2018-03-28 14:05:01 Kansas Corporation Commission /s/ Lynn M. Retz

THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the matter of a general investigation to propose regulatory amendments to K.A.R. 82-3-206 and K.A.R. 82-3-307.

Docket No: 18-CONS-3282-CINV

CONSERVATION DIVISION

License No. N/A

STATUS UPDATE

The Staff of the State Corporation Commission of the State of Kansas ("Staff" and "Commission," respectively) files this *Status Update*.

1. On January 23, 2018, Staff filed a Motion to Open Docket and Authorize

Submission of Proposed Amendments for Approval Pursuant to the Rules and Regulations Filing Act, regarding K.A.R. 82-3-206 and K.A.R. 82-3-307.

2. On February 8, 2018, the Commission granted Staff's motion, further directing Staff to utilize this docket as the formal repository to continually update the Commission and the public as to the current status of this regulatory amendment proceeding.

3. On February 8, 2018, Staff submitted regulations for review with the Department of Administration as required by the Rules and Regulations Filing Act. The Department of Administration completed its review and provided Staff with a single-stamped copy of the regulations on February 9, 2018.

4. On February 9, 2018, Staff submitted the single-stamped regulations for review with the Office of the Attorney General, Legal Opinions and Governmental Counsel Division as required by the Rules and Regulations Filing Act. The Office of the Attorney General completed its review on February 21, 2018, and provided Staff with a double-stamped copy of the regulations on February 26, 2018.

5. On March 14, 2018, Staff submitted to the Secretary of State a request for publication in the Kansas Register of a notice of hearing. Publication occurred on March 22, 2018, noticing a public hearing to occur on May 24, 2018. Staff has attached a copy of the publication from the pertinent pages of the Kansas Register.

6. Staff will further update this docket upon review and comment from the Legislature's Joint Committee on Administrative Rules and Regulations.

WHEREFORE, Staff submits this Status Update.

Respectfully submitted,

Jonathan R. Myers, #25975

Jonathan R. Myers, #25975 Litigation Counsel, Kansas Corporation Commission 266 N. Main, Suite 220, Wichita, Kansas 67202 Phone: 316-337-6200; Fax: 316-337-6211



In this issue	Page
Rates	
Pooled Money Investment Board	
Notice of investment rates	
Notices	
Board of Emergency Medical Services Notice of meetings	234
Kansas Children's Cabinet and Trust Fund	
Notice of meeting	
Kansas Department of Health and Environment – Division of Health Care Finance	
Notice of amendment to the Medicaid State Plan	
Wichita State University	225
Notice of intent to lease land and/or building space	
Heartland Works, Inc.	225
Request for proposals on group health/dental, life, and disability insurance Request for responses for insurance agent/agency services	
Kansas Board of Regents Universities	
Notice to bidders	235
Kansas Department of Administration–Procurement and Contracts	200
Notice to bidders for state purchases	
Kansas Department of Transportation	
Notice to contractors	
Kansas Department of Health and Environment	
Notice concerning water pollution control permits/applications	
Notice of major administrative actions at hazardous waste facilities	239
Executive Orders	
Office of the Governor	
Executive Order 18-11, drought declaration	240
Bond Sales	
City of Centralia, Kansas	
Summary notice of bond sale (Second Amended)	241
Regulations	
Kansas Department of Agriculture	
Notice of hearing on proposed administrative regulations	241
Kansas Corporation Commission	
Notice of hearing on proposed administrative regulations	243

Kansas Register

Food Processing 1,000 to 5,000 SQFT APP	\$200	\$100	\$350	\$100	\$150	100%
Food Processing 5,001 to 10,000 SQFT	\$275	\$190	\$400	\$85	\$125	45%
Food Processing 5,001 to 10,000 SQFT APP	\$250	\$100	\$350	\$150	\$100	150%
Food Processing 10,001 to 50,000 SQFT	\$325	\$245	\$400	\$80 .	\$75	33%
Food Processing 10,001 to 50,000 SQFT APP	\$300	\$100	\$350	\$200	\$50	200%
Food Processing > 50,000 SQFT	\$400	\$300	\$400	\$100	\$0	33%
Food Processing > 50,000 SQFT APP	\$350	\$100	\$350	\$250	\$0	250%
Food Storage < 1,000 SQFT	\$160	\$50	\$200	\$110	\$40	220%
Food Storage < 1,000 SQFT APP	\$150	\$100	\$350	\$50	\$200	50%
Food Storage 1,000 to 5,000 SQFT	\$175	\$75	\$200	\$100	\$25	133%
Food Storage 1,000 to 5,000 SQFT APP	\$200	\$100	\$350	\$100	\$150	100%
Food Storage 5,001 to 10,000 SQFT	\$250	\$105	\$400	\$145	\$150	138%
Food Storage 5,001 to 10,000 SQFT APP	\$250	\$100	\$350	\$150	\$100	150%
Food Storage 10,001 to 50,000 SQFT	\$300	\$140	\$400	\$160	\$100	114%
Food Storage 10,001 to 50,000 SQFT APP	\$300	\$100	\$350	\$200	\$50	200%
Food Storage > 50,000 SQFT	\$350	\$180	\$400	\$170	\$50	94%
Food Storage > 50,000 SQFT APP	\$350	\$100	\$350	\$250	\$0	250%
CFS	\$25	\$20	\$25	\$5	\$0	25%

The new category 4 (very low risk) food establishment category will be 32% less each year than the current category 3 (low risk) fee. This new, lower fee license category will maintain the same level of public health protection at a lower fee level that better fits the economic situation of these operations.

