

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

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

In the Matter of the Complaint of Southern) Docket No. 17-KPPE-092-COM
Pioneer Electric Company Against the)
Kansas Power Pool Regarding Bypass and)
Duplication of Service for 34.5 kV Delivery)
to the City of Kingman)

PREFILED TESTIMONY

OF

**IRA HART,
SUPERINTENDENT OF ELECTRIC UTILITIES,
CITY OF KINGMAN**

**ON BEHALF OF
KANSAS POWER POOL**

1 Q. Please state your name and business address for the Commission.

2 A. My name is Ira Hart, and my business address is P.O. Box 168, Kingman, Kansas
3 67068.

4 Q. Mr. Hart, by whom are you employed?

5 A. I am employed by the City of Kingman, Kansas as the Superintendent of Electric
6 Utilities for the City of Kingman.

7 Q. How long have you held this position?

8 A. I have held this position since 1991.

9 Q. Please describe your work experience prior to taking this position in 1991.

10 A. I was employed as an industrial electrician by the Don Dye Company from 1979 to
11 1991. I served as a Commissioner for the City of Kingman from 1979 to 1985. The
12 City of Kingman's prior Superintendent of Electric Utilities retired in 1991, after
13 serving in that position for approximately thirty years. I was recruited by the City of
14 Kingman to replace him.

15 Q. Please tell the Commission your general responsibilities as the Superintendent of
16 Electric Utilities.

17 A. As mentioned in the direct testimony of Larry W. Holloway, the City of Kingman
18 owns and operates its own electric municipal utility and provides retail service to
19 customers both within and, to a small extent, outside the city limits. I am responsible
20 for the day-to-day operation of our electric utility, both the production and
21 distribution side. I take care of the AMI system and, at times, perform some minor
22 engineering services. When I took over the position, one of my first jobs was the
23 installation of the last of the generator sets used by the City of Kingman to generate

1 electricity. I oversaw the utility labor, which was provided by City employees.

2 Q. Please describe your involvement with Kansas Power Pool (KPP).

3 A. The City of Kingman is a member of KPP. I am one of two City of Kingman
4 representatives on the KPP membership committee.

5 Q. Did you have any involvement in the construction of the 34.5 kV line that currently
6 connects the City of Kingman to the Southern Pioneer 34.5 kV line which runs from
7 the City of Cunningham to the Pratt substation?

8 A. Yes, I also oversaw the purchase and installation of this line, which we commonly
9 call the Cunningham tie line.

10 Q. Describe the transmission service to the City of Kingman before the completion of
11 the Cunningham tie line.

12 A. The City of Kingman had a very limited transmission interconnection on an old
13 Aquila, Inc. 34.5 kV line running north from the Harper substation and terminating
14 near Partridge, Kansas. This line was only capable of delivering 2 MW of energy to
15 Kingman. The City of Kingman primarily used the interconnection for
16 synchronization and voltage support for the Aquila line.¹

17 Q. Please tell the Commission how the purchase and installation of the Cunningham tie
18 line came about.

19 A. Prior to the purchase and installation of the Cunningham tie line in 2005, the City of
20 Kingman exclusively used generators for supply of its electric power. At that time,
21 natural gas prices were low, so use of these generators made good economic sense.

22

¹ Today, this 34.5 kV line is owned and operated by Wheatland Electric Cooperative.

1 However, once natural gas prices began to rise, this method of power generation
2 became uneconomical. Around 2000 and/or 2001, on behalf of the City of Kingman,
3 I began looking into installing our own line to connect to a nearby sub-transmission
4 station so we could purchase lower-cost economy energy. I investigated whether we
5 should hook up to the Westar system to the East of the City of Kingman, but
6 determined that system was not in very good shape at that time. As discussed by
7 Southern Pioneer,² the City of Kingman also worked with Aquila, Inc. to determine
8 other options for a better connection to the Aquila, Inc. transmission system. The
9 preferred option in 2002 was to tie into the 34.5 kV line that Aquila, Inc. operated
10 that originated at a 115 kV substation in Pratt and terminated at a distribution
11 substation in the City of Cunningham This system was also antiquated and in need of
12 upgrades, but it was the preferred option at the time. I spoke with Carl Huslig at
13 Aquila, Inc. about building a 34.5 kV line to connect the City of Kingman to the
14 Cunningham distribution substation on the end of the Pratt to Cunningham 34.5 kV
15 line. When Aquila, Inc. provided the City of Kingman with a very high cost estimate
16 for constructing the Kingman to Cunningham 34.5 kV line, I investigated whether the
17 City of Kingman could contract for the installation of this line ourselves. Carl Huslig
18 suggested I consider working with a California company called Composite
19 Technologies. This company manufactured composite core conductor line and was
20 looking for a demonstration project for its line. We negotiated with Composite
21 Technologies, who provided us with the composite core conductor line free of

