

BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

In the Matter of a General Investigation       )  
Regarding the Development of Distribution       )  
Infrastructure for Natural Gas in Rural Kansas       )       Docket No. 14-GIMG-514-GIG

**INITIAL COMMENTS OF BLACK HILLS ENERGY**

Pursuant to the Kansas Corporation Commission's ("Commission") Order dated June 12, 2014, Black Hills/Kansas Gas Utility Company, LLC, d/b/a Black Hills Energy ("Black Hills"), submits its initial comments in the Commission's general investigation into issues relating to the development of distribution infrastructure for natural gas in rural Kansas.

**I. INTRODUCTION**

1. Black Hills is a natural gas public utility operating in the State of Kansas pursuant to certificates of convenience and necessity issued by the Commission.

2. Under those certificates of convenience and necessity, Black Hills provides retail natural gas service to approximately 111,000 customers in Kansas in 64 communities in 48 counties. Many of Black Hills' customers are located in rural areas in Kansas. Black Hills serves 39,184 customers in Southwest Kansas.

3. The rates set by the Commission for all of Black Hills' Kansas customers are based upon a statewide cost of service and statewide rates. This means any decisions made by the Commission in this docket as it relates to a particular group of customers located in the rural areas served by Black Hills will most likely have an impact on all of Black Hills' Kansas customers whether those customers are located in urban or rural areas of Kansas. For example, a decision by the Commission to deregulate natural gas service provided to customers who use natural gas to fuel their irrigation engines ("irrigation customers"), and to allow any natural gas provider to sell natural gas

service to irrigation customers currently served by Black Hills, or located within Black Hills' certificated service territory, while perhaps providing a benefit to certain irrigation customers will likely have a negative impact on Black Hills' other Kansas customers for all of the reasons set forth below in these initial comments. While it is certainly important for the Commission to investigate the issues raised by the Staff in this docket, which focus on one particular group of customers, who are important to this State's economy like other groups of customers served by the utility, Black Hills and the Commission should not lose sight of the fact they have a duty to protect the public interest and all of the customers in Kansas served by Black Hills.

5. Over the last several years, Black Hills has been working with the Commission Staff and city officials in rural towns located in proximity to Black Hills' existing service territory, which own and operate very small natural gas distribution systems in their towns. These small rural towns were finding it more and more difficult to retain qualified persons to operate their distribution systems and to comply with existing pipeline safety requirements. Black Hills, with the assistance and cooperation of the Commission Staff, has assisted these rural towns by acquiring their natural gas distribution systems and assuming the responsibility of operating those rural municipal natural gas distribution systems. Black Hills continues to work with the Commission Staff to identify other rural natural gas distribution systems which may need assistance.

6. In addition, Black Hills recently acquired a portion of the HRDS natural gas system operated by Anadarko, a producer in the Kansas Hugoton/Panoma Council Grove gas fields. The HRDS system serves a number of large customers in Southwest Kansas. Since acquiring that system, Black Hills has completed a new interconnection with Panhandle Eastern Pipe Line Company so those customers now have access to additional pipeline quality natural gas supplies. Also, since the

acquisition of Anadarko's HRDS system, Black Hills has connected several irrigation customers to that system under its existing line policy. These irrigation customers had previously been fueling their engines with wellhead natural gas supplies that were no longer available to them because of low wellhead and gas gathering system pressures. Black Hills continues to look for opportunities to provide quality natural gas service to customers located in rural Kansas that are beneficial to both the utility and the customer.

7. The amount of natural gas Black Hills currently sells or transports to irrigation customers to fuel their irrigation engines in rural Kansas is significant. Over 14% of Black Hills' sales/transport volumes are delivered to irrigation customers in Kansas. About 14% of Black Hills' revenues are derived from delivering natural gas to those irrigation customers. Black Hills is, therefore, very interested in working with the irrigation customers, Staff, CURB, and the Commission in this docket to develop solutions to providing natural gas service to under-served areas in rural Kansas. Black Hills is open to new ideas and programs that will assist in addressing the issue of under-served areas in rural Kansas. However, as mentioned below in these comments, the solution to the issue of providing natural gas service to under-served areas in rural Kansas does not lie in the deregulation of natural gas service to irrigation customers, or the Commission discarding its long-established policies of (1) not issuing certificates to more than one utility to serve a particular geographic area except in rare situations, and (2) not allowing competition between natural gas providers and local distribution companies ("LDCs") such as Black Hills and not allowing the bypass of LDCs by other natural gas providers.