Performing fewer inspections was considered but was outweighed by public health concerns and ultimately led to the final decision to increase fees to cover the costs of performing inspections at our current frequencies.

Not adding a new risk category 4 and continuing to license and inspect those establishments under category 3 was considered but without an overriding negative public health impact the industry request was chosen.

Not issuing Certificates of Free Sale was considered but was outweighed by negative impact of preventing access to international markets.

There will be no Environmental Impact based upon these regulations.

Any individual with a disability may request accommodations in order to participate in the public hearing and may request the proposed regulations and impact statement in an accessible format. Requests for accommodations should be made at least five working days in advance of the hearing by contacting Ronda Hutton at 785-564-6715 or fax at 785-564-6777. Handicapped parking is located on the west side of the building at 1320 Research Park Dr., Manhattan, Kansas. The entrance to the building is also on the west side and is accessible to individuals with disabilities.

Copies of the regulations and their economic impact statement may be obtained by contacting the Department of Agriculture, Ronda M. Hutton, 1320 Research Park Dr., Manhattan, KS 66502 or 785-564-6715 or by accessing the department's website at www.agriculture.ks.gov. Comments may also be made through our website under the proposed regulation.

> Jackie McClaskey Secretary

Doc. No. 046159

State of Kansas

Kansas Corporation Commission

Notice of Hearing on Proposed Administrative Regulations

A public hearing will be conducted at 10:00 a.m. Thursday, May 24, 2018, at the Kansas Corporation Commission, 1500 SW Arrowhead Road, Topeka, KS 66604, to consider the adoption of proposed rules and regulations of the Kansas Corporation Commission, on a permanent basis. The Commission consists of three members appointed by the Governor to overlapping four-year terms.

This 60-day notice of the public hearing constitutes a public comment period for the purpose of receiving written public comments on the proposed rules and regulations. All interested parties may submit written comments prior to the hearing to the Kansas Corporation Commission, Conservation Division, Legal Department, 266 N. Main, Suite 220, Wichita, KS, 67202, or by email to publicaffairs@kcc.ks.gov. All interested parties will be given a reasonable opportunity to present their views orally regarding the adoption of the proposed regulations during the public hearing.

Any individual with a disability may request an accommodation in order to participate in the public hearing (continued)

Vol. 37, No. 12, March 22, 2018

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and may request the proposed regulations and economic impact statement in an accessible format. Requests for accommodation to participate in the hearing should be made at least five working days in advance of the hearing by contacting Jonathan R. Myers at 316-337-6200. The Kansas Relay Center may be reached at 1-800-766-3777.

Summaries of the proposed regulations and their economic impact follow. Copies of the proposed regulations and the Economic Impact Statement for the proposed regulations can be viewed by contacting the Kansas Corporation Commission, Conservation Division, Legal Department, 266 N. Main, Suite 220, Wichita, KS 67202, and are available at http://kcc.ks.gov.

K.A.R. 82-3-206. Oil conservation assessment. The proposed amendment makes only one substantive change, increasing the mill charged against each barrel of crude oil marketed or used from 91.00 to 144.00. There are also a few technical changes, which do not substantively affect the meaning of the regulation. Mills charged in this manner pay expenses and costs of the Commission's conservation division. The proposed amendment will have the economic impact upon the Commission's Conservation Division of providing sufficient revenues. The Commission does not anticipate economic impact upon other governmental agencies or the general public. The Commission anticipates the economic impact on oil and gas operators and other interest holders in oil and gas produced in Kansas, through the first purchaser of production, to be paying an additional 53.00 mills on each barrel of crude oil marketed or used.

K.A.R. 82-3-307. Gas conservation assessment. The proposed amendment makes only one substantive change, increasing the mill charged against each 1,000 cubic feet of gas sold or marketed from 12.90 to 20.50. There are also a few technical changes, which do not substantively affect the meaning of the regulation. Mills charged in this manner pay expenses and costs of the Commission's conservation division. The proposed amendment will have the economic impact upon the Commission's Conservation Division of providing sufficient revenues. The Commission does not anticipate economic impact upon other governmental agencies or the general public. The Commission anticipates the economic impact of oil and gas operators and other interest holders in oil and gas produced in Kansas, through the first purchaser of production, paying an additional 7.60 mills on each 1,000 cubic feet of gas sold or marketed.

