B. The Commission acknowledges receipt of Midwest's Application for Approval of its 2017 Update to the Annual Transmission Revenue Requirement associated with its Transmission Formula Rate, but is barred from taking any action on the Application under Sub. for S.B. 323.

C. Parties have fifteen (15) days from the date this Order was electronically served to petition for reconsideration.⁶

D. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further orders, as necessary.

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Apple Commissioner

Dated: 04/03/2018 _____



Lynn M. Retz
Secretary to the Commission

BGF

⁶ K.S.A. 66-118b; K.S.A. 77-529(a)(1).

CERTIFICATE OF SERVICE

17-MDWE-495-TFR

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of electronic service on 04/03/2018.

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