

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

In the Matter of the Application of Kansas	)	
Gas Service, a Division of ONE Gas, Inc.	)	
for Approval by the Commission to Amend	)	
Section 7.02 of the Company's General	)	Docket No. 17-KGSG-544-TAR
Terms and Conditions in Compliance with	)	
PHMSA Rule 49 C.F.R. § 192.383(a).	)	

**JOINT MOTION TO APPROVE STIPULATED SETTLEMENT AGREEMENT**

COMES NOW, the Staff of the Kansas Corporation Commission (Staff and Commission, respectively), the Citizens' Utility Ratepayer Board (CURB), and Kansas Gas Service, a division of ONE Gas, Inc. (KGS) (hereafter referred to together as "the parties"), and move the Commission to approve the attached Stipulated Settlement Agreement<sup>1</sup> agreed to by the parties in resolution of all outstanding issues in this proceeding. In support thereof, the parties state the following:

1. On June 7, 2017, KGS filed an Application and supporting testimony seeking approval to amend its General Terms and Conditions to permit KGS to charge a \$400 fee to those customers requesting the installation of an Excess Flow Valve ("EFV") in accordance with the Pipeline and Hazardous Materials Safety Administration's (PHMSA) October 7, 2016, Final Rule.
2. On July 6, 2017, Staff filed a Report and Recommendation (R&R) recommending denial of KGS's request to charge a fee for customer requested EFV installations. Staff also recommended the Commission encourage KGS to retrofit its existing service lines which serve commercial customers where the service line may result in significant risk to the public.
3. On July 21, 2017, KGS filed a response to Staff's R&R, disputing Staff's

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<sup>1</sup>Attached hereto as Attachment "A".

recommendation.

4. CURB did not file a response.

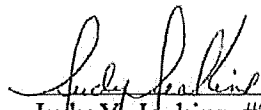
5. The parties have subsequently reached agreement with respect to all outstanding issues in this proceeding. To that end, the parties have drafted and attached a proposed Stipulated Settlement Agreement.

6. The Kansas Administrative Procedure Act (KAPA) allows parties to settle matters at any time.<sup>2</sup> The Stipulated Settlement Agreement proposed in this matter would be considered a “unanimous settlement agreement,” as that term is described in K.A.R. 82-1-230a.

7. The parties posit that Commission adoption of the attached Stipulated Settlement Agreement will resolve all outstanding issues in this matter, and result in just and reasonable tariff terms for KGS.

WHEREFORE, the parties respectfully request that the Commission issue an order adopting the Settlement Provisions contained in the attached Stipulated Settlement Agreement entered into by the parties.

Respectfully submitted,

  
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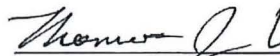
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<sup>2</sup>K.S.A. 77-505.



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

In the Matter of the Application of Kansas Gas )  
Service, a Division of ONE Gas, Inc. for Approval by )  
the Commission to Amend Section 7.02 of the )  
Company's General Terms and Conditions in ) Docket No. 17-KGSG-544-TAR  
Compliance with PHMSA Rule 49 C.F.R. § )  
192.383(a). )

**STIPULATED SETTLEMENT AGREEMENT**

The Staff of the State Corporation Commission of the State of Kansas ("Staff"), the Citizens' Utility Ratepayer Board ("CURB") and Kansas Gas Service, a division of ONE Gas, Inc. ("KGS" or "Company") (hereafter referred to together as "Parties"), hereby submit the following terms of settlement to the State Corporation Commission of the State of Kansas ("Commission" or "KCC") to resolve all disputed matters in this proceeding.

**DESCRIPTION OF PROCEEDINGS**

1. On June 7, 2017, KGS filed an Application and supporting testimony seeking approval to amend its General Terms and Conditions to permit the Company to charge a \$400 fee to those customers requesting the installation of an Excess Flow Valve ("EFV") in accordance with the Pipeline and Hazardous Materials Safety Administration's (PHMSA) October 7, 2016, Final Rule.

2. On July 6, 2017, Staff filed its Report and Recommendation which recommended denial of the Company's request for permission to charge a fee for customer requested EFV installations. Staff also recommended the Commission encourage the Company to retrofit its existing service lines which serve commercial customers where the service line may result in significant risk to the

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public.

3. On July 21, 2017, KGS filed a response to Staff's recommendation.
4. CURB did not file a response.

#### **SETTLEMENT PROVISIONS**

4. The Parties have Stipulated and agreed to the following:
    - a. KGS agrees to accept fifty (50) individual customer requests for the installation of an EFV device in accordance with 49 Part 192.383, per calendar year. KGS shall not impose a fee for customer requested installations. Any subsequent requests in a single calendar year shall be rolled to the top of the list for the following year, unless roll over will cause the installation to occur later than one year beyond the date of the request;
    - b. KGS agrees to file a formal notice in this docket should the Company receive more than fifty (50) customer requests for EFV installations within a calendar year. At such a time, Staff and CURB will evaluate its position to determine whether the implementation of a fee is necessary;
    - c. The Parties agree that all reasonable and prudent costs incurred in the installation of EFV devices are to be deemed eligible for recovery under the GSRS mechanism or in a rate case; and,
    - d. The Parties agree that the Company shall have a full year from the date of each customer request to complete the installation of the requested device; and
    - e. The Parties reserve the right to challenge a request to implement an additional fee
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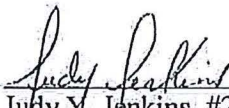
if KGS decides to file a formal notice in this docket, as contemplated above in paragraph c. In these regards, the Parties do not waive their unequivocal right to assert or reassert any argument with respect to any such requested additional fee, or any issue not fully resolved or specifically addressed in this document between the Parties.

5. This Stipulated Settlement Agreement fully resolves all issues specifically addressed in this document between the parties. The Parties further agree the terms of this Stipulated Settlement Agreement constitutes a fair and reasonable resolution of the issues addressed herein and agree to be bound by the same.


**IN WITNESS WHEREOF**, the Parties have executed and approved this Stipulated Settlement Agreement, effective upon any Commission Order approving the same, by subscribing their signatures below.

  
Michael Neeley, # 25027  
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Kansas Corporation  
Commission  
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STATE OF KANSAS            )  
  ) ss.  
COUNTY OF SHAWNEE    )

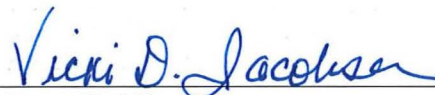
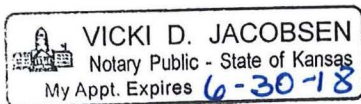
**VERIFICATION**

Michael Neeley, being duly sworn upon his oath deposes and states that he is Litigation Counsel for the State Corporation Commission of the State of Kansas, that he has read and is familiar with the foregoing *Joint Motion to Approve Stipulated Settlement Agreement* and that the statements contained therein are true and correct to the best of his knowledge, information and belief.



\_\_\_\_\_  
Michael Neeley # 25027  
Kansas Corporation Commission of the  
State of Kansas

Subscribed and sworn to before me this 27th day of November, 2017.



\_\_\_\_\_  
Notary Public

My Appointment Expires: June 30, 2018

## CERTIFICATE OF SERVICE

17-KGSG-544-TAR

I, the undersigned, certify that a true and correct copy of the above and foregoing Joint Motion to Approve Stipulated Settlement Agreement was served via electronic service this 27th day of November, 2017, to the following:

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