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JOHN DeCOURSEY Managing Attorney

August 25, 2014

VIA ELECTRONIC TRANSMISSION

Tom Day
Executive Director
Kansas Corporation Commission
1500 S.W. Arrowhead Road
Topeka, KS 66604

Re: In the Matter of the Application of Kansas Gas Service, a Division of ONE Gas, Inc. For Approval By the Commission for a Gas System Reliability Surcharge per K.S.A 66-2201 through 66-2204

Docket 15-KGSG- -TAR

Dear Mr. Day:

Enclosed please find an original of our *Application* along with the Direct Testimony and Exhibits of Anthony P. Cellitti and Direct Testimony and Exhibits of Lorna M. Eaton for filing in the above-referenced matter.

Thank you for your assistance in this matter.

Sincerely,

John P. DeCoursey

JPD/sef

Enclosure

cc: David Springe

Dana Bradbury, General Counsel KCC Jeff McClanahan, Commission Staff

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the Matter of the Application of Kansas)	
Gas Service, a Division of ONE Gas, Inc.)	
for Approval By the Commission for a)	Docket No. 15-KGSG-088-TAR
Gas System Reliability Surcharge per)	
K.S.A. 66-2201 through 66-2204)	

APPLICATION

COMES NOW Kansas Gas Service, a Division of ONE Gas, Inc. ("Kansas Gas Service" or "Company") and pursuant to K.S.A. 66-2201, *et seq.*, submits for filing revisions to its Gas System Reliability Surcharge (GSRS) tariff which was originally approved in Docket No. 09-KGSG-199-TAR (the "199 Docket") and updated in dockets No. 10-KGSG-155-TAR (the "155 Docket"), No. 11-KGSG-177-TAR (the "177 Docket") and 12-KGSG-138-TAR (the "138 Docket"). The tariff was reset to zero as a result of the Company's most recent general rate case, Docket No. 12-KGSG-835-RTS (the "835 Docket") and was then updated in Docket No. 14-KGSG-111-TAR (the "111 Docket"). The GSRS tariff schedule is designed to allow for the adjustment of Kansas Gas Service's rates and charges to provide for the recovery of costs for eligible infrastructure system replacements. In support of its Application, Kansas Gas Service states as follows:

- 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 in the state of Kansas is located at 7421 West 129th Street, Overland Park, Kansas 66213.
- 2. Pleadings, notices, orders and other correspondence and communications regarding the Application should be sent to:

John P. DeCoursey Walker Hendrix Kansas Gas Service A Division of ONE Gas, Inc. 7421 W. 129th Street Overland Park, Kansas 66213 David Dittemore Kansas Gas Service A Division of ONE Gas, Inc. 7421 W. 129th Street Overland Park, Kansas 66213

- 3. In 2006, Senate Bill 414, the Gas Safety and Reliability Act, was passed into law. Under this law, a utility "may file a petition and proposed rate schedules with the commission to establish or change GSRS rate schedules that will allow for the adjustment of the natural gas public utility's rates and charges to provide for the recovery of costs for eligible infrastructure system replacements." Each year a utility is required to relocate and replace certain segments of its system. Kansas Gas Service's GSRS tariff, which is the subject of this Application, allows the utility to recover the expenses associated with these projects between rate cases through a surcharge.
- 4. K.S.A. 66-2202 defines "eligible infrastructure system replacement" as: "Natural gas public utility plant projects that: (1) Do not increase revenues by directly connecting the infrastructure replacement to new customers; (2) are in service and used and required to be used; and (3) were not included in the natural gas public utility's rate base in its most recent general rate case."
- 5. Exhibits APC-1, APC-2, APC-3 and APC-4, which are attached to the testimony of Anthony Cellitti, summarize the projects being included in this GSRS filing. There are two groups of projects being submitted. The first group is comprised of safety related system replacements and includes 114 projects. These projects are identified in Exhibit APC-1. The second group consists of government mandated relocation projects

which have not been fully reimbursed to the natural gas utility and includes 152 projects. These projects are identified in Exhibit APC-2. Both types of projects are eligible for inclusion in a GSRS filing. Exhibits APC-1 and APC-2 show the location, project description, work order number, unitization date and cost for each of the projects. The safety related project list, Exhibit APC-1, also includes a reference to the compliance section of the state or federal pipeline safety requirements that prompted the replacements for existing facilities. The governmental relocation project list, Exhibit APC-2, also identifies the governmental entity requiring the relocation activity. The projects identified in Exhibits APC-1 and APC-2 were unitized between July 1, 2013 and June 30, 2014. Exhibit APC-3 summarizes blanket work orders related to service line replacements and projects which have also been done pursuant to safety concerns and/or government mandated relocation projects. Blanket work orders are used to account for costs of projects that are of relatively small dollar amounts and are homogenous. The projects identified in Exhibit APC-3 were also unitized between July 1, 2013 and June As set forth in the Commission's Order in the 199 Docket, Exhibit APC-4 30, 2014. provides further explanations for those safety related projects identified in Exhibit APC-1 that were done in whole or in part pursuant to 49 CFR 192.613. None of the projects included in Exhibits APC 1-3 were included in Kansas Gas Service's last general rate filing, the 835 Docket.

6. The inclusion criteria for the safety related projects, according to K.S.A. 66-2202 (f) (1) and (2), are as follows: "(1) Mains, valves, service lines, regulator stations, vaults and other pipeline system components installed to comply with state or federal safety requirements as replacements for existing facilities; and (2) main relining

projects, service line insertion projects, joint encapsulation projects and other similar projects extending the useful life or enhancing the integrity of pipeline system components undertaken to comply with state or federal safety requirements."

- 7. The inclusion criteria for the road relocation projects, according to K.S.A. 66-2202(f) (3) are as follows: "facility relocations required due to construction or improvement of a highway, road, street, public right of way or other public work by or on behalf of the United States, this state, a political subdivision of this state or another entity having the power of eminent domain provided that the costs related to such projects have not been reimbursed to the natural gas utility."
- 8. Only projects meeting either criteria previously mentioned are being submitted for consideration in this filing.
- 9. Exhibits LME-1 through LME-7, which are attached to the testimony of Lorna M. Eaton, summarize the financial and accounting aspects of the projects Kansas Gas Service proposes to recover, as well as the proposed GSRS tariff. Pursuant to the provisions of K.S.A. 66-2204, Exhibit LME-1 shows the increase to rate base and the calculation of the GSRS revenue requirement. The net GSRS rate base as a result of the projects approved in the 111 Docket and those additional projects identified in this Application is \$37,651,278. The proposed GSRS revenue requirement associated with projects approved in the 111 Docket and those additional projects identified in this Application is \$5,020,065.
- 10. K.S.A. 66-2203(a) states that "the commission may not approve a GSRS to the extent it would produce total annualized GSRS revenues below the lesser of \$1,000,000 or ½% of the natural gas public utility's base revenue level approved by the

commission in the natural gas public utility's most recent general rate proceeding." Based on Kansas Gas Service's most recent general rate proceeding, the lower amount totals to \$1,000,000. The requested revenue increase of \$3,544,716 accordingly satisfies this requirement.

- 11. In this Application, Kansas Gas Service has also included a true-up calculation to account for revenue recovered under the current GSRS through June, 2014 versus the revenue approved to be recovered in the 111 Docket. This calculation is shown in Exhibit LME-2.
- 12. Components of the rate base calculation include Gross Plant, which is the original cost of all eligible projects, accumulated depreciation associated with the eligible infrastructure system replacements, and accumulated deferred income taxes associated with the eligible infrastructure system replacements. Exhibits LME-3 and LME-4 detail the calculations for those projects identified in this Application along with updates to those projects approved in the 111 Docket.
- 13. Exhibit LME-5 shows the calculation of depreciation expense for those projects identified in this Application along with updates to the projects identified in the 111 Docket.
- 14. The Stipulated Settlement Agreement in Kansas Gas Service's most recent rate case, the 835 Docket, sets forth the provisions for the carrying charge to be applied to recoverable investments for Kansas Gas Service's GSRS filing. The Stipulation provides that the carrying charge applicable to GSRS is 10.6%, gross of tax. This return was used in the calculation of the revenue requirement as shown in Exhibit LME-1.

- 15. Exhibit LME-6 shows the allocation of the GSRS revenue by class. The customer class allocation is pursuant to the Stipulated Settlement Agreement in the 835 Docket and is the same as that used by Kansas Gas Service and approved by the Commission in the 111 Docket.
- 16. K.S.A. 66-2204 (e) (1) states: "A GSRS shall be charged to customers as a monthly fixed charge and not based on volumetric consumption. The monthly charge shall not increase more than \$.40 per residential customer over the base rates in effect for the initial filing of a GSRS. Thereafter, each filing shall not increase the monthly charge more than \$.40 per residential customer over the most recent filing of a GSRS." The proposed GSRS surcharge yields a \$0.36 per meter per month surcharge increase for a residential customer, which is below the maximum increase of \$0.40. This increase of \$0.36 per meter per month brings the total surcharge for residential consumers to \$0.51 per meter per month.
- 17. Exhibit LME-7 is the revised GSRS tariff page reflecting the recalculated GSRS rates.

WHEREFORE, for the reasons set forth herein Kansas Gas Service requests that the Commission issue an Order approving the Application and the modified Gas System Reliability Surcharge Rider as set forth in Exhibit LME-7.

> KANSAS GAS SERVICE A DIVISION OF ONE GAS, INC.

John P. De Sourses John P. DeCoursey #11050

Walker Hendrix #08835 7421 West 129th Street

Overland Park, Kansas 66213

(913) 319-8617

ITS ATTORNEYS

VERIFICATION

STATE OF KANSAS)	
)	SS
COUNTY OF JOHNSON)	

John P. DeCoursey of lawful age, being first duly sworn upon oath, deposes and states: That he is an attorney for Kansas Gas Service, a division of ONE Gas, Inc.; that he has read the above and foregoing *Application* and that the statements therein contained are true according to his knowledge, information and belief.

John P. DeCoursey

Subscribed and sworn before me this 22 Mday of August, 2014.

Notary Public

STEPHANIE FLEMING
My Appointment Expires
June 5, 2018

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing *Application* was mailed this 25^{75} day of August, 2014, addressed to:

David Springe Consumer Counsel Citizens' Utility Ratepayer Board 1500 SW Arrowhead Road Topeka, KS 66604

Dana Bradbury General Counsel Kansas Corporation Commission 1500 SW Arrowhead Road Topeka, KS 66604-4027

John P. DeCoursey

In the Matter of the Application of)	
Kansas Gas Service, A Division)	
of ONE Gas, Inc. for Approval By)	DOCKET NO. 15-KGSGTAR
The Commission for a Gas)	
System Reliability Surcharge per)	
K.S.A. 66-2201 through 66-2204)	

DIRECT TESTIMONY

OF

ANTHONY P. CELLITTI

ON BEHALF OF

KANSAS GAS SERVICE

A DIVISION OF ONE GAS, INC

DIRECT TESTIMONY

OF

ANTHONY P. CELLITTI

KANSAS GAS SERVICE

DOCKET NO. 15-KGSG-___-TAR

1	Q.	PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.
2	A.	My name is Anthony P. Cellitti. My business address is 11401 West 89th Street,
3		Overland Park, Kansas 66214.
4	Q.	BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?
5	A.	I am employed by Kansas Gas Service, a Division of ONE Gas. I hold the position of
6		Manager of Engineering.
7	Q.	PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL
8		EXPERIENCE.
9	A.	I have a Bachelor of Science and a Master of Science in Civil Engineering from the
10		University of Kansas. I also have Master of Business Administration from Rockhurst
11		University. Upon completion of my undergraduate degree in 1982, I began
12		employment with The Gas Service Company as an engineer. Since then my career
13		has been involved in the natural gas distribution business. I have had several
14		positions in engineering and operations. Since 1997, I have been a Manager of
15		Engineering for Kansas Gas Service. I am a Licensed Professional Engineer in the
16		states of Kansas, Missouri, and Oklahoma.
17	Q.	WHAT IS THE PURPOSE OF YOUR TESTIMONY?
18	A.	The purpose of my testimony is to support the eligibility of infrastructure system
19		replacement and/or enhancement projects included in Kansas Gas Service's
20		proposed Gas System Reliability Surcharge (GSRS). In addition to my testimony,

1 Ms. Lorna Eaton provides direct testimony on the calculation of the GSRS revenue 2 and the surcharge amounts by customer class. 3 Q. ARE YOU SPONSORING ANY EXHIBITS? 4 A. Yes. I am sponsoring Exhibits APC-1, APC-2, APC-3 and APC-4. These exhibits 5 are a summary and explanation of the projects being included in this proposal. 6 Q. PLEASE PROVIDE A BRIEF OVERVIEW OF KANSAS GAS SERVICE. 7 A. Kansas Gas Service is a division of ONE Gas, Inc. providing natural gas distribution 8 services to over 632,000 customers in 339 communities. Of this amount, over 9 577,000 are residential customers, with the balance comprised of over 50,000 10 general service sales customers and lesser numbers of transportation customers. 11 Kansas Gas Service operates a system which includes over 12,000 miles of 12 distribution and transmission lines. 13 Q. WHAT IS A GAS SYSTEM RELIABILITY SURCHARGE? 14 A. In 2006, Senate Bill 414, the Gas Safety and Reliability Act, was passed into law. 15 Under this law, a utility may file a petition and proposed rate schedules with the 16 Commission to establish or change GSRS rate schedules that will allow for the 17 adjustment of the natural gas public utility's rates and charges to provide for the 18 recovery of costs for eligible infrastructure system replacements. Each year a utility 19 is required to relocate and replace certain segments of its system. The GSRS will 20 allow the utility to recover these expenses between rate cases through a surcharge. 21 Q. HOW ARE "ELIGIBLE INFRASTRUCTURE SYSTEM REPLACEMENTS" 22 **DEFINED?** 23 A. K.S.A. 66-2202(d)(1) defines "eligible infrastructure system replacement" as natural 24 gas public utility plant projects that: (1) Do not increase revenues by directly 25 connecting the infrastructure replacement to new customers; (2) are in service and

- used and required to be used; and (3) were not included in the natural gas public utility's rate base in its most recent general rate case.
- Q. HOW ARE NATURAL GAS UTILITY PLANT PROJECTS IDENTIFIED IN THESTATUTE?

- A. K.S.A. 66-2202 (f) provides that natural gas utility plant projects shall consist of one of the following categories: (1) Mains, valves, service lines, regulator stations, vaults and other pipeline system components installed to comply with state or federal safety requirements as replacements for existing facilities; (2) main relining projects, service line insertion projects, joint encapsulation projects and other similar projects extending the useful life or enhancing the integrity of pipeline system components undertaken to comply with state or federal safety requirements; and (3) facility relocations required due to construction or improvement of a highway, road, street, public way or other public work by or on behalf of the United States, this state, a political subdivision of this state or another entity having the power of eminent domain provided that the costs related to such projects have not been reimbursed to the natural gas public utility. Components 1 and 2 identified above are generally classified under the heading of a safety related project within this Application, while component 3 is generally classified as a governmental relocation project.
- 19 Q. WHAT KINDS OF PROJECTS ARE INCLUDED IN KANSAS GAS SERVICE'S20 GSRS PROPOSAL?
- 21 A Exhibit APC-1 identifies those projects that qualify as a safety-related project under
 22 K.S.A. 66-2202 (f) (1) and (2). Exhibit APC-2 identifies those projects that qualify as
 23 governmental relocation projects under K.S.A. 66-2202 (f) (3). Both exhibits provide
 24 a project description, work order number, unitization date and cost for each of the
 25 projects. The safety-related project list in Exhibit APC-1 also includes a reference to
 26 the compliance section of the state or federal pipeline safety requirements. The

- governmental relocation project list also identifies the governmental entity requiring
 the relocation activity. The projects identified in Exhibits APC-1 and APC-2 were
 unitized between July 1, 2013 and June 30, 2014.
- 4 Q. PLEASE EXPLAIN EXHIBIT APC-3.

- A. Exhibit APC-3 identifies projects that have been accounted for as blanket work orders for service line replacement projects and a limited group of non-service line projects. Blanket work orders are used to account for costs of projects that are of relatively small dollar amount and are homogenous. Replacement of service lines meets both of these criteria, and therefore is accounted for within blanket work orders. These service line replacement projects are small projects wherein the Company has replaced the service line from the main in the street to the house as a result of either a safety concern or a public improvement project. As such, they are eligible for recovery under K.S.A. 66-2202 (f) (1) or (2) in the same manner as projects identified in Exhibits APC-1 and APC-2. The projects identified in Exhibit APC-3 were unitized between July 1, 2013 and June 30, 2014. The service line replacements have also been identified by safety category or government mandated relocation category.
- 18 Q. PLEASE EXPLAIN EXHIBIT APC-4.
- Pursuant to the Commission's Order in our initial GSRS filing, Docket No. 09-KGSG199-TAR (the "199 Docket"), the Commission requested that Kansas Gas Service
 provide a more detailed explanation for projects that are included as a GSRS project
 pursuant to 49 CFR 192.613. Exhibit APC-4 provides such explanation for those
 projects identified in Exhibit APC-1 that reference 192.613 of the Code of Federal
 Regulations. I will provide an explanation of the applicability of 192.613 to the
 service line replacements later in my testimony.

