

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: Shari Feist Albrecht, Chair
Jay Scott Emler
Dwight D. Keen

In the Matter of the Regulation of Public)
Utilities and Common Carriers, and Providing)
Means for Paying Certain Costs and Expenses in) Docket No. 19-GPMG-001-ASM
Connection with such Regulation, as Provided)
in K.S.A. 66-1501 to 66-1510.)

ORDER

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. On this nineteenth day of July, 2018, there comes on for consideration and determination by the Commission, the matter of the assessment of a fee for the inspection and supervision of standards of safety against persons engaged in the operation of gas pipeline systems which are subject to the jurisdiction and control of the Commission as prescribed by rules and regulations adopted in conformance with the Natural Gas Pipeline Safety Act of 1968. Having reviewed the files and records, and being duly advised in the premises, the Commission makes the following findings and conclusions:

I. BACKGROUND AND DISCUSSION

1. Pursuant to K.S.A. 66-1,153 and the Commission's gas pipeline safety statutes, K.S.A. 66-1,150 *et seq.*, every person engaged in the operation of gas pipeline systems in this state subject to the jurisdiction and control of the Commission under K.A.R. 82-11-1 *et seq.* shall annually pay a fee to the Commission for the inspection and supervision of the standards of safety prescribed by rules and regulations adopted in conformance with the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. § 60101 *et seq.*), as amended.

2. No fees issued pursuant to K.S.A. 66-1,153 shall apply to any public utility required to pay the fee set forth by K.S.A. 66-1503.

3. Pursuant to K.S.A. 66-1,153, such fee shall be due and payable on or before September 1 of each year, and shall be for the fiscal year in which payment is due. Such fee shall be in addition to any and all property, franchise or license fees and other taxes, fees and charges fixed, assessed or charged by law against such person, entity or public utility.

4. Pursuant to K.A.R. 82-11-11(a), the fee for each person covered under K.S.A. 66-1,153 and K.S.A. 66-1,154, and amendments thereto, shall be \$1.00 per meter. Notwithstanding the \$1.00 per meter fee assessed by K.A.R. 82-11-11(a), pursuant to K.A.R. 82-11-11(b) the minimum annual fee shall not be less than \$100.00, and the maximum annual fee shall not exceed \$10,000.00.

5. Pursuant to K.S.A. 66-1,157, any default in payment of fees, penalties therefore, suits for collection, counsel fees, and liens for any fees and penalties in case of default in the payment of any fee or part thereof, shall be governed by the provisions of K.S.A. 66-1504.

6. The parties engaged in the operation of gas pipeline systems listed below are hereby assessed and shall pay to the Commission the respective amounts hereinafter set forth within fifteen (15) days after the date of mailing a notice of assessment.

	Amount Meters	Assessed
City of Abbyville	57	\$100.00
City of Alma	453	\$453.00
City of Altamont	502	\$502.00
City of Argonia	274	\$274.00

City of Attica	335	\$335.00
City of Auburn	1065	\$1,065.00
City of Belleville	1146	\$1,146.00
City of Burton	337	\$337.00
City of Burlingame	560	\$560.00
City of Cassoday	140	\$140.00
City of Cheney	782	\$782.00
City of Chanute	4338	\$4,338.00
City of Concordia	1	\$100.00
City of Denison	145	\$145.00
City of Eskridge	565	\$565.00
City of Ford	127	\$127.00
City of Garnett	1522	\$1,522.00
City of Garden Plain	341	\$341.00
City of Gardner	1	\$100.00
City of Girard	1	\$100.00
City of Halstead	763	\$763.00
City of Hardtner	122	\$122.00
City of Havensville	59	\$100.00
City of Hesston	1322	\$1,322.00
City of Howard	376	\$376.00
City of Humboldt	770	\$770.00
City of Harveyville	113	\$113.00

City of Iola	2474	\$2,474.00
City of Isabel	55	\$100.00
City of Jamestown	175	\$175.00
City of Kechi	610	\$610.00
City of Lakin	1	\$100.00
City of LaCygne	443	\$443.00
City of Lebo	319	\$319.00
City of Little River	250	\$250.00
City of Louisburg	1482	\$1,482.00
City of Lyons	1647	\$1,647.00
City of McLouth	358	\$358.00
City of Moundridge	805	\$805.00
City of McFarland	134	\$134.00
City of Moreland	119	\$119.00
City of Mulberry	272	\$272.00
City of Neodesha	1143	\$1,143.00
City of Osage City	1332	\$1,332.00
City of Palmer	76	\$100.00
City of Partridge	118	\$118.00
City of Reading	70	\$100.00
City of Rozel	125	\$125.00
City of Sharon	140	\$140.00
City of Spearville	351	\$351.00

City of Sawyer	89	\$100.00
City of Sylvia	137	\$137.00
City of Uniontown	135	\$135.00
City of Walton	112	\$112.00
City of Wetmore	171	\$171.00
City of Winona	118	\$118.00
City of Winfield	5223	\$5,223.00
Arkalon Ethanol, LLC	1	\$100.00
AGC Flat Glass of North America	1	\$100.00
Evonik	1	\$100.00
APC, Inc.	1	\$100.00
Bradken-Atchison/St. Joseph, Inc.	1	\$100.00
Cherokee Basin Pipeline, LLC	1	\$100.00
CMF of Kansas, LLC	1	\$100.00
Coffeyville Resources Refining & Marketing, LLC	1	\$100.00
Dupont	1	\$100.00
DCP Midstream	1	\$100.00
Dodge City Community College	1	\$100.00
EIF KC Landfill Gas, LLC	1	\$100.00
Energy Transfer Company	1	\$100.00
Enterprise Products Operating, LLC	6	\$100.00
Finney County Feedyard, Inc.	1	\$100.00
Hanson Engineering, LC	630	\$630.00

