

**BEFORE THE KANSAS CORPORATION COMMISSION
OF THE STATE OF KANSAS**

In the Matter of the Joint Application of)
Sunflower Electric Power Corporation., The Victory)
Electric Cooperative Association, Inc., and Western)
Cooperative Electric Association, Inc., for Approval of) Docket No. 26-SEPE-050-TAR
Continuation of 34.5 kV Formula-Based Rates.)
)

DIRECT TESTIMONY OF

JAMES BRUNGARDT

**ON BEHALF OF
SUNFLOWER ELECTRIC POWER CORPORATION**

August 11, 2025

Direct Testimony of James Brungardt

1 **Q: Please state your name.**

2 A: My name is James Brungardt.

3 **Q: By whom are you employed and what is your business address?**

4 A: I am employed by Sunflower Electric Power Corporation ("Sunflower"). My
5 business address is 301 W. 13th Street, Hays, Kansas.

6 **Q: What is your present position at Sunflower?**

7 A: I am the Manager of Regulatory Relations.

8 **Q: Please describe your education, experience and employment history.**

9 A: I received my Bachelor of Business Administration with concentrations in
10 finance and marketing from Fort Hays State University. Prior to joining
11 Sunflower, I worked for Midwest Energy, Inc. ("Midwest Energy") as a
12 system operator. During my time at Midwest Energy I became a certified
13 Reliability Coordinator through the North American Electric Reliability
14 Corporation. I joined Sunflower in 2012 as a Regulatory Affairs
15 Administrator where I worked closely with Sunflower management to
16 complete a variety of regulatory projects and rate case filings. I was
17 promoted to my current position in July 2016. During my time at Sunflower
18 I have been heavily involved in numerous rate and regulatory filings with
19 both the Kansas Corporation Commission and the Federal Energy
20 Regulatory Commission.

21 **Q: What is the purpose of your testimony?**

22 A: The purpose of my testimony is to provide:

23 An explanation of the reasons for Sunflower's involvement in this

1 proceeding Western Cooperative Electric Association, Inc. (“Western”),
2 and the Victory Electric Cooperative Association, Inc. (“Victory”) (Western
3 and Victory are herein collectively referred to as the “Members”).
4

5 **Sunflower as a Joint Applicant**
6

7 **Q: Does Sunflower own any portion of the 34.5 kV sub-transmission**
8 **facilities that are the subject of the formula-based rate applied for in**
9 **this docket?**

10 A: No.

11 **Q: Why then, is Sunflower a joint applicant in this proceeding?**

12 A: The answer to that question requires a review of the historical background
13 of the 34.5 kV sub-transmission facilities that are the subject of these
14 formula-based rates (“34.5 kV Facilities”). On January 1, 2020, Sunflower
15 and Mid-Kansas Electric Company, Inc. (formerly known as Mid-Kansas
16 Electric Company, LLC) (“Mid-Kansas”), merged, with Sunflower as the
17 surviving entity, all pursuant to Docket No. 19-SEPE-054-MER (“19-054
18 Docket”). Mid-Kansas had previously agreed to serve as the single point
19 of contact for the Kansas Electric Power Cooperative, Inc. (“KEPCo”) and
20 the Kansas Power Pool (“KPP”) for wholesale local access delivery
21 service (“LADS”) provided over the 34.5 kV Facilities, and more
22 specifically, as the single consolidated billing agent for each Mid-Kansas
23 Members’ local access charge (“LAC”) under the LADS tariff. As of the

1 date of merger of Sunflower and Mid-Kansas, service over the 34.5 kV
2 Facilities was provided to all wholesale LADS customers pursuant to the
3 terms of the Mid-Kansas Open Access Transmission Tariff ("OATT").
4 Pursuant to the Settlement Agreement in the 19-054 Docket, as approved
5 by the Commission, the Mid-Kansas OATT is to remain in effect upon
6 merger, with Sunflower serving as the "Transmission Provider" under the
7 Mid-Kansas OATT.¹