1	Q	ARE PROJECTS OTHER THAN SAFETY-RELATED AND GOVERNMENT-
2		MANDATED RELOCATONS, WHICH MEET THE INCLUSION CRITERIA LISTED
3		ABOVE, INCLUDED IN THIS GSRS APPLICATION?
4	A.	No. Only projects meeting the two criteria previously mentioned are being submitted
5		for consideration in this filing.
6	Q.	WHEN WERE THE PROJECTS INCLUDED IN EXHIBITS APC-1, APC-2 AND APC-
7		3 COMPLETED?
8	A.	The projects included in Exhibits APC-1 and APC-2 were those unitized and included
9		on the books as plant in service during the period July 2013 through June 2014. As
10		referenced in Ms. Eaton's testimony, none of the costs included in Exhibits APC-1,
11		APC-2 and APC-3 were included in Kansas Gas Service's most recent rate case,
12		Docket No. 12-KGSG-835-RTS (the "835 Docket"), nor were any of these costs
13		identified in Exhibits APC-1, APC-2 and APC-3 approved for recovery in Docket No.
14		14-KGSG-111-TAR (the "111 Docket).
15	Q.	WHAT SAFETY RELATED REGULATIONS WERE REFERENCED TO
16		DETERMINE A PROJECT'S INCLUSION IN THIS GSRS FILING?
17	A.	The referenced regulations are contained in 49 CFR Part 192, Transportation of
18		Natural and Other Gas by Pipeline: Minimum Federal Safety Standards, and those
19		Kansas Administrative Regulations (K.A.R.s) applicable to jurisdictional natural gas
20		pipelines within the State of Kansas.
21	Q.	WHAT REGULATIONS ARE ASSOCIATED WITH THE SAFETY-RELATED
22		REPLACEMENT PROJECTS IN KANSAS GAS SERVICE'S FILING?
23	A.	Each project identified in Exhibit APC-1 was undertaken to comply with state or
24		federal safety requirements. The column marked Safety Regulation in Exhibit APC-1
25		identifies the regulations from Title 49 of the Code of Federal Regulations and
26		incorporate the changes to those regulations by the Kansas Corporation Commission

1		as codified in K.A.R. 82-11-4. Among the applicable regulations are 49 CFR
2		192.453,192.465 (h), 192.755 (c), 192.455, 192.457, 192.613, 192.703, and
3		192.721. Also referenced in APC-1 are certain Kansas Corporation dockets that
4		address safety. I will explain the safety related regulations and government
5		mandated relocations for service lines later in my testimony.
6	Q.	WHAT TYPES OF SAFETY RELATED PROJECTS ARE INCLUDED IN EXHIBIT
7		APC-1 OF KANSAS GAS SERVICE'S REQUEST?
8	A.	Generally, there are six categories of safety related projects included in Kansas Gas
9		Service's request in Exhibit APC-1. The total expenditures for all projects are
10		\$14,708,241. These categories consist of:
11		1) 5-5-3 DISTRIBUTION MAIN REPLACEMENT
12		2) CAST IRON GRAPHITIZATION REPLACEMENT
13		3) CAST IRON REPLACEMENT
14		4) CATHODIC PROTECTION
15		5) CONTINUING SURVEILLANCE
16		6) 1855 OPERATIONS AND MAINTENANCE
17	Q.	MR. CELLITTI, PLEASE DISCUSS THE 5-5-3 REPLACEMENT PROJECTS
18		DESCRIBED IN THE GSRS QUALIFICATIONS OF EXHIBIT APC-1.
19	A.	Section 192.465 (h) requires the Company to have a replacement program based on
20		the number of leaks in a defined area. Kansas Gas Service's 5-5-3 program has
21		been implemented pursuant to 192.465 (h) to address pre-August 1, 1971,
22		distribution segments that may be subject to corrosion. Under the 5-5-3 program,
23		Kansas Gas Service identifies unprotected bare steel distribution main segments
24		which have experienced five or more leaks within a block (approximately 500 feet)
25		over the past three years. Exhibit APC-1 identifies those distribution segments which
26		have been replaced pursuant to this program. Replacement of hare steel main

1		segments beyond 500 feet is supported pursuant to the requirements of 192.613
2		which requires among other things, continued evaluation of facilities to determine
3		appropriate actions to take concerning changes in operating conditions. The total
4		capital expenditures for the 5-5-3 projects identified in Exhibit APC-1 are \$157,072.
5	Q.	PLEASE DESCRIBE THE CAST IRON GRAPHITIZATION REPLACEMENT
6		ACTIVITIES SET FORTH IN EXHIBIT APC-1.
7	A.	Section 192.755 (c) requires pipeline operators to collect coupons from cast iron
8		distribution mains and analyze the coupons for graphitization of the cast iron. The
9		operator must replace at least one city block of main if the coupon exhibits
10		graphitization beyond levels stated in the regulation. The project identified in Exhibit
11		APC-1 was a section of distribution main required to be replaced pursuant to the
12		regulation. Replacement of cast iron main segments beyond one city block is
13		supported pursuant to the requirements of 192.613 which requires among other
14		things, continued evaluation of facilities to determine appropriate actions to take
15		concerning changes in operating conditions. The total capital expenditures for the
16		Cast Iron Graphitization projects identified in Exhibit APC-1 are \$196,790.
17	Q.	PLEASE DESCRIBE THE CAST IRON REPLACEMENT ACTIVITIES SET FORTH
18		IN EXHIBIT APC-1.
19	A.	Section 192.613 (b) states that if a pipeline is determined to be in unsatisfactory
20		condition but no immediate hazard exists, the operator shall initiate a program to
21		recondition or phase out the segment involved. As addressed in KCC Docket No.
22		12-KGSG-721-TAR, Kansas Gas Service is proceeding with its program under
23		192.613(b) to replace its entire cast iron pipes throughout our distribution system.
24		The total capital expenditures for the Cast Iron Replacement projects identified in
25		Eyhibit ADC 1 ara \$1 457 403

Q.

PLEASE EXPLAIN THE CATEGORY IDENTIFIED AS CATHODIC PROTECTION.

- A. 192.457 requires that pipelines installed prior to August 1, 1971, shall be cathodically protected in areas where active corrosion is found. The job activities identified in Exhibit APC-1 under the heading of Cathodic Protection represent those projects undertaken by Kansas Gas Service that involve the cathodic protection of our facilities. These activities are required by regulation and reduce the possibility of corrosion of pipes, thereby significantly reducing the chance for leaks and risk to the general public. Many of these projects were performed pursuant to 192.457 for pipelines installed prior to August 1, 1971. A portion of the pipeline projects were also performed pursuant to 192.455 as certain sections of the identified segments have had main sections replaced after August 1, 1971. The activities identified in these projects were done to install new facilities that we determined more efficiently reduced corrosion on the pipelines. The total capital expenditures for the Cathodic Protection projects identified in Exhibit APC-1 are \$1,457,885.
- 14 Q. PLEASE EXPLAIN THE CATEGORY IDENTIFIED AS CONTINUING
 15 SURVEILLANCE.

A.

192.613 requires each operator to have a procedure for continuing surveillance of its facilities to determine and take appropriate action concerning changes in class location, failures, leakage history, corrosion, substantial changes in cathodic protection requirements, and other unusual operating and maintenance conditions. It also requires that if a segment of pipe is determined to be in unsatisfactory condition but no immediate hazard exists, the operator shall initiate a program to recondition or phase out the segment involved, or, if the segment cannot be reconditioned or phased out, reduce the maximum allowable operating pressure in accordance with 192.619(a) and (b). The job activities identified in Exhibit APC-1 under the heading of Continuing Surveillance represent those projects undertaken by Kansas Gas Service that involve phasing out of pipe segments determined to be in unsatisfactory

- 1 condition but where no immediate hazard exists. The total capital expenditures for 2 the Continuing Surveillance projects identified in Exhibit APC-1 are \$10,838,788.
- Q. PLEASE EXPLAIN THE CATEGORY IDENTIFIED AS SECTION 1855 KGS
 4 OPERATING AND MAINTENANCE MANUAL.

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- A. Pursuant to the Commission's Order in Docket No. 11-KGSG-177-TAR, Kansas Gas Service developed its service line replacement program to replace an average of 10,000 bare steel service lines per year. Pursuant to 192.613(b), Kansas Gas Service modified Section 1855 of its Operation and Maintenance Manual to comply with the regulation. As part of this program, Section 1855 was also modified to provide that unprotected bare steel mains should also be replaced in conjunction with the replacement of multiple bare steel or unprotected bare steel residential service lines. Section 1855 further states that protected steel mains, which operated as unprotected mains before the application of cathodic protection, and supply multiple Program Service Lines or Yard Lines, may be replaced in conjunction with the replacement of bare steel service lines based upon the service history and continued serviceability of the cathodically protected steel main. The projects identified in Exhibit APC-1 lines 96 through 114 were performed in accordance with this provision of Section 1855 of our Operations Manual. The total capital expenditures for the Section 1855 KGS Operating and Maintenance Manual projects identified in Exhibit APC-1 are \$600,215.
- Q. PLEASE PROVIDE AN EXPLANATION FOR EXHIBIT APC-2 RELATING TO
 GOVERNMENTALLY MANDATED RELOCATION PROJECTS.
- A. Exhibit APC-2 identifies each governmentally mandated relocation project included in this GSRS filing. The Exhibit provides a description and location of the project, the unitization date of the project, the cost of the project and the governmental entity

- 1 which required the relocation of our facilities. The total expenditure for all projects
- 2 identified in Exhibit APC-2 is \$5,350,933.
- 3 Q. MR. CELLITTI, DO THE COSTS IDENTIFIED FOR THE JOB ORDERS IDENTIFIED
- 4 ON LINES 25, 59, 84, 85, 90, 92, 121, AND 122 IN EXHIBIT APC-2 REFLECT THE
- 5 FULL COST OF THE JOB ORDERS?
- 6 A. No. The costs identified are less than the actual cost. Consistent with previous Staff
- 7 recommendations, KGS has reduced the actual cost of these projects to the
- 8 estimated costs that would have been incurred had KGS done a like-kind
- 9 replacement. The pipe diameter installed for each of these projects was greater than
- 10 the diameter of the pipe replaced. The cost included for these job orders reflects the
- 11 cost for a similarly sized pipe as the one replaced. In prior GSRS filings, Staff has
- 12 requested that KGS identify the cost of similarly sized pipe being replaced, which we
- have done here. The increased size of the pipe is appropriate to address load or
- 14 pressure concerns, but we have only asked to recover the cost to replace similarly
- sized pipe and the appropriate amount of footage.
- 16 Q. PLEASE PROVIDE FURTHER DETAILS REGARDING THE COMPANY'S
- 17 SERVICE LINE REPLACEMENT PROGRAM IDENTIFIED IN EXHIBIT APC-3.
- 18 A. As stated above, the projects relate to the replacement of service lines from the main
- 19 in the street to the house. These service line replacements have been implemented
- 20 for safety and government relocation reasons. The safety related reasons are two-
- fold. The service lines themselves may need to be replaced because of deficiencies
- 22 in the service line such as leaks or corrosion. The service lines are also replaced for
- 23 safety related reasons tied to safety related replacements of the main in the streets.
- 24 For example, if a main must be replaced pursuant to the 5-5-3 program, it becomes
- 25 necessary to replace the steel unprotected service lines and extend to reconnect the
- 26 existing PE service lines. When the main is replaced in the street, the existing

service line is disconnected and thus is no longer useful unless reconnected and the cost to cathodically protect and reconnect the steel unprotected service line to the new main will exceed the cost of simply installing a new service line. Similar to the replacement of service line due to replacement of main for safety reasons, service lines are also replaced when the main is relocated as a result of a government mandated road relocation project. In these situations, the main must be replaced as well as replacing or extending the existing service lines which have been rendered useless through being disconnected from the old main as a result of the road relocation. Again, the cost to cathodically protect and reconnect steel unprotected service lines to the new main will exceed the cost of simply installing a new PE service line.

12 Q. PLEASE EXPLAIN THE STRUCTURE OF EXHIBIT APC-3.

A.

- In the box under the heading Blanket Service Line Summary, I have listed the categories for the reasons why the service line replacements occurred. If a service line replacement is due to a safety related requirement, the applicable safety related code requirement is listed. If the service line replacement is due to a Public Improvement, I have identified it as such. The Exhibit then sets forth the dollar value and number of service lines replaced by year by category. For example, Main Replacement Graphitization had \$20,286 in service line replacement costs involving 18 service lines. In the box under the heading Non-Service Line Related Blanket Summary, there are two categories of blanket non-service line projects which I will explain below.
- Q. COULD YOU EXPLAIN EACH OF THE SERVICE LINE REPLACEMENT
 CATEGORIES IDENTIFIED IN EXHIBIT APC-3?
- 25 A. I have placed the safety related service line replacements at the beginning of the 26 Blanket Service Line Summary in Exhibit APC-3 and service line replacements for

public improvements at the bottom of the Blanket Service Line Summary. The first safety category, cast iron graphitization, involves the replacement of bare steel service lines and extensions to existing PE service lines due to the main replacement associated with the sufficiently graphitized pipe coupon. As explained in my testimony for cast iron graphitization in Exhibit APC-1, main pipe is replaced due to corrosion in the cast iron main. Kansas Gas Service must replace at least one city block of main if the coupons exhibit graphitization beyond levels stated in 192.755 (c). As detailed in my testimony associated with Exhibit APC-1 for graphitization, the main was replaced due to graphitic corrosion of the main. When the mains were replaced, the existing service lines were disconnected rendering them useless. The unprotected steel service lines are being replaced as part of the project for replacement of the mains under the cast iron coupon sampling program. Replacement of the unprotected steel service lines is also supported pursuant to the requirements of 192.613 which requires among other things continuous evaluation of facilities to determine appropriate actions to take concerning changes in operating conditions. The applicable service lines were determined to be in unsatisfactory condition due to the fact the main facilities tapped by these bare steel service lines were of the same vintage as the service lines and therefore were replaced due to safety concerns resulting from corrosion. Cathodically protecting and reconnecting unprotected steel service lines is more expensive and less safe than simply replacing the unprotected service lines. As shown in Exhibit APC-3, during the period July 1, 2013 through June 30, 2014, 18 service lines were replaced at a cost of \$20,286 for this category. PLEASE EXPLAIN THE "TRIGGERED SECTOR - NON-LEAKING UNPROTECTED PIPE" CATEGORY.

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- 1 A. Section 192.453 requires operators, in lieu of conducting electrical surveys on 2 unprotected steel service lines, to implement one of two options including an option 3 to conduct annual leakage surveys on all unprotected steel service lines. The 4 regulation further requires operators to initiate a replacement program for all service 5 lines in a defined area when the sum of the number of unprotected steel service lines 6 with existing or repaired corrosion leaks and the number of unprotected steel service 7 lines already replaced due to corrosion equals 25% or more of the unprotected steel 8 service lines installed in that defined area. The unprotected steel service lines 9 replaced by Kansas Gas Service in this category are the non-leaking service lines 10 replaced amongst all service lines in the sector due to the 25% trigger within the 11 sector. As shown in Exhibit APC-3, during the period July 1, 2013 through June 30, 12 2014. 17 service lines were replaced at a cost of \$21,470 for this category.
- 13 Q. PLEASE EXPLAIN THE "ROUTINE REPLACEMENT LEAK" CATEGORY.
- 14 A. This category includes the replacement of service lines that were replaced due to
 15 leakage classified under the leak classification guidelines found in 192.703 and
 16 subject to 192.453 (b) which requires that unprotected steel service lines found to
 17 have active corrosion shall either be protected or replaced. As shown in Exhibit APC18 3, during the period July 1, 2013 through June 30, 2014, 1,104 service lines were
 19 replaced at a cost of \$1,241,937 for this category.
- Q. PLEASE EXPLAIN THE "MAIN REPLACEMENT CORRODED MAIN"
 CATEGORY.
- 22 A. This category includes replacement of unprotected steel service lines that were not
 23 leaking but were disconnected from the existing main due to replacement of the
 24 corroded main that the service line was tapped into. Replacement of the unprotected
 25 steel service lines is supported pursuant to the requirements of 192.457 and 192.613
 26 which requires among other things continuous evaluation of facilities to determine

1	appropriate actions to take concerning changes in operating conditions. The
2	applicable service lines were determined to be in unsatisfactory condition due to the
3	fact that the main facilities tapped by these bare steel service lines were of the same
4	vintage as the service lines and therefore were replaced due to safety concerns
5	resulting from corrosion. Cathodically protecting and reconnecting unprotected steel
6	service lines as would be required by 192.457 is more expensive and less safe than
7	simply replacing the unprotected service lines. Although no immediate hazard
8	existed on the service line, the disconnection from the main prompted replacement
9	per 192.613 (b). As shown in Exhibit APC-3, during the period July 1, 2013 through
10	June 30, 2014, 397 service lines were replaced at a cost of \$279,870 for this
11	category.

- 12 Q. PLEASE EXPLAIN THE "ROUTINE REPLACEMENT PROTECTED PIPE 13 NONLEAKING" CATEGORY?
- 14 A. This category includes replacement of protected steel service lines that were not
 15 leaking. Replacement reasons include issues such as: the service line was under
 16 the influence of soil subsidence found through patrolling and required replacement
 17 pursuant to 192.721; or the service line was found to be too shallow and required
 18 replacement pursuant to 192.613. As shown in Exhibit APC-3, during the period July
 19 1, 2013 through June 30, 2014, 846 service lines were replaced at a cost of
 20 \$551,367 for this category.
- Q. PLEASE EXPLAIN THE "ROUTINE REPLACEMENT NON LEAKING
 UNPROTECTED PIPE" CATEGORY.
- A. This category includes replacement of unprotected steel service lines that were not leaking and were not associated with a main replacement project. The unprotected steel service lines were replaced to comply with various regulations including 192.613 (b) which requires that piping found to be unsatisfactory must be phased out

- 1 or replaced. Replacement reasons include issues such as: the service line's tap was 2 exposed during maintenance of main and corrosion was found requiring replacement 3 pursuant to 192.453 (b); the service line was exposed during pot-holing and 4 corrosion was found requiring replacement per 192.453 (b); the service line was 5 under the influence of soil subsidence found through patrolling and required replacement pursuant to 192.721; and the service line was found to be too shallow 6 7 and required replacement pursuant to 192.613. All service lines included in the category are subject to 192.453 which will inevitably trigger replacement of all 8 9 unprotected steel lines by regulation. As shown in Exhibit APC-3, during the period 10 July 1, 2013 through June 30, 2014, 7,665 service lines were replaced at a cost of 11 \$9,678,794 for this category.
- 12 Q. PLEASE EXPLAIN THE "MAIN REPLACEMENT PUBLIC IMPROVEMENT"13 CATEGORY.
- A. As explained in my testimony above related to Exhibit APC-2, government mandated relocation projects require the Company to relocate its mains in the street and are qualified for recovery pursuant to K.S.A. 66-2202 (f) (3). Because of such main relocation, Kansas Gas Service has to extend to reconnect to PE services and also replace the unprotected steel service lines that had been connected to the replaced main. As shown in Exhibit APC-3, during the period July 1, 2013 through June 30, 2014, 402 service lines were replaced at a cost of \$378,590 for this category.
- Q. PLEASE EXPLAIN THE "PUBLIC IMPROVEMENT W/O MAIN REPLACEMENT
 CATEGORY.
- 23 A. These service line replacements resulted from a direct conflict with a governmental
 24 relocation project where no conflict existed with the main piping. In these cases, only
 25 the service line needed to be replaced, whereas the main did not need to be

- 1 replaced. As shown in Exhibit APC-3, during the period July 1, 2013 through June
- 2 30, 2014, 8 service lines were replaced at a cost of \$8,268 for this category.
- 3 Q. PLEASE EXPLAIN THE CATEGORIES IN THE BOX FOR NON-SERVICE LINE
- 4 RELATED BLANKET.
- 5 A. These blanket costs address small projects other than service lines. The first group,
- 6 install anodes, is GSRS eligible pursuant to 192.455 and 192.457. The total capital
- 7 expenditures for these projects are \$1,620,868. These anodes represent projects
- 8 which involve 10 anodes or less and thus are included in a blanket work order.
- 9 The other category "Weld Sleeve High Resist Couplings" includes installation of weld
- sleeves over high resistance couplings which is required pursuant to 192.457 or
- 11 192.455 to reduce the possibility of corrosion of pipes, thereby significantly reducing
- the chance for leaks and risk to the general public. The total capital expenditures for
- these projects are \$185,545.
- 14 Q. PLEASE EXPLAIN EXHIBIT APC-4?
- 15 A. Exhibit APC-4 sets forth the applicability of 192.613 to those safety related projects
- identified in Exhibit APC-1. There are 65-(sixty five) projects that are identified in
- 17 APC-1 whose inclusion as a safety related project is eligible for recovery under
- 18 K.S.A. 66-2201 pursuant to 192.613 in whole or in part.
- 19 Q. DOES THIS CONCLUDE YOUR TESTIMONY?
- 20 A. Yes.

