

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the Matter of Kansas Gas Service, a Division of)
ONE Gas, Inc.'s Ad Valorem Filing in)
Compliance with the Commission's July 14, 2004) Docket No. 25-KGSG-226-TAR
Order in Docket No. 04-KGSG-1099-TAR.)

KANSAS GAS SERVICE
ANNUAL AD VALOREM FILING

Kansas Gas Service, a division of ONE Gas, Inc. ("Kansas Gas Service" or "Company"), in compliance with the Commission's Order issued on July 14, 2004 in Docket No. 04-KGSG-1099-TAR ("04-1099 Order") respectfully submits its Annual Ad Valorem Filing. In support thereof, Kansas Gas Service states the following to the State Corporation Commission of the State of Kansas ("Commission"):

I. DESCRIPTION OF KANSAS GAS SERVICE

1. Kansas Gas Service is a natural gas public utility operating in the state of Kansas pursuant to certificates of convenience and necessity issued by the Commission. Kansas Gas Service's principal place of business within the state of Kansas is located at: 7421 West 129th Street, Overland Park, Kansas 66213.

II. COMMUNICATION

2. The names, addresses, and phone numbers of the persons authorized to receive notices and communications with respect to this filing are:

James G. Flaherty
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Ottawa, Kansas 66067
(785) 242-1234, telephone
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Robert Elliott Vincent
Managing Attorney
Kansas Gas Service
A Division of ONE Gas, Inc.
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Overland Park, Kansas 66213
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Janet Buchanan
Director of Rates & Regulatory
Kansas Gas Service
A Division of ONE Gas, Inc.
7421 W. 129th Street
Overland Park, Kansas 66213
janet.buchanan@onegas.com
Phone: 913-319-8662

III. NATURE OF FILING

3. K.S.A. 66-117(f) allows Kansas public utilities to file tariffs which collect ad valorem tax expense, and imposes certain obligations on Kansas public utilities with ad valorem tax riders. The Commission approved Kansas Gas Service's Ad Valorem Tax Surcharge Rider ("ATSR") in the 04-1099 Order.

4. K.S.A. 66-117(f) requires Kansas Gas Service to "report annually to the [Commission] the changes in expense charged for ad valorem taxes." The 04-1099 Order requires Kansas Gas Service submit annual ATSR true-up filings by December of each calendar year.

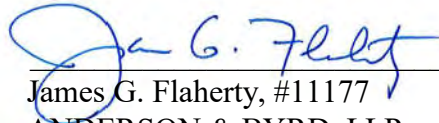
IV. SUBMISSION

5. Pursuant to the 04-1099 Order, Kansas Gas Service respectfully submits its annual ATSR true-up.

WHEREFORE, Kansas Gas Service, a division of ONE Gas, Inc., prays the Commission accept this filing and its associated attachments, find the filing compliant with the Commission's

04-1099 Order and K.S.A. 66-117(f), and so provide any other such relief as the Commission may deem just and reasonable.

Respectfully submitted,



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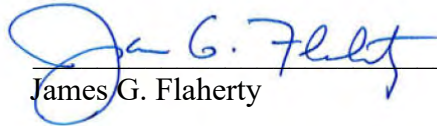
Attorneys for Kansas Gas Service,
a Division of ONE Gas, Inc.

VERIFICATION

STATE OF KANSAS
COUNTY OF FRANKLIN, ss:

James G. Flaherty, of lawful age, being first duly sworn on oath, states:

That he is the attorney for Kansas Gas Service, a division of ONE Gas, Inc., named in the foregoing Annual Ad Valorem Filing and is duly authorized to make this affidavit; that he has read the foregoing and knows the contents thereof; and that the facts set forth therein are true and correct.


James G. Flaherty

SUBSCRIBED AND SWORN to before me this 27th day of November, 2024.





Notary Public

Appointment/Commission Expires:

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing was sent via electronic mail, this 27th day of November, 2024, addressed to:

JOSEPH R. ASTRAB
Joseph.Astrab@ks.gov

TODD E. LOVE
Todd.Love@ks.gov

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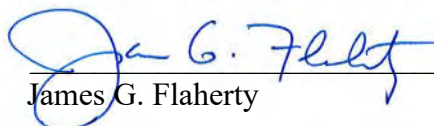
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James G. Flaherty



7421 West 129th Street
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November 27, 2024

Tim Rehagen
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, Kansas 66604-4027

Dear Mr. Rehagen:

The Commission's July 14, 2004, Order in Docket No. 04-KGSG-1099-TAR approved Kansas Gas Service's Ad Valorem Tax Surcharge Rider (ATSR). The order instructed KGS to file an annual true-up in December of each calendar year and charged Commission Staff with the review of the filing to ensure the surcharge's reasonable application and proper calculation.

