

BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

IN THE MATTER OF THE INVESTIGATION ]  
INTO KANSAS GAS SERVICE COMPANY, ]  
A DIVISION OF ONE GAS INC. REGARDING] KCC DOCKET NO. 21-KGSG-332-GIG  
THE FEBRUARY 2021 WINTER WEATHER ]  
EVENTS, AS CONTEMPLATED BY ]  
DOCKET NO. 21-GIMX-303-MIS ]

TESTIMONY IN SUPPORT OF SETTLEMENT AGREEMENT

JOSH FRANTZ

ON BEHALF OF

THE CITIZENS' UTILITY RATEPAYER BOARD

NOVEMBER 30, 2021

1 **Q. Please state your name and business address.**

2 A. My name is Joshua (Josh) P. Frantz. My business address is 1500 SW Arrowhead Road,  
3 Topeka, Kansas 66604.

4  
5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by the Citizens' Utility Ratepayer Board (CURB) as a Senior Regulatory  
7 Analyst.

8  
9 **Q. Please describe your educational and professional background.**

10 A. I earned a Bachelor of Business Administration degree from Washburn University in  
11 Topeka, Kansas. My undergraduate majors were finance, marketing, and management.  
12 Additionally, I earned a Master of Business Administration degree, also from Washburn  
13 University.

14 From August 2015 through April 2019, I was employed by the Kansas Corporation  
15 Commission (KCC or "Commission"). I began my employment with the KCC in the  
16 Utilities division as a Senior Research Economist and was ultimately promoted to  
17 Managing Rate Analyst. I have served in my current position as Senior Regulatory Analyst  
18 with CURB since April 2019.

19  
20 **Q. Have you previously testified before the Commission?**

21 A. Yes. On behalf of CURB, I testified in Docket Nos. 19-ATMG-525-RTS, 21-WCNE-103-  
22 GIE, and 21-BHCG-334-GIG. During my prior employment as a member of KCC Staff, I

1 offered testimony in seven proceedings before the Commission as well as over thirty  
2 Report and Recommendations for the Commission's consideration. A list of those filings  
3 is available, upon request.  
4

5 **Q. What is the purpose of your testimony?**

6 A. My testimony supports the non-unanimous *Settlement Agreement* ("Agreement") filed  
7 within the *Joint Motion to Approve Settlement Agreement* ("Joint Motion") in Docket No.  
8 21-KGSG-332-GIG ("Docket 21-332") on November 19, 2021, regarding Kansas Gas  
9 Service's (KGS or "Company") *Plan to Minimize the Financial Effects of the 2021 Winter*  
10 *Weather Event* ("Financial Plan").  
11

12 **Q. Please provide a brief background of this proceeding.**

13 A. In mid-February 2021, Winter Storm Uri (also referred to as the "Weather Event") imposed  
14 extreme and unprecedented freezing weather conditions across the U.S. It caused  
15 widespread infrastructure and operational problems for facilities necessary for the  
16 production and delivery of natural gas, leading to sudden and sustained natural gas supply  
17 disruptions and substantially higher than normal wholesale natural gas prices.

18 In response to Winter Storm Uri, on February 15, 2021, the Commission issued its  
19 *Emergency Order* in Docket No. 21-GIMX-303-MIS ("Emergency Order"), which  
20 acknowledged the Governor's State of Disaster Emergency Proclamation, the higher-than-  
21 normal wholesale natural gas prices, and the potential for service reliability issues related

1 to prolonged cold weather.<sup>1</sup>

2 In its Emergency Order, the Commission ordered jurisdictional natural gas and  
3 electric utilities to do everything necessary to ensure continued provision of service.<sup>2</sup>  
4 Additionally, the Commission authorized jurisdictional natural gas and electric utilities to  
5 defer into a regulatory asset any extraordinary costs associated with ensuring that their  
6 customers, or the customers of interconnected Kansas utilities that are non-jurisdictional  
7 to the Commission, continued to receive utility service during Winter Storm Uri.<sup>3</sup> The  
8 Commission required the deferral accounts to be segregated by detailed cost category and  
9 to contain enough detail for the Commission to perform a subsequent review for prudence  
10 and reasonableness.<sup>4</sup> The Emergency Order also provided that the deferral is for  
11 accounting purposes only, and that decisions related to ratepayer recovery would be  
12 addressed in future proceedings.<sup>5</sup>

