20181029134403 Filed Date: 10/29/2018 State Corporation Commission of Kansas

In the Matter of the Application of	
Kansas Gas Service, A Division of ONE	Docket No. 18-KGSG-560-RTS
Gas, Inc. for Adjustment of its Natural) Docket No. 18-KGSG-500-K1S
Gas Rates in the State of Kansas)

DIRECT TESTIMONY

PREPARED BY

JOSHUA P. FRANTZ

UTILITIES DIVISION

KANSAS CORPORATION COMMISSION

October 29, 2018

1		I. STATEMENT OF QUALIFICATIONS
2	Q.	Please state your name.
3	A.	Joshua P. Frantz.
4	Q.	By whom and in what capacity are you employed?
5	A.	I am employed by the Kansas Corporation Commission (KCC or Commission) as
6		a Managing Rate Analyst within the Economics and Rates Section of the Utilities
7		Division.
8	Q.	What is your business address?
9	A.	1500 SW Arrowhead Road, Topeka, KS, 66604-4027.
10	Q.	What is your educational background and professional experience?
11	A.	I have obtained Bachelor of Business Administration and Master of Business
12		Administration degrees, both from Washburn University in Topeka, Kansas. My
13		undergraduate majors were finance, marketing, and management.
14		I have been employed by the KCC since August 2015. I began my employment
15		with the KCC as a Senior Research Economist. In July 2018, I was promoted to
16		my current position of Managing Rate Analyst. I have been a State of Kansas
17		employee since 2007. Prior to my employment with the KCC, I was employed by
18		the Kansas Department of Revenue as a Research Analyst.
19	Q.	Have you previously submitted testimony before this Commission?
20	A.	Yes, I testified before the Commission in Docket Nos. 16-KCPE-160-MIS, 16-
21		KCPE-446-TAR, 16-KGSG-491-RTS, 17-KCPE-201-RTS, 18-WSEE-328-RTS,
22		and 18-KCPE-480-RTS. In addition, I have prepared Report and
23		Recommendations in numerous other Dockets as a member of KCC Staff (Staff).

II. INTRODUCTION

2 Q. What is the purpose of your testimony?

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3 A. I will be sponsoring Staff's adjustment related to Kansas Gas Service's (KGS or 4 Company) Miscellaneous Charges (specifically, Service Initiation, 5 Collection/Disconnection, and Reconnection). I will also provide Staff's response 6 to KGS's proposed changes to its Electronic Flow Measurement (EFM) Rider and 7 Section 10.09 of its General Terms and Conditions regarding the Cash Out 8 valuation of transportation customers' gas volume imbalances.

9 **Q.** How is your testimony organized?

A. First, I will discuss why I recommend approval of KGS's proposed increases to Service Initiation, Collection/Disconnection, and Reconnection charges and explain how Staff's revenue adjustment related to the increases to these Miscellaneous Charges was calculated.

Next, I will discuss KGS's proposed changes to the EFM Rider. In this section, I will explain why I recommend approval of KGS's proposal to include Compressed Natural Gas (CNG) Transportation Service rate schedules in the Applicability section of the EFM Rider. Then, I will briefly describe transportation customers' gas volume nomination process because this is foundational information related to KGS's proposal. After that, I will explain why I recommend the Commission reject KGS's proposal requiring all new transportation accounts (including those accounts experiencing a change in character of service) to have EFM equipment installed. I will also explain why I recommend the Commission reject KGS's proposed absorption of the monthly \$25.00 charge per EFM meter

into the transportation customer charge. Lastly, on the subject of the EFM Rider, I
will explain why I recommend the monthly charge per EFM meter be reduced from
\$25.00 to \$17.40.

Finally, I will describe KGS's Cash Out process for imbalanced transportation volumes and explain why I recommend the Commission reject the proposed changes to Cash Out pricing.

III. ANALYSIS

8 Miscellaneous Charges

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Q. Please describe KGS's proposed changes to Miscellaneous Charges.

10 A. KGS is proposing to increase three of its Miscellaneous Charges by \$5.00 each, as illustrated below:

Proposed Changes to Miscellaneous Charges

Charge	Current	Proposed	Increase
Service Initiation	\$5.00	\$10.00	\$5.00
Collection or Disconnection	\$10.00	\$15.00	\$5.00
Reconnection	\$15.00	\$20.00	\$5.00

14 Q. Why has KGS proposed increases to these Miscellaneous Charges?

A. KGS has not updated these charges in more than 20 years.¹ The Company is attempting to align the charges for these services with the cost incurred and also notes that its current Service Initiation, Collection/Disconnection, and Reconnection Charges are lower than those of other regulated utilities in the state.²

¹ KGS response to Staff data request 308.