This letter transmits the required true-up, including previously unrecovered Ad Valorem taxes charged to KGS plus the recently received 2024 assessments. We have calculated the 2025 surcharge to be charged to KGS sales and transportation customers, as specified under the ATSR. This filing recognizes current assessments from taxing jurisdictions and the corresponding tax expense being recovered in rates, as approved by the Commission in Dockets 18-KGSG-560-RTS and 24-KGSG-610-RTS. We expect to know a portion of the remaining assessments and the actual November 2024 recoveries by the time Staff completes their audit of our calculations, at which time any applicable updates can be made.

I have attached a pdf spreadsheet showing the calculation of the new surcharge to be reflected on customers' bills beginning with January 2025 cycle 1 billings; also attached is an itemized listing of taxes assessed by each taxing entity. Please contact me at 913-319-8711 or Amy.VanNice@onegas.com) if you have any questions or concerns. We are providing the tax assessments received to date and will follow-up in early December with any outstanding assessments.

We have filed this via the KCC e-filing platform on November 27, 2024.

Sincerely,

A handwritten signature in black ink that reads "Amy C Van Nice". The signature is written in a cursive, flowing style.

Amy Van Nice
Rates Specialist, Rates & Regulatory Analysis

Attachments

cc: Justin Grady, Pat Renner

KANSAS GAS SERVICE
AD VALOREM TAX SURCHARGE
For the Year Ending December 31, 2024
Calculation for the 2025 Billing Year

Adjustment to Prior Year Surcharge

Prior Year Surcharge Total	\$14,864,266.61	
Late Assessments	(792.33)	
True-up of Estimated Recoveries:		
Dec-23 Estimated	\$1,925,537.29	
Actual	<u>(1,742,076.32)</u>	
Total Adjustments to Estimate	<u>\$183,460.97</u>	
 Total Prior Year Surcharge Adjustments		 \$15,046,935.26

Current Year Recoveries - 2024

January	\$2,711,644.23	
February	\$2,665,878.94	
March	\$1,603,814.99	
April	\$1,231,216.04	
May	\$731,433.72	
June	\$549,655.36	
July	\$459,596.01	
August	\$509,609.76	
September	\$579,054.96	
October	\$530,116.81	
November	Estimated \$1,817,840.14	
December	Estimated <u>\$2,494,045.37</u>	
 Total Recoveries		 <u>\$15,883,906.33</u>
Under/(Over) Recovery to Carry Forward		(\$836,971.07)

Current Year Assessments

Ad Valorem Tax Assessments	\$36,692,917.35	
Less: Amount included in Base Rates	*1 <u>(23,679,461.00)</u>	
Recoverable Current Year Taxes		<u>\$13,013,456.35</u>
 Total Recoverable Amount		 \$12,176,485.28

Annual Billing Determinants

Billing Determinants	*2	85,775,027 Mcf	85,775,027 Mcf
 Ad Valorem Tax Surcharge Rate:	 Surcharge of		 <u><u>\$0.1420 /Mcf</u></u>

*1 Docket 18-KGSG-560-RTS: Unanimous Settlement Agreement, Section 15 (page 5) (10/12)
Docket 24-KGSG-610-RTS: Unanimous Settlement Agreement, Section 13 (page 4) (2/12)

*2 Docket 24-KGSG-610-RTS: Unanimous Settlement Agreement, Appendix B
NOTE: The calculation of this rider is detailed in the KGS Tariff, section 48.1

