

**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 an Extension of its     )  
Certificate of Convenience and Necessity to Provide     ) Docket No. 19-KGSG-005-COC  
Service as a Natural Gas Public Utility in an Additional     )  
Designated Area in Johnson County, Kansas.     )

**RESPONSE OF KANSAS GAS SERVICE TO THE  
STAFF REPORT AND RECOMMENDATION**

Kansas Gas Service (“KGS” or the “Company”), a Division of ONE Gas, Inc., files this Response to the Report and Recommendation of the Staff of the Kansas Corporation Commission (“Commission”) and states:

1. Staff’s Report and Recommendation accurately relates the factual and procedural background underlying the above-captioned Application. KGS filed the Application seeking an extension of its certificate of convenience and authority to permit it to provide natural gas public utility service in a limited area currently certificated to Atmos. The requested extension area consists of two tracts. Tract 1 is the West Half (W2) of the Southeast Quarter (SE4) of Section 36, Township 14 South, Range 24 East. Tract 2 is the Northwest Quarter (NW4) of the Northeast Quarter (NE4) of Section 1, Township 15 South, Range 24 East, all in Johnson County, Kansas.

2. As explained in Staff’s Report and Recommendation, KGS’s filing was prompted by two circumstances -- both of which were the product of Atmos’ lack of infrastructure and the resulting inability to provide service within the subject Tracts. A new residence is being constructed in Tract 1 and the homeowner requested service from KGS after first being informed by Atmos that it could not economically connect and serve the residence. With respect to Tract

2, KGS and its predecessor utilities have been serving a customer located at 9225 West 191<sup>st</sup> Street in Overland Park since 1970. Once again, there are no available Atmos facilities from which the customer can receive service.

3. KGS and Atmos have engaged in private settlement discussions and participated in a settlement conference conducted by Staff wherein various approaches to resolve the service issues were discussed. However, no mutually agreeable resolution was reached. This result is unusual as typically, with Commission approval, the two utilities have agreed to exchange service territories to facilitate construction of facilities and the economic provision of utility service to requesting customers. KGS anticipates that in appropriate circumstances such exchanges will continue to occur. KGS is prepared (a) to make the line extensions required to provide natural gas utility service to Tract 1 and (b) to continue to serve the long-standing customer in Tract 2. Staff's Recommendation would reduce by half the Tract 1 area to be transferred from Atmos to KGS, limiting the transfer to the East Half (E2) of the West Half (W2) of the Southeast Quarter (SE4) of Section 36, and grant only a customer-specific certificate for KGS to continue serving the customer in Tract 2 without any transfer of Tract 2 service territory from Atmos to KGS. Nonetheless, the Recommendation would permit KGS to install facilities necessary to serve the customer in Tract 1 and to continue serving the customer in Tract 2.

4. The Staff Recommendation results in a reasonable resolution of issues presented in this Docket and comports with the principle that public convenience should be the primary concern in determining whether a certificate should be granted to a natural gas public utility to serve a particular territory. Accordingly, KGS concurs with Staff's Recommendation and urges that it be approved by the Commission.

Respectfully submitted,

KANSAS GAS SERVICE  
A Division of ONE Gas, Inc.

/s/ Judy Y. Jenkins Hitchye

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### VERIFICATION

STATE OF KANSAS            )  
  ) ss:  
COUNTY OF SHAWNEE    )

The undersigned, upon oath first duly sworn, states that he is the attorney for Kansas Gas Service, a Division of ONE Gas, Inc., that he has read the foregoing Application that he is familiar with the contents thereof, and that the statements contained therein are true and correct to the best of his knowledge and belief.

\_\_\_\_\_  
Charles Michael Lennen, #08505

Subscribed and sworn to before me this \_\_\_\_\_ day of November, 2018.

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

My Appointment Expires:

### **CERTIFICATE OF SERVICE**

I, the undersigned, do hereby certify that a true and correct copy of the above and foregoing was electronically served on this 1<sup>st</sup> day of November, 2018, addressed as follows:

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*/s/ Charles Michael Lennen*

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