13 Soon after, the Commission opened company-specific dockets (with Docket 21-  
14 332 being assigned to KGS) to document issues raised in the Commission's investigation  
15 of each major jurisdictional utility's reactions to and performance during Winter Storm  
16 Uri, as well as to record the eventual company-specific filings for financial impact plans.

17 On May 28, 2021, KGS filed a *Motion for Limited Waiver* ("Motion for Waiver")  
18 in this docket seeking Commission authorization to calculate and issue penalties in a  
19 manner that deviates from Section 11.06 of the KGS General Terms and Conditions for

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1 See *Emergency Order*, ¶1, Docket No. 21-GIMX-303-MIS (Feb. 15, 2021).

2 *Emergency Order*, ¶3, Docket No. 21-GIMX-303-MIS (Feb. 15, 2021).

3 *Emergency Order*, ¶4, Docket No. 21-GIMX-303-MIS (Feb. 15, 2021).

4 *Emergency Order*, ¶4, Docket No. 21-GIMX-303-MIS (Feb. 15, 2021).

5 *Emergency Order*, ¶4, Docket No. 21-GIMX-303-MIS (Feb. 15, 2021).

1 Gas Service (“Tariff”) provisions. As to the Motion for Waiver, a *Nonunanimous*  
2 *Settlement Agreement* was filed in this docket on October 8, 2021. The *Nonunanimous*  
3 *Settlement Agreement* provides for approval of a penalty multiplier waiver for transport  
4 customers, as well as Negotiated Gas Cost Penalty representing the cost of gas procured  
5 by KGS on behalf of transport customers during the Weather Event, on a customer specific  
6 basis.

7 On July 30, 2021, KGS filed its Financial Plan in this docket. The Settlement  
8 Agreement, concerning which I am testifying, relates to the KGS Financial Plan. I will  
9 address the *Nonunanimous Settlement Agreement* filed in this docket on October 8, 2021,  
10 separately from this testimony. Moreover, there are several issues which the signatories  
11 agreed should and will be appropriately discussed in connection with KGS’s application  
12 for a Financing Order as contemplated by the parties. CURB reserves the right to address  
13 those issues, which include the credits to the securitized Extraordinary Costs for amounts  
14 collected or obtained by KGS from marketers and individual transportation customers, in  
15 connection with the application for a Financing Order, and I will not discuss those issues  
16 here.

17  
18 **Q. Which parties have been granted intervention in this docket?**

19 A. CURB; BlueMark Energy, LLC (“BlueMark”); WoodRiver Energy, LLC (“WoodRiver”);  
20 Bonavia Properties, LLC (“Bonavia”); Constellation NewEnergy–Gas Division, LLC  
21 (“Constellation”); Atmos Energy Corp. (“Atmos”); Freedom Pipeline, LLC (“Freedom”);  
22 the Kansas Attorney General’s Office (“Kansas AG’s Office”); TempleLive Wichita, LLC

1 (“TempleLive”); the Catholic Diocese of Wichita; the Natural Gas Transportation  
2 Customer Coalition (NGTCC); and Symmetry Energy Solutions, LLC (“Symmetry”)  
3 (collectively, “the Parties”) have all been granted intervention in this docket.  
4

5 **Q. Has a settlement agreement been reached regarding the Company’s Financial Plan?**

