

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

Before Commissioners:     Dwight D. Keen, Chair  
                                  Susan K. Duffy  
                                  Andrew J. French

In the Matter of the Application of Ark     )  
Valley Electric Cooperative Association,     )  
Inc. for Permission to Cease Operating as     )     Docket No. 22-AVKE-514-CCS  
an Electric Public Utility in the State of     )  
Kansas.     )  
SE/4 SE/4 Sec. 06, T23S R4W     )

**ORDER GRANTING APPLICATION TO CEASE TRANSACTING  
THE BUSINESS OF AN ELECTRIC PUBLIC UTILITY**

The above captioned matter comes before the State Corporation Commission of the State of Kansas. Having examined its files and record, and being duly advised in the premises, the Commission finds and concludes as follows:

1.     On May 11, 2022, Ark Valley Electric Cooperative Association, Inc. (Ark Valley) filed an Application requesting to cease transacting the business of an electric public utility in territory situated within Reno County, Kansas. Ark Valley is an electric public utility as defined in K.S.A. 66-104. A public hearing was neither requested nor held on Ark Valley's Application.

2.     Ark Valley requests the Commission issue an Order granting it authority to cease transacting the business of an electric public utility in the following described territory, to wit:

The Southeast 1/4 of the Southeast 1/4 of Section 06, Township 23 South, Range 04 West in Reno County, Kansas.

3.     On August 8, 2022, Evergy Kansas Central Inc. (Evergy Central) filed an Application with the Commission in Docket No. 23-EKCE-236-COC seeking to serve the area proposed to be ceded by Ark Valley in paragraph no. 2 above. The Evergy Central Application indicates a customer is building a home near the border of the Ark Valley and Evergy Central

territorial boundaries and it is more efficient and economical for Evergy Central to provide service to the customer.

4. On September 29, 2022, the Commission Staff submitted its Report and Recommendation to the Commission, recommending Ark Valley's Application be granted and its request to cease operating as an electric public utility in the territory described in paragraph 2 above be approved. The Staff Report and Recommendation indicates the territory being ceded to accommodate customer building a new home is one-half mile away and located where a tree line would need to be removed. Moreover, Staff notes that Evergy Central has a distribution line located adjacent to the property where the customer wants to build the home.

5. Pursuant to K.S.A. 66-131, the Commission has jurisdiction to grant a Certificate to any public utility seeking to transact business in the State of Kansas. K.S.A. 66-1,170 et seq., the Retail Electric Suppliers Act (RESA), requires the State of Kansas to be divided into electric service territories in which only one retail electric supplier is established for a given territory. Notwithstanding the mandated single electric provider service territories, RESA also provides that retail electric suppliers may enter into agreements to amend boundaries between their facilities. The agreements are subject to Commission approval, and if so approved, the Commission shall issue a certificate accordingly.<sup>1</sup>

6. Staff states that it has reviewed the Application of Ark Valley and determines that the legal description and map provided with these filings are accurate and not in conflict with the Commission's Certificate records. Staff recommends the Commission grant Ark Valley's Application and find that the public convenience will be promoted by this transaction. Upon

---

<sup>1</sup> K.S.A. 66-1,175.

approval, the updated territory description will be reflected in the Commission's certified territory map.<sup>2</sup>

7. The Commission adopts Staff's analysis and recommendation of September 29, 2022, as stated in its Report and Recommendation, which is attached hereto and made a part hereof by reference, and finds that Ark Valley's Application should be granted, and that the public convenience will be promoted by issuing an Order authorizing Ark Valley to cease transacting the business of an electric public utility in the territory described in paragraph 2 above.

**IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:**

A. The Application of Ark Valley Electric Cooperative Association, Inc. is hereby granted and it is authorized to cease transacting the business of an electric public utility in the territory described in paragraph 2 above.

B. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).<sup>3</sup>

C. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further order or orders, as it may deem necessary.

**BY THE COMMISSION IT IS SO ORDERED.**

Keen, Chair; Duffy, Commissioner; French, Commissioner

Dated: 11/08/2022



---

Lynn M. Retz  
Executive Director

wah

---

<sup>2</sup> Report and Recommendation at 3 (September 29, 2022).

<sup>3</sup> K.S.A. 66-118b; K.S.A. 77-503(c); and K.S.A. 77-531(b).

