

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

Before Commissioners: Andrew J. French, Chair
 Dwight D. Keen
 Annie Kuether

In the Matter of the Application of FreeState)
Electric Cooperative for a Certificate of)
Convenience and Authority to Transact the) Docket No. 25-FSEE-362-COC
Business of a(n) Electric Public Utility in the)
State of Kansas Osage County)

ORDER GRANTING APPLICATION

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (“Commission”) for consideration and determination. Having examined its files and records, the Commission finds and concludes:

I. BACKGROUND

1. On March 24, 2025, FreeState Electric Cooperative (“FreeState”) filed an application in the above-captioned docket requesting to expand its certificated territory in portions of Osage County, Kansas.¹

2. FreeState is willing to provide service to the customer and is therefore requesting a Certificate of Convenience and Necessity to serve the following territory, to the extent not already served by FreeState:

OSAGE COUNTY, KANSAS

The West 1/2 of Southeast 1/4 and East 1/2 of Southwest 1/4 of Section 14,
Township 15 South, Range 16 East

¹ Application for FreeState Electric Cooperative, Docket No. 25-FSEE-362-COC (Mar. 24, 2025) (“Application”).

3. The above-described tract of land is located on the service border of FreeState and Evergy Kansas Central, Inc. (“EKC”). On February 20, 2025, EKC filed an application in Docket No. 25-EKCE-326-CCS requesting to cease servicing the above-described tract of land.²

4. On May 8, 2025, Commission Staff (“Staff”) submitted a Report and Recommendation (“R&R”) in which Staff analyzed both FreeState and EKC’s applications.³ Staff ultimately recommended that the Commission find that public convenience and necessity will be promoted by this transaction and therefore grant FreeState’s Application.⁴ Staff’s R&R is incorporated by reference herein and attached hereto as **Attachment A**.

5. An EKC customer wishes to build a home on their property that is located on the border of the certified territory of EKC and FreeState in the above-described tract of land.⁵ To remain an EKC customer, EKC would be required to build 1.45 miles of distribution line to reach this location at a cost to this customer of over \$100,000.⁶ FreeState represented that it currently has a distribution line located approximately 3,800 feet from the proposed location of the new home and therefore estimated that the cost to the customer to receive service will be roughly \$37,000.⁷ FreeState and EKC have mutually agreed, subject to Commission approval, that FreeState should serve as the electric provider for this customer.⁸

II. LEGAL STANDARDS AND DISCUSSION

6. The Retail Electric Suppliers Act (“RESA”), K.S.A. 66-1,170 *et. seq.*, requires the State of Kansas to be divided into electric service territories in which only one retail electric

² Application for Evergy Kansas Central, Inc. Osage County, Docket No. 25-EKCE-326-CCS (Feb. 20, 2025).

³ Report and Recommendation, Utilities Division, Dockets No. 25-EKCE-326-CCS and 25-FSEE-362-COC (May 8, 2025) (“Staff’s R&R” or “R&R”).

⁴ Staff’s R&R, p 2.

⁵ *Id.* at p. 1.

⁶ Data Request dated April 11, 2025

⁷ Staff’s R&R, p. 2.

⁸ *Id.*

supplier is established for a given territory.⁹ RESA provides that retail electric suppliers may enter into agreements to amend boundaries between their facilities, subject to Commission approval.¹⁰

7. The Commission is given full power, authority, and jurisdiction to supervise and control the electric public utilities, as defined in K.S.A. 66-101a, doing business in Kansas, and is empowered to do all things necessary and convenient for the exercise of such power, authority, and jurisdiction.¹¹ The Commission has the power to grant an application requesting a Certificate of Convenience and Necessity if it determines that public convenience and necessity will be promoted by the transaction of business by the applicant.¹²

III. FINDINGS AND CONCLUSIONS

8. The Commission finds that it would be substantially less expensive and more convenient for this customer for FreeState to provide electric service to this customer whose property is located in the above-described tract of land.

9. The Commission finds that FreeState and EKC have mutually agreed, subject to Commission approval, that FreeState should serve as the electric provider for this customer.

10. The Commission finds that the recommendations contained in Staff's May 8, 2025, R&R are reasonable and adopts the same.

11. The Commission concludes that public convenience and necessity will be promoted by the approval of FreeState's Application.

