THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Andrew J. French, Chairperson Dwight D. Keen Annie Kuether

In the Matter of the Application of Black) Hills/Kansas Gas Utility Company, LLC, d/b/a) Black Hills Energy, for Approval of the) Commission to Make Certain Changes in its) Rates for Natural Gas Service.

Docket No. 25-BHCG-298-RTS

ORDER CONVERTING EVIDENTIARY HEARING TO A ONE-DAY HEARING ON UNANIMOUS SETTLEMENT AGREEMENT

This matter comes before the State Corporation Commission of the State of Kansas ("Commission") for consideration and decision. Having reviewed the pleadings and record, the Commission makes the following findings:

1. On February 3, 2025, Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy ("Black Hills") filed an Application requesting to increase its revenues annually by \$17,207,752, rebasing amounts currently collected through the Gas System Reliability Surcharge ("GSRS") of \$4.4 million and adjusting \$1.4 million of the Ad Valorem Tax Surcharge ("AVTS") into base rates, that will result in an overall rate of return of 7.63%.¹

2. Citizen's Utility Ratepayer Board ("CURB"), Kansas Municipal Gas Agency ("KMGA"), Symmetry Energy Solutions, LLC ("Symmetry Energy") WoodRiver Energy, LLC ("WoodRiver Energy"), Freedom Pipeline, LLC ("Freedom Pipeline") and Seaboard Energy Kansas, LLC ("Seaboard Energy") have petitioned and been granted intervention in this proceeding.²

¹ Black Hills' Application, **P** 9 (Feb. 3, 2025).

² Order Granting CURB's Petition to Intervene; Designating Presiding Officer; Protective and Discovery Order (Feb. 11, 2025); Order Granting Kansas Munipal Gas Agency's Petition for Intervention (Feb. 27, 2025); Order Granting Symmetry Energy Solutions, LLC Intervention (Apr. 10, 2025); Order Granting Intervention to

3. On February 19, 2025, the Commission issued an Order Setting Procedural Schedule, which included an evidentiary hearing on June 30 through July 2, 2025, followed by post-hearing brief deadlines.³

4. On June 13, 2025, all parties to this Docket filed a Joint Motion to Approve Unanimous Settlement Agreement.⁴ The proposed Unanimous Settlement Agreement requests the Commission to authorize an overall increase in Black Hills' base rates of \$15.2 million, which includes \$4.4 million related to rebasing the Gas System Reliability Surcharge ("GSRS"), resulting in an incremental new revenue increase of \$10.8 million.⁵ The parties also agree on Black Hills' proposed deferred accounting insurance tracker, and propose to defer to a separate docket the proposed daily balancing transportation tariff revisions, including proposed revisions relating to (1) the addition of daily balance charges; (2) receipt point capacity allocation assignments; and (3) expansion of Operational Flow Order ("OFO") to customer-specific OFOs.⁶

5. Due to the unanimity of the proposed Unanimous Settlement Agreement, the Commission will convert the three-day evidentiary hearing to a one-day settlement hearing and is cancelling the post-hearing brief deadlines/requirements. The hearing on the Settlement Agreement will begin at 10:00 a.m. on Monday, June 30, 2025, in the Commission's First Floor Hearing Room, 1500 SW Arrowhead Road, Topeka, KS, 6604.

THEREFORE, THE COMMISSION ORDERS:

A. The evidentiary hearing originally scheduled for June 30 through July 2, 2025, is converted to a hearing on the Settlement Agreement, which will begin at 10 a.m. on June 30, 2025.

WoodRiver Energy, LLC (Apr. 15, 2025); Order Granting Freedom Pipeline Intervention (May 1, 2025); Order Granting Seaboard Energy Kansas, LLC Intervention (May 1, 2025).

³ Order Setting Procedural Schedule (Feb. 19, 2025).

⁴ Joint Motion to Approve Unanimous Settlement Agreement (Jun. 13, 2025).

⁵ *Id.* (Exhibit A, p. 3).

⁶ *Id.* (Exhibit A, pp. 4-6).

B. This Order is procedural and constitutes non-final agency action.⁷

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 06/17/2025

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Celeste Chaney-Tucker Executive Director

ARB

⁷ K.S.A. 77-607(b)(2).

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I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of

electronic service on 06/17/2025

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