VERIFICATION

STATE OF KANSAS)
COUNTY OF JOHNSON) ss.)
Anthony P. Cellitti, being duly sworn	upon his oath, deposes and states that he is Manager
	ice, a Division of ONE Gas, Inc.; that he has read and is stimony filed herewith; and that the statements made owledge, information, and belief.
	Anthony P. Cellitts ANTHONY P. CELLITTI
Subscribed and sworn to before me	this_ <u>@a_rd</u> day of August, 2014.
	NOTARY PUBLIC
My Appointment Expires:	
06/05/18	STEPHANIE FLEMING My Appointment Expires June 5, 2018

C D F F G H FERC Unitization Cost Account Line No. **GSRS Qualification** Safety Regulation Date Center Function Job Order Description Number Costs 5-5-3 Program Replacement 10/31/2013 GSRS 553 Replace 854' of 2" BS & 41' of 2" CS main with 815' of 2" CS & 192,465 (h) and 192,613 (b) 3532 054 10296 37600 \$7,561 316' of 2" PE pipe due to 8 leaks found on the main. Located south of TBS along Chickadee Rd. 4th St and Ash St in Fairview, KS 2 5-5-3 Program Replacement 192.465 (h) and 192.613 (b) 10/31/2013 3532 054 10296 GSRS 553 Replace 854' of 2" BS & 41' of 2" CS main with 815' of 2" CS & 37650 \$22,623 316' of 2" PE nine due to 8 leaks found on the main. Located south of TBS along Chickadee Rd. 4th St and Ash St in Fairview, KS GSRS 553 Replace 854' of 2" BS & 41' of 2" CS main with 815' of 2" CS & 10/31/2013 10296 3 5-5-3 Program Replacement 192,465 (h) and 192,613 (b) 3532 054 38000 \$5 316' of 2" PE pipe due to 8 leaks found on the main. Located south of TBS along Chickadee Rd. 4th St and Ash St in Fairview, KS 5-5-3 Program Replacement 192,465 (h) and 192,613 (b) 12/31/2013 3522 054 011173 GSRS 553 Install 1,600' of 4" PE main along Stanley, taking care to insert PE 37600 \$110,137 main into existing 6" APBS main under railroad tracks. Retire 1,540' of 6" APBS main with 6 active and 6 repaired leaks, KCK 5-5-3 Program Replacement 192,465 (h) and 192,613 (b) 2/21/2014 010260 GSRS 553 Replace 1245' of 2" APBS with 1245 of 2" PE at 300 S Main. 37600 3741 054 \$16,746 Grenola. There are 5 inactive leaks and 0 active leaks located on main. 5-5-3 Program Replacement Total \$157.072 Cast Iron Graphitization 192,755 (c) and 192,613 (b) 9/5/2013 3541 010535 GSRS CI Graph Replace 635 4" CI w 590 4" PE due to corrosion 120 day. 37600 \$23.831 054 connect to high pressure, leak # 1250361 SW Canterbury & Oakley Topeka 10/31/2013 010531 GSRS CI Graph Replace 469' 6" CI, 113 4" CI, 11' 4" PE, 2' 6" CS with 645' 37600 Cast Iron Graphitization 192,755 (c) and 192,613 (b) 3541 054 \$25,090 4" PE due to leak # 1246915 due to corrosion. SW10th & Crest DR, Topeka 192,755 (c) and 192,613 (b) 10/31/2013 3541 010531 GSRS CI Graph Replace 469' 6" Cl. 113 4" Cl. 11' 4" PE. 2' 6" CS with 645' 37650 Cast Iron Graphitization 054 \$1,256 4" PE due to leak # 1246915 due to corrosion. SW10th & Crest DR, Topeka GSRS CI Graph Retire 580 ft 4" CI Install 800 ft 4" PE SW Parkview Ave btwn 1/3/2014 010538 Cast Iron Graphitization 192,755 (c) and 192,613 (b) 3541 37600 \$23,489 054 10th & 11th Topeka, No IP available, Main had to remain LP & be fed from 4" PE a block away to keep from breaking out 10th to tie onto 10" CI GSRS CI Graph Replace 1920' 4" CI with 2257' 2" PE main due to 120 day Cast Iron Graphitization 192.755 (c) and 192.613 (b) 2/14/2014 3541 054 010536 37600 \$76,912 sample ID # 1213179. Main will be installed mostly under existing sidewalk. SW Medford, High SW 7th, Topeka GSRS CI Graph Install 770 ft of 2" PE to retire 770 ft of 4" DI NW 56th and 2/21/2014 3541 010539 37600 Cast Iron Graphitization 192.755 (c) and 192.613 (b) 054 \$25,697 Topeka Blvd. Topeka Cast Iron Graphitization 192,755 (c) and 192,613 (b) 4/24/2014 3541 054 010543 GSRS CI Graph Install 900 FT of 2" PE to retire 900 FT of 6" CI. 1500 SW 37600 \$20.515 15th & Jewell, Topeka Cast Iron Graphitization Total \$196,790 Cast Iron Replacement KCC Docket No. 12-KGSG-721-TAR 8/26/2013 3721 011517 Install 814' of 2" PE (IP) to clear two leaks and abandon 814' of 4" Cl at 37600 \$50,024 13 054 Edgmoor and 1st Street in Wichita KS. There are 2 BS services. and 192,613 (b) KCC Docket No. 12-KGSG-721-TAR 9/20/2013 3522 011134 CI replacement, Install 1,680' of 2" PE (IP) main and abandon 1,370' of 6" CI Cast Iron Replacement 054 37600 \$125,438 with a class 2 leak, 12 BS services will be eliminated. N 18th and Tauromee and 192.613 (b) KCC Docket No. 12-KGSG-721-TAR 10/31/2013 GSRS CI replacement, Install 7' of 2" PE & upgrade 2" PE from Orme to Cast Iron Replacement 3721 054 011556 37600 \$9.570 Kellogg between Erie and Chautauqua. Abandon 342' of 8" Cl in Wichita and 192.613 (b) 12/30/2013 Cast Iron Replacement KCC Docket No. 12-KGSG-721-TAR 3721 053 010277 CI replacement, Install 5,445' of 2" PE & 3,184' of 4" PE (IP) main, Retire 37600 \$179,880 and 192,613 (b) 6.240' of 4" & 8" CL a DRS 0083 and 37 BS service lines, 13th & Oliver Phase III. Wichita 17 Cast Iron Replacement KCC Docket No. 12-KGSG-721-TAR 12/30/2013 3721 053 010277 CI replacement, Install 5.445' of 2" PE & 3.184' of 4" PE (IP) main, Retire 38000 \$832 and 192.613 (b) 6.240' of 4" & 8" Cl. a DRS 0083 and 37 BS service lines, 13th & Oliver Phase III. Wichita

Docket No. Exhibit APC -1

В C D E F G Н J **FERC** Unitization Cost Account Line No. **GSRS Qualification** Safety Regulation Date Center Function Job Order Description Number Costs KCC Docket No. 12-KGSG-721-TAR CI Replacement, Install 850' of 2" PE main along Scott Ave. and neighboring Cast Iron Replacement 12/31/2013 3522 054 011172 37600 \$27.049 and 192.613 (b) streets to eliminate deteriorated pipe. Retire 1,010' of 4" CI main in KCK KCC Docket No. 12-KGSG-721-TAR CI Replacement. To install 895' 6" PE. 2145' 2" PE. 10' 4" PE and retire 1433' Cast Iron Replacement 2/14/2014 3522 054 011185 37600 \$161,645 19 and 192,613 (b) 12" CI, 1310' 4" CI, 226' 6" CI, and 5' 12" steel main 10rh & Pacific, KCK KCC Docket No. 12-KGSG-721-TAR 010525 Replace leaking 1826' 6" DI with 1920' 6" PE on NW Topeka Blvd. N of NW 37650 20 Cast Iron Replacement 2/14/2014 3541 054 \$138,027 46th Road construction to NW 50th St. Replace leaking 1859' 4" DI with 770' and 192.613 (b) 4"PE & 1490' 2"PE NW 48th Ter. Haven, & 50th St. 12 BS services, Topeka KCC Docket No. 12-KGSG-721-TAR CI replacement Install 3800' of 2" PE and 10' of 4" PE and retire 2.165' of 4" Cast Iron Replacement 2/14/2014 3721 054 011579 37600 \$110,705 21 and 192,613 (b) CI at Lincoln and Alley West of Santa in order to clear 5 active class 3 leaks. CI replacement, Install 3,340' of 2" PE and 790' of 4" PE (IP) main. Retire 37600 KCC Docket No. 12-KGSG-721-TAR 011582 \$103,677 22 Cast Iron Replacement 2/14/2014 3721 054 3.155' of 8" CI main at Edgemoor to Woodlawn on 9th. This work will clear 3 and 192,613 (b) active leaks, 3 inactive leaks and 22 BS service lines. Wichita Cl replacement, Install 3.390' of 2" PE, 2.450' of 4" PE (IP) main, Retire 37600 Cast Iron Replacement KCC Docket No. 12-KGSG-721-TAR 3/3/2014 3522 053 010039 \$230.895 23 and 192.613 (b) 1.450' of 6" CI 4.000' of 4" CI, 32nd & Parallel. Renew 40 BS service lines. KCC Docket No. 12-KGSG-721-TAR 5/2/2014 3522 054 011182 CI replacement, Install 3200 ' 2" PE (15 psig) main, Retire 2" BS, 1,700' 4" CI 37600 \$71,887 24 Cast Iron Replacement and 192,613 (b) and 1280' 6" CI mains, Renew 22 BS services, 27th and Brown Phase 2A, KCC Docket No. 12-KGSG-721-TAR 5/2/2014 3522 054 011183 Cl replacement. Install 2000 ' 2" PE, 130' 4" PE (15 psig) main. Retire 2335' 37600 \$50,148 25 Cast Iron Replacement 4" Cl and 969' 6" Cl main clearing 2 active & 8 inactive leaks and renewing 8 and 192,613 (b) BS services, 27th and Brown phase 2B, KCK KCC Docket No. 12-KGSG-721-TAR CI replacement, Install 2000 ' 2" PE, 130' 4" PE (15 psig) main, Retire 2335' 37650 Cast Iron Replacement 5/2/2014 3522 054 011183 \$1.542 26 and 192,613 (b) 4" CI and 969' 6" CI main clearing 2 active & 8 inactive leaks and renewing 8 BS services, 27th and Brown phase 2B, KCK Cast Iron Replacement KCC Docket No. 12-KGSG-721-TAR CI Rolmnt, Install 2,150 ' 4" PE & 3,225 ' 2" PE (15 psig) main, Retire 2,100' 37600 \$121,469 27 5/2/2014 3522 054 011184 12" Cl. 1.450' 6" Cl. & 1.394' of 4" Cl main clearing 5 active leaks & 21 and 192.613 (b) inactive leaks & renewing 21 BS services 27th & Brown Phase 2C. KCK CI Rolmnt, Install 2,150 ' 4" PE & 3,225 ' 2" PE (15 psig) main, Retire 2,100' 37650 Cast Iron Replacement KCC Docket No. 12-KGSG-721-TAR 5/2/2014 3522 054 011184 \$38,604 28 12" Cl. 1.450' 6" Cl. & 1.394' of 4" Cl main clearing 5 active leaks & 21 and 192.613 (b) inactive leaks & renewing 21 BS services 27th & Brown Phase 2C. KCK KCC Docket No. 12-KGSG-721-TAR 6/3/2014 3721 053 010188 CI replacement, Install 400' of 2" PE and abandon 385' of 4" CI, 99' of 4" BS. 37600 \$10.863 29 Cast Iron Replacement 24' of 2" PE, 447' of 2" BS at Vassar and Orchard, Wichita and 192.613 (b) KCC Docket No. 12-KGSG-721-TAR 010334 Replace 751' of 4" Cl, 167' of 4" RPBS, & 50' OF 4" RPCS mains with 675' of 37650 \$25,237 Cast Iron Replacement 6/17/2014 3721 053 2" PE main on S Pershing Ave from E Orme St north to E Kellogg Dr as part and 192,613 (b) of the 2014 CI replacement program, Wichita \$1,457,493 Cast Iron Replacement Total Cathodic Protection 192,455 and 192,457 7/31/2013 3642 010019 Install 160' of 2" PE main due to low cathodic protection reads. Location in 37600 \$3,523 31 053 easement N of Morris ST beginning in alley E of Main ST, running E for 160'. Retire 155' of 2" BS main and essential valve 0003-I. Burr Oak. 192,455 and 192,457 8/26/2013 3631 056 010076 Replace rectifier cable due to being cut 2004 N Severence, Hutchinson 37600 \$1,707 32 Cathodic Protection Cathodic Protection 192,455 and 192,457 9/30/2013 3721 054 011382 Install 15 Anotec 2660 anodes in a new ground bed, to replace depleted deep-37650 \$45,948 33 well. Location is the West half of the former RR ROW East of 1628 N Broadway ST. Rectifier at RECT #628 replaced. Wichita 192 455 and 192 457 9/30/2013 011519 Replace depleted deep well ground bed at West and Elm. Wichita 37600 \$35,885 Cathodic Protection 3721 054 Cathodic Protection 192,455 and 192,457 9/30/2013 3721 054 011520 Replace depleted deep well ground bed with Enviranode System in Newton 37650 \$40,172

В С D Е F G Н J 1 **FERC** Unitization Cost Account **GSRS Qualification** Line No. Safety Regulation Date Center Job Order Function Description Number Costs Cathodic Protection 192,455 and 192,457 9/30/2013 3721 To provide cathodic protection for 213 miles of bare steel and install the 010258 37650 \$173,994 necessary anodes, bonds and test stations to bring the bare steel under protection in Wichita & vicinity. Cathodic Protection 192,455 and 192,457 Replace the depleted deep well ground bed and rectifier at Rect #0486 near 37 10/31/2013 3721 054 011510 37650 \$52.847 the intersection of S St Paul St & W Merton St in Wichita, KS 192,455 and 192,457 38 Cathodic Protection 10/31/2013 3721 011511 054 Replace the depleted deep well ground bed with an SAE Envirance system 37650 \$46,176 at Rect #540 near Walker St & West St in Wichita, KS Cathodic Protection 192.455 and 192.457 12/2/2013 010087 39 3642 056 Install approx 3000' #2 wire in the 300 thru 500 block of NW 8TH ST to cut 37650 \$37,717 cable off the 6" BS (dead line) not carrying current. Ellsworth 010220 40 Cathodic Protection 192,455 and 192,457 2/14/2014 3642 054 Install 38' of 1 1/4" PE main in the alley W of 4th ST, beginning at a point 37600 \$1,638 approx. 40' S CL alley N of Court ST, running south for 38'. This will retire 38' of 2" BS due to low cathodic protection reads. Lincoln 41 Cathodic Protection 192,455 and 192,457 2/21/2014 3642 053 010023 Replace depleted ground bed at 3RD & Lincoln, Luray, KS. Location #0260 37650 \$13,118 42 Cathodic Protection 192,455 and 192,457 2/21/2014 3622 010208 37600 054 Replaced malfunctioning rectifier #0506. \$9,632 43 Cathodic Protection 192,455 and 192,457 2/21/2014 3721 054 011591 Replace depleted deep well groundbed at 1818 E Murdock, Wichita due to 37600 \$16,862 malfunctioning deep-well groundbed. Cathodic Protection 192,455 and 192,457 3/3/2014 3621 056 010208 Install a new Universal ES - 20V, 10A rectifier and a new 5 anode horizontal 37600 \$20,175 ground bed on Saeretza St near Sarratov St in Pfiefer, KS to eliminate 7 CPIRs on 8,413' of pipe Cathodic Protection 192.455 and 192.457 3/26/2014 3642 056 010090 Install anodes and bond couplings to cathodically protect the system. Smith 37600 \$1,682 Cathodic Protection 192 455 and 192 457 3/26/2014 3811 056 010048 To locate and bond couplings, remove shorts, and install anodes on 37650 \$7.869 unprotected steel pipe to extend its useful life in the Baxter Springs Area. 47 Cathodic Protection 192,455 and 192,457 3/27/2014 3622 054 010204 Replace depleted deep well ground bed with new 15 anode horizontal ground 37600 \$23.205 bed near W 7 ST & S High ST in Pratt, KS 48 Cathodic Protection 192,455 and 192,457 4/24/2014 3621 054 010240 A new vertical distributed, 12 anode ground bed and rectifier will replace the 37650 \$32,115 existing 15 anode ground bed and rectifier that is no longer producing current. Replace existing rectifier groundbed with one Graphite anode, 75 ft of 49 Cathodic Protection 192,455 and 192,457 5/2/2014 3521 053 010039 37650 \$2,256 stranded cable, 2 splice kits, and 1000 lbs of coke breeze. Mary & Mitchell . Greeley 50 Cathodic Protection 192,455 and 192,457 5/2/2014 3622 054 010209 The new 15-anode ground bed will be installed to replace the old one. Pratt 37650 \$19,789 Cathodic Protection 51 192,455 and 192,457 5/2/2014 3721 011632 Replace rectifier. The current deep well is full of HCl and rectifier #673 is not 054 37600 \$27,406 currently active. The new deep well will be drilled in existing easement. Filmore & SE Louis, Mulvane Cathodic Protection 192,455 and 192,457 5/2/2014 010048 Install an impressed current ground bed to replace an existing ground bed 3521 056 37650 \$3,170 which has become depleted. Melvern RD West of Summit ST, Melvern Cathodic Protection 192.455 and 192.457 53 5/2/2014 3532 056 010088 Installing ground bed and rectifier in Horton, Ks at 7th Ave W in alley bet, W 37650 \$25,936 13th & W 14th

B C D Е F G н J **FERC** Unitization Cost Account Line No. **GSRS Qualification** Safety Regulation Date Center Function Job Order Description Number Costs Cathodic Protection To locate and bond couplings, remove shorts and install anodes on 192,455 and 192,457 5/2/2014 3761 056 010063 37600 \$21,483 unprotected steel pipe to extend its useful life in the Pittsburg area. Cathodic Protection 192 455 and 192 457 5/2/2014 010064 To install a new Ground Bed Rectifier in Girard to adequately supply enough \$32,323 3761 056 37650 current to protect this rectified system in Girard. This Ground Bed will be located near Osage and Northern. Cathodic Protection 192,455 and 192,457 5/2/2014 3781 056 010017 To locate and bond couplings, remove shorts, and install anodes on 37650 \$3,060 unprotected steel pipe to extend its useful life in the Fort Scott Area. 192,455 and 192,457 010299 Install a double solar panel to provide cathodic protection to the 2" APBS 37600 Cathodic Protection 5/5/2014 3522 056 \$6.076 main that runs along Mission Road south of Alhambra Street, Overland Park, This JO to install a new ground bed and rectifier on Line 0853 at MP 25.3 36700 Cathodic Protection 192,455 and 192,457 6/2/2014 3685 046 010186 \$22,201 192,455 and 192,457 6/2/2014 3685 046 010187 This JO to install a new ground bed and rectifier on Lines 2001 & 2402 at MP 36700 \$49,574 Cathodic Protection 192,455 and 192,457 6/2/2014 3831 054 010204 To apply primer & coating to BS main under six roadway bridges, At Labette 37650 \$90,064 60 Cathodic Protection Creek on 21st, North Blvd & Country Club, Little Labette Creek on 21st & 32nd, and Cow Creek on HWY 59 in Parsons, KS 6/2/2014 3653 010099 Seneca - Cathodically protect Seneca, Beattie, Axtell, Centralia, Vermillion 37650 192.455 and 192.457 056 \$25,992 Cathodic Protection To provide cathodic protection for 195 miles of bare steel and install the 37650 192,455 and 192,457 6/2/2014 3721 056 010259 \$194,336 62 Cathodic Protection necessary anodes, bonds and test stations to bring the bare steel under protection in Wichita & vicinity Q2 2013 Cathodic Protection To provide cathodic protection for 189 miles of bare steel and install the 37650 63 192,455 and 192,457 6/2/2014 3721 056 010261 \$78,022 necessary anodes, bonds and test stations to bring the bare steel under protection in Wichita & vicinity Q4-2013 Cathodic Protection 192,455 and 192,457 6/3/2014 3612 046 010109 Install a remote cathodic monitoring radio system at McPherson East TBS 36700 \$5,470 (2404-85.5)192,455 and 192,457 6/3/2014 053 010095 Install 32# anodes on the 8" BS main on California from 21st to 27th due to 37600 \$23.958 Cathodic Protection 3541 65 low cathodic protection reads. Topeka 010203 Install new groundbed, 335th and Plum Creek RD, Osawatomie 37650 Cathodic Protection 192,455 and 192,457 6/3/2014 3521 054 \$20.053 66 192,455 and 192,457 010202 Replace the deteriorated solar rectifier (RECT #1245) at the intersection of \$4,152 Cathodic Protection 6/3/2014 3622 054 37650 the alley N of W Locust Ave between S 1st St & S 2nd St in Englewood with a new conventional electric powered rectifier The new 15-anode ground bed will be installed to replace the old one. Pratt. 010210 37650 \$23,194 Cathodic Protection 192,455 and 192,457 6/3/2014 3622 054 Cathodic Protection 192,455 and 192,457 6/3/2014 3642 056 010089 Install anodes and bond couplings to cathodically protect the system. Beloit. 37600 \$13,451 69 010112 Manhattan - Install anodes and bond couplings in Manhattan area #1, 39 Cathodic Protection 192,455 and 192,457 6/3/2014 3651 056 37650 \$9.900 Anodes & 7 Bond Couplings (Alta Vista, Dwight, Belvue, Ogden) 71 Cathodic Protection 192,455 and 192,457 6/3/2014 3651 056 010114 Warnego - Install Rectifier @ north end of Deborah Ln so we can reduce the 37650 \$29,530 number of anodes we have to install on existing steel pipe