8. The following comments submitted by Black Hills (a) explain how the existing regulatory framework relating to certificated service territories and line extension policies works well

in protecting the public interest and customers as a whole, and why those principals and policies supporting that framework should be ratified by the Commission in any order issued in this docket and (b) respond to each of the questions posed by the Commission and its Staff.

**II. COMMISSION'S CURRENT POLICIES REGARDING CERTIFICATES OF CONVENIENCE AND NECESSITY**

9. Before responding to the specific issues raised in this docket, it is important to understand those policy, financial and safety principals that support the Commission's existing and long standing policies of (1) not issuing certificates to more than one utility to serve a particular area except in rare situations and (2) not allowing the bypass of a natural gas local distribution company ("LDC") by other natural gas providers. The Staff's Memorandum recommending the Commission initiate this general investigation does a good job explaining why this Commission issues certificates of convenience and necessity to natural gas public utilities before they are allowed to provide natural gas service in a particular area and why, with few exceptions, this Commission has had a policy not to issue certificates to more than one utility to serve a particular area. This section of Black Hills' initial comments takes the explanation one step further to identify and discuss the policy, financial and safety principals that support the above-mentioned Commission policies and why those policies should continue to be supported and enforced by the Commission.

10. As indicated by the Commission in several bypass cases, it is counterproductive to allow certain customers the ability to bypass the LDC, especially in the case where the incumbent utility's facilities are being duplicated in order to serve those customers seeking to bypass the incumbent utility, because the cost of those idled facilities are then shifted to the remaining captive customers. The utility's costs being paid by the revenues contributed by those customers who are lost to bypass have to be spread to and paid for by the utility's remaining customers. The Commission

has explained the rationale supporting its policy against bypass in the following way:

The underlying rationale against bypass is its counterproductive nature, wherein capital costs of idled LDC facilities are shifted to remaining captive customers (generally residential) unable to benefit from the bypass. Thus, the Commission has consistently refused competition between pipelines and LDCs.<sup>1</sup>

The Commission in citing many of its orders prohibiting bypass explained that its policy:

...is based on the economics of cost of service. The cost of service is spread among all the customers of the utility. When only certain customers are able to leave the system and obtain service from another utility, the cost of the idle facilities is then shifted to those captive customers that do not have the option to leave the system, resulting in increased rates to remaining customers.<sup>2</sup>

11. In 1998, the Commission opened a docket to investigate the problems relating to the dual certification of natural gas utilities, Kansas Gas Service and Black Hills' predecessor, in Wichita, Kansas. Docket No. 99-KGSG-233- GIG ("233 Docket"). The Commission Staff in that case explained the harm caused to the incumbent utility, its customers and the public interest, by allowing certain customers to bypass the certificated local distribution company this way:

Two sets of distribution facilities serving the same customers is not efficient and constitutes a waste of resources. The cost of each company's facilities are included in their rate base. Ratepayers are paying for extra facilities. Additionally, given increasing returns to scale, it should be more efficient, i.e., cost less per unit, for a single company to supply all the distribution service in the area. As customers migrate from one supplier to the other, the cost of facilities in place to serve that customer become stranded.

Efficient system planning can also be affected. Since neither company is guaranteed all sales in the territory, it becomes more difficult to plan efficient expansion of the distribution systems. Again, ratepayers pay the cost of this inefficiency.

... it cannot be suggested that two sets of natural gas distribution facilities serving the

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<sup>1</sup>*In the Matter of the Complaint of Kansas Power & Light Company v. Getty Gas Gathering, Inc. and the City of Augusta, Kansas*, Docket No. 153,664-U, dated July 12, 1988, pages 10, 13.