² See Exhibit RDM-1, the Prefiled Direct Testimony Randall D. Magnison in this proceeding.

1 charge. In 2005, the City of Kingman proceeded to construct the 34.5 kV line from
2 Kingman to Cunningham and paid Aquila, Inc. for all costs associated with upgrades
3 and interconnections at the Cunningham substation.

4 Q. Did Aquila, Inc. charge the City of Kingman for the work done at the Cunningham
5 substation and interconnection facilities at Cunningham?

6 A. Yes.

7 Q. How much did the City of Kingman pay Aquila, Inc. for the installation of the
8 Cunningham substation and interconnection work?

9 A. We paid \$369,340.48. I have attached as Exhibit 1 to my testimony an itemization of
10 the amounts the City of Kingman paid Aquila, Inc. for this project.

11 Q. How did the installation of the Cunningham tie line impact the City of Kingman's
12 power generation?

13 A. Prior to energizing this line, we had to run our generators 24 hours a day, 365 days a
14 year. Now, we are able to reduce our internal power generation to only about five
15 months out of the year.

16 Q. Has the City of Kingman experienced any problems with the power it imports on the
17 Cunningham tie line?

18 A. Yes. While the Southern Pioneer local employees who work at the Pratt sub-
19 transmission station (which is really just a regulator bank, since it basically consists
20 of three regulators) are excellent, we have experienced some issues with power we
21 received from the regulator bank itself. For example, during the first three to four
22 years after we installed our line, we experienced a lot of trouble with large voltage
23 imbalances. I believe Southern Pioneer has finally fixed that issue.

1 Q. Has the City of Kingman experienced any problems recently?

2 A. Yes. Approximately 60-90 days ago, Southern Pioneer was performing work on their
3 Pratt line, so we were forced to stop using the Southern Pioneer 34.5 kV line.
4 Southern Pioneer needed to use its 34.5kV line to supply Cunningham from the
5 South, and that line does not have sufficient capacity to feed both Cunningham and
6 Kingman. So, we were forced to completely get off the Southern Pioneer line and
7 self-generate our power, using our generators.

8 Q. You mentioned the Southern Pioneer 34.5 kV line has capacity limitations—does the
9 34.5 kV line Kingman installed have similar capacity limitations?

10 A. No, it does not. Our line has adequate capacity for current use and future growth.
11 The limitations are entirely due to the antiquated undersized Southern Pioneer Pratt
12 to Cunningham 34.5 kV line and the associated 115 kV interconnection at Pratt.

13 Q. Since you've served in this position since 1991, did you interact with representatives
14 from Aquila, Inc. when Aquila, Inc. owned the line?

15 A. Yes, regularly.

16 Q. Did anyone from Aquila, Inc. ever approach the City of Kingman regarding
17 upgrading the 34.5 kV line between Pratt and Cunningham, into which Kingman's
18 line ties?

19 A. Not to my knowledge.

20 Q. Given your position as Superintendent of Electric Utilities for the City of Kingman,
21 would you have been the person with whom representatives from Aquila, Inc. would
22 have discussed such upgrades?

23 A. Yes.

1 Q. Has anyone from Southern Pioneer approached the City of Kingman regarding
2 upgrading its 34.5 kV sub-transmission station or its line between Pratt and
3 Cunningham, into which Kingman's line ties?

4 A. Not to my knowledge. It is my understanding they did just suggest such an upgrade to
5 KPP in 2009, as discussed by Mr. Holloway.