В C D F G E Н J **FERC** Unitization Cost Account Line No. **GSRS Qualification** Safety Regulation Date Center Function Job Order Description Number Costs Cathodic Protection Clay Center/Chapman/Wakefield - Install anodes & bond couplings to 192 455 and 192 457 6/3/2014 3652 056 010117 37650 \$17,472 cathodically protect system 73 Cathodic Protection 192,455 and 192,457 6/3/2014 3612 046 010111 This JO is to install a new ground bed and rectifier on Line 0453 MP 4 36700 \$28.843 74 192,455 and 192,457 6/4/2014 Cathodic Protection 3652 056 010118 Junction City Install anodes & Bond couplings to cathodically protect system. 37600 \$25.237 75 Cathodic Protection 192,455 and 192,457 6/4/2014 3653 056 010101 Marysville - Cathodically protect Marysville/Linn/Blue Rapids by installing 37650 \$16.734 anodes & bond couplings 76 Cathodic Protection 192,455 and 192,457 6/17/2014 3642 053 010024 Relocate Universal 18V 13A rectifier unit #0216 and a graphite anode 37650 \$23,044 horizontal ground bed from Main and Independence to 2nd and Baldwin. Beloit, KS Cathodic Protection 192,455 and 192,457 6/17/2014 011636 77 3721 054 The current deep well has been producing chlorine and will be capped. The 37650 \$21,852 new conducrete system will use 15 anodes. Rectifier #587. Wichita 192,455 and 192,457 6/17/2014 3831 054 010209 Install new 6V-5A ES rectifier unit and 3 Anotec anodes w/35' #6 wire leads at 37650 78 Cathodic Protection \$11,669 N 49th ST & 24500ST in Parsons, KS 79 Cathodic Protection 192,455 and 192,457 6/17/2014 3831 054 010211 Install a new 6V-12 AMP ES-11 rectifier unit and 4 Anotec anodes W/450'-#6 37650 \$17,375 wire leads in 135th RD. Erie, KS. Cathodic Protection Total \$1,457,885 Trans Install 11.5 miles of 3" cs in Line 0311, MP 14 to MP 27, to replace \$2.671.842 80 Continuing Surveillance 192.613 (b) 7/31/2013 3612 043 010028 36700 existing 3" BS pipeline located in Pottawatomie County, KS, Part of BS replacement program to replace assets that have reached their useful life. Continuing Surveillance 192.613 (b) 7/31/2013 3612 043 010027 Trans - Install 4.8 miles of 3" cs in Line 0301, MP 0 to MP 5, to replace 36700 \$1,019,712 existing 3" BS pipeline, located in Marshall County, KS. Part of BS replacement program to replace assets that have reached their useful life. Continuing Surveillance 192.613 (b) 8/26/2013 3612 043 010043 Transmission - Replace exposed pipeline @ 2 creek locations 788' at MP \$186,070 36700 15.2 & 600' at MP 17.7 on Line 0621. Marshal County, 010044 Continuing Surveillance 192,613 (b) 2/21/2014 3612 043 Transmission Replace exposed pipeline @ creek crossing, Install 855' of 2" 37650 \$66.958 cs. Retire 855' of Line 0218, Located in W/2 Section 24, T02S - R10E Marshall County, beginning at ST 87+19 and ending at ST 95+74. Transmission - Install 6.5 miles of 8" coated steel in Line 0846, MP 5.5 to MP 5/2/2014 010053 \$2,636,261 Continuing Surveillance 192.613 (b) 3612 043 36700 12.5 to replace existing 8" steel main which has disbondment problems with the no-oxide coating, McPherson County, Continuing Surveillance 5/2/2014 043 010053 Transmission - Install 6.5 miles of 8" coated steel in Line 0846, MP 5.5 to MP 192.613 (b) 3612 36900 \$27,370 12.5 to replace existing 8" steel main which has disbondment problems with the no-oxide coating, McPherson County, Continuing Surveillance 043 010050 Transmission - Install 4.6 miles 3" cs in Line 0301, MP 5 to MP 10, to replace 192.613 (b) 6/2/2014 3612 36700 \$1,115,482 existing 3" BS pipeline located in Marshall County, KS. Part of BS replacement program to replace assets that have reached their useful life. Continuing Surveillance 192,613 (b) 6/4/2014 3612 043 010051 Install 5.8 miles of Line 0248 MP 0 TO MP 6.5 to replace 5.8 miles of 3" BS 36700 \$1,290,281 pipeline located in Washington County. This is part of the bare steel replacement program to replace assets that have reached their useful life. Continuing Surveillance 6/17/2014 043 010017 Trans - Replace 1.7 miles-6" BS Line 0625, 3.3 miles-3" BS Line 0320, & 1.3 \$1,726,671 192.613 (b) 3685 36700 miles-8" BS Line 0857 with 6 3 miles 4" CS pipe in Clark & Comanche Counties, KS as part of BS Replacement Program based on DOT PHMSA 010096 Replace exposed main @ creek crossing US Hwy 56 & S Lewelling RD. Continuing Surveillance 192.613 (b) 10/31/2013 3541 053 37650 \$23,835 Scranton, Install 358' 4" coated steel, retire 434' of 4" coated steel,

C D E F G Н .1 FERC Unitization Cost Account Line No. **GSRS Qualification** Safety Regulation Date Center Function Job Order Description Number Costs Install 1.650' 2" PE in alley btwn E 2nd & Stopl & btwn Main & Walnut. Retire Continuing Surveillance 192,613 (b) 2/14/2014 3622 054 010201 37600 \$47,605 1531' of 2" RPBS & 119' of 2" cs. Total of 13 clamps in this portion of main. Continuing Surveillance 192.613 (b) 3/3/2014 3541 053 010112 Replace exposed main @ creek crossing, Retire 230' 4" coated steel & install 37600 \$11,319 91 300' of 4" coated steel main. This creek has a high volume of water & debris is up against main, 25th & Arrowhead, Topeka Continuing Surveillance 192.613 (b) 3/26/2014 3811 053 010050 Replace exposed main @ creek crossing. Install 150' 2" PE, retire 150' 2" 37600 \$4,168 92 bare steel. Main had previous leakage nearby. California & Bennett. 93 Continuing Surveillance 192.613 (b) 5/22/2014 3642 054 010218 Replace exposed main in alley, Install 420' of 2" PE main & retire 420' of 2" 37600 \$5.963 BS main @ South ST & 5th ST. Lincoln Replace exposed main in alley, Install 420' of 2" PE main & retire 420' of 2" Continuing Surveillance 192.613 (b) 5/22/2014 3642 054 010218 37650 \$873 BS main @ South ST & 5th ST. Lincoln Continuing Surveillance 192.613 (b) 12/20/2013 3621 054 010239 Replace 90' of 1-1/4" RPCS & 156' of 1-1/4" BS mains with 246' of 2" PF 37600 \$4,378 95 because of class 3 leak time limit & eliminate 3 BS service lines in the alley between E 10th St & E 11th St west of N Columbia St in Lacrosse, KS Continuing Surveillance Total \$10.838.788 Replace 2" BS pipe in conjunction with BS S/L program at Murdock to \$78.949 Section 1855 KGS Operating and KCC Docket No. 11-KGSG-177-TAR 7/31/2013 3721 054 011453 37600 Maintenance Manual and 192.613 (b) Harding, Parkwood & Ridgewood to 9th. Replace with approx 3446' of 2" PE & 721' of 4" PE. Retires LK10-94025.11-20156, 11-20197, 52 BS service Section 1855 KGS Operating and KCC Docket No. 11-KGSG-177-TAR Replace 2" BS pipe in conjunction with BS S/L program at Murdock to 7/31/2013 3721 054 011453 37650 \$6,951 Harding, Parkwood & Ridgewood to 9th, Replace with approx 3446' of 2" PE Maintenance Manual and 192,613 (b) & 721' of 4" PE. Retires LK10-94025.11-20156. 11-20197. 52 BS service Replace 585' 2" BS main with 337' 2" CS & 105 2" PE in easement between KCC Docket No. 11-KGSG-177-TAR Section 1855 KGS Operating and 8/26/2013 3532 053 010058 \$2,258 37600 Maintenance Manual E 1st Ave & E 2nd Ave. This is in conjunction with the BS S/L replacement and 192,613 (b) Horton, 6 BS S/L KCC Docket No. 11-KGSG-177-TAR 8/26/2013 010058 Replace 585' 2" BS main with 337' 2" CS & 105 2" PE in easement between \$15,710 99 Section 1855 KGS Operating and 3532 053 37650 Maintenance Manual E 1st Ave & E 2nd Ave. This is in conjunction with the BS S/L replacement and 192.613 (b) Replace 670' 6" BS, 65' 6" cs, 259' 2" BS & 29' 4" PE with 1025 2" PE (IP) KCC Docket No. 11-KGSG-177-TAR 100 Section 1855 KGS Operating and 9/5/2013 3541 054 010517 37600 \$33,492 Fliminates 1 active leak 2011-415 & 2 inactive leaks 2006-1023, 2003-124. Maintenance Manual and 192.613 (b) Bare steel replacement in conjunction with BS 6 S/L replacement Topeka Section 1855 KGS Operating and KCC Docket No. 11-KGSG-177-TAR 9/20/2013 3542 053 010029 Replace 578' of obsolete 3" & 2" bare steel main with 578' 2" PE in allevs 37600 \$22,790 101 Maintenance Manual and 192,613 (b) each side of Schofield and north of 1st St. This is in conjunction with the BS S/L replacement. (7 BS service line replacements) Waverly Install 5.138' 2" PE @ 1201 Money Trailer Park, Augusta, Retire 6.617' of 2" Section 1855 KGS Operating and KCC Docket No. 11-KGSG-177-TAR 12/2/2013 3911 054 010120 37600 \$85,898 102 Maintenance Manual and 192.613 (b) BS in conjunction with the BS S/L replacement (42 BS service lines), 103 Section 1855 KGS Operating and KCC Docket No. 11-KGSG-177-TAR 12/2/2013 3911 054 010120 Install 5.138' 2" PE @ 1201 Money Trailer Park, Augusta, Retire 6.617' of 2" 37650 \$251 Maintenance Manual and 192.613 (b) BS in conjunction with the BS S/L replacement (42 BS service lines). Section 1855 KGS Operating and KCC Docket No. 11-KGSG-177-TAR Install 130' of 2" PE main in the alley between N Main St & N Iron St north of 37600 12/20/2013 3621 053 010044 \$501 4th St in Victoria, KS in order to facilitate the proper replacement of 2 BS SL Maintenance Manual and 192.613 (b) to 412 & 414 N Main Section 1855 KGS Operating and KCC Docket No. 11-KGSG-177-TAR 12/30/2013 Repl 2" & 4" BS main in conjunction with BS S/L replace Pine & Ridgewood: 37600 105 3721 054 011592 \$78.557 Maintenance Manual Elm & Battin, Install 5.341' 2" PE & upgrade, Clears 3 active LKs 44 BS and 192,613 (b) Repl 2" & 4" BS main in conjunction with BS S/L replace Pine & Ridgewood; Section 1855 KGS Operating and KCC Docket No. 11-KGSG-177-TAR 12/30/2013 011592 38000 106 3721 054 \$5,538 Maintenance Manual and 192,613 (b) Elm & Battin, Install 5.341' 2" PE & upgrade, Clears 3 active LKs 44 BS Replace ~150' of BS SL & YL with ~100' of 2" PE SL and ~50' of 4" PE YL at 38000 Section 1855 KGS Operating and KCC Docket No. 11-KGSG-177-TAR 12/31/2013 3622 053 010035 \$8,973 107 Maintenance Manual and 192.613 (b) 108 E 2nd Ave in Medicine Lodge in conjunction with main replacement project #051.054.3622.010201

Kansas Gas Service A Division of ONE Gas Gas Safety and Reliability Surcharge

State/Federal Safety Compliance

Docket No. Exhibit APC -1

Α	В	С	D	E	F	G	Н	1	J
	Sales and display the con-	Tentage - Landau and	Unitization	Cost			Fe 多金	FERC Account	74 - 10
Line No.		Safety Regulation	Date	Center	Function	Job Order	Description	Number	Costs
108	Section 1855 KGS Operating and Maintenance Manual	KCC Docket No. 11-KGSG-177-TAR and 192.613 (b)	3/3/2014	3635	053	010049	Replace 1188' of 4" BS with 1352' 2" PE in alley east of Main between Saline to Olsson. This is in conjunction with the BS S/L replacement (9 bare steel services). Lindsborg	37600	\$57,577
109	Section 1855 KGS Operating and Maintenance Manual	KCC Docket No. 11-KGSG-177-TAR and 192.613 (b)	3/26/2014	3721	054	011599	Replace 12' of 3" BS S/L and 585' of yardline with 665' of 4" PE S/L at Brooks Middle School Wichita	38000	\$2,140
110	Section 1855 KGS Operating and Maintenance Manual	KCC Docket No. 11-KGSG-177-TAR and 192.613 (b)	3/26/2014	3721	054	011626	Replace 396' of 2" & 451' of 3" RPBS near the intersection of W Broadway & N Santa Fe St with 100' of 2" & 490' of 4" TF to clear a class 3 leak, 3 BS service lines and eliminate parallel mains. Newton	37600	\$36,622
111	Section 1855 KGS Operating and Maintenance Manual	KCC Docket No. 11-KGSG-177-TAR and 192.613 (b)	6/2/2014	3721	054	011456	Repl various sizes of CI and BS main with approx 1,272' of 2" PE main & 8 BS services in conjunction with BS S/L replacement in the easement of Waco and W. 20th south to W. 17th with 2" PE main. Wichita	37600	\$129,256
112	Section 1855 KGS Operating and Maintenance Manual	KCC Docket No. 11-KGSG-177-TAR and 192,613 (b)	6/27/2014	3721	054	011663	Install 620' 4" PE & 83' of 2"cs to retire 317' 3" BS, 459' 4" BS & 38' of 2" BS to eliminate obsolete fittings. 6 BS S/L Central & Mulvane ST, Mulvane	37600	\$33,329
113	Section 1855 KGS Operating and Maintenance Manual	KCC Docket No. 11-KGSG-177-TAR and 192,613 (b)	6/27/2014	3721	054	011663	Install 620' 4" PE & 83' of 2"cs to retire 317' 3" BS, 459' 4" BS & 38' of 2" BS to eliminate obsolete fittings. 6 BS S/L Central & Mulvane ST, Mulvane	37650	\$1,283
114	Section 1855 KGS Operating and Maintenance Manual	KCC Docket No. 11-KGSG-177-TAR and 192.613 (b)	6/27/2014	3721	054	011663	Install 620' 4" PE & 83' of 2"cs to retire 317' 3" BS, 459' 4" BS & 38' of 2" BS to eliminate obsolete fittings. 6 BS S/L Central & Mulvane ST, Mulvane	38000	\$141
	Section 1855 KGS Operating and Maintenance Manual Total \$600,2								\$600,215
-	Grand Total							,	\$14,708,241

Kansas Gas Service A Division of ONE Gas Gas Safety and Reliability Surcharge Relocation Expenditures

Docket No. Exhibit APC-2

C F D E G Н 1 FERC Unitization Cost Account Line No. **GSRS Qualification** Date Center Function Job Order Description Number Government Authority Cost Install 116'-2" T/F on Martway between Dearborn & Beverly, Retire 66'-2" Public Improvement 7/31/13 010820 37650 City of Mission 3522 055 \$11,720 APCS due to conflict with storm boxes being installed for City of Mission storm project. 010863 Storm box was not accounted for in W/O: 051,055,3522,010835, Install 2 Public Improvement 7/31/13 3522 055 37600 \$1,267 City of Shawnee box on Fairview Hts. Retire 30' 2" PE, install 40' OF 2" PE. City of Shawnee. 010867 GSRSEL-City of Overland Park, Ks. Abandon 80 ft of existing 6" APBS. 3 Public Improvement 7/31/13 3522 055 37600 \$3,514 City of Overland Park Install 80 ft of 6" MDPE through 10" casing under new bus corridor, 75th & Metcalf 3522 010867 GSRSEL-City of Overland Park, Ks. Abandon 80 ft of existing 6" APBS. 4 Public Improvement 7/31/13 055 37650 \$24,796 City of Overland Park Install 80 ft of 6" MDPE through 10" casing under new bus corridor. 75th & Lower 350'-2" PE main in conflict with City of Wichita RD project in 135th 5 7/31/13 3721 055 010355 37600 City of Wichita Public Improvement \$4,631 ST West, North of Kelloag/HWY 54 6 Public Improvement 7/31/13 3541 055 010222 Install 4.630' 4" cs from Topeka Blvd to Adams. Retire 4.958' of 4" 37600 \$5,415 Shawnee County RPCS, 170' of 2" RPCS & 460' of 1 1/4 RPCS that is in conflict with Shawnee County RD Improvement project. 010222 Install 4,630' 4" cs from Topeka Blvd to Adams. Retire 4,958' of 4" 7/31/13 3541 055 37650 \$184,069 Shawnee County 7 Public Improvement RPCS, 170' of 2" RPCS & 460' of 1 1/4 RPCS that is in conflict with Shawnee County RD Improvement project. Install 280' of 2" & 205' of 4" PE on Prairie & on 10th due to City of Topeka 8 Public Improvement 8/26/13 3541 055 010244 37600 \$29.592 City of Topeka RD improvement project. Existing main will be in the way of the new road improvements. 9 8/26/13 3541 055 010246 City of Topeka is replacing the top part of manhole and existing 4" PE is in 37600 \$9,652 City of Topeka Public Improvement it. New 4" PE will be installed around manhole. 10 Public Improvement 8/26/13 3721 055 010377 49th ST N & Broadway Park City. Abandon 110' of 2" cs in conflict with 37600 \$5,620 City of Park City Park City stormwater project. Condition of pipe found during construction required 24' of 2" cs main installation. 9/5/13 3541 055 010227 Relocate 6" & 4" PE mains in conflict with County Rd project NW 46th 37600 \$119.255 Shawnee County 11 Public Improvement between Rochester & Topeka Blvd & the intersections at NW Rochester & NW Topeka Blvd. Shawnee Co is installing round-a-bouts at both intersections. 12 Public Improvement 9/30/13 3522 055 010871 Install 1350' of 6" PE on 63rd between Roe and Granada, Retire 1302 ft of 37650 \$16,905 City of Prairie Village 6" APCS in conflict with City of Prairie Village street drainage project. 9/30/13 Relocate 1313' 6" RPCS main to KGS esmt on SW 21st, Broadview to 13 Public Improvement 3541 055 010251 37600 \$1,749 City of Topeka Kingsrow, Kill 2800' 6" CS in conflict with City of Topeka Rd Widening Project on SW 21st, Urish to Wanamaker. Inst 700' 2"PE to move svcs off 6" for kill.