6 A. Yes, an Agreement regarding the Company’s Financial Plan was filed in this docket on  
7 November 19, 2021. Additionally, certain conditions of this Agreement modify provisions  
8 of the pending settlement in the Motion for Waiver portion this docket. The signatories to  
9 the *Joint Motion to Approve Settlement Agreement* (“Joint Motion”) are CURB, KCC Staff,  
10 KGS, and NGTCC (collectively, “Signatories”). Symmetry is the only party opposed to  
11 this Agreement. To my knowledge, all other Parties to Docket 21-332 have indicated they  
12 are not opposed to the Agreement.  
13

14 **Q. Please outline the key terms of the Agreement.**

15 A. The key terms of the Agreement can be summarized as follows:

16 Extraordinary Costs

- 17 • KGS should be allowed to recover \$366,158,817 in extraordinary costs incurred due to  
18 the Weather Event (“Extraordinary Costs”). This is reflective of the removal of  
19 \$14,940,073 associated with a disputed Macquarie invoice, as identified in the  
20 Financial Plan Application.

21 Securitization

- 22 • KGS will apply for a Financing Order in a separate docket pursuant to the applicable

1 provisions contained in the Utility Financing and Securitization Act (“Act”) passed by  
2 the Kansas Legislature in 2021. The Financing Order would authorize the issuance of  
3 Securitized Utility Tariff Bonds (“Securitized Bonds”) to finance the Extraordinary  
4 Costs, which, if approved, is expected to occur by January 31, 2023.<sup>6</sup>

- 5 • Determination of certain details regarding the Securitized Bonds (e.g., the term of the  
6 bonds and how the surcharge will be applied among KGS’s sales customers) will be  
7 deferred to the Financing Order proceeding.
- 8 • The Extraordinary Costs, including carrying charges, will be trued-up and verified as  
9 part of KGS’s separate filing to obtain the Financing Order. Any reconciliation  
10 proposal shall also consider both the deferred tax liability associated with the  
11 extraordinary gas cost recoveries, as well as the corresponding and offsetting deferred  
12 tax asset associated with the net operating loss carryforward created by the  
13 Extraordinary Costs.
- 14 • If, at the time of the separate filing for a Financing Order, the Macquarie invoice dispute  
15 has been resolved then KGS will include any resolved amount in the amount to be  
16 securitized. However, if the dispute is not resolved at the time of the separate filing,  
17 then the Signatories agree that KGS can seek recovery of the amount ultimately paid  
18 by KGS relating to the disputed Macquarie invoice, including any costs and attorneys'  
19 fees incurred relating to the disputed Macquarie invoice, upon resolution, either  
20 through the COGR/ACA or allowed to be deferred and recovered in a future rate case.

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<sup>6</sup> Direct Testimony of Mark W. Smith on behalf of KGS, ¶17, Docket No. 21-KGSG-332-GIG (Jul. 30, 2021).

- 1           • If KGS receives or recovers any payments as a result of any subsequent federal or state  
2 governmental relief in the form of profit disgorgement, civil suit relief, market  
3 manipulation findings, etc., resulting from the Weather Event, it shall pass those  
4 payments on to its customers through its COGR/ACA, even if those payments may be  
5 received or recovered after the expiration of the Securitized Utility Tariff Charge.

6           Carrying Charges

- 7           • Carrying charges applicable to the Extraordinary Costs will be calculated using a rate  
8 of 2.0% until the issuance of Securitized Bonds.
- 9           • KGS agrees to reduce the carrying charge rate applied to amounts set forth in the  
10 Settlement on Waiver to 2.0%, equal to the rate agreed upon in this Agreement, and to  
11 recalculate the amounts owed under that settlement agreement. Parties other than  
12 Symmetry will withdraw any objection to the Settlement of Waiver and support a  
13 revised settlement agreement in that proceeding.