6 Q. Has Southern Pioneer had opportunities to upgrade that line, on which it failed to
7 capitalize?

8 A. Yes. For example, I understand Southern Pioneer received government funds to
9 relocate part of that line due to a nearby highway realignment, but it did not take that
10 opportunity to upgrade the line during the relocation.

11 Q. Do you have any concerns about the capacity of Southern Pioneer's 34.5 kV line and
12 the ability of the Southern Pioneer sub-transmission station to reliably meet the
13 present and projected needs of the City of Kingman?

14 A. Frankly, yes. For example, additional businesses have sprouted up in the nearby City
15 of Cunningham. While this is good for the City of Cunningham, it reduces the
16 capacity of Southern Pioneer's 34.5 kV line for the supply of power to the City of
17 Kingman. This limitation hinders the City of Kingman's future commercial and
18 economic growth potential.

19 Q. Are you aware of any measures undertaken by Southern Pioneer to offset the growth
20 in the City of Cunningham and its resulting impact on the power capacity available to
21 the City of Kingman, and ensure Southern Pioneer's 34.5 kV line has sufficient
22 power capacity to serve the City of Kingman's present and projected needs?

23 A. No, I am not.

1 Q. Does the City of Kingman support the proposal by the Kansas Power Pool to
2 construction a new 115-34.5 kV substation and interconnection facilities, which is
3 the subject of Southern Pioneer's complaint to the Commission?

4 A. Yes. I have attached as Exhibit 2 to my testimony a Resolution adopted by the City
5 of Kingman, in which the City of Kingman states it supports the KPP proposal. As
6 stated in that Resolution, the City of Kingman recognizes that its future growth and
7 development is dependent upon the availability of reliable and abundant electric
8 power. The current Southern Pioneer system limits that availability, due to its import
9 limitations and condition of the Southern Pioneer 34.5 kV line. The City of Kingman
10 would both directly and indirectly realize economic benefit from the improved
11 transmission resources that would be provided under the KPP Proposal.

12 Q. Do you believe Southern Pioneer would receive any benefit from the KPP Proposal?

13 A. Yes. Based upon prior discussions I have had with Southern Pioneer personnel, I
14 understand that, if KPP were allowed to proceed with its proposal, Southern Pioneer
15 may be interested in purchasing or leasing a section of the Kingman line, for
16 Southern Pioneer to use to improve Southern Pioneer's power supply to its service
17 territory. This would allow Southern Pioneer to backfeed the Cunningham substation
18 from the 155 kV Ninnescah line through the proposed Kingman Direct Connection
19 facilities.³

20 Q. Does this conclude your testimony?

21 A. Yes.

³ See the Direct Testimony of Larry W. Holloway in this proceeding.

VERIFICATION

STATE OF KANSAS)
) ss:
COUNTY OF KINGMAN)

Ira Hart, of lawful age, being first duly sworn upon my oath, state that I am the Superintendent of Electric Utilities for the City of Kingman, Kansas; that I have read the above prefiled testimony; that I know the contents thereof and declares that the statements made therein are true and correct to the best of my knowledge and belief.



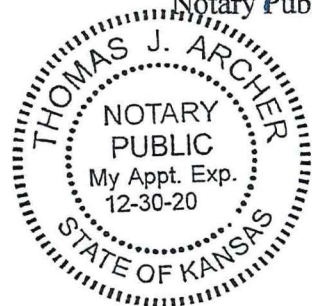
Ira Hart

SUBSCRIBED AND SWORN to before me this 4 day of August, 2017.