<sup>2</sup>*In the Complaint of United Cities Gas Company Against Brock Exploration Corp.*, Docket No. 193,478-U, Order issued May 29, 1996, paragraph 33.

same customers is beneficial to the public generally.<sup>3</sup>

12. The Staff in the 233 Docket also recognized the Commission had in the recent past adhered closely to the issuance of single certificates in cases involving natural gas utilities. As indicated by the Staff in its Memorandum in this case, while single certification of electric utilities is mandated under the Retail Electric Suppliers Act, the Commission has the authority to issue dual natural gas certificates if it finds the issuance of dual authority to be in the public interest. However, as pointed out by Staff in the 233 Docket, existing dual natural gas territory is largely historic and, as in the case of Wichita, had been the result of certificates issued in the distant past. In the 233 Docket, the Staff stated the Commission's policy in closely adhering to the issuance of single certificates in this way:

**... the Commission's policy has been to issue single natural gas certificates. This is because the issuance of dual certificates tends to lead to economic waste, environmental disadvantages and safety concerns inherent in duplication of facilities and to disputes between natural gas suppliers.**<sup>4</sup>

The Staff in that same 233 Docket indicated that although the Commission has issued dual certification for natural gas utilities in Southwest Kansas, it should be noted that there were exigent circumstances, (loss of gas well and gathering system gas supplies), which dictated to the Commission that the issuance of these certificates was in the public interest. The Staff went on to state:

**The fact that in these special circumstances it has been necessary for the Commission to issue dual authority, should not be interpreted as a departure from the Commission's well established policy of issuing single natural gas certificates. While some of these rural areas may have dual certification, the reality is that few duplicate gas distribution facilities exist in these areas. In most**

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<sup>3</sup>Commission Staff Memorandum dated October 1, 1998, page 6, <http://estar.kcc.ks.gov/estar/ViewFile.aspx/199810009094440.pdf?Id=c53a181c-a6fe-49c6-93af-7505fc47e6be>; Docket No. 99-KGSG-233-GIG ("233 Docket"); Staff Comments filed November 3, 1999 in 233 Docket, pages 2-3.

<sup>4</sup>*Id.* at pages 2-3 (emphasis added).

cases, this dual certification has served to ensure that customers have the opportunity to connect to a natural gas utility, where otherwise there would be no such opportunity.<sup>5</sup>

13. With respect to the Commission's previous rulings that allowing dual certification was not in the public interest because it caused economic waste, the Staff in the 233 Docket identified the economic benefits of having only one utility certificated to serve an area as follows:

(1) Economic implications...

(a) **Less duplication of facilities.** The likelihood of installing duplicate facilities to serve potential new customers is reduced to zero. This result stems from the effective creation... of exclusive service territories on a forward going basis.

(b) **Growth segment of the market served at lower cost.** By avoiding the placement of dual facilities to serve potential new customers, the unnecessary duplication of certain costs (mainly capital outlays) can be avoided.

(c) **Growth segment of the market served at lower cost.** Similarly, to the extent the gas distribution function is characterized by economies of scale, the formation of exclusive service territories will enable the two local distribution companies (LDCs) to maximize the economies of scale associated with serving new customers in the Wichita area market. By capturing economies of scale to the greatest extent possible, the LDC is more able to exert downward pressure on its costs.

(d) **Reduced uncertainty.** Furthermore, by the formation of exclusive service territories, the problem of planning future extensions of distribution networks is generally simplified. In part, it is simplified because there is less uncertainty about which LDC will serve a new customer (once located).

(e) **Growth segment of the market served at lower cost.** Service territory exclusivity should enable existing safety standards to be maintained at a lower cost... When duplication of pipelines is avoided, and when a safety problem appears at a specific location, there is little uncertainty about whose system needs attention. By eliminating that

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<sup>5</sup>*Id.*, Staff Comments filed November 3, 1999, page 3 (emphasis added).

**uncertainty, the problem can be corrected more quickly and at a lower cost.<sup>6</sup>**

14. With respect to the Commission's previous rulings which state that allowing dual certification was not in the public interest because of safety issues, the Staff explained the safety issues as follows:

B. SAFETY ISSUES

(1) **...the safety issue of greatest concern is the potential confusion associated with responding to an emergency in the dually certificated areas.**

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(2) Discussion... (c) Safety issues inherent to underground gas distribution systems that are closely situated. Parallel gas distribution facilities are placed underground which masks their location. Any time digging around buried gas lines occurs there is a risk of damage to the line and a potential safety hazard... **Conceptually then, the minimum risk to public safety would occur when only one line is buried since this would limit the amount of required excavation activity in the area. As two or more systems are installed in close proximity, excavation activity will naturally increase and the chances of damaging a gas line during excavation is increased.<sup>7</sup>**

15. The above comments made by the Commission in its past orders and the highlighted comments made by the Commission Staff in the 233 Docket accurately set forth the underlying support for the Commission's policies of (1) not issuing certificates to more than one utility to serve a particular area except in rare situations and (2) not allowing the bypass of an LDC by other natural gas providers. The positions articulated by the Commission and Staff form the basis for the Commission's policies relating to the issuance of certificates of convenience and necessity and are reasonable and should be confirmed in this docket.