**KANSAS GAS SERVICE
AD VALOREM TAX SURCHARGE
2023 AND 2024 TAXES**

County	Total Tax Payments		Increase(Decrease)	
	2023 Taxes	2024 Taxes	\$	%
KANSAS				
KS-Allen	\$310,135.60	\$ 310,135.60	\$0.00	0.00%
KS-Anderson	308,032.76	\$ 165,196.82	(\$142,835.94)	-46.37%
KS-Atchinson	387,713.08	\$ 387,713.08	\$0.00	0.00%
KS-Barber	174,238.34	\$ 189,567.96	\$15,329.62	8.80%
KS-Barton	811,878.48	\$ 811,878.48	\$0.00	0.00%
KS-Bourbon	328,091.94	\$ 339,999.96	\$11,908.02	3.63%
KS-Brown	215,861.02	\$ 220,503.42	\$4,642.40	2.15%
KS-Butler	1,073,822.16	\$ 1,073,822.16	\$0.00	0.00%
KS-Chautauqua	3,749.82	\$ 1,573.12	(\$2,176.70)	-58.05%
KS-Cherokee	412,954.72	\$ 412,954.72	\$0.00	0.00%
KS-Clark	225,218.13	\$ 241,007.31	\$15,789.18	7.01%
KS-Clay	272,527.92	\$ 272,527.92	\$0.00	0.00%
KS-Cloud	306,577.60	\$ 306,577.60	\$0.00	0.00%
KS-Coffey	19,489.34	\$ 19,489.34	\$0.00	0.00%
KS-Comanche	154,232.30	\$ 154,232.30	\$0.00	0.00%
KS-Cowley	498,737.20	\$ 499,156.74	\$419.54	0.08%
KS-Crawford	768,424.68	\$ 811,921.76	\$43,497.08	5.66%
KS-Dickinson	622,468.90	\$ 622,468.90	\$0.00	0.00%
KS-Doniphan	133,061.66	\$ 140,847.02	\$7,785.36	5.85%
KS-Douglas	106,753.06	\$ 106,753.06	\$0.00	0.00%
KS-Edwards	305,924.98	\$ 328,036.24	\$22,111.26	7.23%
KS-Elk	106,540.50	\$ 106,540.50	\$0.00	0.00%
KS-Ellis	61,671.24	\$ 61,543.90	(\$127.34)	-0.21%
KS-Ellsworth	127,517.14	\$ 127,517.14	\$0.00	0.00%
KS-Ford	314,372.21	\$ 314,378.45	\$6.24	0.00%
KS-Franklin	382,171.64	\$ 398,430.84	\$16,259.20	4.25%
KS-Geary	597,805.06	\$ 597,805.06	\$0.00	0.00%
KS-Grant	48,202.30	\$ 48,202.30	\$0.00	0.00%
KS-Gray	136,215.22	\$ 141,881.14	\$5,665.92	4.16%
KS-Greenwood	32,237.28	\$ 32,237.28	\$0.00	0.00%
KS-Harper	88,953.74	\$ 88,953.74	\$0.00	0.00%
KS-Harvey	462,900.62	\$ 462,900.62	\$0.00	0.00%
KS-Haskell	127,857.92	\$ 138,983.44	\$11,125.52	8.70%
KS-Jackson	135,261.48	\$ 139,258.48	\$3,997.00	2.96%
KS-Jefferson	206,801.66	\$ 206,423.10	(\$378.56)	-0.18%
KS-Jewell	99,030.32	\$ 99,030.32	\$0.00	0.00%
KS-Johnson	3,954,710.50	\$ 4,144,410.27	\$189,699.77	4.80%
KS-Kingman	416,398.78	\$ 416,398.78	\$0.00	0.00%
KS-Kiowa	249,463.70	\$ 276,806.50	\$27,342.80	10.96%
KS-Labette	557,604.34	\$ 600,191.18	\$42,586.84	7.64%
KS-Leavenworth	618,208.86	\$ 669,844.40	\$51,635.54	8.35%
KS-Lincoln	89,992.28	\$ 89,992.28	\$0.00	0.00%
KS-Linn	18,857.08	\$ 18,624.76	(\$232.32)	-1.23%
KS-Lyon	477,534.96	\$ 477,534.96	\$0.00	0.00%
KS-Marion	139,613.65	\$ 139,613.65	\$0.00	0.00%
KS-Marshall	433,691.46	\$ 433,691.46	\$0.00	0.00%
KS-McPherson	789,315.84	\$ 789,315.84	\$0.00	0.00%
KS-Meade	77,578.28	\$ 76,914.00	(\$664.28)	-0.86%
KS-Miami	202,650.06	\$ 202,650.06	\$0.00	0.00%
KS-Mitchell	204,809.52	\$ 204,809.52	\$0.00	0.00%
KS-Montgomery	288,804.30	\$ 288,804.30	\$0.00	0.00%
KS-Morris	19,366.12	\$ 19,443.36	\$77.24	0.40%
KS-Morton	38,307.87	\$ 50,166.10	\$11,858.23	30.96%

