



Douglas J. Law

Associate General Counsel
Douglas.Law@blackhillscorp.com

1731 Windhoek Drive
Lincoln, NE 68512
P: 402.221.2635

July 18, 2025

Ms. Celeste Chaney-Tucker
Executive Director
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604

RE: Docket No. 25-GIMG-114-GIG
Comments of Black Hills/Kansas Gas Utility Company d/b/a Black Hills Energy

Dear Ms. Chaney-Tucker:

Enclosed for filing are the Comments of Black Hills/Kansas Gas Utility Company d/b/a Black Hills Energy in Docket 25-GIMG-114-GIG, as well as a public and Proprietary and Confidential version of Exhibit A to our Comments, which is a map showing locations of our gas distribution system and other confidential mapping information.

Respectfully submitted,

/s/ Douglas J. Law

Douglas J. Law, KS Bar #29118
Associate General Counsel

DL:ce

cc: Service List
Rob Daniel
Ann Stichler
Nick Smith

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

IN THE MATTER OF A GENERAL)
INVESTIGATION UPDATING THE)
CERTIFICATES OF CONVENIENCE AND)
NECESSITY ISSUED TO KANSAS GAS)
SERVICE, A DIVISION OF ONE GAS, INC. AND)
BLACK HILLS/KANSAS GAS UTILITY)
COMPANY, LLC d/b/a BLACK HILLS ENERGY)
IN COWLEY, SEDGWICK, SUMNER, RENO,)
AND RICE COUNTIES TO PROVIDE NATURAL)
GAS SERVICE.)

Docket No. 25-GIMG-114-GIG

**COMMENTS OF
BLACK HILLS/KANSAS GAS UTILITY COMPANY, LLC
D/B/A BLACK HILLS ENERGY**

COMES NOW Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy (“Black Hills” or “the Company”), and submits the following Comments pursuant to the Commission’s Order dated October 22, 2024, initiating a general investigation to review and update Certificates of Convenience and Necessity (“COCs”) for Black Hills and Kansas Gas Service (“KGS”) within Cowley, Sedgwick, Sumner, Reno, and Rice Counties. On August 12, 2024, the Staff of the State Corporation Commission of the State of Kansas (“Staff” and “Commission”, respectively) filed a Report and Recommendation (“R&R”) that the Commission initiate a general investigation to update the Certificates of Convenience and Necessity (“COC”) issued to Kansas Gas Service, a Division of ONE Gas, Inc. (“KGS”) and Black Hills.

On April 24, 2025, the Commission issued its “Order Granting Motion To Modify Procedural Schedule, which established July 18, 2025, as the deadline for Black Hills and KGS to file Comments in the above-captioned proceeding. Commission Staff’s Report and Recommendations related to these comments are due on September 19, 2025. The Commission’s Order on this matter is currently scheduled to be issued on or before Friday, November 21, 2025.

I. INTRODUCTION

The Commission's initial Order in this Docket directed Black Hills and KGS to submit proposals addressing natural gas service territory across thirty-three (33) communities in the above-referenced Kansas counties. As part of this review process, the Commission encouraged Black Hills and KGS to identify infrastructure presence, existing customer bases, and opportunities to resolve disputes through coordination between the two natural gas utilities.

Of the thirty-three communities identified by the Commission, only Haysville, South Hutchinson, and Hutchinson, Kansas invokes active service territory concerns for Black Hills at this time. For all other communities referenced in the Order, Black Hills has no objection at this time to the current certificated territories or existing service territory arrangements and does not seek any changes to the Commission's published map showing the State of Kansas existing service territory designations for natural gas utilities.

These Comments are submitted to affirm and protect Black Hills' existing lawful and practical service rights in the three disputed communities. Black Hills established service territory in alignment with Commission precedent and in furtherance of public interest.

II. DISCUSSION

A. HUTCHINSON & SOUTH HUTCHINSON

Black Hills currently provides natural gas service within substantial portions of both Hutchinson and South Hutchinson, supported by long-standing certificated authority originally granted to Peoples Natural Gas Company in Docket No. 89,418 and subsequently expanded by Commission order in Docket No. 16-BHCG-024-COC ("16 Docket"). These expansions eliminated

prior customer class restrictions and were uncontested by Kansas Gas Service (“KGS”), affirming that service by Black Hills in these areas promotes public convenience.

In Hutchinson, the Company’s infrastructure is strategically positioned to support future growth while avoiding redundancy and promoting system efficiency. Black Hills has demonstrated its ability to coordinate with other utilities and stakeholders, as evidenced by the seamless transition of service from Midwest Energy in the 16 Docket. This collaborative approach reflects the Company’s commitment to regulatory compliance and public interest and supports the Commission’s goal of minimizing seams issues in growing urban areas.

In South Hutchinson, Black Hills maintains active service and infrastructure investments that support system integrity, safety, and reliability. The Company’s presence is not only supported by established regulatory authority, but also by decades of operational experience and customer relationships. Black Hills has invested in significant infrastructure in this area with the expectation of long-term service obligations and opportunities. Disruption of service rights in this area would undermine customer confidence, negatively impact the orderly growth of Black Hills’ natural gas system and impair the efficient use of existing infrastructure.

