2013.01.17 10:42:10 Kansas Corporation Commission /S/ Patrice Petersen-Klein

## THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the Matter of the Joint Application of Mid-Kansas Electric Company, LLC, Lane-Scott Electric Cooperative, Inc., Prairie Land Electric Cooperative, Inc., Southern Pioneer Electric Company, Victory Electric Cooperative Association, Inc., Western Cooperative Electric Association, Inc., and Wheatland Electric Cooperative, Inc., Joint Applicants, for an Order approving the transfer of Certificates of Convenience with respect to all of Mid-Kansas' retail electric services and for other related relief.

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JAN 1 7 2013

Received on

by State Corporation Commission of Kansas

Docket No. 13-MKEE-447-MIS

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## PETITION OF KANSAS ELECTRIC POWER COOPERATIVE, INC. TO INTERVENE

Comes now Kansas Electric Power Cooperative, Inc. (KEPCo) and petitions the State Corporation Commission of the State of Kansas (Commission) for an order pursuant to K.S.A. 77-521 and K.A.R. 82-1-225 permitting it to intervene in the above captioned proceeding. In support of its petition, KEPCo alleges and states as follows:

1. KEPCo is a corporation duly organized under the laws of the State of Kansas, with its principal place of business at 600 SW Corporate View, Topeka, Kansas 66615. It is authorized to do business and is conducting business in the State of Kansas.

2. KEPCo is engaged in the business of a generation and transmission cooperative electric supplier providing power and energy to 19 member distribution cooperatives in the State of Kansas, including two of the Joint Applicants in this Docket -- Prairie Land Electric Cooperative, Inc. (Prairie Land) and Victory Electric Cooperative Association, Inc. (Victory). KEPCo's 19 members serve approximately 120,000 consumer members.

3. On January 7, 2013, Mid Kansas Electric Company, LLC (Mid-Kansas); Lane-Scott Electric Cooperative, Inc.; Prairie Land; Southern Pioneer Electric Company; Victory;

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Western Cooperative Electric Association, Inc., and Wheatland Electric Cooperative, Inc. (Joint Applicants) filed their Application initiating this docket. The various requests set forth in the Application raise a number of issues that are relevant to and significantly impact KEPCo, as described further below.

4. Although the Joint Applicants request Commission approval of a Settlement Agreement and a Shared Services Agreement to which KEPCo is a signatory (exhibits D-G to the Joint Application), the additional relief requested by the Joint Applicants violates and constitutes a breach of those agreements by Mid-Kansas, Prairie Land and Victory to the detriment of KEPCo and its members.

5. The Joint Applicants request Commission approval of contracts between Mid-Kansas, Prairie Land and KEPCo (Exhibit H-4 to the Joint Application) and between Mid-Kansas, Victory and KEPCo (Exhibit H-6 to the Joint Application). KEPCo has not and does not intend to sign those agreements, as the terms therein are detrimental to KEPCo and its members in numerous respects. The Joint Applicants' request for Commission approval amounts to a request for the Commission to force or coerce KEPCo to enter into contracts that are not in its members' best interest. Unless and until KEPCo executes the agreements submitted by the Joint Applicants, KEPCo believes that such agreements are not valid and enforceable contracts, and thus are not ripe for Commission's review.

6. The Joint Applicants' request for approval of the unexecuted Partial Assignment Agreements referenced in Paragraph 5 is further unlawful in that it seeks to evade required Commission approval for wholesale power transactions between Mid-Kansas and KEPCo, and instead subject KEPCo and its members to improper rate regulation.

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7. The Joint Applicants have improperly requested that the Commission regulate the rates charged by KEPCo to its members (Prairie Land and Victory), insofar as KEPCo and all of its members, including Prairie Land and Victory, have exempted themselves from Commission regulation pursuant to K.S.A. 66-104d (2009). If the Commission was to set a portion of the rate charged by KEPCo to two of its 19 members, while KEPCo's Board of Trustees continues to set rates for its other members, the result would be a regulatory environment conducive to some of KEPCo's members being charged discriminatory rates.

8. As partially described above, KEPCo will be directly affected by the positions of the Joint Applicants and ultimately its members will or may be bound by any Commission order or activity in this proceeding, and KEPCo and its members may be adversely affected thereby.

9. KEPCo's interest herein is not adequately represented by any other party.

10. All communications and correspondence to KEPCo, including service of all notices and orders of the Commission herein are requested to be sent to the following named individuals:

William G. Riggins (#12080) Senior Vice President and General Counsel Kansas Electric Power Cooperative, Inc. 600 SW Corporate View Topeka, KS 66615 785-271-4833 785-271-4888 (fax) briggins@kepco.org

Frank A. Caro, Jr. (#11678) Polsinelli Shughart 6201 College Blvd., Suite 500 Overland Park, KS 66211 913-234-7409 913-451-6205 (fax) fcaro@polsinelli.com Mark Doljac Director of Rates and Regulation Kansas Electric Power Cooperative, Inc. 600 SW Corporate View Topeka, KS 66615 785-271-4842 785-271-4888 (fax) mdoljac@kepco.org WHEREFORE, KEPCo prays that the Commission enter an Order allowing it to

intervene herein and for all other relief which the Commission deems just and proper.

William G. Riggins (#12080) Kansas Electric Power Cooperative, Inc. 600 SW Corporate View Topeka, KS 66615 785-271-4833 785-271-4888 (fax) briggins@kepco.org

Frank A. Caro, Jr. (#11678) Polsinelli Shughart 6201 College Blvd., Suite 500 Overland Park, KS 66211 913-234-7409 913-451-6205 (fax) fcaro@polsinelli.com

## VERIFICATION

STATE OF KANSAS ) ) COUNTY OF SHAWNEE )

ss:

William G. Riggins, of lawful age, being first duly sworn upon his oath states:

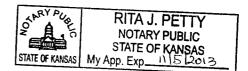
That he is an attorney for the above-named petitioner, that he has read the above and foregoing Petition to Intervene, and upon information and belief, states that the matters therein appearing are true and correct.

William G. Riggins

SUBSCRIBED AND SWORN to before me this  $\prod^{4}$  day of January, 2013.

Notary Public

My Commission expires \_\_\_\_\_\_ 11/5 12013



## **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the above and foregoing pleading has been faxed, hand-delivered and/or mailed, First Class, postage prepaid, this January  $17^{h}$ , 2013, to

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