² KGS response to Staff data request 308.

O. Do you recommend approval of these changes?

- 2 A. Yes, I recommend the Commission approve the proposed increases to the Service
- 3 Initiation, Collection/Disconnection, and Reconnection charges. Increasing these
- 4 charges is reasonable based upon the costs associated with the work performed.³

5 Q. Please explain KGS's Adjustment IS-10.

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6 A. KGS's Adjustment IS-10 recognizes the projected revenue increase resulting from

7 the proposed changes to the Service Initiation, Collection/Disconnection, and

8 Reconnection charges. The projected revenue increase is normalized based on the

three-year average number of occurrences for each charge, applied to the

incremental difference between 2017 charges and proposed charges, resulting in an

increase to revenue of \$998,886.⁴

12 Q. Please explain Staff's adjustment IS-14 related to the proposed changes to Miscellaneous Charges.

14 A. Staff's projected revenue increase was calculated by multiplying the revised

number of instances for each charge from 2017⁵ by the incremental difference

between the current charges and proposed charges. I do not believe it is necessary

to normalize the number of these occurrences, so I only included the instances from

18 2017 as opposed to the three-year average used in KGS's methodology. Staff's

adjustment results in an increase to revenue of \$964,456 (\$34,430 less than the

20 Company's adjustment).

³ See KGS response to Staff data request 127.

⁴ Direct Testimony of Justin W. Clements on Behalf of Kansas Gas Service, p. 4 (Jun. 29, 2018) (Clements Direct).

⁵ See KGS response to Staff data request 140.

- 1 Q. Do you have any additional comments regarding KGS's proposal related to Miscellaneous Charges?
- A. Yes. The Direct Testimony of Justin Clements states, "[T]he Service Initiation

 Charge listed in 12.01 of GTC Section 12 will be modified to be included on the

 first customer bill following the: (1) initial connection of service; or (2) connection

 of service requested 30 days after being disconnected for non-payment. KGS also

proposes to increase this charge from \$5.00 to \$10.00."6

Contrary to the section of testimony quoted above, the only modification to the
Service Initiation Charge presented in KGS's redline of Section 12 of the GTC is
the increase of the amount of the charge from \$5.00 to \$10.00. Mr. Clements has
since confirmed that the only proposed modification to Section 12 of the GTC
related to the Service Initiation Charge is the increase of the charge amount.

EFM Rider

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- 14 Q. What is the purpose of EFM equipment?
- 15 A. EFM equipment improves the availability and accuracy of usage data—EFM usage data is transmitted and recorded hourly while non-EFM meters are read monthly.
- 17 Q. Please describe KGS's proposed changes to the EFM Rider.
- A. First, the Applicability section of the EFM Rider was modified to include customers
 served under the CNG Transportation Service rate schedules.⁸
- Second, the EFM equipment exemption for transportation customers with less than 1,500 Mcf peak month usage was removed. This change would require all

⁶ Clements Direct, p. 8.

⁷ KGS response to Staff data request 301.

⁸ Clements Direct, p. 5.

1 new transportation accounts (or those experiencing a change in character of service) to have EFM equipment installed.⁹ 2 3 Finally, KGS proposes to remove the \$25.00 monthly equipment charge in the 4 EFM Rider's Net Monthly Bill section because it is the Company's intent that all 5 new transportation customers will have EFM equipment. This charge would be absorbed into the transportation customer charge. 10 6 7 Proposed Change to EFM Rider Applicability for CNG Transportation Service Rate **Schedules** 8 9 Q. Why has KGS proposed to add CNG Transportation Service rate schedules to the Applicability section of the EFM Rider? 10 11 A. KGS has proposed to add CNG Transportation Service rate schedules to the 12 Applicability section of the EFM Rider because the volume requirements for CNG transport accounts are similar to those for large volume transport accounts and 13 14 should be metered and treated in the same manner.¹¹ Q. Do you recommend the EFM Rider be applicable to customers served under 15 **CNG Transportation Service rate schedules?** 16 17 Yes, I recommend the EFM Rider be applicable to customers served under CNG A. 18 Transportation Service rate schedules because according to the current language in 19 the EFM Rider, EFM is required on "all meters serving transportation accounts" 20 except those which record peak month usage of less than 1,500 Mcf. Since CNG 21 rate schedules are for transportation service and the average peak month usage

⁹ Clements Direct, pp. 5–6.