Relocation Expenditures

Docket No. Exhibit APC-2

C D E F G A н 1 J FERC Unitization Cost Account Line No. **GSRS Qualification** Date Center Function Job Order Description Number Government Authority Cost 14 Public Improvement 9/30/13 3541 055 010251 Relocate 1313' 6" RPCS main to KGS esmt on SW 21st. Broadview to 37650 \$163,079 City of Topeka Kingsrow. Kill 2800' 6" CS in conflict with City of Topeka Rd Widening Project on SW 21st, Urish to Wanamaker, Inst 700' 2"PE to move svcs off 15 Public Improvement 9/30/13 3541 055 010263 Existing 4" PE will be in the way of the new RCP being installed by City of 37600 \$1,259 City of Topeka Topeka, Install 40' of 4" PE. . 16 10/31/13 3522 055 010878 Install 75' 2" PE. Retire 55' 2" PE main due to main crossing Flint is very Public Improvement 37600 City of Shawnee \$1.889 shallow and is in conflict with mill and overlay for City of Shawnee, 71st Terrace & Flint 17 Public Improvement 10/31/13 3541 055 010248 City of Topeka is installing new sewer line and the existing 2" PE will be in 37650 \$4.315 City of Topeka conflict. Install 8' of 2" PE to get over the top of the new sewer line, 4601 SW Topeka Blvd 18 Public Improvement 10/31/13 3651 055 010104 Manhattan-Relocate 20' of 4" CS in dog leg on Griffith Dr/Griffith Ter due to 37650 \$6,918 City of Manhattan damaged storm water box replacement by the City of Manhattan. 3522 010738 Install 1900' 4" MDPE & 120'-2" MDPE, Retire 983'-12" C.I., 2981' 6" C.I., 19 12/2/13 37600 \$111,681 Unified Government of Kansas City, KS Public Improvement 055 10' 8" APCS and 3'-6" APCS in conflict with Mill & Overlay KCK, 5th & 20 12/2/13 3522 055 010738 Install 1900' 4" MDPE & 120'-2" MDPE, Retire 983'-12" C.L. 2981' 6" C.L. 37650 \$1,102 Unified Government of Kansas City, KS Public Improvement 10' 8" APCS and 3'-6" APCS in conflict with Mill & Overlay KCK, 5th & Walker 12/2/13 3532 055 010016 Relocate 123' of shallow 2" CS with 128' of 2" T/F main due to conflict with 37600 \$7,933 City of Highland 21 Public Improvement cuts in bank for City of Highland & Doniphan County N Vermillion St improvement project, N of Vermont St in Highland, 12/2/13 3541 010260 Lower 2" PE Main & Service at 4120 SE 61st that is in conflict with 22 Public Improvement 055 37600 \$7,229 Shawnee County Shawnee County Public Works Department Culvert Project #97104-01. 12/2/13 3541 010260 Lower 2" PE Main & Service at 4120 SE 61st that is in conflict with 37650 Shawnee County 23 Public Improvement 055 \$299 Shawnee County Public Works Department Culvert Project #97104-01. 24 Public Improvement 12/2/13 3721 055 010342 Install 815' 2" PE main and relocate service lines in 36th ST North. East of 37600 \$18.950 City of Wichita Arkansas ST. Retire 830' 2" PE in conflict with City of Wichita paving project 12/2/13 3721 010379* Relocate 5130'-8" CS with 5130'-12" CS to clear conflicts with City of 37650 \$302.984 City of Wichita/Kansas Department of 25 Public Improvement 055 Wichita/KDOT Highway 54 Improvement project on W Kellogg from 135th Transportation 26 Public Improvement 12/13/13 3541 055 010266 Install 68' of 2" cs at 129 SW Sanneman Dr. Retire 60 ft 2" BS that is in 37600 \$1,140 City of Topeka conflict with the City of Topeka storm drain project.

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FERC Unitization Cost Account Line No. GSRS Qualification Function Job Order Date Center Description Number Cost **Government Authority** Install 68' of 2" cs at 129 SW Sanneman Dr. Retire 60 ft 2" BS that is in 27 Public Improvement 12/13/13 3541 055 010266 37650 \$2,199 City of Topeka conflict with the City of Topeka storm drain project. 12/13/13 010069 Install 220' 2" PE Gas Main at Morris Dr & E Country Club Rd. Retire 138" 28 Public Improvement 3641 055 37600 \$6,202 Kansas Department of Transportation 2" PE & 68' CS gas main that was in conflict with KDOT & Saline Co. E Country Club Rd Street Widening project - Salina 12/13/13 3641 010069 Install 220' 2" PE Gas Main at Morris Dr & E Country Club Rd. Retire 138" 29 Public Improvement 055 37650 \$3,294 Kansas Department of Transportation 2" PE & 68' CS gas main that was in conflict with KDOT & Saline Co. E. Country Club Rd Street Widening project - Salina Relocate 400' 2" APBS along 6th St and the intersection of 6th & B St in 30 Public Improvement 12/13/13 3653 055 010030 37600 \$24,003 City of Washington conflict with City of Washington drainage improvement project along B St. Replace 2" BS with 400' 2" PE. 12/20/13 010775 Retire 124' 6" PE main N & W parts of the intersection in conflict with joint \$18,632 City of Leawood and City of Prairie Village 31 Public Improvement 3522 055 37600 RD project for City of Leawood & Prairie Village. Install a 96' 6" PE main along the Southern portion 87th & Mission. 32 Public Improvement 12/20/13 3522 055 010855 Install 500' 2" PE & 20' of 4" TF. Retire 560' of 4" APCS that is in conflict 37600 \$24,780 City of Overland Park with City of Overland Park storm sewer project, 89th & Kellser to Eby Install 500' 2" PE & 20' of 4" TF, Retire 560' of 4" APCS that is in conflict 33 Public Improvement 12/20/13 3522 055 010855 37650 \$12,242 City of Overland Park with City of Overland Park storm sewer project. 89th & Kellser to Eby 12/31/13 010811 Install 330' OF 6" TF. Retire 270' OF 6"APCS & 90' 2" APCS in conflict 37600 City of Overland Park 34 Public Improvement 3522 055 \$2,095 with Overland Park RD & storm improvement project on Kansas. 12/31/13 3522 010811 Install 330' OF 6" TF. Retire 270' OF 6"'APCS & 90' 2" APCS in conflict 37650 City of Overland Park 35 Public Improvement 055 \$69,268 with Overland Park RD & storm improvement project on Kansas. Public Improvement Retire & Lower 50' of 2" PE main along Cherokee St. from its current 36 12/31/13 3522 055 010882 37600 \$4,727 Army Corps of Engineering elevation of 803.69' to 800' due to a grade cut for the new storm sewer RBC project by US Army Corps of Engineering, KCK Retire 101' 4" CS road crossing with 101' 4" PE at alley east of 1st and 37 12/31/13 3635 010032 37600 \$11,119 City of McPherson Public Improvement 055 Hartup at 714 E 1st, in conflict with City of McPherson 1st St reconstruction project. 3635 010033 Replace 620' of 4" CS with 2" 620' of PE along 1st street from alley east of 38 Public Improvement 12/31/13 055 37600 \$11,214 City of McPherson Hartup to drainage ditch and Retire 390' 2" BS in conflict with City of McPherson 1st St Reconstruction Project. 010885 Install 20' 2" PE dogleg around a new storm box being installed by Kansas 39 Public Improvement 1/3/14 3522 055 37600 \$465 Unified Government of Kansas City, KS City, KS on Southwest Blvd and Iowa St, and retire 10' 2" PE.

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E F C D G н 1 FERC Unitization Cost Account Job Order Line No. **GSRS Qualification** Date Center Function Description Number Cost **Government Authority** Public Improvement 2/14/14 3522 055 010791 Install 115'-6" TF & 300'- 2" PE, Retire 115'-6" APCS & 135'-2" PE in 37650 \$37,448 Unified Government of Kansas City, KS conflict Unified Government Drainage storm drainage project, KCK, 51st & Kimball Install 800' - 6" PE, 1,100' - 4" PE and 260' - 2" PE main, Retire 1,709' - 6" 41 Public Improvement 2/14/14 3522 055 010828 37600 \$126,086 City of Overland Park APCS, 92' - 4" APCS and 250' - 2" APCS main due to conflicts with the City of Overland Park street and storm sewer improvement project. Retire 1610' of 4" Cl. 100' of 6" Cl. 172' of 4" APCS, & 217' of 6" APCS in 42 Public Improvement 2/14/14 3522 055 010836 37600 \$151,347 Unified Government of Kansas City, KS conflict with Unified Governments 2013 Mill & Overlay Program KCK. Install 1900' of 4" PE & 400' of 2" PE 14th & Pacific Phase 1 43 Public Improvement 2/14/14 3522 055 010850 Install 45' of 4" PE main along 115th St. to be used as a bypass. Retire 30' 37600 \$3,152 City of Overland Park of 4" PE main that will be in conflict with proposed storm box for City of Overland Park. Install 155' 2" PE & 20' of 2" TF. Retire 130'-2" APSC in conflict with new 44 Public Improvement 2/14/14 3522 055 010854 37600 \$8.590 City of Overland Park storm being installed by the City of Overland Park at 93rd & Slater and 93rd ST 010854 Install 155' 2" PE & 20' of 2" TF. Retire 130'-2" APSC in conflict with new 37650 \$5.678 City of Overland Park 45 Public Improvement 2/14/14 3522 055 storm being installed by the City of Overland Park at 93rd & Slater and 46 Public Improvement 2/14/14 3522 055 010858 Storm drainage renewal project # 90038 at 83rd and Acuff and Mullen. 37600 \$7,480 City of Lenexa Install 240' of 4" PE and retire 240' of 4" PE that is in conflict with the new RCB's that are being installed. City of Lenexa 47 Public Improvement 2/14/14 3522 055 010898 Install 20' 3" CS and 60' 2" CS main and retire 10' 3" CS and 40' 2" CS to 37600 \$6.681 City of Overland Park dogleg our mains below the City of Overland Park's new storm sewer and out of conflict at 94th & 93rd on Antioch, 2/14/14 3522 010898 Install 20' 3" CS and 60' 2" CS main and retire 10' 3" CS and 40' 2" CS to 37650 \$9,110 City of Overland Park 48 Public Improvement 055 dogleg our mains below the City of Overland Park's new storm sewer and out of conflict at 94th & 93rd on Antioch. 2/14/14 3531 055 010051 Relocation: Install 925'- 2" PE along the south ROW of Limit St & Lower 37600 \$37,686 City of Leavenworth 49 Public Improvement 150'- 2" PE to clear conflicts with City of Leavenworth, KDOT road improvement project 52U 2291-01. Retire 649' - 2" PE & 212'- 2" APCS bridge Xing. 50 Public Improvement 2/14/14 3541 055 010268 GSRS Install 320' of 6" cs due to existing 6" main is in conflict with new 37650 \$23,349 City of Topeka City of Topeka culvert & bridge at 10th & Vitt 2/14/14 3522 010891 To install 30' 2" steel dogleg to avoid conflict with a storm pipe being \$2.041 City of Mission 51 Public Improvement 055 37600 installed at Martway & Lamar for City of Mission. 52 Public Improvement 2/14/14 3522 055 010891 To install 30' 2" steel dogleg to avoid conflict with a storm pipe being 37650 \$1,700 City of Mission installed at Martway & Lamar for City of Mission.

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C D Ε F G H 1 FERC Unitization Cost Account Line No. **GSRS Qualification** Date Center Function Job Order Description Number Cost **Government Authority** 53 Public Improvement 2/14/14 3531 055 010052 Relocate and lower 40' 2" PE at Limit St & 2nd Ave to avoid a conflict with 37600 \$626 City of Leavenworth a new retaining wall for the City of Leavenworth bridge and road improvement project on Limit St. HWY 281 & HWY 160 Install 90' 2" APCS in HWY ROW, Retire 90' of 2" 54 Public Improvement 2/14/14 3622 055 010031 37600 \$4,833 Kansas Department of Transportation CS in the way of City of Medicine Lodge RD project.- KDOT Project 160-4 55 Public Improvement 2/14/14 3635 055 010034 Replace 750' of 4" CS with 750' of 2" PE along 1st street from Drainage 37600 \$12,859 City of McPherson Ditch to street crossing @ Kerschner due to conflict with City of McPherson 1st St Reconstruction Project. 3011 N Michigan, Pittsburg, Install 79 ft of 6" RPCS by directional boring City of Pittsburg 56 Public Improvement 2/14/14 3761 055 010071 37650 \$6,563 under existing storm sewer. Retire existing 6" CS that is in the way of new storm sewer being installed by City of Pittsburg 57 2/14/14 3831 055 010033 Retire 275' 4" BS main and 131' 1 1/4" CS main in easements north and 38200 \$2,664 City of Parsons Public Improvement south of Corning St, west of 13th, in conflict with a City of Parsons Street Paving Project. Service lines will be relocated on blanket job orders. Retire 275' 4" BS main and 131' 1 1/4" CS main in easements north and City of Parsons 58 Public Improvement 2/14/14 3831 055 010033 38300 \$1,332 south of Corning St. west of 13th. in conflict with a City of Parsons Street Paving Project. Service lines will be relocated on blanket job orders. 010034* Relocate 463' 6" BS/CS and 405' 4" BS/CS main in conflict w/City of 37600 \$56,185 City of Parsons 59 Public Improvement 2/14/14 3831 055 Parsons Street Paving Project in 100 & 400 Blks of S 13th St & replace w/880' 6" PE. 2/21/14 3522 010873 Install 100' of 2" PE service line to tie into the schools existing line. Retire 38000 \$5,943 City of Shawnee 60 Public Improvement 055 100' -2" PE & 100' -4" PE that will be in conflict with a new RCP being installed, 60th & Monticello, Shawnee Install 2520' of 4" PE main to reinforce the system before losing the 4" Kansas Department of Transportation 2/21/14 3522 055 010880 37600 \$79,320 61 Public Improvement feed on Gibbs Rd due to KDOT project 635-105 KA 2093-01 that requires removal of the 4" steel pipe attached to the bridge over I-635, KCK. 62 Public Improvement 2/21/14 3522 055 010897 Install 170' of 4" PE on Martway from Larnar to Woodson. Retire 140' of 4" 37600 \$4,225 City of Mission PE in conflict with City of Mission Rd improvement project. 2/21/14 3541 055 010269 Main in the intersection of 25th & Ohio is in conflict with the full depth 37600 \$14,311 City of Topeka 63 Public Improvement replacement of 25th being done by City of Topeka. 265' of 2" PE will replace the 2" & 4" APBS Manhattan - Relocate 350' of 2" PE & 500' of 4" PE again with 680' 2" PE 64 Public Improvement 2/21/14 3651 055 010106 37600 \$18,238 Kansas Department of Transportation & 460' 4" PE to accommodate KDOT K-18 project drainage ditch construction change to widen south end of Harold Rd 010370 151st & Woodbine Wichita from West Town Border, Install 140' of 4" TF. 37650 Kansas Department of Transportation 65 Public Improvement 2/21/14 3721 055 and install 2 gate valve and 2 Fisher Regulators. Existing facility is in conflict with KDOT HWY 54 project

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C E F G В D Н J FERC Unitization Cost Account Line No. **GSRS Qualification** Date Center **Function** Job Order Description Number Cost **Government Authority** 151st & Woodbine Wichita from West Town Border, Install 140' of 4" TF. Kansas Department of Transportation 66 Public Improvement 2/21/14 3721 055 010370 38050 and install 2 gate valve and 2 Fisher Regulators. Existing facility is in conflict with KDOT HWY 54 project 151st & Woodbine Wichita from West Town Border. Install 140' of 4" TF. 67 Public Improvement 2/21/14 3721 055 010370 38200 \$10,979 Kansas Department of Transportation and install 2 gate valve and 2 Fisher Regulators. Existing facility is in conflict with KDOT HWY 54 project 151st & Woodbine Wichita from West Town Border, Install 140' of 4" TF. 68 Public Improvement 2/21/14 3721 055 010370 38300 \$2,745 Kansas Department of Transportation and install 2 gate valve and 2 Fisher Regulators. Existing facility is in conflict with KDOT HWY 54 project 69 Public Improvement 2/21/14 3721 055 010383 3802 E 27th, Brook's Middle school's 3" BS S/L is in conflict with new City 38200 \$701 City of Wichita of Wichita storm sewer. Replace 3" BS service with 4" PE, reuse Roots 11M meter & install 2" American 1813B regulator. City of Wichita 010383 3802 E 27th, Brook's Middle school's 3" BS S/L is in conflict with new City 38300 70 Public Improvement 2/21/14 3721 055 \$351 of Wichita storm sewer. Replace 3" BS service with 4" PE, reuse Roots 11M meter & install 2" American 1813B regulator. S. Seneca & May, Wichita. Install 150' OF 4" coated steel and retire 150' 2/21/14 3721 055 010384 37600 \$8,937 City of Wichita 71 Public Improvement of 4" coated steel that is in conflict with City of Wichita storm sewer project. 72 Public Improvement 2/21/14 3721 055 010384 S. Seneca & May, Wichita, Install 150' OF 4" coated steel and retire 150' 37650 \$232 City of Wichita of 4" coated steel that is in conflict with City of Wichita storm sewer project. City of Wichita 73 Public Improvement 2/21/14 3721 055 010387 135th W & Highland Spring RD. Install 165' 4" PE and retire 165' of 4" PE 37600 \$8,219 that is in the way of the City of Wichita RD & storm sewer project. 36th ST N & Arkansas, Install 20' of 4" PE to retire 4" PE in the way of City City of Wichita 2/21/14 3721 055 010390 37600 \$5,442 74 Public Improvement of Wichita RD project. This work is an additional conflict to the one that was corrected on JO 051.055.3721.010342. 75 Public Improvement 2/21/14 3811 055 010024 High School & Maple, Columbus, Install 253 ft 4" coated steel, Retire 201' 37650 \$24.983 City of Columbus 3" coated steel & 69' 4" coated steel to eliminate a valve & shallow main in conflict with City of Columbus road project. Maple & Delaware, Columbus. Install 52 ft of 2" PE and retire existing 2" 37600 \$2,220 City of Columbus 76 Public Improvement 2/21/14 3811 055 010025 PE that is in the way of the new storm sewer being installed by the City of Columbus. 77 3/3/14 3541 055 010265 Install 225' 4" PE to replace 4" RPCS feed in conflict with Shawnee County 37600 \$4,615 Shawnee County Public Improvement RD project. This feed was installed after County installed drainage ditch. 78 Public Improvement 3/5/14 3522 055 010830 Install 250' 6" PE, 2120' 4" PE & 1750' 2" PE, Retire 890' 12" CI, 1205' 6" 37600 \$174,465 Unified Government of Kansas City, KS CI,1750' 4" CI & 384' 3" APBS due to conflict with KCK resurfacing project & 2013 Cl replace 12th & Riverview, Boeke, Lyons, Reynolds & 9th

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E F D G Н 1 FFRC Unitization Cost Account Line No. **GSRS Qualification** Center Function Job Order Description Number Cost Government Authority Date 010837 Retire 170' of 4" Cl. 1540' of 6" Cl. 20' of 4" APCS & 650' of 6" APBS in \$164.035 Unified Government of Kansas City, KS 79 Public Improvement 3/5/14 3522 37600 055 conflict with Unified Governments 2013 Mill and Overlay KCK. Install 950' of 4" PE & 2700' of 2" PE (15 psig) 14th and Pacific Phase 2. 010838 Retire 1610' of 4" Cl. 1833' of 4" Cl & 250 of 4" PE in conflict with Unified \$123,937 Unified Government of Kansas City, KS 80 Public Improvement 3/5/14 3522 055 37600 Governments 2013 Mill & Overlay, KCK, Install 4230' of 2" PE (15 psig) 14th & Pacific Phase 3. 010860 Install 15' of 4" TF & 15' of 2" TF, Retire 15' of 4" APCS & 15' of 2" APCS. City of Overland Park 81 Public Improvement 3/5/14 3522 055 37600 \$2.198 This project will eliminate conflicts with Overland Park's 2013 Storm Sewer Repairs. This is the third of four sites. 98th and Travis LN Install 15' of 4" TF & 15' of 2" TF. Retire 15' of 4" APCS & 15' of 2" APCS. Public Improvement 3522 010860 City of Overland Park 82 3/5/14 055 37650 \$3.568 This project will eliminate conflicts with Overland Park's 2013 Storm Sewer Repairs. This is the third of four sites, 98th and Travis LN 20th & Broadway, Pittsburg. Relocate 4" PE in at the driveway for 2004 N 83 3/5/14 3761 055 010073 37600 \$2,888 City of Pittsburg Public Improvement Broadway and possibility of 2 other locations near here, due to existing main in the way of new storm sewer the City of Pittsburg is installing 84 Public Improvement 3/14/14 3721 055 010380* Relocate 4605' 6" BS & CS with 4730' 8" T/F on Grand Ave Baughman to 37600 Kansas Department of Transportation Broadway in conflict w/KDOT and Federal Road Rehabilitation Project in Haysville, Replace 42 BS SL. 3721 010380* Relocate 4605' 6" BS & CS with 4730' 8" T/F on Grand Ave Baughman to 3/14/14 055 37650 \$431,453 Kansas Department of Transportation 85 Public Improvement Broadway in conflict w/KDOT and Federal Road Rehabilitation Project in Haysville, Replace 42 BS SL. Retire 420' 4" Cl. 180' 6" Cl. 400' of 2" APCS, 131' 4" APCS, 70' of Public Improvement 4/16/14 3522 055 010839 37600 \$108.991 Unified Government of Kansas City, KS 86 6"APCS & 630' of 6" APBS in conflict with Unified Governments 2013 Mill & Overlay, KCK, Install 1450' of 4" PE & 1130' of 2" PE, 14th & Pacific Phase 4 \$87,836 Unified Government of Kansas City. KS 4/16/14 3522 055 010877 Install 1,050' 2" PE & 1,310' 4" PE main (15 psig), Retire 2,068' 6" CI & 18' 37600 87 Public Improvement 6" PE main in the way of Mill & Overlay project by the Unified Gov of Wyandotte Riverview & Thorpe Phase 2 Kansas City. 4/16/14 3522 055 010899 Install a 15' 2" CS dogleg to move the main out of the way of a new storm 37600 \$2,358 City of Overland Park 88 Public Improvement box being constructed for the City of Overland Park 2013 Major Storm Sewer Repair MS-1193, 88th Ter & Grandview. Install 95' of 2" & 195' of 4" PE. Retire 245' 2" & 4" PE due existing main in 4/16/14 3541 055 010258 37600 \$64,020 City of Topeka 89 Public Improvement conflict with road improvements being done by the City of Topeka at 17th & Plass and 17th and College Public Improvement 4/16/14 3635 055 010035* Replace 1135' 2" BS, 509' 2" CS, 180' 2" PE, 187' 4" CS from 328 E 37600 \$17,012 City of McPherson 90 Loomis south to First street with 2566' of 2" PE in conflict with City of McPherson's First Street Reconstruction project. 010109 Manhattan - Install 18' of 4" PE to lower 4" PE gas main in conflict with City 4/16/14 3651 055 37600 \$1,816 City of Manhattan 91 Public Improvement of Manhattan water tap for fire water line south of 805 S Seth Child.