14           Other Provisions

- 15           • The Signatories agree that the Securitized Utility Tariff Charge will not be charged to  
16 transportation customers because those transportation customers are not considered  
17 retail customers as that term is used in the Act, if such a provision is allowed under the  
18 Act.
- 19           • The Signatories agree that any KGS sales customer who intends on becoming a KGS  
20 transportation customer during the period in which the Securitized Utility Tariff Charge  
21 is being recovered shall be required to pay KGS a conversion fee prior to becoming a



1 transportation customer, if such a provision is allowed under the Act. The conversion  
2 fee owed by the customer shall be based on the present value of the expected charges  
3 the customer would have paid as a sales customer over the remaining period in which  
4 the Securitized Utility Tariff Charge is being recovered. This conversion fee will be  
5 credited to KGS's other sales customers once a year through the COGR/ACA.

- 6 • By December 31, 2022, Kansas Gas Service will propose a tariff to assist low-income  
7 customers.

8  
9 **Q. What criteria does the Commission generally consider when reviewing non-**  
10 **unanimous settlement agreements?**

11 A. The Commission may accept a non-unanimous settlement agreement if the following five  
12 criteria are met: 1) the agreement conforms with applicable law; 2) there was an  
13 opportunity for opposing parties to be heard on their reasons for opposition to the  
14 agreement; 3) the agreement is supported by substantial competent evidence; 4) the  
15 agreement results in just and reasonable rates or charges; and 5) the results of the agreement  
16 are in the public interest.<sup>7</sup> I will now discuss these criteria, in detail.

17  
18 **Q. Does the Agreement conform to applicable law?**

19 A. I have been advised by CURB's attorneys that the Agreement conforms to applicable law.  
20 However, since I am not an attorney, I defer further discussion of this criterion to CURB's

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<sup>7</sup> See *Order Approving Contested Settlement Agreement*, ¶11, Docket No. 08-ATMG-280-RTS (May 12, 2012).

1 Post-Hearing Brief.

2  
3 **Q. Was there an opportunity for opposing parties to be heard on their reasons for**  
4 **opposition to the Agreement?**

5 A. Yes, there have been and will be opportunities for the opposing party to be heard. All  
6 Parties participated in technical/settlement conferences held virtually on November 8 and  
7 November 16, 2021. There were also several breakout settlement discussions among  
8 various parties between November 8, 2021 and the eventual filing of the Agreement on  
9 November 19, 2021. Furthermore, the procedural schedule allows for the filing of  
10 testimony in opposition to the Agreement. A Commission Hearing and Post-Hearing Brief  
11 are also contemplated by the schedule.

12  
13 **Q. Is the Agreement supported by substantial competent evidence?**

14 A. Yes, the Agreement is supported by substantial competent evidence in the record. The  
15 initial Application was supported by the direct testimony of several witnesses on behalf of  
16 the Company. There was extensive vetting of these matters through a multitude of data  
17 requests (“DRs”) and information sharing ahead of the settlement discussions. The  
18 Agreement is supported by my testimony and, I expect, will be supported by the testimony  
19 of other Signatories.

20 To my knowledge, it is undisputed that Winter Storm Uri prompted health and  
21 safety concerns, sudden and sustained natural gas supply disruptions, and widespread  
22 infrastructure and operational failures at facilities that were necessary for the delivery of

1 natural gas. This has already been acknowledged by the Commission.

2 Through review of the facts contained in the Company's testimony and responses  
3 to the DRs in this docket, as well as discussions with the Company and KCC Staff, I believe  
4 the agreed upon calculation of Extraordinary Costs is reasonably reflective of the  
5 extraordinary costs that were incurred by the Company to serve customers during February  
6 2021. Furthermore, I believe the agreed upon application of carrying charges is reasonably  
7 reflective of the Company's costs associated with financing the Extraordinary Costs until  
8 the issuance of Securitized Bonds.