¹⁰ Clements Direct, p. 6.

¹¹ KGS response to Staff data request 307.

- during 2017 for both CNGt and CNGk was greater than 1,500 Mcf,¹² they should be included in the applicability section of the EFM Rider.
 - Proposed Requirement for EFM Equipment

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- 4 Q. Please briefly explain the gas nomination process.
- Each day, a transportation customer's agent nominates natural gas to KGS in the amount needed to meet the expected volume of gas for the customer's daily service requirement. KGS currently allows monthly balancing for all customers. Each billing period, the amount of gas provided by the customer or marketer to KGS is compared to the actual usage delivered to the customer's meter.
- 10 Q. What if gas is not delivered to KGS in an amount that matches the customer's usage?
- 12 A. If gas is not delivered to KGS in an amount that matches its transportation
 13 customers' gas usage, KGS must either obtain additional gas to meet its customer's
 14 needs or purchase and store any excess gas provided by transportation customers.
 15 Therefore, there is a risk that sales customers will be subsidizing transport
 16 customers through payment of costs associated with unbalanced volumes.
- Q. Why has KGS proposed to require all new transportation accounts (including those accounts experiencing a change in character of service) have EFM equipment installed?
- A. KGS has proposed to remove the EFM equipment exemption for transportation customers with less than 1,500 Mcf peak month usage—thus requiring all new transportation accounts have EFM equipment installed—because EFM equipment provides more accurate hourly information for the volume of gas consumption. The

¹² See KGS response to Staff data request 268.

availability of more accurate information can assist transportation customers in making more accurate nominations. Additionally, because gas supplied by third parties with EFM equipment is known rather than estimated, KGS can more accurately and efficiently manage gas purchases and storage supplies.¹³

Q. Has KGS quantified the financial benefits of EFM equipment?

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No. When asked to provide quantitative data supporting the benefits of EFM, KGS initially responded that it was "unable to accurately quantify financial benefits due to unknown variables such as how responsive transportation customers are to daily reported volumes and accuracy of nominations."¹⁴

Later, in a supplemental response, KGS estimated the effect of transportation customer imbalances on its sales customers. Staff has not had adequate time to evaluate this calculation, but regardless, KGS has not provided data showing how EFM effects the accuracy of customer nominations. When trying to determine the benefit of EFM equipment, without a gauge of how EFM equipment affects imbalance, knowing the value of imbalance is irrelevant on its own.

16 Q. What are the costs associated with EFM equipment?

A. For transportation customers, the cost of EFM equipment depends upon whether landline transmission of data is sufficient or whether cellular data transmission is necessary. Additionally, the net cost to each customer is dependent upon the

¹³ See KGS response to Staff data request 260.

¹⁴ KGS response to Staff data request 260.

¹⁵ KGS supplemental responses to Staff data request 260.

number of meters associated with the customer's account. If landline transmission is sufficient, the customer is required to expend \$3,200 per meter for installation of EFM equipment plus \$25.00 per month per meter for which EFM equipment is installed. If cellular data transmission is required, the customer is required to expend \$4,800 per meter for installation of EFM equipment plus \$25.00 per month per meter for which EFM equipment is installed *plus* \$15.00 per month per meter connected to Company-maintained cellular data equipment.

EFM equipment has an estimated lifespan of fifteen years,¹⁷ therefore, a transportation customer would be required to pay either \$7,700 (landline)¹⁸ or \$12,000 (cellular)¹⁹ *per meter* over the estimated fifteen-year life of the equipment.

11 Q. Were you able to perform cost-benefit analysis of the proposed changes to the requirement for EFM equipment?

13 A. No. Because KGS is unable to quantify the financial benefits of EFM equipment
14 and is unsure how responsive transportation customers are to more accurate volume
15 data, I have been unable to perform a cost-benefit analysis of KGS's proposed
16 requirement that all transportation customer's meters be equipped with EFM
17 equipment.

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¹⁶ There are 849 transportation accounts associated with multiple meters. There are 3,099 meters among those 849 accounts—an average of 3.65 meters per account for transportation accounts with multiple meters. *See* KGS response to Staff data request 265.

¹⁷ KGS response to Staff data request 270.