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FERC Unitization Cost Account **GSRS Qualification** Line No. Date Center Function Job Order Description **Government Authority** Number Cost 92 Public Improvement 4/16/14 3911 055 010048* Install 1358'-2" & 1317'-4" PE IP Main on School St & State St. Retire 37600 \$51,764 City of Augusta 2481' 2.4.6" BS Main, 740' of 2" BS in conflict with City of Augusta Street Paving Project. Rebuild/Relocate Existing Tap Serving Abilene #2 TBS Line 0318 Located 93 Public Improvement 5/2/14 3612 045 010019 36700 \$48.833 Dickinson County in the SW/4 Sec. 2, T13S - R2E, Dickinson County MP 2004 - 150,4 due to Township Road Improvement Plans on 2400 Ave. 94 Public Improvement 5/2/14 3521 055 010099 Install 765 ft of 2" MDPE to replace 682 ft of 2" RPBS, Existing main is in 37600 \$16,120 City of Lyndon conflict with City of Lyndon RD Project on Adams from 10th to 11th. Install 30' of 4" coated steel, Retire 20' of 4" APCS, Work will eliminate 95 Public Improvement 5/2/14 3522 055 010818 37600 \$16,481 City of Overland Park conflict with Overland Park's new storm pipes and boxes at 91tst and Eby. 96 Public Improvement 5/2/14 3522 055 010818 Install 30' of 4" coated steel. Retire 20' of 4" APCS. Work will eliminate 37650 \$15,987 City of Overland Park conflict with Overland Park's new storm pipes and boxes at 91tst and Eby. 97 Public Improvement 5/2/14 3522 055 010831 Install 575' of 4" PE. retire 575 of 4" APCS. This work will lower our main. 37600 City of Overland Park \$42.074 which is in conflict with City of Overland Parks full depth street reconstruction along 91st ST from Grant to England Install 575' of 4" PE, retire 575 of 4" APCS. This work will lower our main, 98 Public Improvement 5/2/14 3522 055 010831 37650 \$373 City of Overland Park which is in conflict with City of Overland Parks full depth street reconstruction along 91st ST from Grant to England Install 80' 4" PE. Retire 80'-4" APCS in conflict with RCB being installed by Public Improvement 5/2/14 3522 055 010832 37600 \$9,547 City of Lenexa 99 the City of Lenexa 81st Terr & Gleason. 100 Public Improvement 5/2/14 3522 055 010832 Install 80' 4" PE, Retire 80'-4" APCS in conflict with RCB being installed by 37650 \$3.696 City of Lenexa the City of Lenexa 81st Terr & Gleason. 101 Public Improvement 5/2/14 3522 055 010861 Install 235' of 2" PE & 90' of 2" TF. Retire 295' of 2" APCS. This project will 37600 \$14.674 City of Overland Park eliminate conflicts with Overland Park's 2012 Storm Sewer Repairs in the Tomahawk Ridge subdivision, 90th & Conser. 5/2/14 3522 055 010861 Install 235' of 2" PE & 90' of 2" TF, Retire 295' of 2" APCS. This project will 37650 City of Overland Park 102 Public Improvement \$8,634 eliminate conflicts with Overland Park's 2012 Storm Sewer Repairs in the Tomahawk Ridge subdivision, 90th & Conser. 103 Public Improvement 5/2/14 3522 055 010864 To install 54' - 4" TF. To retire 30' - 4" APCS. This project is being 37600 \$5.827 City of Overland Park completed to eliminate conflicts with Overland Parks 2013 Storm Sewer Repair project # MS-1193. This work is in Site 2 of the project. To install 54' - 4" TF. To retire 30' - 4" APCS. This project is being 010864 104 Public Improvement 5/2/14 3522 055 37650 \$14,261 City of Overland Park completed to eliminate conflicts with Overland Parks 2013 Storm Sewer Repair project # MS-1193. This work is in Site 2 of the project.

Relocation Expenditures

Docket No. Exhibit APC-2

C E F D G н 1 FERC Unitization Cost Account **GSRS Qualification** Line No. Date Center Function Job Order Description Number Cost Government Authority Install 1,275' 2" PE, 425' of 4" PE to retire 150' 2" APBS, 1,224' 4" APCS City of Mission 105 Public Improvement 5/2/14 3522 010875 37600 \$196,725 055 & 265' of 4" APBS in conflict with City of Missions RD improvement project. Johnson DR from Lamar to Dearborn 010876 Install 675' 2" PE & 260' 4" PE main, Retire 865' 12" CI, 705' 6" CI, 940' 37600 \$47,271 Unified Government of Kansas City, KS 106 Public Improvement 5/2/14 3522 055 12" APCS, 35' 6" APCS & 567' 4" APCS main in the way of Mill & Overlay project by the Unified Gov of Wyandotte Riverview & Thorpe 1 Kansas City. 010887 Install a 15' 2" Steel dogleg and retire 10' - 2" steel at 5th & Splitlog due to 107 5/2/14 3522 37650 \$3,758 Unified Government of Kansas City, KS Public Improvement 055 a conflict with storm box improvement for the Unified Government of Wyandotte Kansas City. 010253 Install 800' 6" T/F main on SW 21st btwn Kingsrow Rd and Arvonia after 37600 108 5/2/14 3541 055 \$58,553 City of Topeka Public Improvement City of Topeka 21st St Rd Widening Project Phase I construction at final grade. All shallow 6" CS retired on JO 051.055.3541.010251. 010254 Install 600' of 6" RPCS main on SW 21st between Aryonia PL and 37600 109 Public Improvement 5/2/14 3541 055 \$52,384 City of Topeka Wanamaker after City of Topeka 21st St Rd Widening Project Phase III is completed. All 6" CS in conflict w/Rd const was retired on JO 051,055,3541,010251. Public Improvement Install 1,960 of 4" PE, Retire 3390' 4" PE in conflict with KDOT Highway 24 Kansas Department of Transportation 110 5/2/14 3541 055 010255 37600 improvements at Hwy 24 and Menoken. 010259 Install 1525' 4" CS, 1062' 4" PE, 1490' 2" PE to retire existing main in 111 Public Improvement 5/2/14 3541 055 37650 \$151,476 City of Topeka conflict with City Rd Project. Required size for size 4" feeder relocation from Golden to Highland w/CS for rectifier continuity. 5/2/14 3631 055 010069 Relocate 150' of 8" CS to the other side of Waldron street at the south 37650 \$9,507 City of Hutchinson 112 Public Improvement hospital entrance to clear the new storm drain the City of Hutchinson is putting in at this intersection. 113 Public Improvement 5/2/14 3741 055 010031 Relocate and replace 350' - 6.5" RPBS pipe with 6" Thin Film in conflict 37650 \$44.960 Kansas Department of Transportation with KDOT Bridge Replacement Project at C & 3rd in Wellington, KS. 010840 Install 520' 4"PE and 2420' of 2" PE. Retire 2706' of 6" CI & 50' of 6" PE 114 Public Improvement 5/22/14 3522 055 37600 \$134.642 Unified Government of Kansas City, KS in conflict with Unified Governments 2013 Mill & Overlay, KCK 5/22/14 3522 055 010852 Install 60' of 6" APCS main along 116th St. to be used as a bypass. Retire 37650 \$17,670 City of Overland Park 115 Public Improvement 45' of 6" APCS main that will be in conflict with proposed storm box for City of Overland Park. Install 90'-2" TF main. Retire 58'-2" APCS main due to conflicts with 116 Public Improvement 5/22/14 3522 055 010869 37650 \$6,201 City of Merriam proposed storm boxes for City of Merriam project. There will be three doglegs installed: 10215 W, 52nd Ter, 10101 W, 52nd Ter, and 10100 W. 53rd St. 117 Public Improvement 5/22/14 3522 055 010889 Install 3115' 2" PE main & retire 1950' 2" BS, 1165' 3" BS. This project is 37600 \$98,265 City of Overland Park required to eliminate conflicts with Overland Park 2014 CDBG Neighborhood St. Reconstruction, This is the 1 of 2 sites, 73rd and Glenwood

Relocation Expenditures

Docket No. Exhibit APC-2

E F C D G A Н FERC Unitization Cost Account Line No. **GSRS Qualification** Date Center Function Job Order Description Number Cost Government Authority Public Improvement 118 5/22/14 3522 055 010889 Install 3115' 2" PE main & retire 1950' 2" BS, 1165' 3" BS. This project is 37650 \$26,635 City of Overland Park required to eliminate conflicts with Overland Park 2014 CDBG Neighborhood St. Reconstruction. This is the 1 of 2 sites. 73rd and Glenwood 119 Public Improvement 5/22/14 3522 055 010907 To install 40' 2" CS dogleg to lower the 2" BS main due to City of 37600 \$61 City of Shawnee Shawnee's Storm Drainage Improvements. 60th and Barton. 120 Public Improvement 5/22/14 3522 055 010907 To install 40' 2" CS dogleg to lower the 2" BS main due to City of 37650 \$3,959 City of Shawnee Shawnee's Storm Drainage Improvements, 60th and Barton, 121 Public Improvement 5/22/14 3541 055 010256* Relocate 2375' 4" & 1040' 2" CS mains in conflict with Shawnee County 37600 \$117,757 Shawnee County Rd & Intersection Improvement Projects on NW 46th, Rochester to Topeka w/4" & 6" PE. 122 Public Improvement 5/22/14 3541 055 010256* Relocate 2375' 4" & 1040' 2" CS mains in conflict with Shawnee County 37650 \$4,626 Shawnee County Rd & Intersection Improvement Projects on NW 46th, Rochester to Topeka w/4" & 6" PE. 010036 Retire 780' of 2" BS, 172' 2"PE, & 76' 2" CS and install 526' of 2" PE main 37600 City of McPherson 123 Public Improvement 5/22/14 3635 055 \$15.569 in conflict with City of McPherson 1st St reconstruction project and drainage pipe project. 5/22/14 3635 055 010037 McPherson City Project: Install 826' 2" PE 360' 4" PE. Retire 394' 2" BS 37600 \$49.865 City of McPherson 124 Public Improvement 1464' 4" BS due to conflicts with 1st ST road improvement project. 125 Public Improvement 5/22/14 3721 055 010386 MT Vernon & Oliver, Install 1,200' 8" cs. 325' 2" PE & 505' of 2" cs to 37600 \$1.196 City of Wichita/Kansas Department of replace 994' of 2" BS, 1,047' of 8" CS that is in the way of a City of Transportation Wichita/KDOT RD project, There are 2 BS service lines. 3721 010386 MT Vernon & Oliver, Install 1,200' 8" cs. 325' 2" PE & 505' of 2" cs to \$112.593 City of Wichita/Kansas Department of 126 Public Improvement 5/22/14 055 37650 replace 994' of 2" BS. 1.047' of 8" CS that is in the way of a City of Transportation Wichita/KDOT RD project. There are 2 BS service lines, 6/2/14 3522 055 010902 Install 650' 2" PE main @ 54th & Knox, Merriam. Retire 282' 2" BS and 37600 \$19.698 City of Merriam 127 Public Improvement 323' 2" CS main in conflict with City of Merriam's 2014 RSG IV Street and Drainage Improvements. 128 Public Improvement 6/2/14 3541 055 010257 Install 2481' 2" PE, Retire 841' 2" BS, 463' 4" BS, 1100 2" cs, 162' of 11/4" 37600 \$52,579 City of Topeka PE in conflict with City of Topeka road improvements on 25th between Adams & California 6/2/14 3541 010257 Install 2481' 2" PE. Retire 841' 2" BS, 463' 4" BS, 1100 2" cs, 162' of 11/4" 37650 \$36,777 129 Public Improvement 055 City of Topeka PE in conflict with City of Topeka road improvements on 25th between Adams & California 130 Public Improvement 6/2/14 3522 055 010909 To install a 2" CS dogleg to move the current main out from under the new 37600 \$2,608 City of Tonganoxie footing for a walking/biking path bridge for the City of Tonganoxie. Tonganoxie DR & E 1st,

Relocation Expenditures

Docket No. Exhibit APC-2

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C D E F G Н 1 A FERC Unitization Cost Account **GSRS Qualification** Job Order Description **Government Authority** Line No. Date Center **Function** Number Cost Install 20' 4" cs @ 6501 Overbrook, Mission Hills to dogleg around a City of Mission Hills 131 Public Improvement 6/2/14 3522 055 010911 37600 \$2,474 conflict with a proposed storm box installation for the City of Mission Hills. 20' of 4" BS is in conflict. Install 20' 4" cs @ 6501 Overbrook, Mission Hills to dogleg around a 055 010911 37650 City of Mission Hills 132 Public Improvement 6/2/14 3522 \$2,385 conflict with a proposed storm box installation for the City of Mission Hills. 20' of 4" BS is in conflict. Install 311' of 4" coated steel. Retire 300' 4" & 117' of 2" coated steel & 60' 010046 37600 \$15,524 City of McPherson 133 Public Improvement 6/2/14 3635 055 of 4" PE in conflict with City of McPherson storm sewer project @ 501 N Hartup Install 3.781' 2" & 210' 4" PE. Retire 119' 4" BS. 2265' 2" BS. 1296' 2" CS. 134 Public Improvement 6/3/14 3541 055 010264 37600 \$132,677 City of Topeka in conflict with City of Topeka RD project on Colorado between 29th & 26th. Main was laid across California to provide 2-45 psig feeds. 010022 24th & Main, Great Bend, Install 200' of 2" PE and 1,386' of 4" PE mains. 37600 \$66,632 City of Great Bend/Kansas Department of 6/3/14 3621 055 135 Public Improvement Retire 151' of 2" CS & 1,342' of 4" CS mains that are in conflicts with City Transportation of Great Bend/KDOT RD project. 136 Public Improvement 6/3/14 3621 055 010022 24th & Main, Great Bend, Install 200' of 2" PE and 1,386' of 4" PE mains. 37650 \$5,672 City of Great Bend/Kansas Department of Retire 151' of 2" CS & 1.342' of 4" CS mains that are in conflicts with City Transportation of Great Bend/KDOT RD project. Public Improvement 010032 Main & Stolp, Install 164' of 4" coated steel to retire 164' of 4" coated steel 37650 City of Medicine Lodge 137 6/3/14 3622 055 \$19,996 in the way of the City of Medicine Lodge road improvement project. 010378 Install 723' 4" PE & 171' 2' PE. Retire 58' 4" cs. 384' 4" BS, 32' 2" BS in 37600 \$65,714 City of Wichita 138 Public Improvement 6/3/14 3721 055 conflict with the City of Wichita RD project. Alley at 26th Iva to 27th and Bluff to 28th N and Bluff. Relocating West Town Border due to City of Wichita road project. 37900 City of Wichita 139 Public Improvement 6/4/14 3721 055 010338 \$18,001 Installation 24' of 6" cs. 2- 1" Fisher 627, 2-3", 1-3" Mooney FG 300#, 1-6" 441 5S To install 550' 2" PE main and retire 527' 3" CS, 310' 1-1/4" PE main due 140 Public Improvement 6/17/14 3522 055 010901 37600 \$21,356 City of Merriam to City of Merriam's 2014 Street and Drainage Improvement Project. To install 280' 2" PE main and retire 210' 2" CS and 83' 2" BS main due to \$4,300 6/17/14 3522 055 010905 37600 City of Merriam 141 Public Improvement the City of Merriam's 2014 Street and Drainage Project. 010905 To install 280' 2" PE main and retire 210' 2" CS and 83' 2" BS main due to 37650 \$2,237 City of Merriam 142 Public Improvement 6/17/14 3522 055 the City of Merriam's 2014 Street and Drainage Project. 010054 Install 1600'-2" PE along ROW of Ottawa St, 13th Terr to 17th ST. Retire 37600 \$55,571 City of Leavenworth 143 Public Improvement 6/17/14 3531 055 1,496' 2" PE in conflict with City of Leavenworth road improvement project. Joint trenching arranged with AT&T

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Relocation Expenditures

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Docket No. Exhibit APC-2

FERC Unitization Cost Account Line No. **GSRS Qualification** Date Center Function Job Order Description Number Cost Government Authority 6/17/14 3531 055 010054 Install 1600'-2" PE along ROW of Ottawa St. 13th Terr to 17th ST. Retire. 37650 \$3,275 City of Leavenworth 144 Public Improvement 1,496' 2" PE in conflict with City of Leavenworth road improvement project. Joint trenching arranged with AT&T 145 Public Improvement 6/17/14 3631 055 010071 Install 164' 2" PE at 411 E 56th Hutchinson, Retire 200' of 2" PE in conflict 37600 \$1,363 Kansas Department of Wildlife and Parks with Sand Hill State Park Road Project. 010026 Install 1263' 4" PE main on Broadway & Bryam 159' 4" PE on Lincoln. City of Jewell 146 Public Improvement 6/17/14 3642 37600 \$46,184 055 Retire 1126' 4" BS and 296' 2"BS main in conflict with City of Jewell road improvement project. 6/17/14 3721 010403 Install 120' 2" PE main @ 700 E 37th Wichita, Retire 81' of 2" cs in conflict 38050 \$9,895 City of Wichita 147 Public Improvement 055 with City of Wichita RD project. Service line to Cargil is also in conflict with RD work & will be relocated. 148 6/17/14 3741 055 010032 Replace 96' - 4" T.F. & 29' - 6" T.F. with 96' - 4" T.F. & 29' - 6" T.F. at 37650 \$41,815 City of Wellington Public Improvement 1100, 1200, 1300, & 1400 blocks of E Lincoln, for the City of Wellington storm drainage project 010074 Install 77 ft of 3" thin film in 2 locations so the city of Pittsburg can install a 37650 City of Pittsburg 6/17/14 3761 055 \$12,864 149 Public Improvement retaining wall and new storm sewer. 9/30/13 3522 053 010286 Install 950' of 2" PE on Essex, Booth to Fisher, 42nd St. Retire 803' of 2" 37600 \$16,579 Unified Government of Kansas City, KS 150 Public Improvement APCS due to mill and overlay project for KCK. There are also 6 BS services on project. 2/14/14 3522 053 010285 Install 440' of 2" PE main along Minnie & 42nd. Retire 420' of 2" APBS. 37600 Unified Government of Kansas City, KS 151 Public Improvement Main is being replaced now due to mill and overlay which will occur in 2013 for KCK. Install 1350' of 2" PE main along Lawrence & N on 23rd St. Retire 1058' of \$76,177 Unified Government of Kansas City, KS 152 Public Improvement 4/18/14 3522 053 010287 37600 2" APBS & 228' of 2" APCS due to mill and overlay project for KCK, There are also 11 BS services on project \$5,350,933 **Grand Total**

^{*}The costs associated with replacement of like for like pipe is included in this exhibit.