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<sup>6</sup>*Id.*, pgs. 2-8 (emphasis added).

<sup>7</sup>*Id.*, pgs. 4-6 (emphasis added).



### **III. RESPONSE TO ISSUES RAISED BY THE COMMISSION**

#### **A. DEVELOPING OR RELINQUISHING CERTIFICATED TERRITORY HELD BY EXISTING UTILITIES**

16. Under the current process, which has been used by the Commission and its Staff and the natural gas utilities for many years, when a customer requests service from the natural gas utility who holds the certificate in the area where the customer is located, the natural gas utility provides the customer with the information and the cost of the natural gas utility to extend its existing natural gas distribution system to serve the customer. If the cost to connect the customer to the natural gas distribution system is not economical for the customer, and there is a nearby natural gas utility which is closer to the location of the customer and can economically connect the customer to its distribution system, then the two natural gas utilities work with the Staff to either exchange service territory or reach agreement that allows the natural gas utility to relinquish its certificated territory where the customer is located by filing an application with the Commission to cease service in that area and allow the natural gas utility which can serve the customer to extend its certificated territory to where the customer is located by filing an application with the Commission for an extension of its certificate. This current process has worked well and should be continued by the Commission.

17. Also under the current process, where the customer is located in an area that is not certificated to any natural gas utility, the customer usually contacts the closest utility, and if that utility can economically extend its distribution system to serve that customer, then the utility applies for a certificate from the Commission to serve the area where the customer is located. This current process has also worked well and should be continued by the Commission.

#### **B. ALLOWING OPEN COMPETITION/MULTIPLE CERTIFICATES OF CONVENIENCE AND NECESSITY TO ENTITIES WISHING TO DISTRIBUTE NATURAL GAS IN RURAL AREAS**

18. For the reasons stated earlier in these comments, the Commission should confirm its policies of (1) not issuing certificates to more than one utility to serve a particular area except in rare situations and (2) not allowing the bypass of an LDC by other natural gas providers. As previously indicated by the Commission and its Staff, allowing multiple natural gas suppliers to serve the same area, even in the rural areas of Kansas, and allowing competition between natural gas suppliers and LDCs results in economic waste and safety issues and is not in the public interest.

19. By maintaining single certificated service territories and continuing to prohibit bypass of LDCs by natural gas providers, economic waste is reduced because the single certificated service territories:

- (1) eliminate duplication of operating and maintenance expenses and reduce the cost of service provided to customers;
- (2) eliminate duplication of capital investment;
- (3) prevent stranded capital cost;
- (4) assist the utility in strategic planning and growth;
- (5) assure transparent pricing based upon regulated cost of service and filed and approved tariffs;
- (6) reduce overall cost to the utility's captive customers; and
- (7) assure accountability of the natural gas provider.

20. Natural gas service to rural areas of Kansas produces its own set of safety issues, some similar to those faced by the utility in urban areas and some unique to the rural setting. In some rural areas in Southwest Kansas, it is not uncommon to have customers served by the natural gas public utility, customers served directly from a gas well, customers served from a gas gathering company,

customers served by a non-profit utility, and customers served off a master meter system owned by another irrigation farmer, all in the same geographic area. This situation already creates multiple safety issues, which would only be compounded if the Commission were to deregulate natural gas service to irrigation customers in rural Kansas. Those safety issues include:

- (1) customer confusion on who to contact in an emergency situation, which increases the response time to those emergency situations;
- (2) lack of compliance with pipeline safety regulations by unregulated natural gas suppliers and customers;
- (3) the unsafe practice of co-mingling and use of both wellhead natural gas and processed natural gas supplies by the same customer;
- (4) master meter distribution systems that are not properly maintained and do not comply with pipeline safety regulations;
- (5) lack of knowledge as to the location of underground natural gas lines and compliance with the one call system, which increases the risk of those lines being hit by third party excavators resulting in damages to property and injury and even death of persons; and
- (6) multiple underground natural gas lines located in the same right of way, which increases the risk of those lines being damaged by excavation resulting in emergency situations.