> Amy L. Green Secretary

Doc. No. 046166

State of Kansas

Department of Health and Environment

Permanent Administrative Regulation

Article 32.—TESTING HUMAN BREATH FOR LAW ENFORCEMENT PURPOSES

28-32-11. EBAT device certification. (a) Application. Each agency custodian seeking EBAT device certification

shall submit an application on forms provided by the department for certification of each EBAT device that the certified agency intends to use in the certified agency's EBAT program.

(b) Initial certification requirements. Each EBAT device shall be certified by the secretary before being used by an agency.

(c) Inspection. Once an EBAT device is certified, an inspection of the EBAT device may be made by the secretary at any time. Any EBAT device may be removed from service at the time of the inspection if deemed necessary.

(d) Maintenance. Each EBAT device shall be maintained by the device custodian or the device custodian's designee as directed by the secretary.

(e) Repair. Each EBAT device removed from service for repair shall be repaired by the manufacturer or the manufacturer's authorized repair service. When the EBAT device is returned to the agency, the EBAT device shall be tested for accuracy by the device custodian or the device custodian's designee. The device custodian or the device custodian's designee shall notify the department of the date on which the instrument is placed back into service.

(f) Modification. No modification shall be made to any EBAT device without the prior written consent of the secretary. For purposes of this regulation, "modification" shall mean any change in the operating software of or any physical change to a certified EBAT device that alters the accuracy or precision of the EBAT device. (Authorized by and implementing K.S.A. 2017 Supp. 65-1,107; effective March 14, 2008; amended, T-28-12-18-17, Dec. 18, 2017; amended April 6, 2018.)

> Jeff Andersen Acting Secretary

Doc. No. 046169

State of Kansas

State Fire Marshal

Permanent Administrative Regulations

Article 6.—FIREWORKS

22-6-12. (Authorized by and implementing K.S.A. 2007 Supp. 31-133; effective Jan. 1, 1973; amended May 1, 1986; amended Dec. 29, 2008; revoked April 6, 2018.)

22-6-16. (Authorized by and implementing K.S.A. 31-133, 31-155, 31-156; effective May 1, 1982; amended May 1, 1983; revoked April 6, 2018.)

22-6-20. Adoptions by reference. (a) The following national fire protection association codes and standards are hereby adopted by reference, with the following modifications and the modifications specified in subsection (b):

(1) No. 160, "standard for the use of flame effects before an audience," 2011 edition, with the following modifications:

(A) Section 1.3.5 shall be deleted; and

(B) section 8.1.2 shall be deleted and replaced with the following: "Each operator shall be licensed in accordance with K.S.A. 2015 Supp. 31-503, and amendments thereto, and K.A.R. 22-6-25.";

Vol. 37, No. 12, March 22, 2018

VERIFICATION

STATE OF KANSAS)) ss. COUNTY OF SEDGWICK)

Jonathan R. Myers, of lawful age, being duly sworn upon his oath deposes and states that he is Litigation Counsel for the State Corporation Commission of the State of Kansas; that he has read and is familiar with the foregoing *Status*, and attests that the statements therein are true to the best of his knowledge, information and belief.

Jonathan R. Myers, S. Ct. #25975

Jonathan R. Myers, S. Ct. #25975 Litigation Counsel State Corporation Commission of the State of Kansas

SUBSCRIBED AND SWORN to before me this 2 day of 2, 2018.

Muerza Notary Public

My Appointment Expires: 3/07/19

PAULA J. MURRAY NOTARY PUBLIC Appt. Exp.

CERTIFICATE OF SERVICE

18-CONS-3282-CINV

I, the undersigned, certify that the true copy of the attached Motion has been served to the following parties by means of first class mail and electronic service on 32813

Tom Black 10166 Lake Road Pratt, KS 67214

Tim Boese Equus Beds Groundwater Mgmt Dist #2 313 Spruce Street Halstead, KS 67056

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Kent Eckles Kansas Petroleum Council 800 SW Jackson Street Suite 1005 Topeka, KS 66612

Ryan Hoffman, Director of Conservation Division Kansas Corporation Commission 266 N. Main St. Ste. 220 Wichita, KS 67202 1513 r.hoffman@kcc.ks.gov

Michael Duenes, Assistant General Counsel Kansas Corporation Commission 1500 SW Arrowhead Road Topeka, KS 66604-4027 m.duenes@kcc.ks.gov David Bleakley, EKOGA Representative Eastern Kansas Oil and Gas Association 4330 Shawnee Mission Pkwy Ste 233 Fairway, KS 66205 dpbleakley@msn.com

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Mike Cochran Kansas Department of Health and Environment 1000 SW Jackson Street Suite 420 Topeka, KS 66612

Oil & Gas Advisory Committee Member or Legal Section Division of Water Resources Kansas Department of Agriculture 900 SW Jackson, Room 456 Topeka, KS 66612

Diane Knowles Kansas Water Office 900 SW Jackson Street Suite 404 Topeka, KS 66612

Jonathan R. Myers, Litigation Counsel Kansas Corporation Commission Conservation Division 266 N. Main St. Ste. 220 Wichita, KS 67202 1513 j.myers@kcc.ks.gov

<u>/s/ Paula J. Murray</u> Paula J. Murray