9  
10 **Q. Will the Agreement result in just and reasonable rates/charges?**

11 A. Yes, I believe approval of the Agreement would result in just and reasonable rates/charges.  
12 I will discuss the reasonableness of specific provisions of the Agreement in detail:

13 Extraordinary Costs

14 Nearly every state in the Midwest is now facing unprecedented, extraordinary  
15 natural gas costs due to the effects of Winter Storm Uri. In Texas, highly publicized,  
16 widespread utility service disruptions even led to the loss of life. In the KCC's Emergency  
17 Order, all jurisdictional utilities were ordered to "do all things possible and necessary to  
18 ensure natural gas and electricity utility services continue to be provided to their customers  
19 in the State."<sup>8</sup> In spite of the volatility of the natural gas market conditions and other issues  
20 outside of the Company's control, KGS's distribution system performed well. In fact, KGS

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<sup>8</sup> *Emergency Order*, pg. 3 §B, Docket No. 21-GIMX-303-MIS (Feb. 15, 2021).

1 maintained service to 99.9% of its residential customers throughout the state.<sup>9</sup>

2 Annually, KGS files a Gas Purchase Plan (GPP) with the Commission in Docket  
3 No. 02-KGSG-414-GPR and presents the plan to KCC Staff and CURB for review before  
4 the winter season. The unprecedented weather, supply, demand, and pricing conditions  
5 that developed during the Weather Event could not reasonably have been anticipated at the  
6 time KGS entered into its GPP contracts, months in advance of the Weather Event. It is  
7 important to recognize that the GPP is designed for the entirety of the heating season, and,  
8 at the time of the Weather Event, there were nearly two months remaining in the season.  
9 Yet, during the Weather Event, for several days in succession, natural gas index prices  
10 vastly exceeded any previously fathomable price and usage was equivalent to  
11 approximately double average daily volumes under normal weather conditions.<sup>10</sup>

12 KGS did not have any control over the market price of gas that was available during  
13 the Winter Event. KGS competitively bids its supply contracts in advance of the winter  
14 months and these contract prices are tied to a market index.<sup>11</sup> The unprecedented spike in  
15 natural gas index prices during the Weather Event has, understandably, lead to concerns  
16 over price gouging, profiteering and market manipulation. Duly, these concerns are being  
17 investigated by the Kansas AG's Office under its statutory and common law authority to  
18 enforce: (1) the Kansas Consumer Protection Act (KCPA), K.S.A. 50-623, et seq. and to

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9 *Plan to Minimize the Financial Effects of the 2021 Winter Weather Event*, ¶42, Docket No. 21-KGSG-332-GIG (Jul. 30, 2021).

10 *Plan to Minimize the Financial Effects of the 2021 Winter Weather Event*, ¶10, Docket No. 21-KGSG-332-GIG (Jul. 30, 2021).

11 *Plan to Minimize the Financial Effects of the 2021 Winter Weather Event*, ¶27, Docket No. 21-KGSG-332-GIG (Jul. 30, 2021).

1 protect consumers from suppliers who commit deceptive and unconscionable acts and  
2 practices; (2) K.S.A. 50-6,106 (the unconscionable act of profiteering from a disaster); and  
3 (3) the Kansas False Claims Act, K.S.A. 75-7501, et seq., which prohibits making a  
4 fraudulent claim upon the State government or any political subdivision of the State.<sup>12</sup>  
5 Under the Agreement, any form of federal or state governmental relief in the form of profit  
6 disgorgement, civil suit relief, market manipulation findings, etc., resulting from the  
7 Weather Event, would be passed to customers through the COGR/ACA.

8 I cannot attest that KGS performed flawlessly during the unprecedented Weather  
9 Event. To wit, in a later phase of this docket, KCC Staff, CURB, and other intervenors  
10 will discuss the lessons learned from the Weather Event and how to better manage such a  
11 situation in the future (e.g., potential tariff revisions, process improvements, etc.).  
12 However, I do believe, when viewing KGS's actions during the Weather Event without the  
13 lens of hindsight, the Company responded adequately to an unprecedented crisis.  
14 Therefore, the Extraordinary Costs should be considered to be prudently incurred.