8 **Q: Please give a historical overview of how that arrangement came to**
9 **be.**

10 A: On February 23, 2007, the Commission issued an Order Adopting
11 Stipulation and Agreement in Docket No. 06-MKEE-524-ACQ, approving
12 the transfer of Aquila, Inc. d/b/a Aquila Networks – WPK's ("WPK")
13 generation, transmission and local distribution facilities located in Kansas
14 to Mid-Kansas. Those assets were operated by WPK as a vertically
15 integrated utility. However, on December 21, 2007, the Commission
16 issued an Order Approving Spin-Down of Distribution Assets in Docket
17 No. 08-MKEE-099-MIS, approving the transfer of certain Mid-Kansas
18 assets to the six Mid-Kansas members.

19 **Q: Did the transfer of assets in Docket No. 08-MKEE-099-MIS include the**
20 **34.5 kV Facilities?**

21 A: Yes.

¹ Unanimous Settlement Agreement, Docket No. 19-SEPE-054-MER, ¶17 (filed as Exhibit A to Joint Motion for Approval of Unanimous Settlement Agreement on March 5, 2019); Order Approving Unanimous Settlement Agreement, Docket No. 19-SEPE-054-MER (filed March 28, 2019).

1 **Q: Are the 34.5 kV Facilities “transmission facilities” as per Attachment**
2 **AI to the SPP Open Access Transmission Tariff?**

3 A: The Commission concluded in the 11-GIME-597-GIE Docket (“11-597
4 Docket”) that “the 34.5 kV facilities at issue are not ‘transmission facilities’
5 as per Attachment AI” to Southwest Power Pool, Inc.’s (“SPP”) Open
6 Access Transmission Tariff (“SPP OATT”)². The Commission found, in
7 part,

8 that a necessary condition for inclusion of the Member’s
9 facilities in the SPP transmission system and under the SPP
10 OATT is not met because ownership and control of the
11 facilities resides with the MKEC Members who are not
12 members of SPP, and a stipulated finding that the facilities
13 that currently provide or are necessary to provide
14 transmission service to one or more wholesale customers
15 (Member Facilities) are being used to provide “transmission
16 service” under Kansas law and such service must be provided
17 under the Mid-Kansas open access transmission tariff³

18 **Q: If the Members own the 34.5 kV Facilities, why was there a need for**
19 **Mid-Kansas to be a “billing agent”?**

20 A: In Docket No. 09-MKEE-969-RTS (“09-969 Docket”), KPP and KEPCo
21 requested that the terms and conditions of wholesale LADS service over
22 the 34.5 kV Facilities, including the billing of the Member LAC, be
23 coordinated directly with Mid-Kansas. It was believed that such a
24 structure would coordinate a seamless, nondiscriminatory interface with
25 wholesale LADS customers.⁴ Through continued negotiations with KPP
26 and KEPCo, the following final agreement was reached in Section III.D.

² 11-597 Docket, Order Addressing Joint Motion to Approve Stipulation and Agreement, ¶18.

³ *Id.*

⁴ Docket No. 09-MKEE-969-RTS, Direct Testimony of Larry W. Holloway, Page 17, Lines 3-15.

1 paragraph 9 of the Stipulation and Agreement, as approved and
2 incorporated by reference into the Order Approving Unanimous Stipulation
3 and Agreement in the 09-969 Docket:

4 In order to provide KPP and KEPCo with long term open access
5 transmission service from their sources of supply to their
6 respective delivery points which now exist and may be added on
7 the 34.5-kV and lower-voltage facilities owned by the Mid-Kansas
8 Members, and as a condition of settlement, Mid-Kansas and the
9 Mid-Kansas Members will enter into an agency agreement
10 designating Mid-Kansas as the agent for the Mid-Kansas
11 Members for these purposes. Mid-Kansas, as agent, shall serve
12 as the single point of contact for KEPCo and KPP for all local
13 delivery service on the affected Mid-Kansas Members' 34.5-kV
14 and lower-voltage facilities. . . . Additionally, Mid-Kansas, as
15 agent, will provide single consolidated billing of the Mid-Kansas
16 Members' LAC for KEPCo and KPP.