Havensteel Products, Inc.	1	\$100.00
Midwest Energy	10000	\$10,000.00
Mid-Kansas Electric Company, LLC	1	\$100.00
K.M. Feeders, LLC	1	\$100.00
Kansas Industrial Energy Supply Co.	1	\$100.00
Kansas Soldiers Home	2	\$100.00
Kansas State University	1	\$100.00
KPC Pipeline, LLC	3	\$100.00
Larned State Hospital	1	\$100.00
Lawrence Paper Co.	1	\$100.00
Oneok Field Services Company	1	\$100.00
Oneok NGL Pipeline, LLC	1	\$100.00
Sunflower Electric Power Corporation	1	\$100.00
Superior Pipeline Company LLC	1	\$100.00
Supreme Cattle Feeders	1	\$100.00
Wichita Airport Authority	1	\$100.00
Foundation Energy Management, LLC	1	\$100.00
WTG-Hugoton, LP	1	\$100.00
Worcester Investments-Waterstone	1	\$100.00
AKA Energy Group, LLC	1	\$100.00
Amarillo Natural Gas Company	4	\$100.00
Atlas PL Mid-Continent Westok, LLC	1	\$100.00
Futamura	1	\$100.00

Oneok Field Services	<u>1</u>	<u>\$100.00</u>
TOTAL	45,380	\$49,721

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

7. Pursuant to K.S.A. 66-1,150 *et seq.*, the Commission is authorized to adopt rules and regulations as necessary to be in conformance with the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. § 60101 *et seq.*), as amended. Accordingly, the Commission finds and concludes it has the power, authority and jurisdiction to adopt regulations necessary to be in conformance with the Natural Gas Pipeline Safety Act of 1968.

8. Pursuant to K.S.A. 66-1,150, and notwithstanding the exemption provisions of K.S.A. 66-104 and K.S.A. 66-131, and related statutes, for the purpose of gas pipeline safety such rules and regulations shall be applicable to: (1) all public utilities and all municipal corporations or quasi municipal corporations transporting natural gas or rendering gas utility service; (2) all operators of master meter systems, as defined by 49 C.F.R. § 191.3; (3) all operators of privately or publicly owned pipelines providing natural gas service or transportation directly to the ultimate consumer for the purpose of manufacturing goods or generating power; and (4) providers of rural gas service under the provisions of K.S.A. 66-2101 through 66-2106, and amendments thereto. The Commission finds and concludes it has the power, authority and jurisdiction to subject the aforementioned persons and entities to gas pipeline safety rules and regulations as issued by the Commission and as amended from time to time.

9. Pursuant to K.S.A. 66-1,153, every person engaged in the operation of gas pipeline systems in this state subject to the jurisdiction and control of the Commission under K.A.R. 82-11-1 *et seq.* shall annually pay a fee to the Commission for the inspection and supervision of the

standards of safety prescribed by rules and regulations adopted in conformance with the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. § 60101 *et seq.*), as amended. The Commission finds and concludes it has the power, authority and jurisdiction to collect annual fees from persons and entities subject to the Commission's gas pipeline safety rules and regulations as issued by the Commission and as amended from time to time.

10. No fees issued pursuant to K.S.A. 66-1,153 shall apply to any public utility required to pay the fee provided for by K.S.A. 66-153. The Commission finds and concludes the collection of fees authorized pursuant to K.S.A. 66-1,153 shall not be applicable to public utilities required to pay fees pursuant to K.S.A. 66-153.

11. Pursuant to K.S.A. 66-1,153, such fees shall be due and payable on or before September 1 of each year, and shall be for the fiscal year in which payment is due. Such fee shall be in addition to any and all property, franchise, or license fees and other taxes, fees and charges fixed, assessed or charged by law against such utility. The Commission finds and concludes it has the power, authority and jurisdiction to require fees be remitted by persons or entities subject to the Commission's gas pipeline safety rules and regulations as issued by the Commission and as amended from time to time, by September 1 of this year.

12. Pursuant to K.S.A. 82-11-11(a), the fee for each person covered under K.S.A. 66-1,153 and K.S.A. 66-1, 154, and amendments thereto, shall be \$1.00 per meter. Notwithstanding the \$1.00 per meter fee assessed by K.A.R. 82-11-11(a), pursuant to K.A.R. 82-11-11(b) the minimum annual fee shall not be less than \$100.00, and the maximum annual fee shall not exceed \$10,000.00. Accordingly, the Commission finds and concludes Kansas law provided the fee calculation authorized pursuant to K.S.A. 66-1,153 and K.S.A. 66-1,154.

13. The Commission finds the persons and entities listed in paragraph 6, above, are engaged in the operation of gas pipeline systems, are subject to annual fee assessments authorized pursuant to K.S.A. 66-1,153, and do not qualify for the exemption provided by the payment of fees pursuant to K.S.A. 66-1503. Accordingly, the Commission finds and concludes the persons and entities listed in paragraph 6, above, shall be assessed and shall pay to the Commission the respective amounts set forth in paragraph 6 as limited by minimum and maximum fee assessment boundaries set forth in K.A.R. 82-11-11.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The persons and entities listed in paragraph 6 of this Order shall be assessed and shall pay to the Commission the respective amounts set forth in paragraph 6 of this Order as limited by minimum and maximum fee assessment boundaries set forth in K.A.R. 82-11-11.

B. Parties have fifteen days, plus three days if service is by mail, from the date of service of this order to petition the Commission for reconsideration or request a hearing, as provided in K.S.A. 77-542.¹

C. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further orders as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 07/19/2018 _____



Lynn M. Retz
Secretary to the Commission

¹ See also K.S.A. 66-118b; K.S.A. 77-529(a)(1).