15 It is important to distinguish that the primary purpose of this phase of this docket is  
16 to determine the total amount of prudently incurred Extraordinary Costs. The design of  
17 the surcharge and the amount of those Extraordinary Costs attributable to transportation  
18 customers, among other issues, will be determined in other phases of this docket.

#### 19 Securitization

20 The details regarding securitization of the Extraordinary Costs (e.g., term duration,

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<sup>12</sup> See *Petition to Intervene* of Kansas AG's Office, Docket No. 21-BHCG-334-GIG (Jul. 19, 2021).

1 interest rate, etc.) have not yet been thoroughly examined and finalized — that process will  
2 commence when the Company requests a Financial Order, assuming the Agreement is  
3 approved. Generally, though, I expect the securitization process will result in just and  
4 reasonable rates and I believe it is the most appropriate, low-cost path forward to finance  
5 the Extraordinary Costs incurred by KGS. The initial projections for the Securitized Bond  
6 rates presented by KGS, circa July 2021, indicate a rate in the range of 1.0%–1.8%,  
7 depending upon term length.<sup>13</sup>

#### 8 Carrying Charges

9 There is no specific methodology identified in the Agreement detailing the  
10 calculation of the negotiated carrying charge rate of 2.0%, so each party may have a  
11 different understanding of the concessions made to produce this result. I believe the rate  
12 of 2.0%, for the period starting when the Extraordinary Costs were incurred through the  
13 issuance of Securitized Bonds (approx. January 31, 2023), is reasonably reflective of the  
14 short-term financing rates incurred by the Company to cover its Extraordinary Costs and,  
15 therefore, I support this provision of the Agreement. Methodology aside, the lower  
16 carrying charge percentage agreed upon by the Signatories would drastically reduce the  
17 total carrying charges from \$70 million to \$15 million, approximately, when compared to  
18 the Company's initial proposal.<sup>14</sup>

19 For the same reason, I also support the provision of the Agreement that would apply

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13 *Direct Testimony of Mark W. Smith on behalf of KGS*, Exhibit MWS-7, Docket No. 21-KGSG-332-GIG (Jul. 30, 2021).

14 *Joint Motion to Approve Settlement Agreement*, ¶9, Docket No. 21-KGSG-332-GIG (Nov. 19, 2021).

1 the 2.0% rate for carrying charges to the Negotiated Gas Penalties proposed for KGS's  
2 transport customers. However, I will note that the timeframe of payment for the Negotiated  
3 Gas Penalties has not yet been determined and transport customers will not be subject to  
4 the Securitized Utility Tariff Charge. Because the negotiated 2.0% rate for carrying  
5 charges is reasonably reflective of *short-term* financing rates, the Company should bill the  
6 Negotiated Gas Penalties in a manner that recovers the associated costs over a relatively  
7 short time span. I reserve the right to discuss the time span for collection of Negotiated  
8 Gas Penalties in connection with the *Nonunanimous Settlement Agreement* filed in this  
9 docket on October 8, 2021, or in connection with KGS's application for a Financing Order,  
10 as appropriate.

11 In my experience, this particular settlement agreement is different from most I've  
12 been involved with in that Parties were not scheduled to file testimony in response to the  
13 initial Application prior to settlement discussions and the filing of the Agreement. Because  
14 CURB has no filed position in response to the Company's initial proposal in this Docket,  
15 I would like to address the Company's request for the application of a carrying charge rate  
16 at the weighted average cost of capital (WACC), currently 8.6%, on the Extraordinary  
17 Costs. I believe that an application of KGS's WACC would be inappropriate in this  
18 circumstance and would not be reasonably reflective of actual financing charges associated  
19 with the Extraordinary Costs. Allowance of an unreasonably high carrying charge could  
20 result in a windfall for the Company stemming from a disastrous event. Meanwhile, utility  
21 customers face severe financial consequences from the emergency Weather Event. To  
22 reiterate, I am supportive of the reduced carrying charges proposed in the Agreement, but

1 I am strongly opposed to the Company's initial proposal to apply its WACC as the carrying  
2 charge for the Extraordinary Costs.