**KANSAS GAS SERVICE
AD VALOREM TAX SURCHARGE
2023 AND 2024 TAXES**

County	Total Tax Payments		Increase(Decrease)	
	2023 Taxes	2024 Taxes	\$	%
KS-Nemaha	160,185.02	\$ 160,185.02	\$0.00	0.00%
KS-Neosho	267,692.32	\$ 267,692.32	\$0.00	0.00%
KS-Osage	191,753.04	\$ 191,519.76	(\$233.28)	-0.12%
KS-Osborne	107,458.96	\$ 107,458.96	\$0.00	0.00%
KS-Ottawa	88,747.76	\$ 88,747.76	\$0.00	0.00%
KS-Pawnee	265,294.12	\$ 265,294.12	\$0.00	0.00%
KS-Pottawatomie	428,517.90	\$ 443,372.24	\$14,854.34	3.47%
KS-Pratt	817,633.74	\$ 817,633.74	\$0.00	0.00%
KS-Reno	1,641,038.66	\$ 1,641,038.66	\$0.00	0.00%
KS-Republic	202,753.56	\$ 202,753.56	\$0.00	0.00%
KS-Rice	210,544.80	\$ 210,544.80	\$0.00	0.00%
KS-Riley	906,798.54	\$ 1,015,007.84	\$108,209.30	11.93%
KS-Rush	210,709.79	\$ 231,731.67	\$21,021.88	9.98%
KS-Russell	237,123.22	\$ 237,123.22	\$0.00	0.00%
KS-Saline	959,618.50	\$ 959,618.50	\$0.00	0.00%
KS-Sedgwick	5,314,966.99	\$ 5,314,966.99	\$0.00	0.00%
KS-Seward	10,192.08	\$ 20,250.02	\$10,057.94	98.68%
KS-Shawnee	3,160,570.22	\$ 3,160,570.22	\$0.00	0.00%
KS-Smith	110,673.12	\$ 110,673.12	\$0.00	0.00%
KS-Stafford	323,315.92	\$ 323,315.92	\$0.00	0.00%
KS-Stanton	19,448.88	\$ 23,415.64	\$3,966.76	20.40%
KS-Sumner	393,833.40	\$ 393,833.40	\$0.00	0.00%
KS-Wabaunsee	18,795.04	\$ 18,970.36	\$175.32	0.93%
KS-Washington	315,852.36	\$ 315,852.36	\$0.00	0.00%
KS-Woodson	14,379.66	\$ 14,379.66	\$0.00	0.00%
KS-Wyandotte	1,864,874.90	\$ 1,864,874.90	\$0.00	0.00%
Total Kansas	\$37,187,112.12	\$37,680,486.00	\$493,373.88	
OKLAHOMA				
30176 OK-Grant	159,888.00	\$ 159,889.00	\$1.00	0.00%
18387 OK-Woods	1,390.00	\$ 547.00	(\$843.00)	-60.65%
Total Oklahoma	\$161,278.00	\$160,436.00	(\$842.00)	
Total Taxes	\$37,348,390.12	\$37,840,922.00	\$492,531.88	

Less Taxes Charged to Other Balance Sheet Accounts:

Acct 163: Inventory	\$ 316,135.55	Key estimate updated
Acct 184: Fleet Clearing	831,869.10	
Total Current Year Ad Valorem Expense	\$36,692,917.35	

Acct 163: Inventory Rate
Acct 184: Fleet Clearing Rate

0.00835433
0.02198332

Ratios were calculated by accounting:
and filed in the 10R KS Dept of Rev filing

Kansas Gas Service					Support	
2023 Taxes: Late Assessments/Refunds						
County	Original Assessment	Total Ad Valorem tax paid (per g/l)	Additional Assessment / (Refund)	Total Corrected AV Expense	Reference or JE #	GL Month
KS-Barton	\$ 811,878.48	\$ 811,878.48	(\$579.46)	\$ 811,299.02	Refund Check for overpayment	Jul-24
KS-Johnson	\$ 3,954,710.50	\$ 3,954,710.50	(\$11.23)	\$ 3,954,699.27	Refund Check (\$10.00 + interest of \$1.23) for overpayment	Mar-24
KS-Leavenworth	\$ 618,208.86	\$ 656,374.79	(\$19.87)	\$ 656,354.92	Refund Check for overpayment	Feb-24
KS-Sedgwick	\$ 5,314,966.99	\$ 5,314,966.99	(\$139.32)	\$ 5,314,827.67	Refund Check for overpayment	Jun-24
KS-Pottawatomie	\$ 428,517.90	\$ 428,516.07	(\$68.56)	\$ 428,447.51	Refund Check for overpayment	Dec-23
KS-Ford	\$ 314,372.21	\$ 314,378.45	\$6.24	\$ 314,384.69	Late Assessment was for an additioal \$6.24	Dec-23
KS-Leavenworth	\$ 618,208.86	\$ 656,374.79	\$19.87	\$ 656,394.66	Refund was made in error and that amount was actually owed back	Aug-24
Totals	<u>\$ 12,060,863.80</u>	<u>\$ 12,137,200.07</u>	<u>\$ (792.33)</u>	<u>\$ 12,136,407.74</u>		