KANSAS GAS SERVICE A DIVISION OF ONE GAS GAS SYSTEM RELIABILITY SURCHARGE

EXHIBIT APC-3

Blanket Service Line Summary

Sum of Extended Costs					
ReplacementReason	July 2013 - June 2014				
	Cost	Line Installed			
Main Replacement - Graphitization - 192.755(c)(4), 613	\$20,286	18			
Triggered Sector - Non Leaking Unprotected Pipe - 192.453 (c)	\$21,470	17			
Routine Replacement - Leak - 192.703	\$1,241,937	1104			
Main Replacement - Corroded Main - 192.457	\$279,870	397			
Routine Replacement - Protected Pipe - Non Leaking	\$551,367	846			
Routine Replacement - Non Leaking Unprotected Pipe	\$9,678,794	7665			
Main Replacement - Public Improvement	\$378,590	402			
Public Improvement W/O Main Replacement	\$8,268	8			
Grand Total	\$12,180,581	10,457			

Non Service Line Related Blanket Summary

Other Blanket Costs	July 2013 - June 2014
	Cost
Install Anodes	\$1,620,868
Weld sleeve high resist couplings	\$185,545
Total	\$1,806,413

KANSAS GAS SERVICE A DIVISION OF ONE GAS GAS SYSTEM RELIABILITY SURCHARGE PROJECTS FROM APC-1 SUBJECT TO 192.613

Line No.'s (1 to 5) 5-5-3 Projects

Pursuant to 192.465(h) and 192.613(b): Each of these projects had bare steel mains which had 5 leaks or more in 5 years. Each of these projects required more than 500-feet in order to have suitable pipe in which to make a connection to the system. The replacement of segments beyond 500-feet is supported pursuant to the requirements of 192.613.

Line No.'s (6 to 12) Cast Iron Graphitization

Pursuant to 192.755(c) and 192.613(b): Graphitization was discovered on segments of 6-inch and 4-inch cast iron mains. 2-inch and 4-inch plastic mains were installed to replace the substantially deteriorated cast iron mains. These segments were phased out per 192.613(b) code requirements.

Line No.'s (13 to 30) Cast Iron Replacement

Pursuant to 192.613(b) and KCC Docket No. 12-KGSG-721-TAR: Segments of cast iron mains were discovered that warranted replacement for safety reasons. These pipe segments were phased out per 192.613(b) code requirements and replaced with the appropriate pipe.

Line No. 80 Project 051.043.3612.010028 Continuing Surveillance Project - Pottawatomie County This project was to replace 11.5 miles of (1931 and 1936 vintage) 3-inch bare steel transmission pipe from MP 14 to MP 27. This pipe is acetylene welded and has no hydrostatic test. Maintenance records show multiple leak clamps repairing corrosion pitting, numerous dresser couplings and several exposures due to erosion in draws and creeks. Several casings will be eliminated with this project. The new line will be laid at a 30-ft offset from the existing line.

Line No. 81 Project 051.043.3612.010027 Continuing Surveillance Project -Marshall County

This project was to replace 4.8 miles of 1930 vintage 3-inch bare steel transmission pipe from MP 0 to MP 5. This pipe is acetylene welded and has no hydrostatic test. Maintenance records show multiple leak clamps repairing corrosion pitting, numerous dresser couplings and several exposures due to erosion in draws and creeks. Several casings will be eliminated with this project. The new line will be laid at a 30-ft offset from the existing line.

Line No. 82 Project 051.043.3612.010043 Continuing Surveillance Project -Marshall County

This project replaced 1,388 feet of pipe that was exposed at two different creek crossings in Marshall County. Both segments of pipeline were exposed at creek crossings and were subject to damage by outside forces. The existing pipe was put in using conventional creek crossing construction methods in 1985. The new pipe was directional bored at a depth of 15-feet below the creek bed. Pipe was replaced a MP 15.2 and MP 17.7

Line No. 83 Project 051.043.3612.010044 Continuing Surveillance Project - Marshall County

This project replaced 855 feet of pipe that was exposed at a creek crossing in Marshall County. The existing pipe was put in using conventional creek crossing construction methods in 1984 and became exposed over time and was at risk to damage by outside forces. The new pipe was directional bored at a depth of 15-feet below the creek bed. Pipe was replaced from Station 87+19 to 95+74.

KANSAS GAS SERVICE A DIVISION OF ONE GAS GAS SYSTEM RELIABILITY SURCHARGE PROJECTS FROM APC-1 SUBJECT TO 192.613

Line Nos. 84 & 85 Project 051.043.3612.010053 Continuing Surveillance Project –McPherson County This project is to replace 6.5 miles of 8-inch coated steel main of Line 0846 from MP 5.5 to MP 12.5. It was the second phase of a project to replace 21 miles of 8-inch transmission pipe feeding the town of Salina, Kansas. The original pipe was installed in 1953 and had no-oxide coating. A close-interval electrical survey found dis-bonded coating on much of the line. Moisture and corrosion was found under the coating. A launcher and receiver will be installed on the line to allow future pigging.

Line No. 86 Project 051.043.3612.010050 Continuing Surveillance Project –Marshall County This project was to replace 4.6 miles of 1930 vintage, bare steel transmission pipe of Line 0301 from MP 5 to MP 10. This pipe is acetylene welded and has no hydrostatic test. Maintenance records show multiple leak clamps repairing corrosion pitting, numerous dresser couplings and several exposures due to erosion in draws and creeks. Several casings will be eliminated with this project. The new line will be laid at a 30-ft offset from the existing line.

Line No. 87 Project 051.043.3612.010051 Continuing Surveillance Project –Washington County This project was to replace 5.8 miles of 1935 vintage, bare steel transmission pipe of Line 0248 from MP 0 to MP 6.5. This pipe is acetylene welded and has no hydrostatic test. Maintenance records show multiple leak clamps repairing corrosion pitting, numerous dresser couplings and several exposures due to erosion in draws and creeks. One casing will be eliminated with this project. The new line will be laid at a 30-ft offset from the existing line.

Line No. 88 Project 051.043.3612.010017 Continuing Surveillance Project —Clark & Comanche County This project was to replace 6.4 miles of 1929 vintage, bare steel transmission pipe that consisted of: 1.7 miles of 6-inch bare steel of Line 0625; 3.3 miles of 3-inch bare steel of Line 0320; and 1.3 miles of 8-inch bare steel of Line 087. This pipe is acetylene welded and has no hydrostatic test. Maintenance records show multiple leak clamps repairing corrosion pitting, numerous dresser couplings and several exposures due to erosion in draws and creeks. The new main (6.3 miles of 4-inch TF Steel main) will be laid at a 30-ft offset from the existing line.

Line No.'s 89 and 91 Continuing Surveillance

Pursuant to 192.613(b): These projects were to replace pipelines exposed at creek crossings. Potential damage from rocks, boulders and fast currents dictated that these mains needed to be replaced sooner rather than later.

Line No.'s 90, 92, 93 and 94 Continuing Surveillance

Pursuant to 192.613(b): These projects were to replace pipelines exposed in alleys and streets. Potential damage from heavy trucks and other vehicular loadings dictated that these mains be replaced sooner rather than later.

Line No. 95 Project 051.054.3621.010239 Continuing Surveillance

Pursuant to 192.613(b): This project was to replace 90-feet of 1 1/4" Coated Steel and 156-feet of 1 1/4" Bare Steel main because of deterioration. 3 bare steel services were also replaced at the same time.

Line No.'s (96 to 114) Programmed Bare Steel Services & Mains (various) Projects

KANSAS GAS SERVICE A DIVISION OF ONE GAS GAS SYSTEM RELIABILITY SURCHARGE PROJECTS FROM APC-1 SUBJECT TO 192.613

Pursuant to 192.613(b) and Section 1855 of KGS' Operations and Maintenance Manual:

Program unprotected bare steel services were replaced. The mains supplying these services were predominately unprotected bare steel or bare steel originally put installed without cathodic protection prior to 1971. In each case, the mains were deemed unsatisfactory and per code 192.613(b) and Section 1855 of KGS' Operation and Maintenance Manual. The mains were phased out and replaced at the same time of the service line replacement.

In the Matter of the Application of Kansas Gas Service, A Division)	
of ONE Gas, Inc. for Approval By	j	DOCKET NO. 15-KGSGTAR
The Commission for a Gas)	_
System Reliability Surcharge per)	
K.S.A. 66-2201 through 66-2204)	

OF

LORNA M. EATON

ON BEHALF OF

KANSAS GAS SERVICE

A DIVISION OF ONE GAS, INC

DIRECT TESTIMONY

OF

LORNA M. EATON

KANSAS GAS SERVICE

DOCKET NO. 15-KGSG-___-TAR

1	Q.	PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.
2	A.	My name is Lorna M. Eaton. My business address is 7421 West 129th Street,
3		Overland Park, Kansas, 66213.
4	Q.	BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?
5	A.	I am employed by Kansas Gas Service, a Division of ONE Gas, Inc. ("KGS" or the
6		"Company"), as a Rates Analyst II in the Rates and Regulatory Department.
7	Q.	PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND BUSINESS
8		EXPERIENCE.
9	A.	I received a Bachelor of Science in Geology from Kansas State University in 1996
10		and worked in the KSU Geology department following graduation. I began my
11		employment with KGS in 2000, as an Accountant in the General Accounting
12		Department and moved to the Financial Planning Department as a Budget Analyst. I
13		joined the Rates and Regulatory Department in 2010.
14	Q.	HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS COMMISSION?
15	A.	Yes. I provided written testimony in Dockets 12-KGSG-835-RTS and 14-KGSG-111-
16		TAR.
17	Q.	WHAT IS THE PURPOSE OF YOUR TESTIMONY?
18	A.	The purpose of my testimony is to support the calculation of the Gas System
19		Reliability Surcharge (GSRS) revenue requirement, the allocation of relevant costs to

- customer classes, the development and design of GSRS rates, and the revised
 GSRS tariff rider.
- 3 Q. ARE YOU SPONSORING ANY EXHIBITS?
- 4 A. Yes. I am sponsoring Exhibits LME-1 through LME-7.
- 5 Q. PLEASE EXPLAIN THE APPLICABLE GSRS REVENUE RATE PARAMETERS
 6 CONTAINED IN THE GSRS STATUTE.
 - K.S.A. 66-2203 provides parameters for GSRS filings. Pursuant to this statute, the Commission may not approve a GSRS filing if it would produce annualized revenues below the lesser of \$1,000,000 or ½% of the most recent base revenue approved in the utility's most recent general rate proceeding, KCC Docket No. 12-KGSG-835-RTS (the "835 Docket") represents the most recent proceeding for Kansas Gas Service. The last base revenue authorized for Kansas Gas Service was \$280,900,744, resulting in a threshold of \$1,404,504, thus the minimum floor for Kansas Gas Service in a GSRS filing is \$1,000,000. Exhibit LME-1 identifies the incremental Kansas Gas Service Revenue Requirement at \$3,544,716 with a cumulative GSRS recovery of \$5,020,065, thus meeting the minimum threshold. The maximum annualized GSRS revenues contemplated by the statute are capped at 10% of the most recent base revenue approved in the utility's most recent general rate proceeding. This GSRS recovery 'ceiling' for Kansas Gas Service is currently \$28,090,075, thus the requested GSRS request is well within the parameters established in the statute. Further, K.S.A. 66-2204 provides a 'rate' ceiling of \$.40 per month, per filing, by which the residential GSRS rate may increase in any GSRS filing. Exhibit LME-6 sets forth the proposed cumulative residential GSRS charge at \$0.51 per month, which is an increase of \$0.36 per month, over the \$0.15 rate authorized in Docket No. 14-KGSG-111-TAR (the "111 Docket").

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- 1 Q. WERE ANY OF THE PROJECTS INCLUDED WITHIN THIS GSRS REQUEST
- 2 CONTAINED IN RATE BASE WITHIN THE 835 DOCKET?
- 3 **A.** No.

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- 4 Q. PLEASE IDENTIFY THE ASPECTS OF THE GSRS CALCULATION.
- 5 A. The GSRS application contains the following elements:
- True-up of GSRS revenue requirement from projects included in the 111
 Docket, due to the passage of time.
- 2. Calculation of the over/under recovery of the previously authorized GSRS revenue, based upon actual GSRS revenue recorded through June, 2014 plus projected revenue to be collected through November, 2014.
 - Safety related and government relocation GSRS expenditures unitized during the period July 1, 2013 through June 30, 2014. KGS witness Mr. Anthony Cellitti will discuss these projects.
 - Blanket work orders involving the replacement of service lines and mains placed in service and unitized during the period July 1, 2013 and June 30, 2014.
- 17 Q. COULD YOU PLEASE EXPAND ON THE CUTOFF DATE USED TO DETERMINE
 18 GSRS ELIGIBLE PROJECTS?
- A. Projects included in this filing were those that were both in service and unitized prior to closing the Company's plant accounting records in June, 2014. Unitization refers to the accounting process by which project costs are accumulated, amounts are assigned to FERC accounts. Due to the accounting tasks necessary to finalize a project, the unitization date occurs after a project is actually in service.
 - Q. PLEASE PROVIDE AN EXPLANATION OF EXHIBIT LME-1.

2	calculation.	The calculation methods and components are consistent with those

3 required in K.S.A. 66-2204 (d) (1) through (8). As shown on Line 11, the total GSRS

Exhibit LME-1 summarizes the components of the GSRS Revenue Requirement

Revenue Requirement is \$5,020,065, with an incremental GSRS Revenue

requirement of \$3,544,716 as shown on Line 13. This revenue requirement

incorporates all of the items listed above.

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7 Q. HOW DID YOU DETERMINE THE CARRYING CHARGE FOR CALCULATING

8 THE GSRS REVENUE REQUIREMENT?

- The Stipulated Settlement Agreement in the 835 Docket, Kansas Gas Service's most recent rate case approved by the Commission, sets forth the provisions for the carrying charge to be applied to recoverable investments for Kansas Gas Service's GSRS filing. The stipulation provides that the carrying charge applicable to GSRS is 10.6% gross of tax. This return was used in the calculation of the revenue requirement, as shown on Exhibit LME-1.
- 15 Q. PLEASE CONTINUE WITH A DISCUSSION OF EXHIBIT LME-2.
- A. Exhibit LME-2 summarizes the authorized GSRS revenue approved by the

 Commission in the 111 Docket compared to the actual revenues generated from

 December 2013 through June 2014, plus the estimated GSRS revenue for the period

 of July through November 2014. As shown on Line 11, the revenue recovered from

 KGS' GSRS charge exceeds the authorized GSRS recoveries by \$47,583. The

 over-recovery is used to reduce the proposed GSRS charges as shown on Line 10 of

 LME-1.
- 23 Q. PLEASE EXPLAIN EXHIBIT LME-3.

- 1 A. Exhibit LME-3 identifies the GSRS Gross and Net Plant in Service by FERC account 2 for GSRS eligible expenditures, further classified by category of GSRS expenditure. 3 GSRS eligible projects are identified in K.S.A. 66-2202 (f) (1) through (3) and are discussed in greater detail in the testimony of Company witness Mr. Cellitti. Column 4 (B) of Exhibit LME-3 identifies those GSRS expenditures that were approved by the 5 6 KCC in the 111 Docket, while column (C) identifies the proposed GSRS expenditures 7 that relate to safety and governmental relocation projects, and Column (D) identifies the proposed blanket GSRS expenditures. The Accumulated Depreciation of 8 9 \$1,033,577 is shown in column (E). Column (F) identifies the Net GSRS plant by 10 FERC account of \$46,612,383.
- 11 Q. PLEASE EXPLAIN EXHIBIT LME-4.
- A. Exhibit LME-4 identifies the Accumulated Depreciation of \$1,033,577 identified by

 FERC Account and Accumulated Deferred Income Taxes of \$8,961,105 associated

 with Kansas Gas Service's GSRS capital expenditures. The Accumulated Deferred

 Income Tax (ADIT) balance represents the liability associated with GSRS investment

 that is used to reduce GSRS Rate Base. The Accumulated Depreciation and ADIT

 have been updated associated with GSRS projects incorporated in the 111 Docket

 due to the passage of time.
- 19 Q. PLEASE EXPLAIN EXHIBIT LME-5.
- A. Exhibit LME-5 sets forth the calculation of annualized Depreciation Expense
 associated with GSRS plant, split between previous GSRS projects, safety and
 government relocation projects, and blanket service line projects. As shown on line
 40 of the Exhibit, annualized Depreciation Expense is \$1,076,613.
 - Q. PLEASE EXPLAIN EXHIBIT LME-6.

A. Exhibit LME-6 allocates the GSRS revenue requirement to Kansas Gas Service's customer classes as provided for in the agreed upon Stipulation in the 835 Docket. 3 Specifically, the GSRS Revenue Requirement is allocated to each class based upon the proportion of its Pro-Forma revenue to total Pro-Forma revenue as defined in 5 Appendix C of the Stipulation and Agreement in the 835 Docket. The revenue requirement by class is then divided by the number of billing determinants for each 6 class as defined in that same Appendix, in order to establish the monthly rates, with 7 8 the exception of the LVTt and LVTk classes explained in greater detail below. As shown in column G, the proposed monthly fixed rates by customer class are as 9 10 follows:

1

2

GSRS Proposed Rates					
Customer Class	Monthly Fixed Rate				
RS – Residential Sales	\$0.51				
GSS – General Sales Small	\$0.75				
GSL – General Sales Large	\$1.85				
GSTE – General Sales Transport Eligible	\$7.05				
SGS – Small Generator Sales	\$0.94				
GIS – Gas Irrigation Sales	\$3.11				
STk Small Transportation Service "k" system	\$4.63				
STt – Small Transportation Service "t" system	\$5.84				
GITt – Gas Irrigation Transportation Service "t" system	\$6.84				
LVTk – Large Volume Transportation Service "k" system	\$41.55*				
LVTt –Large Volume T Transportation Service "t" system	\$154.33*				
WT - Wholesale Transportation Service	\$96.26				
SSR – Wholesale Sales	\$9.96				
CNG – Compressed Natural Gas Transportation Service	\$16.99				
KGSSD – Kansas Gas Supply D	\$80.92				

- 2 * Average monthly charge
- 3 Q. EARLIER YOU MENTIONED THAT THE TWO LVT CLASSES WERE BEING
- 4 TREATED SEPARATELY. PLEASE DEFINE THESE CUSTOMER CLASSES,
- 5 EXPLAIN THE PROPOSED RATE STRUCTURE WITHIN THESE CLASSES, AND
- 6 **EXPLAIN WHY DIFFERING TREATMENT IS APPROPRIATE.**
- 7 A. The eligibility for these two classes includes those transportation customers who
- 8 have a peak delivery of 1,500 MCF at a single location during any of the last twelve

billing periods. The distinction between LVTk and LVTt is simply one of location, with the LVTt customers being served from KGS' transmission line, while LVTk customers are served off of interstate transmission lines.