3  
4 **Q. Are the results of the Agreement in the public interest?**

5 A. Yes, I believe the Agreement is in the public interest. There is a wide range of  
6 representation among the Parties: the Company; several marketers and transportation  
7 customers; CURB, representing residential and small commercial customers; and KCC  
8 Staff, representing all interests including the public, generally. The Company, CURB,  
9 KCC Staff, and NGTCC are signatories to the Agreement. To my knowledge, the only  
10 Party who has expressed opposition to the Agreement is Symmetry.

11 Under the Agreement, the Company would recover the Extraordinary Costs it  
12 incurred to provide gas to customers during the Winter Event, plus the inclusion of  
13 reasonable carrying charges until the issuance of Securitized Bonds. Furthermore,  
14 provisions of the Agreement provide customer protections in the form of potential future  
15 relief that could come through the investigations of the Kansas AG's Office, or other  
16 governmental agencies, into predatory pricing issues. Additionally, a provision of the  
17 Agreement ensures that individual customers will not be able to circumvent the Surcharge  
18 by switching from a sales class to transportation.

19 Lastly, KGS has agreed to propose a tariff to assist low-income customers by the  
20 end of 2022. Low-income tariffs are a ratemaking mechanism which CURB passionately  
21 supports and believes would be in the interest of the public, generally. It is well  
22 documented that energy burden is a critical issue for low-income customers and any



1 surcharge resulting from the Weather Event will further exacerbate the financial hardships  
2 faced by low-income households. Therefore, I believe this docket has provided a fitting  
3 forum for CURB to negotiate the inclusion of this provision into the Agreement. While  
4 this provision of the Agreement is quite broad in scope, I certainly believe it is a step in the  
5 right direction.  
6

7 **Q. What do you recommend?**

8 A. I support the Agreement and believe it satisfies the Commission's established criteria for  
9 approval of a settlement agreement. Therefore, I recommend the Commission reject  
10 KGS's initial proposed Financial Plan and, instead, approve the Agreement as filed.  
11

12 **Q. Does the Agreement resolve all issues in this docket?**

13 A. No. I feel it is important to emphasize that this Agreement primarily applies to KGS's  
14 Financial Plan in response to the Weather Event. There are multiple phases of this docket.  
15 If this Agreement is approved, the details of securitization will be discussed in a subsequent  
16 phase. A separate application and procedural schedule has been filed in this docket related  
17 to the financial impacts of the Weather Event on KGS's gas transport customers.  
18 Additionally, another phase of this docket will explore potential revisions to tariff  
19 provisions and a discussion of lessons learned from the Weather Event.  
20

21 **Q. Does this conclude your testimony?**

22 A. Yes, it does.

**VERIFICATION**

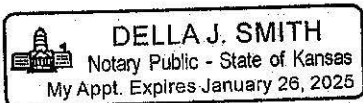
STATE OF KANSAS                    )  
  )  
COUNTY OF SHAWNEE            )            ss:

I, Josh Frantz, of lawful age and being first duly sworn upon my oath, state that I am a consultant for the Citizens' Utility Ratepayer Board; that I have read and am familiar with the above and foregoing document and attest that the statements therein are true and correct to the best of my knowledge, information, and belief.



\_\_\_\_\_  
Josh Frantz

SUBSCRIBED AND SWORN to before me this 30<sup>th</sup> day of November, 2021.

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

My Commission expires: 01-26-2025.

## CERTIFICATE OF SERVICE

21-KGSG-332-GIG

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing document was served by electronic service on this 30<sup>th</sup> day of November, 2021, to the following:

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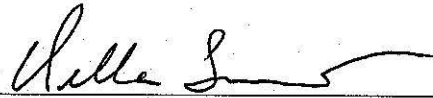
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