THE STATE CORPORATION COMMISSION

OF THE STATE OF KANSAS

Before Commissioners:

Jay Scott Emler, Chairman

Shari Feist Albrecht

Pat Apple

In the Matter of the Application of CMS Electric Cooperative,)	
Inc. for a Certificate of Convenience and Authority to Transact)	16-CMSE-503-COC
the Business of an Electric Public Utility in the State of Kansas. A)	
portion of Seward County)	

CERTIFICATE

NOW, the above-captioned matter comes on for consideration and determination by the State Corporation Commission of the State of Kansas ("Commission"). Having examined its files and records, and being fully advised in the premises, the Commission finds and concludes as follows:

- 1. On May 4, 2016, CMS Electric Cooperative, Inc. ("Applicant") filed an application seeking a Certificate of Convenience and Authority to provide electric service to a portion of Seward County, Kansas as required by K.S.A. 2014 Supp. 66-131. Applicant is an electric public utility as defined by K.S.A. 2014 Supp. 66-104. A public hearing was neither requested nor held on this application.
- 2. Specifically, Applicant requests a Certificate in the territory described as follows: <u>SEWARD COUNTY</u>

That area lying south of the existing CMS Electric Cooperative, Inc., three phase line in the W 1/2 of the W 1/2 of Section 13, Township 35s, Range 34w

3. The territory described in Finding No. 2 above is currently served by Southern Pioneer Electric Company. Pursuant to Docket No. 16-SPEE-502-CCS, Southern Pioneer

Electric Company requests permission to cease operating as an electric public utility in that territory.

4. Public convenience will be promoted by allowing Applicant to provide electric service in the territory described in Finding No. 2 above. The application, therefore, should be granted and a Certificate issued to Applicant in accordance with the provisions of K.S.A. 2014

Supp. 66-131.

IT IS, THEREFORE, BY THE COMMISSION CONSIDERED AND CERTIFIED:

A. The application filed herein is granted and CMS Electric Cooperative, Inc. is permitted to transact the business of an electric public utility in the territory described in Finding

No. 2 herein.

B. A party may file a petition for reconsideration of this Order within fifteen (15)

days from the date of service of this Order. If service is by mail, service is complete upon

mailing, and three (3) days shall be added to the above time frame. K.S.A. 66-118b; K.S.A.

2014 Supp. 77-529.

C. The Commission retains jurisdiction of the subject matter and parties for the

purpose of entering such further order or orders as it may deem necessary.

BY THE COMMISSION IT IS SO CERTIFICATED.

Emler, Chairman; Albrecht, Commissioner; Apple, Commissioner

Dated: ______ JUN 0 7 2016

Amy L. Green

Secretary to the Commission

gdd

Order Mailed Date

Utilities Division 1500 SW Arrowhead Road Topeka, KS 66604-4027



Phone: 785-271-3220 Fax: 785-271-3357 http://kcc.ks.gov/

Sam Brownback, Governor

Jay Scott Emler, Chairman Shari Feist Albrecht, Commissioner Pat Apple, Commissioner

REPORT AND RECOMMENDATION UTILITIES DIVISION

TO:

Chairman Jay Scott Emler

Commissioner Shari Feist Albrecht

Commissioner Pat Apple

FROM:

Gary Dawdy, Utility Engineer II

Leo Haynos, Chief Engineer

Jeff McClanahan, Director of Utilities

DATE:

May 17, 2016

SUBJECT:

16-SPEE-502-CCS

In the Matter of the Application of Southern Pioneer Electric Company for Permission to Cease Operating as an Electric Public Utility in the State of

Kansas. A portion of Seward County

16-CMSE-503-COC

In the Matter of the Application of CMS Electric Cooperative, Inc. for a Certificate of Convenience and Authority to Transact the Business of an Electric Public Utility in the State of Kansas. A portion of Seward County

BACKGROUND:

On May 4, 2016, Southern Pioneer Electric Company (Southern Pioneer) filed an Application to Cease in Docket No. 16-SPEE-502-CCS and CMS Electric Cooperative, Inc. (CMS) filed a Companion Application for Certificate in Docket No. 16-CMSE-503-COC.

ANALYSIS:

Pursuant to K.S.A. 2014 Supp. 66-131, the Commission has jurisdiction to grant a certificate to a public utility seeking to transact business in the State of Kansas. K.S.A. 66-1,170 et seq. the Retail Electric Suppliers Act (RESA) requires each and every retail electric supplier to obtain a certificate from the Commission.

The statutory standard of review in this matter is whether the "public convenience will be promoted by the transaction of said business and permitting said applicants to transact the business of a common carrier or public utility in this state." K.S.A. 2014 Supp. 66-131.

Further, single electric certification shall be the standard in Kansas under K.S.A. 66-1,170 et seq.

In addition, 66-1,175 states:

Notwithstanding the exclusive right of retail electric suppliers to provide service within the certified territories established pursuant to this act, a retail electric supplier may enter into an agreement with another retail electric supplier for the establishment of boundaries between territories other than the boundaries established pursuant to this act or providing electric service to electric consuming facilities as between such retail electric suppliers. Any agreement entered into pursuant to this section shall be subject to approval by the corporation commission. If so approved, the commission shall issue certificates accordingly.

Southern Pioneer and CMS have filed these Applications to exchange a small tract of electric territory located in Seward County. This territory trade is being requested to accommodate a customer requesting service to a new single residence and horse barn, which can be more efficiently served by CMS. There are currently no existing customers in the area being exchanged.

Staff recommends that the Commission find that public convenience will be promoted by the granting of these Applications.

The Commission action date is October 31, 2016.

RECOMMENDATION:

Staff is recommending that CMS's Application for Certificate in 16-CMSE-503-COC and Southern Pioneer's Cease Application in 16-SPEE-502-CCS both be granted.

KANSAS CORPORATION COMMISSION AMY L. GREEN, SECRETARY

DOCKET NO.: 16-CMSE-503-COC ORDER DATE: JUN 0 7 2016

NO. OF COPIES

NAME AND ADDRESS

Linda Tomlinson, President CMS ELECTRIC COOPERATIVE, INC. 509 East Carthage P.O. Box 790 Meade, KS 67864

Randy Magnison, Exec VP & Asst CEO SOUTHERN PIONEER ELECTRIC COMPANY 1850 W Oklahoma PO Box 430 Ulysses, KS 67880-0430

Order Mailed Date

JUN 08 2016