C. PROVIDING TRANSPARENCY AND OBJECTIVITY IN LINE EXTENSION POLICIES

21. While Black Hills is certainly open to considering additional options that may be available with respect to changes to its line extension tariff allowing it more flexibility to serve irrigation and other types of customers, the utility's existing line extension policy is based upon sound

regulatory principals, which should be maintained and upheld by the Commission. As recognized by the Staff in its Memorandum in this docket, a utility is currently allowed to extend its distribution system to a new customer or group of new customers as long as the cost relating to the extension of its distribution system is not being subsidized by the utility's other existing customers. This primary provision in the utility's line extension policy is reasonable and complies with the provisions of the public utility act that prohibit the utility from providing unduly preferential or discriminatory service to any one or any group of customers. The utility currently has the flexibility under its line extension policy to take into account the new customer's or customers' load (amount of natural gas the customer will purchase or transport) and to determine based upon that load what contribution (revenues) the customer or customers will provide to the utility's overall cost of service. To the extent the new customer or group of customers provide a significant contribution to the utility's overall cost of service that benefits the utility's other customers, the utility has the flexibility to discount, or even in some cases, not charge the new customer or group of customers for the cost of the line extension. The utility's other existing customers benefit from the revenues contributed by the new customer. The revenues received from the new customer reduce the amount of cost the existing customers have to pay for since the utility has more sales or transportation volumes to spread its cost over than what it had before it connected the new customer. Black Hills uses feasibility models that allow it to calculate the cost, if any, the new customer will have to pay to the utility to extend its distribution system to serve the new customer. This calculation takes into account the benefits derived from connecting the new customer and assures the utility's other customers are not subsidizing the cost to connect the new customer.

22. With respect to this particular issue relating to the utility's line extension policy,

obviously those natural gas providers who are not regulated by the Commission and who are not subject to the provisions of the public utility act, are not subject to the same requirements of the public utility, and if allowed by the Commission to compete with the LDC and bypass the LDC, then those natural gas providers will be operating under different rules than the utility and there is no level playing field between the LDC and the natural gas providers. The unregulated natural gas providers will have the ability to "cherry-pick" Black Hills' high volume customers. This unfair competition will result in Black Hills' remaining captive customers having to pay higher cost of service rates and is the reason why this Commission in the past has not allowed natural gas providers to compete with and bypass the LDC. The Commission should confirm that policy in this case.

D. THE APPROPRIATE MECHANISM FOR RECOVERY OF LINE EXTENSION COSTS THAT ENCOURAGES RURAL DEVELOPMENT WITHOUT CROSS SUBSIDIZATION OF CUSTOMER CLASSES

23. As mentioned above, the utility's current line extension policy is in line with the provisions of the public utility act and sound regulatory principals. Black Hills is certainly open to identifying other ways to cover the cost of extending its distribution system to under-served areas in rural Kansas and perhaps setting up a workshop or roundtable in this docket where all of the interested parties could explore and discuss other ways to allow the natural gas utilities to cover the cost of extending their distribution systems to under-served rural Kansas area might prove to be useful.

24. While Black Hills is open to extending its distribution system to under-served areas in rural Kansas, Black Hills is concerned about the lack of cooperation it has received from some persons who are working with NPU's to obtain natural gas supplies for irrigation customers. Instead of working together with Black Hills to use existing transmission facilities to provide natural gas to irrigation customers, persons working with some NPU's simply began with plans to duplicate Black Hills' existing facilities, which if built will result in higher costs to all of the irrigation customers.

Duplication of existing facilities and promotion of competition between natural gas providers and LDCs is not in the public interest for all of the reasons set forth herein.

E. THE USE OF CUSTOMER SPECIFIC CERTIFICATES OF CONVENIENCE AND NECESSITY AND WHAT IF ANY OBLIGATION TO SERVE EXISTS FOR THE CERTIFICATED UTILITY TO SERVE FUTURE CUSTOMERS

25. As mentioned above, one of the public interest benefits obtained by using single certificated service areas is it allows the incumbent public utility to plan for future expansion of its distribution system. The Staff referred to this benefit as "efficient system planning." As pointed out by Staff in the 233 Docket, if there is a service territory made up of customer specific certificates with multiple natural gas providers serving individual customers, where none of the natural gas providers are guaranteed all sales in the territory, then "it becomes more difficult to plan efficient expansion of the distribution systems" and customers end up "paying the cost of this inefficiency." As also indicated by the Staff in the 233 Docket, "it cannot be suggested that two sets of natural gas distribution facilities serving the same customers is beneficial to the public generally."<sup>8</sup>