¹⁸ \$3,200 equipment/installation + (\$25 monthly fee \times 12 months \times 15 years) = \$7,700

 $^{^{19}}$ \$4,800 equipment/installation + ((\$25+\$15) monthly fees × 12 months × 15 years) = \$12,000

- Q. Do you recommend all new transportation accounts (including those accounts experiencing a change in character of service) be required to have EFM equipment installed?
- 4 No, I do not recommend that all new transportation accounts (including those Α. 5 accounts experiencing a change in character of service) be required to have EFM 6 equipment installed. Although I do not doubt that EFM equipment would provide 7 more accurate usage data, KGS has not described the benefits of EFM equipment 8 in a way that can be valued in comparison to the costs. Based upon the evidence 9 presented in this Docket, I cannot justify recommending all new transportation 10 service customers be required to purchase EFM equipment and pay additional 11 monthly charges for operation of equipment that is not strictly necessary for the 12 provision of service.
- 13 Proposed Absorption of Monthly EFM Equipment Charge into Transportation 14 Customer Charge
- 15 Q. Why has KGS proposed to remove the monthly EFM equipment charge and absorb that charge into the transportation customer charge?
- 17 A. KGS has proposed to absorb this line-item charge into the transportation customer
 18 charge because if KGS's proposal requiring EFM equipment for all new
 19 transportation customers is approved, eventually all transportation customers will
 20 have EFM equipment. Since it is KGS's intent that all new transportation
 21 customers will have EFM equipment, KGS believes there will no longer be a need
 22 to separately bill for the recovery of fees to maintain EFM equipment.²⁰

²⁰ Clements Direct, p. 6.

- 1 Q. Do you recommend absorption of the monthly EFM equipment charge into the transportation customer charge?
- A. No, I do not recommend absorption of the monthly EFM equipment charge into the transportation customer charge because this would result in cross-subsidization among transportation customers.

I do not recommend approval of KGS's proposal to require all new transportation customers to have EFM equipment. If the maintenance costs of EFM equipment are absorbed into the customer charge, customers without EFM equipment would subsidize customers with EFM equipment.

- 10 Q. If the Commission were to approve KGS's request to require EFM equipment 11 for all new transportation customers, would that change your 12 recommendation regarding the monthly EFM equipment charge?
- 13 A. No, *even if* the Commission approves KGS's proposed requirement for all new 14 transportation customers to install EFM equipment, absorbing the monthly EFM 15 equipment charge into the transportation customer charge would still result in cross-16 subsidization among transportation customers for two reasons.

First, KGS's proposal does not require existing transportation customers who do not have EFM equipment to install EFM equipment unless those customers experience a change of service. There are only 766 EFM-equipped meters currently associated with transportation customer accounts, as opposed to 5,261 meters without EFM²¹ (12.7% EFM adoption rate).²² If its proposal is approved, KGS only expects approximately 200 EFM installations per year based on current change

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²¹ KGS responses to Staff data request 264.

 $^{^{22}766/(766+5261) = .1270}$

in character of service and new service request levels²³ and would not expect the majority of its customers to be fitted with EFM equipment until ten years from now.²⁴ So, even if the Commission were to approve KGS's request to require EFM equipment for all new transportation customers, if the monthly EFM equipment charge is absorbed into the transportation customer charge, there would still be cross-subsidization between transportation customers with EFM equipment and those without.

Second, because the current monthly charge is per meter, if the charge is socialized among all transportation customers, customers with multiple EFM-equipped meters would be subsidized to some degree by all other transportation customers with less EFM-equipped meters than themselves.

Q. Is \$25.00 the appropriate value for the monthly charge per meter upon which EFM equipment is installed?

14 A. No, it is not. The Company can no longer support the amount of \$25.00 per month
15 per EFM meter. When asked for an itemized breakdown of the costs that are
16 covered by the current \$25.00 charge, the Company responded, "The original EFM
17 charge of \$25 was initiated in 1994 and KGS no longer has the original cost support
18 for the EFM charge." 25

19 Q. What value do you recommend for the monthly EFM equipment charge?

A. When asked for the incremental annual operating cost of EFM meters, the Company responded, "During 2017, the incremental cost per meter for an EFM meter

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²³ KGS response to Staff data request 263.

²⁴ KGS response to Staff data request 262.