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The customer usage within each of these classes is extremely broad, thus establishing one rate for the entire class would result in very disparate impacts. In an effort to minimize impacts across the LVTk and LVTt classes, the fixed monthly GSRS charge are applied to customers using various tiers tied to the 835 Stipulation.

The specific LVTk and LVTt proposed rates by tier are shown below:

PROPOSED LVTK AND LVTT GSRS RATES BY TIER								
ANNUAL	MCF USAGE	MONTHLY RATE						
MINIMUM	MAXIMUM	LVTK	LVTT					
<10,000		\$9.05	\$17.50					
10,001 20,000		\$27.50	\$50.00					
20,001	40,000	\$59.70	\$130.00					
>	40,000	\$123.40	\$270.00					

10

11

- This rate methodology was approved in Docket Nos. 09-KGSG-199-TAR, 10-KGSG-155-TAR, 11-KGSG-177-TAR, 12-KGSG-138-TAR, and 14-KGSG-111-TAR.
- 13 Q. PLEASE EXPLAIN EXHIBIT LME-7
- 14 A. Exhibit LME-7 is the GSRS tariff page, revised to reflect the recalculated rates.
- 15 Q. DOES THIS CONCLUDE YOUR TESTIMONY?
- 16 A. Yes.

VERIFICATION

STATE OF KANSAS)
COUNTY OF JOHNSON) ss)

Lorna M. Eaton, being duly sworn upon her oath, deposes and states that she is Rates Analyst II, Rates and Regulatory Department for Kansas Gas Service, a Division of ONE Gas, Inc.; that she has read and is familiar with the foregoing Direct Testimony filed herewith; and that the statements made therein are true to the best of her knowledge, information, and belief.

Lorna M. Eaton

Subscribed and sworn to before me this 2 day of August 2014.

My appointment Expires:

06/05/18

STEPHANIE FLEMING
My Appointment Expires

June 5, 2018

Kansas Gas Service A Division of ONE Gas

Gas System Replacement Surcharge

Exhibit LME-1

(A)

(B)

(C)

(D)

(E)

(F)

		New GSRS Safety &								
Line No.	Summary	Docket No. 14- KGSG-111-TAR		Govt. Relocation Projects		New GSRS Blanket Work Orders		Grand Total	G	
No.	Summary	NG	3G-111-1AK		Projects		WORK OFUETS	Grand Total	Source	
1	Original Cost	\$	13,599,792	\$	20,059,174	\$	13,986,994	\$ 47,645,960	Schedule LME-3	
2	Less: Accumulated Depreciation	\$	(514,130)	\$	(337,445)	\$	(182,002)	\$ (1,033,577)	Schedule LME-4	
3	Net Plant in Service	\$	13,085,662	\$	19,721,729	\$	13,804,993	\$ 46,612,383		
4	Less: Accumulated Deferred Income Taxes	\$	(3,287,640)	\$	(3,701,934)	\$	(1,971,531)	\$ (8,961,105)	Schedule LME-4	
5	Net GSRS Rate Base		9,798,022	\$	16,019,795	\$	11,833,461	\$ 37,651,278		
6	Carrying Charge (1)		10.60%		10.60%		10.60%	10.60%		
7	Pre-Tax Required Return	\$	1,038,590	\$	1,698,098	\$	1,254,347	\$ 3,991,035	Line 5 * Line 6	
8	Depreciation Expense	\$	345,303	\$	361,534	\$	369,776	\$ 1,076,613	Schedule LME-5	
9	Revised GSRS Revenue Requirement (Annual)						_	\$ 5,067,649	Line 7 + 8	
10	Plus (Minus): Over-Recovered Balance from Docket No. 14-KGSG-111-TAR							\$ (47,583)	Schedule LME-2	
11	Revised GSRS Annualized Revenue Requirement						5	\$ 5,020,065	Line 9 + 10	
12	Previously Authorized GSRS						_5	\$ 1,475,349		
13	Increase in Requested GSRS							\$ 3,544,716	Line 11 - 12	

⁽¹⁾ Carrying Charge of 10.6% gross of tax was established in Docket 12-KGSG-835-RTS.

Kansas Gas Service A Division of ONE Gas

Gas System Reliability Surcharge

Exhibit LME-2

GSRS Over/Under Cumulative Recovery for 2014

(A)

Line No.		GSRS Recoveries
1	December 2013 Recoveries	\$124,745
2	January 2014 Recoveries	\$127,535
3	February 2014 Recoveries	\$128,288
4	March 2014 Recoveries	\$127,827
5	April 2014 Recoveries	\$126,662
6	May 2014 Recoveries	\$127,084
7	June 2014 Recoveries	\$126,236
8	Jul - Nov 2014 GSRS Projected Recoveries	\$634,555
9 _	Total Cumulative GSRS Recoveries	\$1,522,932
10	2014 GSRS Rev. Requirement	\$1,475,349
11 7	Fotal Amount Over Recovered through November 2014	\$47,583

Exhibit LME-3

Gas System Reliability Surcharge

Plant in Service

Line No.	Account	(A) Account Title	(B) GSRS Projects Docket No. 14- KGSG-111-TAR	(C) GSRS Projects Safety and Govt. Relocation	(D) GSRS Blanket Work Orders	(E) Less: Accumulated Depreciation	(F) Net Plant
1	367	Mains	¥	10,801,239		189,892	10,611,347
2	369	Measuring and regulating station equip.	2,185	27,370		657	28,898
3	374.2	Rights of Way	1,016			23	993
4	376	Mains - Plastic	3,105,777	5,793,367	1,798,853	233,129	10,464,868
5	376.5	Mains - Metallic	1,220,837	3,359,908		64,878	4,515,867
6	378	Meas. and reg. sta. equip general	37,555		1,375	1,321	37,609
7	379	Meas. and reg. sta. equip city gate	13,671	18,001		743	30,929
8	380	Services - Plastic	9,212,532	23,572	12,186,766	566,461	20,856,409
9	380.5	Services - Metallic	-	16,945		(24,588)	41,533
10	382	Meter installations	2,021	14,345		673	15,693
11	383	House Regulators	1,033	4,428		115	5,346
12	397	Communication Equipment	3,165			273	2,892
13		Total	\$ 13,599,792	\$ 20,059,174	S 13,986,994	s 1,033,577	\$ 46,612,383

Kansas Gas Service A Division of ONE Gas

Gas System Reliability Surcharge

Exhibit LME-4

Accumulated Depreciation and Accumulated Deferred Income Tax

Accumulated Depreciation

		(A)	(B)	(C)	(D)	(E)	
Line No.	Account	Account	GSRS Projects Docket No. 14- KGSG-111-TAR	GSRS Projects Safety and Govt. Relocation	GSRS Blanket Work Orders		Total cumulated preciation
1	367	Mains	•	189,892		\$	189,892
2	369	Measuring and regulating station equip.	93	564		\$	657
3	374.2	Rights of Way	23			\$	23
4	376	Mains - Plastic	105,038	104,732	23,359	\$	233,129
5	376.5	Mains - Metallic	24,471	40,407	4	\$	64,878
6	378	Meas. and reg. sta. equip general	1,327	(7)	1	\$	1,321
7	379	Meas. and reg. sta. equip city gate	288	455		\$	743
8	380	Services - Plastic	394,306	382	171,773	\$	566,461
9	380.5	Services - Metallic	(11,773)	316	(13,131)	\$	(24,588)
10	382	Meter installations	77	596	3	\$	673
11	383	House Regulators	7	108	-	\$	115
12	397	Communication Equipment	273	-		\$	273
13		Total	\$ 514,130	\$ 337,445	S 182,002	\$	1,033,577

Accumulated Deferred Income Tax Liability

Line No.		Account	GSRS Pro Docket No KGSG-111	o. 14- Sa	GSRS Projects afety and Govt. Relocation	GSRS Blanket Work Orders	Total ADIT
1	Total		\$ (3,28	87,640) S	(3,701,934)	(1,971,531)	\$ (8,961,105)

40

Gas System Reliability Surcharge

A	Act. No.	Acasuring and regulating station equip tights of Way Azins - Plastic Azins - Plastic Azins - Metallic Acas and reg sta equip - general Acas and reg sta equip - city gate services - Plastic exvices - Metallic Active - Metallic	14-KGSG-111-TAR GSRS GSRS Depreciable Depreciable Additions Retirements GSRS Plant		Depreciation Rate (D)	Annualized Depreciation (E)	
1 36	57	Mains		-		1 82%	
2 36	69	Measuring and regulating station equip	2,185		2,185	2 91%	64
3 37	74 2	Rights of Way	1,016		1,016	1 39%	14
4 37	76	Mains - Plastic	3,105,777	70,863	3,034,914	2 23%	67,679
5 37	76 5	Mains - Metallic	1,220,837	247,042	973,795	1 53%	14,899
6 37	78	Meas and reg sta equip - general	37,555	2,280	35,275	2 37%	836
7 37	79	Meas and reg sta equip - city gate	13,671	37	13,634	1 88%	256
8 38	80	Services - Plastic	9,212,532	2,475	9,210,057	2 92%	268,934
9 38	80 5	Services - Metallic	- 1	298,214	(298,214)	2 55%	(7.604
10 38	82	Meter installations	2,021	49	1,972	3 02%	60
11 38	83	House Regulators	1,033	662	371	1 91%	
12 39	97	Communication Equipment	3,165		3,165	5 04%	160
13		Total	13,599,792	621,622	12,978,170		345,303

	Act. No.	Mains Measuring and regulating station equip Rights of Way Mains - Plastic Mains - Metallic Meas and reg sta equip - general Meas and reg sta equip - city gate Services - Plastic	Gross GSRS Additions (A)	Less: GSRS Retirements (B)	Net Depreciable GSRS Plant (C)(A+B)	Depreciation Rate (D)	Annualized Depreciation (E)	
14	367	Mains	10,801,239	251,087	10,550,152	1 82%	192,013	
1.5	369	Measuring and regulating station equip	27,370	- 2	27,370	2 91%	796	
16	374 2	Rights of Way	- 1			1.39%		
17	376	Mains - Plastic	5,793,367	157,352	5,636,015	2 23%	125,683	
18	376 5	Mains - Metallic	3,359,908	651,179	2,708,728	1.53%	41.444	
19	378	Meas and reg sta equip - general		327	(327)	2 37%	(1	
20	379	Meas and reg sta equip - city gate	18,001	2,298	15,703	1 88%	29:	
21	380	Services - Plastic	23,572	9,042	14,529	2 92%	424	
22	380 5	Services - Metallic	16,945	2,209	14,736	2 55%	376	
23	382	Meter installations	14,345	172	14,173	3 02%	423	
24	383	House Regulators	4,428	85	4,342	1 91%	83	
25	397	Communication Equipment		• 1		5 04%		
26		Total	20,059,174	1,073,752	18,985,422		361,534	

	Act. No.	Depreciation Expense Depreciation Expense - Blanket Work Orders	Gross GSRS Additions (A)	Less: GSRS Retirements (B)	Net Depreciable GSRS Plant (C)(A+B)	Depreciation Rate (D)	Annualized Depreciation (E)
27	367	Mains				1 82%	
28	369	Measuring and regulating station equip			220	2 91%	
29	374 2	Rights of Way			35	1 39%	
30	376	Mains - Plastic	1,798,853		1,798,853	2 23%	40,114
31	376.5	Mains - Metallic				1 53%	
32	378	Meas and reg sta equip - general	1,375		1,375	2 37%	33
33	379	Meas and reg sta equip - city gate				1 88%	
34	380	Services - Plastic	12,186,766		12,186,766	2 92%	355,854
35	380 5	Services - Metallic		1,028,428	(1,028,428)	2 55%	(26,225
36	382	Meter installations	0			3 02%	-
37	383	House Regulators			-	1 91%	
38	397	Communication Equipment			726	5 04%	
39		Total	13,986,994	1,028,428	12,958,566		369,776

Total Depreciation Expense

Gas System Reliability Surcharge Development of GSRS Rate

Exhibit LME-6

Line No.	Customer Class	Do	orma Revenue cket No. 12- SG-835-RTS	% of Revenue Requirement Responsibility	GSRS Revenue Requirement (Based upon ratio of pro- forma revenue to total revenue)	Customers Per - 12- KGSG-835-RTS Settlement - Appendlx C	G	SRS Annual Charge		S Monthly Charge
	(A)		(B)	(C)	(D)	(E)	_	(F)		(G)
E_	Residential Sales RS	3	198,433,092	70 642%		576,318		6 15	\$	0.51
2	General Sales Svc Small		17,603,175	6 267%			5	9 02	5	0.75
3	General Sales Svc Large		17,117,303	6 094%		13,752	S	22 24	_ s	1 85
4	General Sales Svc Transport Eligible		3,407,442	1 213%	60,895	720	S	84 58	5	7 05
5	Small Generator Sales SGS		358,804	0 128%	6,412	567	S	1131	5	0.94
6	Gas Irrigation Sales GIS		476,496	0 170%	8,516	228	S	37.35	5	3 11
7	Small Transportation STk		10,285,572	3 662%	183,817	3,308	S	55 57	S	4 63
8	Small Transportation STt		4,057,701	1 445%	72,516	1,034	S	70 13	S	5 84
9	Gas Irrigation Transportation GITt		2,102,053	0 748%	37,566	458	S	82 02	\$	6 84
10	1) Large Volume Transportation LVTk #		12,164,478	4 331%	217,395	436	S	498 61	S	41 55
- 11	2) Large Volume Transportation LVT #		13,057,058	4 648%	233,347	126	S	1,851 96	S	154 33
	Wholesale Transportation WT t#		1,745,073	0 621%	31,187	27	\$	1,155 06	S	96 26
13	Sales Service for Resale SSR		26,754	0 010%	478	4	S	119 53	S	9 96
14	CNG		11,408	0.004%	204	1	S	203 88	S	16 99
15	Kansas Gas Supply D		54,335	0.019%	971		5	971 04	S	80 92

900,744 100%	5 5,020,065
	70010

16 1) Note: Residential Class Limited to annual increase of \$.40/month over the most recent GSRS filling.

		Annual I	ncrease	Cumu	ative Rate
17	2014 GSRS Rate - Residential	\$	0 15	\$	0 15
18	2015 GSRS Rate - Residential	\$	0 36	\$	0.51
19	Total Residential Rate			\$	0.51

- 20 * Average Rates Specific Rates for LVTK and LVTT Shown Below 21 # Includes flex revenue.

1)LVTK Rate Development	Minimum	Maximum	Customer	Monthly	8	Annual
	MCF Usa	Se	Numbers - 835 ttlement plus June 14 Flex Customers	Charge	Tie	er Revenue
Tiers	(a)	(b)	(c)	(d)	(e	(c*d*12)
1	220	10,000	227	9 05	S	24,652
2	10,001	20,000	110	27 50	\$	36,300
3	20,001	40,000	63	59 70	\$	45,133
4	40,001	Any	75	123 40	\$	111,060
	Pro	o-Forma LVTK Reven	пе	217,395	s	217,145

2)LVTT Rate Development	Minimum	Maximum	Customer	Monthly		Annual
	MCF Usa	Set	Numbers - 835 tlement plus June 4 Flex Customers	Charge	Tie	r Revenue
	(8)	(b)	(e)	(d)	(e	(c*d*12)
Tiers						
1	45	10,000	50 \$	17 50	S	10,500
2	10,001	20,000	30 \$	50 00	s	18,000
3	20,001	40,000	21 \$	130 00	8	32,760
4	40,001	Any	53 \$	270 00	s	171,720
	Pro	-Forma LVTT Revenu	ie	233,347	s	232,980

DAVID N. DITTEMORE, Manager-Regulatory Affairs

THE STATE C	ORPOR	ATION COMM	ISSION OF KANS	SAS		INI	DEX NO_	44.1
KANSAS GAS	SERVIC	E				SCHE	DULE_	GSRS
a division of O						00		00.10
	Name of Issuing	Utility)						
All Rate (Territory to which sch		ile)			Replacing Sch hich was filed			
No supplement or separat shall modify the tariff as sh	e understanding hown hereon.				Sh	eet_	1_of_2	Sheet
	<u>C</u>	SAS SYSTEM	RELIABILITY SUF	RCHARGE RIDE	ER (Cont.)			
AVAILABILIT	v							
		licable to even	bill for service pr	ovided under ea	ach of the Cu	nmna	nv's sal	es
			les except where					
			applicable to bills					
Interru	ptible Gas	s Transportatio	n Service.					
NET MONTHL	Y CHAR	GE						
			rcharge (GSRS) s	hall be a fixed r	nonthly amo	unt c	alculate	d as
the app	olicable G	SRS times the	number of meter					
by the	total num	ber of Service	Charges billed.					
	RS	Residential Sa	ales Service		\$	0.5	1	
	GSS		Service Small		\$	0.7		
	GSL	General Sales	Service Large		\$	1.8	5	
	GSTE		Service Transpo	rt Eligible	\$	7.0		
	SGS		tor Sales Service		\$	0.9		
		Kansas Gas S				80.9		
	GIS SSR	Gas irrigation Sales Service	Sales Service		\$ \$	3.1 9.9		
	SSK	Sales Service	ioi Resale		Φ	9.9	O	
	STk		ortation Service (k		\$	4.6		
	STt	Small Transpo	ortation Service (t)	ì	\$	5.8	4	
	LVTk	Large Volume	Transportation S	ervice (k)				
		Annual Use:	Below 10,000	Mcf	\$	9.0		
			001 Mcf - 20,000			27.5		
		20,0	001 Mcf - 40,000			59.7		
			Above 40,001	Mcf	\$	123.4	0	
	LVTt	Large Volume	Transportation S	ervice (t)				
		Annual Use:	Below 10,000			17.5		
			001 Mcf – 20,000			50.0		
		20,0	001 Mcf – 40,000 Above 40,001			130.0 270.0		
			7,5000 40,001	IVIOI	Ψ.	270.0	v	
	WTt		ansportation Servi		\$	96.2		
	GITt		Transportation Se		\$	6.8		
	CNG	Compressed	Natural Gas Gene	rai i ransportati	on \$	16.9	9 	
Issued	Month	Day	Year	-5				
Effective	MOHUI	Бау) çal					
	Month	Day	Year					
I								

THE STATE CORPORATION COMMISSION OF KANSAS

INDEX NO 44.2

KANSAS GAS SERVICE	
a division of ONE Gas, Inc.	
(Name of Issuing Utility)	
All Rate Areas	
(Territory to which schedule is applicable)	

SCHEDULE_GSRS_

Replacing Schedule GSRS Sheet 2 which was filed November 25, 2013

No supplement or separate understanding shall modify the tariff as shown hereon.

Sheet 2 of 2 Sheets

GAS SYSTEM RELIABILITY SURCHARGE RIDER (Cont.)

DEFINITIONS AND CONDITIONS

- 1. The provisions of this GSRS Rider are intended to recover charges for natural gas public utility plant projects pursuant to K.S.A. 66-2001 through K.S.A. 66-2204.
- 2. The GSRS shall be reflected on a customer's bill as a separate line item.
- 3. The Annual Use for customers served under a Large Volume Transportation (LVT) rate schedule shall be the total volumes billed to the applicable meter in the 12 months ending the most recent April 30. Company may rely on estimated historical usage or projected volumes to establish Annual Use when actual usage is not available
- 4. At the end of each twelve-month calendar period a GSRS is in effect, Company shall reconcile the difference between the revenues resulting from that GSRS and the pre-tax revenues found by the Commission to be appropriate for that period. Company shall calculate a GSRS adjustment which shall, upon Commission approval, recover or refund the difference.
- 5. All provisions of this rider are subject to changes made by order of the Commission.

Issued			
	Month	Day	Year
Effective			
	Month	Day	Year
Ву			
DAVIE	N. DITTEMO	ORE, Manage	er-Regulatory Affairs