F. THE ABILITY TO ACCESS GAS SUPPLY FROM INTERSTATE PIPELINES

26. Natural gas public utilities such as Black Hills, which operate in multiple states and which have dedicated natural gas transportation and supply service departments with experienced employees, are in the best position to take advantage of obtaining pipeline capacity and natural gas supplies to provide natural gas service to all customers located in rural Kansas. Black Hills uses its employees' knowledge and experience to obtain reasonably priced natural gas supplies for its customers. Black Hills is also currently looking at new ways in which to secure long term natural gas supplies to assure reliability and stable prices. Black Hills' gas supply department prepares and implements a gas supply plan. That plan is submitted to the Commission and its Staff each year for

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<sup>8</sup>*Id.*

their review. Black Hills' gas supply employees meet with the Staff every year to discuss how the gas supply plan was implemented during the previous year and what changes, if any, have been included in the gas supply plan for the upcoming year. In addition, natural gas public utilities such as Black Hills can take advantage of economies of scale to obtain pipeline capacity and reliable natural gas supplies at a reasonable price for customers located in rural Kansas. Black Hills also uses a statewide PGA/ACA which allows it to spread the cost relating to pipeline capacity and natural gas supplies over a larger number of customers and to smooth out those costs so all of its Kansas customers pay a reasonable price for natural gas.

#### **IV. RESPONSE TO STAFF'S QUESTIONS**

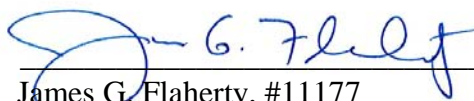
27. To answer some of the Staff's more specific issues, open access, or deregulation, of natural gas service for irrigation customers or other groups of customers is not in the public interest for all of the reasons previously identified by the Commission and its Staff and summarized herein. The Rural Gas Self Help Act, as mentioned above, was passed by the Legislature, not to usurp the Commission's long standing policy of not allowing the bypass of LDCs, but to assist irrigation customers who were about to lose their wellhead gas supply in finding another natural gas provider. Because non-profit utilities (NPU's) must still obtain a certificate of convenience and necessity from the Commission before operating in Kansas, the Commission's bypass policy applies to those requests. Black Hills' line extension tariff sets forth the basis on which the utility is allowed to extend its distribution system to new customers located within its service territory and provides the basis as to how the utility is to respond to requests for service from any new customer. Finally, natural gas providers seeking to obtain a certificate in an area already certificated to a natural gas public utility have the burden under Kansas law to demonstrate to the Commission that it would be in the public interest to grant that natural gas provider a certificate. Based upon the Commission's bypass policy

and the reasons supporting that policy, the burden on that natural gas provider is high.

**V. CONCLUSION**

28. Black Hills is very interested in working with customers, Staff, CURB, and the Commission to develop a solution to providing natural gas service to under-served areas in rural Kansas and looks forward to fully participating in this docket. Black Hills is open to other ideas and programs that will assist in addressing the issue of under-served areas in rural Kansas. However, as mentioned above, the solution to this issue does not lie in deregulation of natural gas service to irrigation customers and the Commission discarding its long-established policy of not allowing competition between natural gas providers and LDCs and not allowing the bypass of LDCs.

Respectfully submitted,



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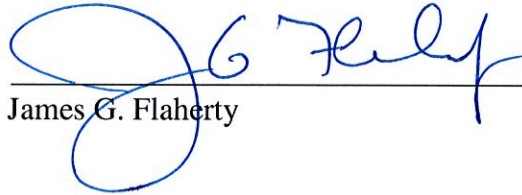
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## VERIFICATION

STATE OF KANSAS, COUNTY OF FRANKLIN, ss:

James G. Flaherty, of lawful age, being first duly sworn on oath, states: That he is an attorney for Black Hills/Kansas Gas Utility Company, d/b/a Black Hills Energy; that he has read the above and foregoing Initial Comments of Black Hills Energy; knows the contents thereof; and that the statements contained therein are true.



James G. Flaherty

SUBSCRIBED AND SWORN to before me this 24<sup>th</sup> day of July, 2014.



Notary Public

Appointment/Commission Expires:

## **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the above and foregoing was sent by electronic mail, this 28<sup>th</sup> day of July, 2014, addressed to:

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