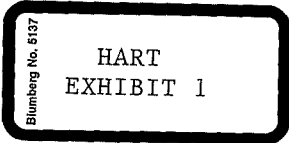
Notary Public

My Appointment Expires:
12/30/20



KANZA

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	INVOICE #	CONTRACT #	VEHICLE #
18680- 1922	4	2/24/2005	1601 AQUILA INC				
	4		49888 TIE LINE-PER CONTRACT	133,576.19		1530204142	
18680- 1922	4	2/24/2005	Reconciled	*** Total ***	133,576.19		
19176- 1937	3	6/09/2005	1601 AQUILA INC				
	3		50965 TIE LINE PROJECT	54,938.00		1530204142	
19176- 1937	3	6/09/2005	Reconciled	*** Total ***	54,938.00		
19315- 1941	5	7/14/2005	1601 AQUILA INC				
	5		51305 MATERIAL, LABOR	77,171.99		1530204142	
19315- 1941	5	7/14/2005	Reconciled	*** Total ***	77,171.99		
19884- 1959	4	11/10/2005	1601 AQUILA INC				
	4		52561 TIE LINE SERVICES	103,654.30		1530204142	
	4		52744 PURCHASE POWER	101,204.14		R0048	
19884- 1959	4	11/10/2005	Reconciled	*** Total ***	204,858.44		
				.00			
** Total check discount **				.00			
** Total check amount **				470,544.62			
				.00			



RESOLUTION NO. 2017-4

A RESOLUTION SUPPORTING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A NEW SUBSTATION AND INTERCONNECTION FACILITIES TO SERVE THE CITY OF KINGMAN, KANSAS.

WHEREAS, the availability, capacity and reliability of electric energy to the City of Kingman, Kansas (the "City") is vital to City residents, City businesses and the surrounding community; and

WHEREAS, the future growth and economic development of the City is dependent upon the availability of reliable and abundant electric power; and

WHEREAS, the City is one of the twenty-four member cities which purchase power from The Kansas Power Pool (KPP), a municipal energy agency (the "KPP"); and

WHEREAS, the City purchases a substantial portion of its power from the KPP in order to serve the many commercial and residential customers of the City with abundant, cost effective and reliable electric power; and

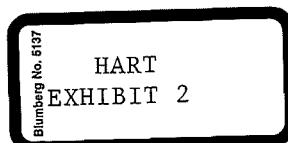
WHEREAS, the City will directly realize economic benefit from improved transmission resources; and

WHEREAS, the City will also indirectly realize indirect economic benefit (as a member city of the KPP) upon the KPP constructing a new 115-34.5 kV substation and interconnection facilities to serve the City (the "Project"); and

WHEREAS, any imposition of a penalty or facility switching fee upon the KPP for its Project would impose an economic hardship upon the City and would only work to limit and increase the costs of the resources available to the City for its future growth and economic development.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF KINGMAN, KANSAS, AS FOLLOWS:

The City of Kingman, Kansas supports the construction of a new 115-34.5 kV substation and interconnection facilities by The Kansas Power Pool (KPP), a municipal energy agency to serve said City and its citizens.



ADOPTED AND APPROVED by the governing body of the City of Kingman, Kansas
on the 27th day of July, 2017.



CITY OF KINGMAN, KANSAS

By *Merlin McFarland*
Merlin McFarland, Mayor

By *Cindy Conrardy*
Cindy Conrardy, City Clerk

EXCERPT OF MINUTES

The governing body of the City of Kingman, Kansas met in regular session at the usual meeting place in the City on July 27, 2017 at 7:00 p.m., with the Mayor Charlus Bishop presiding, and the following members of the governing body present:

Mayor McFarland, Commissioner Arensdorf, Commissioner Hacker

and the following members absent:

Commissioner Neville, Commissioner Bishop

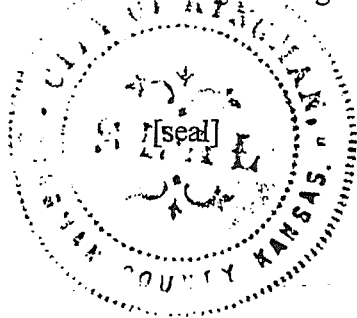
A Resolution was considered by the governing body entitled:

A RESOLUTION SUPPORTING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A NEW SUBSTATION AND INTERCONNECTION FACILITIES TO SERVE THE CITY OF KINGMAN, KANSAS.

The Resolution was considered and discussed; and on motion of Hacker, seconded by McFarland, the Resolution was adopted by the members present and was assigned No. 2017-4.

CITY CLERK'S
CERTIFICATION OF EXCERPT OF MINUTES

I hereby certify that the foregoing is a true and correct Excerpt of Minutes of the July 27,
2017 meeting of the governing body of the City of Kingman, Kansas.



Cindy Conrardy

Cindy Conrardy, City Clerk