In line with the Commission’s rationale in its Order dated March 20, 2025, particularly the importance of consistent service, infrastructure presence, and regulatory clarity, Black Hills respectfully requests that the Commission reaffirm its certificated service territory rights for the areas within and surrounding Hutchinson and South Hutchinson where the Company currently operates and has assets already in place. *See **CONFIDENTIAL Exhibit A** for a map of these assets in the Hutchinson/South Hutchinson area.*

Specifically, Black Hills requests sole certification rights for the following areas:

- Township 22 South, Range 6 West, All Sections except for 34 and 35.
- Township 23 South, Range 6 West, All Sections except for 1, 2, 12, and 13.
- Township 23 South, Range 5 West, All Sections except for Sections 7, 17, and 18.

B. HAYSVILLE

Black Hills currently provides natural gas service to industrial customers located on the western portion of the City of Haysville. That natural gas service is authorized and supported with certification rights approved for Black Hills in Commission Docket No. 125,795.

Black Hills current natural gas service to the industrial customers in the western portion of Haysville and has done so without objection or conflict of KGS or other utilities. While Black Hills acknowledges that the certification history in this area may warrant further Commission confirmation, Black Hills submits that its ongoing natural gas service and existing gas distribution infrastructure presence justifies reaffirmation of Black Hills' service territory rights in this portion of Haysville.

The Company requests that the Commission provide sole future certification rights to Black Hills for Township 28S Range 1W Sections 25, 26, 35, and 36 along with Township 29S Range 1W Sections 01, 02, 11, 12, 13, and 14.

C. UNDISPUTED COMMUNITIES

Black Hills affirms that of the thirty-three communities identified in the Commission's Order in this proceeding, thirty (30) communities not specifically identified in these comments are already served predominantly by Black Hills, KGS, or are standalone municipal systems.

Black Hills does not protest the current service territory rights or established Commission-certificated boundaries in these communities. Black Hills believes and asserts that focusing the Commission's resources on areas of active service territory overlap is the most constructive path forward for Black Hills, KGS, and all existing and prospective customers of each natural gas utility. Black Hills supports the Commission's efforts to bring clarity and finality to these longstanding service territory issues.

III. CONCLUSION

Black Hills appreciates the Commission's thoughtful approach to resolving longstanding certification ambiguities and supports the goal of establishing clear, enforceable boundaries that reflect both historical precedent and current operational realities. The Company has participated in this proceeding in good faith, with the intent to minimize conflict, avoid unnecessary duplication of infrastructure, and ensure that Kansas consumers continue to receive safe, reliable, and cost-effective natural gas service.

WHEREFORE, Black Hills respectfully requests that the Commission reaffirm Black Hills' existing certificated service rights and infrastructure-supported operations in Haysville, South Hutchinson, and Hutchinson, and to confirm that no revisions are necessary to certificated areas in

the remaining thirty communities identified in the Order, as they are either non-disputed or clearly served.

By: /s/ Douglas J. Law
Douglas J. Law #29118
Associate General Counsel
Black Hills Energy
1731 Windhoek Drive
Lincoln, NE 68512
Douglas.law@blackhillscorp.com
Attorney for Black Hills/Kansas Gas
Utility Company, LLC, d/b/a Black Hills Energy

STATE OF NEBRASKA,)
)
LANCASTER COUNTY) ss.

Douglas J. Law, of lawful age, being first duly sworn upon oath, deposes and says that he is attorney of the applicant, that he has read the above and foregoing application, and to the best of his information, knowledge, and understanding, the statements contained therein are true and accurate

Douglas J. Law

Douglas J. Law

SUBSCRIBED AND SWORN to before me this 18th day of July 2025.

Christina L. Ellis
Notary Public

Appointment/Commission Expires:



CERTIFICATE OF SERVICE

25-GIMG-114-GIG

I, the undersigned certify that a true and correct copy of the foregoing was served via electronic service on this 18th day of July, 2025 to the following:

NICK SMITH MANAGER OF REGULATORY 601 N. IOWA STREET LAWRENCE, KS 66044-9643 (785) 691-5062 Nick.Smith@blackhillscorp.com	DOUGLAS J. LAW ASSOCIATE GENERAL COUNSEL 1731 WINDHOEK DRIVE LINCOLN, NE 68512 (402) 221-2635 Douglas.Law@blackhillscorp.com
AARON BAILEY, ASSISTANT GENERAL COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604 Aaron.bailey@ks.gov	CARLY MASENTHIN, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604 c.masenthin@kcc.ks.gov
	ROBERT E. VINCENT, MANAGING ATTORNEY KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC. 7421 W. 129 TH STREET OVERLAND PARK, KS 66213 Robert.vincent@onegas.com

/s/ Douglas J. Law
Douglas L. Law