

**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 Application of Kansas Gas)
Service, a Division of ONE Gas, Inc., for)
Approval of a Privatization Contract)
Establishing the Terms, Conditions, Rates, and) Docket No. 19-KGSG-194-CON
Charges for Ownership and Operation of the)
Natural Gas Distribution System Serving Fort)
Riley, Kansas, and for Approval of the)
Proposed Accounting Treatment for the)
System.

SUSPENSION ORDER: JULY 11, 2019

NOW, the above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed its files and records and being duly advised in the premises, the Commission makes the following findings:

1. On November 13, 2018, Kansas Gas Service filed a letter with the Commission requesting the Commission approve a privatization contract between Kansas Gas Service (KGS) and the Defense Logistics Agency Energy (DLAE).¹ This contract establishes the terms, conditions, rates, charges, and costs for KGS's ownership and operation of the natural gas distribution system at Fort Riley, Kansas.² KGS also requests the Commission approve the proposed accounting treatment for the privatized system.³

2. K.S.A. 66-117(c) states in part: "The commission shall not delay the effective date of the proposed change in rate, joint rate, toll, charge or classification or schedule of charges, or in

¹ Application of Kansas Gas Service (Nov. 13, 2018) (Application).

² *Id.*

³ *Id.*

any rule or regulation or practice pertaining to the service or rates of any such public utility or common carrier, more than 240 days beyond the date the public utility or common carrier filed its application requesting the proposed change. If the commission does not suspend the proposed schedule within 30 days of the date the same is filed by the public utility or common carrier, such proposed schedule shall be deemed approved by the commission and shall take effect on the proposed effective date.”

3. A full investigation of the proposed privatization contract, which may result in a hearing, is deemed necessary and proper. Absent suspension of the privatization contract, Commission Staff is without sufficient time to fully review, consider, and analyze whether the requested contract should be approved.

4. The Commission finds and concludes that suspension of any potential effectiveness of the contract proposed by KGS is required to allow sufficient time for full investigation of this matter. The effective date of the rates and/or terms proposed shall be suspended for a period not to exceed 240 days from the date the application was made, November 13, 2018, until July 11, 2019. A Commission decision may be issued before such date.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. Any decision regarding KGS’s privatization contract shall be deferred until July 11, 2019. The Commission may issue a decision before such date.

B. The parties have fifteen (15) days, plus three (3) days if service of this order is by mail, from the date this order was served in which to petition the Commission for reconsideration of any issue or issues decided herein. K.S.A. 66-118b; K.S.A. 77-529(a)(1).

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

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 11/27/2018



Lynn M. Retz
Secretary to the Commission

CRM

CERTIFICATE OF SERVICE

19-KGSG-194-CON

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of first class mail and electronic service on 11/28/2018.

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/S/ DeeAnn Shupe

DeeAnn Shupe