17
18 (Emphasis added.)

19 **Q: Is that the sole instance where Mid-Kansas agreed to serve as the**
20 **single point of contact for KEPCo and KPP, or other third party**
21 **wholesale LADS customers with respect to the 34.5 kV Facilities?**

22 **A:** No. Subsequent to the 969 Docket, the same “single point of contact”
23 issues were raised in the 11-597 Docket. The 11-597 Docket centered
24 around the classification of the services provided by the 34.5 kV Facilities.
25 In paragraph 8 of the 11-597 Docket Order Addressing Joint Motion to
26 Approve Stipulation and Agreement, the Commission found that the 34.5
27 kV Facilities that serve a wholesale LADS customer(s) do provide a local
28 “transmission service” regulated by the Commission under Kansas law,
29 but are not classified as “transmission facilities” under Attachment AI of
30 the SPP’s OATT. Because this transmission service over the 34.5 kV

1 Facilities is not administered under the SPP OATT, and Mid-Kansas
2 agreed in the 09-969 Docket to serve as the single point of contact and
3 billing agent for wholesale LADS (“transmission service”) over the 34.5 kV
4 Facilities, Mid-Kansas was obligated to function as the billing agent for this
5 transmission service over the 34.5 kV Facilities, and further agreed to
6 amend its Open Access Transmission Tariff to provide for the *pro forma*
7 terms and conditions under which such service would be administered.

8 **Q: After the 11-597 Docket, did Mid-Kansas file for approval of an**
9 **amended OATT?**

10 A: Yes, the amended Mid-Kansas OATT was initially approved in Docket No.
11 12-MKEE-650-TAR (“12-650 Docket”). Mid-Kansas administers wholesale
12 LADS over the Member-owned 34.5 kV Facilities through the Mid-Kansas
13 OATT, and has since the 12-650 Docket.⁵

14 **Q: If the proposed 34.5 kV FBR for each Member is approved by the**
15 **Commission, how will the corresponding Member-LAC rates actually**
16 **be billed to wholesale LADS customers?**

17 A: As I previously stated, Sunflower administers wholesale LADS under the
18 Mid-Kansas OATT. The Member LAC rates, which are set annually by
19 individual 34.5 kV FBRs for each Member, are the charges for wholesale
20 LADS customers under the corresponding Member’s LADS tariff,
21 incorporated by reference into the Mid-Kansas OATT. Once set by the
22 corresponding Member 34.5 kV FBR, Sunflower will bill wholesale LADS

⁵ The current version of the Mid-Kansas OATT was approved by the Commission on April 29, 2014 in Docket No. 14-MKEE-170-TAR.

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1 customers the adjusted LAC in accordance with the provisions for LADS
2 under the Mid-Kansas OATT.⁶

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

4 A. Yes, it does.

⁶ Mid-Kansas bills each Member's LAC pursuant to Schedules 7, 8, and 9 and Attachment H of the Mid-Kansas OATT, as applicable depending on the type of LADS secured by the wholesale LADS customer and as reflected in the wholesale LADS agreements. Once the Member's adjusted LAC is approved by the Commission under the 34.5 kV FBR, the Member's LAC under such schedules and attachment will automatically update accordingly without the need for a separate filing by Mid-Kansas.

VERIFICATION

James Brungardt, being first duly sworn, deposes and says that he is the James Brungardt referred to in the foregoing document entitled "Prefiled Direct Testimony of James Brungardt" before the State Corporation Commission of the State of Kansas and that the statements therein were prepared by him or under his direction and are true and correct to the best of his information, knowledge and belief.



James Brungardt