⁹ K.S.A. 66-1,172.

¹⁰ *Id.*

¹¹ K.S.A. 66-101.

¹² K.S.A. 66-131.

THEREFORE, THE COMMISSION ORDERS:

A. FreeState Electric Cooperative's Application is granted.

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).¹³

BY THE COMMISSION IT IS SO ORDERED.

French, Chair; Keen, Commissioner; Kuether, Commissioner

Dated: 05/20/2025



Celeste Chaney-Tucker
Executive Director

MKH

¹³ K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

ATTACHMENT A

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

Laura Kelly, Governor

REPORT AND RECOMMENDATION
UTILITIES DIVISION

TO: Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Annie Kuether, Commissioner

FROM: Jason Kerr, Utility Engineering Technician
Paul Owings, Chief Engineer
Jeff McClanahan, Director of Utilities

DATE: May 8, 2025

SUBJECT: **Docket No. 25-EKCE-326-CCS** – In the Matter of the Application of Evergy Kansas Central, Inc. for Authority to Cease Transacting the Business of an Electric Public Utility Specifically, in Section 14, Township 15 South, Range 16 East in Osage County, Kansas.

Docket No. 25-FSEE-362-COC – In the Matter of the Application of FreeState Electric Cooperative, Inc. for a Certificate of Convenience and Authority to Transact the Business of an Electric Public Utility in the State of Kansas. Osage County.

EXECUTIVE SUMMARY:

In Docket 25-EKCE-326-CCS, Evergy Kansas Central, Inc. (Evergy) is seeking approval of the Commission to Cease transacting as an electric public utility for a small tract (tract) of land in Osage County. In Docket 25-FSEE-362-COC, FreeState Electric Cooperative, Inc. (FreeState) is requesting a Certificate of Convenience and Authority to engage in the business of an electric public utility for the tract of land.

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

BACKGROUND:

On February 20, 2025, Evergy brought Docket 25-EKCE-326-CCS by filing an application to Cease transacting as an electric public utility in a small tract of land in Osage County. On March 24, 2025, FreeState brought Docket 25-FSEE-362-COC by filing an Application for the Certificate of Convenience and Authority to engage in the business of an electric public utility for the Tract.

A customer wishing to build a home on their property is on the border of the certified territory of Evergy and FreeState. The building location is currently in the certified territory of Evergy. To remain an Evergy customer, they would be required to build 1.45 miles of distribution line to reach this location at a cost of over \$100,000.¹ FreeState has a distribution line roughly 3,800 feet from the location. Through an email from Staff to FreeState, FreeState estimated that the cost to the customer will be roughly \$37,000. It is substantially less expensive for FreeState to provide electric needs for this customer. Both Evergy and FreeState have mutually agreed, subject to Commission approval, that FreeState should serve as the electric provider for this customer.

The landowner's property is located along the line dividing Evergy and FreeState territories. It would be inconvenient and more expensive for the landowner to accept if Evergy was to extend a distribution line to their property. FreeState has facilities contiguous to the landowner's property and can provide electricity without the added cost to remain an Evergy customer.

ANALYSIS:

The Commission has jurisdiction to grant a Certificate of Convenience to any public utility seeking to transact business in the State of Kansas.² 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.³ 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.⁴ Such agreements are filed in the form of Certificates and, if approved by the Commission, Certificates to amend the subject territory are issued accordingly.⁵

The statutory standard in this matter is whether the public convenience will be promoted by the transaction of the applicant's business and permitting the Applicant to transact the business of a...public utility.⁶

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. Staff has also confirmed that the legal descriptions are not in conflict with the Commission's Certificate records. The legal description, Attachment A, and map depicting the territory trade, Attachment B, are included in this Report and Recommendation.

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.

¹ Data Request dated April 11, 2025

² K.S.A. 66-131(a); 66-1,172; 66-1,175.

³ K.S.A. 66-1,172.

⁴ K.S.A. 66-1,175.