**REPORT AND RECOMMENDATION  
UTILITIES DIVISION**

**TO:** Dwight D. Keen, Chair  
Susan K. Duffy, Commissioner  
Andrew J. French, Commissioner

**FROM:** Jason Kerr, Utility Engineering Technician  
Leo Haynos, Chief Engineer  
Jeff McClanahan, Director of Utilities

**DATE:** September 29, 2022

**SUBJECT:** Docket No. - 22-AKVE-514-CCS - In the Matter of the Application of Ark Valley Electric Cooperative Association, Inc. for Permission to Cease Operating as an Electric Public Utility in the State of Kansas.  
SE4 SE4 Sec 06 T23S R4W

Docket No. - 23-EKCE-236-COC - In the Matter of the Application of Evergy Kansas Central, Inc. for Authority to Transact the Business of an Electric Public Utility Specifically, in a portion of Section 06, Township 23, Range 04, Reno County, Kansas.

**EXECUTIVE SUMMARY:**

In Docket 22-AKVE-514-CCS, Ark Valley Electric Cooperative Association, Inc. (Ark Valley) is seeking approval of the Commission to Cease Operating as an electric utility in a small parcel of land in Reno County. In Docket 23-EKCE-236-COC, Evergy Kansas Central, Inc. (Evergy) is requesting a Certificate for this parcel of land.

Staff recommends that the Commission grant these Applications and find that public convenience will be promoted by this transaction.

**BACKGROUND:**

On May 11, 2022, Ark Valley filed the above-captioned Application to Cease in a small parcel of land in Docket 22-AKVE-514-CCS. On August 18, 2022, Evergy filed the above-captioned Application for the Certificate for this parcel of land in Docket 23-EKCE-236-COC.

On September 19, 2022, Evergy filed an Amended Application revising their legal description to reflect the tract of land being released by Ark Valley.

A new customer located within the Certified Territory of Ark Valley, wishes to build a new home. The certified territory border between Ark Valley and Evergy is adjacent to the building site. For Ark Valley to provide service to this location, approximately 1/2 mile of distribution line would need to be build and a tree line would need to be removed. Evergy has a distribution line adjacent to the property and could easily provide service to the new customer. Ark Valley and Evergy have mutually agreed, subject to Commission approval, that Evergy should serve as the electric provider for this customer.

The Commission has jurisdiction to grant a Certificate to any public utility seeking to transact business in the State of Kansas.<sup>1</sup> K.S.A. 66-1,170 et seq. the Retail Electric Suppliers Act (RESA) requires the State of Kansas to be divided into electric service territories in which only one retail electric supplier is established for a given territory. Notwithstanding the mandated single electric provider service territories, RESA also provides that retail electric suppliers can enter into agreements to amend boundaries between their facilities. The agreements are filed in the form of Certificates and, if approved by the Commission, Certificates to amend territory are issued.

The statutory standard of review in this matter is whether the public convenience will be promoted by the transaction of the proposed project and by permitting the Applicants to transact the business of a common carrier or public utility.<sup>2</sup>

#### **ANALYSIS:**

Staff has reviewed both Applications and has confirmed the legal descriptions included in both Applications are accurately depicted on the map attached to each Application. The legal description is included as Attachment A to this Report and Recommendation.

Staff recommends that the Commission find that public convenience will be promoted by the granting of this Application.

#### **RECOMMENDATION:**

Staff recommends that the Commission grant these Applications and find that public convenience will be promoted by this transaction. Upon approval, the updated territory descriptions will be reflected in the Commission's certified territory map.

---

<sup>1</sup> K.S.A. 66-131.

<sup>2</sup> K.S.A. 66-131.

ATTACHMENT A  
Legal Description of Territory Trade Between  
Ark Valley Electric Cooperative Association, Inc. and Evergy Kansas Central, Inc.  
Docket No. 22-AKVE-514-CCS and 23-EKCE-236-COC

RENO COUNTY, KANSAS

The Southeast 1/4 of the Southeast 1/4 of Section 06, Township 23 South, Range 04 West.

## **CERTIFICATE OF SERVICE**

22-AKVE-514-CCS

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of electronic service on 11/08/2022.

CATHRYN J. DINGES, SR DIRECTOR & REGULATORY  
AFFAIRS COUNSEL  
EVERGY KANSAS CENTRAL, INC  
818 S KANSAS AVE  
PO BOX 889  
TOPEKA, KS 66601-0889  
cathy.dinges@evergy.com

WALKER HENDRIX, LITIGATION COUNSEL  
KANSAS CORPORATION COMMISSION  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604  
w.hendrix@kcc.ks.gov

JACKIE HOLMBERG, GENERAL MANAGER  
ARK VALLEY ELECTRIC COOP., ASSN., INC.  
P.O. BOX 1246  
HUTCHINSON, KS 67504  
jholmberg@arkvalley.com

/S/ KCC Docket Room  
\_\_\_\_\_  
KCC Docket Room