²⁵ KGS response to Staff data request 302.

compared to the cost per meter for a non-EFM meter was \$208.81."26,27 Therefore, 2 I recommend converting that incremental cost of \$208.81 to a monthly charge of \$17.40 for each meter upon which EFM equipment is installed. ²⁸ For clarification, 3 I recommend the additional \$15.00 charge for each meter connected to Companymaintained cellular data equipment remain unchanged.

Cash Out Pricing

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Q. Please briefly explain the cash out process.

For each billing period, the amount of gas provided by a transportation customer/marketer to KGS is compared to the actual usage delivered to the customer's meter. The difference between those two amounts (in either direction) is considered an "imbalance." Any imbalance of up to the greatest of 25 MMBtu or 5% of actual usage is carried over on the account to the following month. In the case of an imbalance beyond that threshold, KGS either sells to the customer/marketer any shortage of supply or buys any excess gas provided by the customer/marketer.

Currently, the Cash Out Price (price per each MMBtu of imbalance) is based upon the average of the midpoint prices published in Gas Daily for a specific set of pipelines.²⁹ If the imbalance results in an amount due to KGS, the Cash Out Price is adjusted by an inclining multiplier depending upon the amount of the imbalance

²⁶ KGS response to Staff data request 271.

²⁷ In KGS response to Staff data request 303, the Company clarified that costs associated with cellular equipment were not included in response to DR 271.

 $^{^{28}}$ 208.81/12 = 17.384, rounded to \$17.40 for aesthetics.

²⁹ The four pipelines are: Southern Star Central Gas Pipelines (TX, OK, KS); Panhandle Eastern Pipe Line Company (TX, OK); ANR Pipeline Company (OK); and Natural Gas Pipeline Company of America (Midcontinent).

as a percentage of actual usage (1.15 for 5%–10% and 1.3 beyond 10%). If the imbalance results in an amount due to the customer/marketer, the Cash Out Price is adjusted by a declining multiplier (0.85 for 5%–10% and 0.7 beyond 10%).

4 Q. Please describe KGS's proposed changes to Section 10.9 of its General Terms and Conditions.

A. Section 10.9 of KGS's General Terms and Conditions contains provisions related to Cash Out Pricing. Currently, the Cash Out Price is based upon the average *midpoint* price published in Gas Daily for the applicable month. Rather than continuing to use the average midpoint price, KGS is proposing to use the average highest daily price when the imbalance results in an amount due to KGS and the average lowest daily price of the applicable month when the imbalance results in an amount due to the customer/marketer.

Q. Why is KGS proposing to make changes to the calculation of the Cash Out Price?

According to KGS, the current cash out policy of averaging the midpoint gas price each day provides marketers the potential to use KGS storage in lieu of buying index priced gas or cutting their supply of low priced gas and thereby gaining the advantage of paying KGS a cash out price that is less than market price.³⁰ This practice causes KGS to withdraw or inject into storage gas that carries associated storage fees plus any differential in the daily index price.³¹

KGS believes its proposal establishes a Cash Out Price that creates a comparable price for supplying gas on any day of a given month, which will

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³⁰ Clements Direct, p. 8.

³¹ Clements Direct, p. 8.

encourage marketers to supply their customers natural gas according to more accurate usage without the need of relying on KGS for "free" services associated with excessive imbalance.³²

- 4 Q. Do you believe the current practice of basing the Cash Out Price upon the Gas
 5 Daily average midpoint price is comparable to the actual price of supplying
 6 gas on any day of a given month?
- 7 Yes, I do. I am not convinced the majority of imbalances are the result of A. 8 transportation customers gaming the system—the existing multipliers provide a 9 deterrent against that. Rather, based on conversations with KGS, I believe many 10 imbalances are caused by customers/marketers who simply do not manage 11 nominations as diligently as they should, which would not always result in a price 12 that is in their own favor. Assuming a relatively normal distribution of imbalances, 13 the average midpoint price should be comparable to the actual price of supplying 14 gas on any day of a given month.
- Do you agree that KGS's proposal "creates a comparable price for supplying gas on any day of a given month"?
- 17 A. No, I do not agree that KGS's proposal creates a comparable price for supplying
 18 gas on any day of a given month. KGS's proposal generates a price per MMBtu
 19 that favors KGS.

It is my opinion that KGS's proposal to move from the average midpoint price to the average highest/lowest price (depending on which is most favorable to KGS) is unreasonably punitive to customers/marketers, particularly in combination with the existing multipliers that already shift the Cash Out Price toward KGS's favor.

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³² Clements Direct, p. 8.