⁵ *Id.*

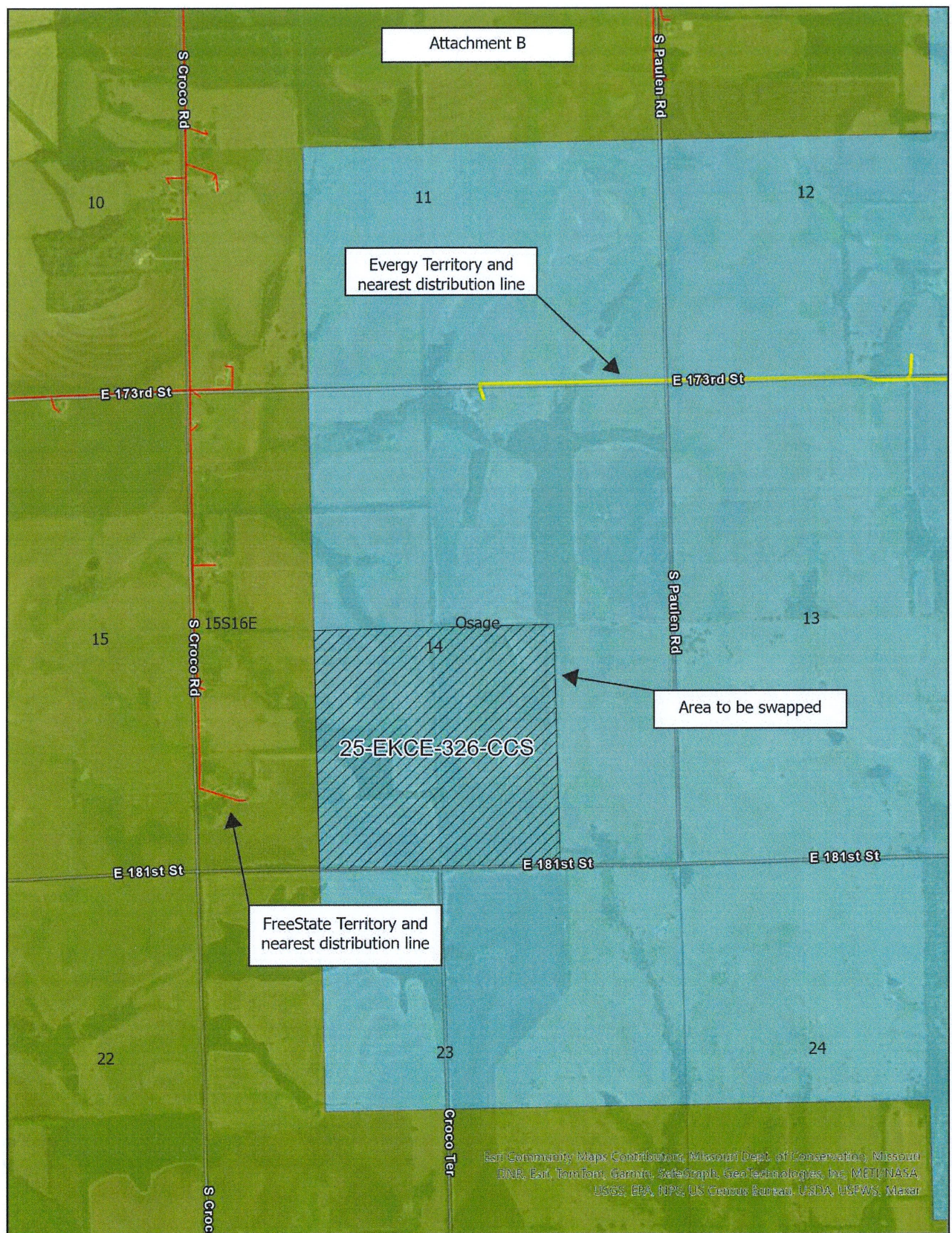
⁶ K.S.A. 66-131(a).

ATTACHMENT A

Legal Description of Territory Trade Between
Evergy Kansas Central, Inc. and FreeState Electric Cooperative, Inc.
Docket No. 25-EKCE-326-CCS and 25-FSEE-362-COC

OSAGE COUNTY, KANSAS

West 1/2 of Southeast 1/4 and East 1/2 of Southwest 1/4 of Section 14, Township 15 South, Range 16 East.



CERTIFICATE OF SERVICE

25-FSEE-362-COC

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of electronic service on 05/20/2025.

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/S/ KCC Docket Room

KCC Docket Room