

Douglas J. Law

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August 13, 2025

Via e-filing Express

Ms. Celeste Chaney-Tucker Executive Director Kansas Corporation Commission 1500 S.W. Arrowhead Road Topeka, KS 66604-4027

RE: Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy

Docket Nos. 15-GIMG-343-GIG and 18-BHCG-319-CPL

Dear Ms. Retz:

Enclosed is our Motion to Support Kansas Gas Service's Request to Remove L&U data from the Annual Pipe Replacement Program in the above dockets.

If you have any questions concerning the information contained in the enclosed report, please give me a call.

Respectfully submitted,

/s/ Douglas J. Law

Douglas J. Law #29118 Associate General Counsel

DJL: ce Attachments

cc: Rob Daniel

Nick Smith Rami Alnajjar

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

| IN THE MATTER OF A GENERAL |) | Docket No. 15-GIMG-343-GIG |
|---------------------------------|---|----------------------------|
| INVESTIGATION REGARDING THE |) | |
| ACCELERATION OF REPLACEMENT |) | |
| OF NATURAL GAS PIPELINES |) | |
| CONSTRUCTED OF OBSOLETE |) | |
| MATERIALS CONSIDERED TO BE A |) | |
| SAFETY RISK |) | |
| |) | |
| IN THE MATTER OF BLACK |) | Docket No. 18-BHCG-319-CPL |
| HILLS/KANSAS GAS UTILITY |) | |
| COMPANY, LLC, D/B/A BLACK HILLS |) | |
| ENERGY ("BLACK HILLS"), |) | |
| COMPLIANCE FILING OF ITS |) | |
| ACCELERATED PIPE REPLACEMENT |) | |
| PLAN PURSUANT TO THE |) | |
| COMMISSION ORDERS IN DOCKET |) | |
| NO. 15-GIMG-343-GIG |) | |

MOTION TO SUPPORT KANSAS GAS SERVICE'S REQUEST TO REMOVE L&U DATA FROM ANNUAL PIPE REPLACEMENT PROGRAM

Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy ("Black Hills"), submits this motion in support of the motion filed by Kansas Gas Service, a division of ONE Gas, Inc. ("KGS"), in Docket No. 15-GIMG-343-GIG, requesting the removal of the requirement to file annual Lost and Unaccounted for Gas ("L&U") reports for cities with more than 10,000 customers as part of the annual pipeline replacement program compliance filings. In support of this motion, Black Hills states the following:

1. In accordance with the Commission's Final Order issued on September 12, 2017, within Docket No. 15-GIMG-343-GIG, Black Hills submitted its Preliminary Accelerated Pipe

Replacement Plan on January 24, 2018, in Docket No. 18-BHCG-319-CPL. This plan included a commitment to file annual L&U reports for communities with more than 10,000 customers.

- 2. Since 2019, Black Hills has submitted annual L&U reports in compliance with the Commission's directive; however, as noted in its initial application filing within Docket 18-BHCG-319-CPL, and reaffirmed through subsequent reports, Black Hills has consistently expressed concern regarding the limited analytical value of L&U data in evaluating the effectiveness of its pipeline replacement efforts. The L&U metric is influenced by a wide range of variables, including meter inaccuracies, billing cycles, theft, venting, and accounting timing, which obscure its usefulness as a performance indicator for pipe integrity.
- 3. In its most recent L&U report filed on May 30, 2025, Black Hills reported the following L&U percentages for the 12-month period ending March 2025:

| Dodge City | -9.16% |
|----------------|--------|
| Garden City | -0.23% |
| Lawrence | -0.945 |
| Wichita | 1.01% |
| Total Company: | 2.14% |

The presence of negative L&U values, where metered deliveries exceed receipts, not only highlights the inconsistency and unreliability of this metric as a tool for assessing pipeline replacement outcomes but also aligns with the findings presented in KGS's motion. Like KGS, Black Hills has observed that such anomalies are often the result of meter inaccuracies, timing differences, and other non-leakage factors, further demonstrating that L&U is not a meaningful performance indicator.

4. Black Hills supports KGS's position that the L&U reporting requirement has fulfilled its intended purpose and no longer provides meaningful insight into the performance of accelerated pipe replacement programs. Black Hills understands that Commission Staff are

amenable to removing the L&U reporting requirement, subject to Commission approval. Black

Hills remains open to further discussions if the Commission deems further discussion is necessary.

WHEREFORE, Black Hills respectfully requests that the Commission grant Kansas Gas Service's motion and extend the same L&U reporting requirement relief to Black Hills by removing the requirement for Black Hills to file annual L&U reports for cities with more than 10,000 customers in Docket No. 18-BHCG-319-CPL.

Respectfully submitted.

/s/ Douglas Law

Douglas J. Law KS Bar #29118

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Attorney for Black Hills Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy

VERIFICATION

| STATE OF NEBRASKA |) | |
|---------------------|---|----|
| |) | SS |
| COUNTY OF LANCASTER |) | |

Douglas Law, of lawful age, being first duly sworn on oath, states:

That he is the attorney for Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy, named in the foregoing Complaint 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.

/s/ Douglas Law

SUBSCRIBED AND SWORN before me this 13th day of August 2025.

/s/ Christina L. Ellis Notary Public State of Nebraska

My commission expires July 4, 2026.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing was sent via electronic mail this 13th day of August, 2025, addressed to:

FOR DOCKET 15-GIMG-313-GIG:

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