Q. Do you recommend approval of KGS's proposed changes to Cash Out pricing?

No. Because KGS's proposal would not generate a comparable price for supplying gas on any day of a given month and because there are already multipliers applied to the Cash Out Price which discourage inaccurate nominations, I do not recommend the proposed changes to Cash Out Pricing within Section 10.09 of KGS's General Terms and Conditions.

In my opinion, the Cash Out Price should continue to be based upon the average midpoint price and any additional costs associated with excessive balancing (e.g., storage costs) should be incorporated into the multipliers so that KGS is still made whole. That being said, when Staff asked how and why the current Cash Out Price multipliers were established at their current values, the Company's response indicated that the current members of the KGS rates department were unsure of the reasoning since none were privy to the confidential settlement communication in Docket 03-KGSG-602-RTS, where the current multipliers were agreed upon.³³

In a supplemental data request response, KGS estimated the effect of transportation customer imbalances on its sales customers.³⁴ Staff has not had adequate time to thoroughly evaluate this data, however, Staff is willing to work with KGS to develop a cash out pricing model that better covers the additional costs associated with imbalances.

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³³ See KGS response to Staff data request 285.

³⁴ See KGS response to Staff data request 260.

1		IV. CONCLUSION
2	Q.	Please summarize the recommendations discussed in your testimony.
3	A.	I recommend the Commission approve the proposed changes to Miscellaneous
4		Charges—specifically, increases to the Service Initiation,
5		Collection/Disconnection, and Reconnection charges. Increasing these charges is
6		reasonable based upon the costs associated with the work performed. Staff's
7		associated adjustment results in an increase to revenues of \$964,456.
8		I recommend approval of KGS's proposal to include CNG Transportation
9		Service rate schedules in the Applicability section of the EFM Rider because,
10		currently, EFM is required on "all meters serving transportation accounts" except
11		those which record peak month usage of less than 1,500 Mcf.
12		I do not recommend approval of KGS's proposed requirement that all new
13		transportation accounts (including those accounts experiencing a change in
14		character of service) have EFM equipment installed. KGS has not quantified the
15		benefits of EFM equipment in a way that can be valued in comparison to the costs
16		and EFM equipment is not strictly necessary for the provision of service.
17		I do not recommend approval of KGS's proposed absorption of the monthly
18		EFM equipment charge into the transportation customer charge because it would
19		result in cross-subsidization among transportation customers. Even if the
20		Commission approves KGS's proposed requirement for all new transportation
21		customers to install EFM equipment, I would not recommend the monthly EFM
22		equipment charge be absorbed into the transportation customer charge because that

would still result in cross-subsidization among transportation customers.

Furthermore, the Company can no longer support the current charge of \$25.00 (set in 1994) per meter upon which EFM equipment is installed. Based upon 2017 incremental operating cost of EFM equipment, I recommend the monthly charge per meter upon which EFM equipment is installed be reduced to \$17.40.

Finally, I do not recommend approval of the proposed changes to Cash Out Pricing within Section 10.09 of KGS's General Terms and Conditions because KGS has not been able to quantify the additional costs it incurs due to excessive balancing. Furthermore, there are already modifiers applied to the Cash Out Price which discourage inaccurate nominations so KGS's proposal to move from the average midpoint price to the average highest/lowest price (depending on which is most favorable to the KGS) is unreasonably punitive.

12 Q. Does this conclude your testimony?

13 A. Yes. Thank you.

STATE OF KANSAS)
) ss
COUNTY OF SHAWNEE)

VERIFICATION

Joshua P. Frantz, being duly sworn upon his oath deposes and states that he is a Managing Rate Analyst for the Utilities Division of the Kansas Corporation Commission of the State of Kansas, that he has read and is familiar with the foregoing *Direct Testimony*, and that the statements contained therein are true and correct to the best of his knowledge, information and belief.

oskua P. Frantz

Managing Rate Analyst

State Corporation Commission of the

State of Kansas

Subscribed and sworn to before me this 29th day of October, 2018.

Notary Public - State of Kansas

My Appt Expires 6-30-22

Vicis D. Jacobise

My Appointment Expires: June 30, 2022

CERTIFICATE OF SERVICE

18-KGSG-560-RTS

I, the undersigned, certify that a true and correct copy of the above and foregoing Staff Direct Testimony was served via electronic service this 29th day of October, 2018, to the following:

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18-KGSG-560-RTS

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