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

Before the Commissioners:

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

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In the Matter of the Application of Westar Energy for a Certificate of Public Convenience and Authority to Transact the Business of and Electric) Public Utility Specifically in Portion of Section 28, Township 11 South, Range 3 West, Ottawa County, Kansas.

Docket No. 19-WSEE-163-COC

ORDER GRANTING APPLICATION

This matter comes before the State Corporation Commission of the State of Kansas

("Commission") for consideration and decision. Having reviewed the pleadings and record, the

Commission makes the following findings:

I. Background

1. On October 24, 2018, Westar Energy, Inc. ("Westar") filed an Application

requesting a Certificate for Transmission Rights Only in DS&O Electric Cooperative, Inc.'s

(DS&O) certified territory in Ottawa County, Kansas.¹

2. Westar requests that it be granted a Certificate for Transmission Rights Only (TRO)

to operate as an electric public utility in the following described territory to wit:

The route starts at a point from an existing pole outside of Tescott Jct. Substation; thence east across 148th Rd. to east side of right of way, thence north to the Westar Energy territory boundary line near the Northwest 1/4 of the Northeast 1/4 of the Southeast 1/4, Section 28, Township 11 South, Range 3 West, Ottawa County, Kansas.²

¹ Westar Energy, Inc. Application for a Certificate of Public Convenience and Authority to Transact the Business of an Electric Public Utility, Transmission Rights Only, ("Westar Application"), (Oct. 24, 2018).

² Report and Recommendation, at 3 (Nov. 15, 2018).

3. In an answer to a Commission Staff ("Staff") data request, Westar stated the need to change the location of the current transmission line to the opposite side of the road will minimize the outage time when switching once the line is built. The existing poles need to be replaced and conductors need to be upsized for reliability purposes.³

4. On November 16, 2018, Staff submitted its Report and Recommendation dated November 15, 2018, recommending the Commission grant Westar's request for permission for Transmission Rights Only in the territory described in paragraph two above.⁴

II. Legal Standards and Discussion

5. Pursuant to K.S.A. 66-131, the Commission has jurisdiction to grant a Certificate to any public utility seeking to transact business in the State of Kansas. The standard for granting a certificate under K.S.A. 66-131 is that public convenience and necessity will be promoted by the granting of a certificate. K.S.A. 66-1,170 et seq., the Retail Electric Suppliers Act (RESA), requires the State of Kansas to be divided into electric service territories in which only one retail electric supplier is established for a given territory.⁵ Moreover, RESA allows utilities to extend distribution or transmission facilities through the territory of another supplier provided the supplier building through the territory only uses the proposed line to serve its own certified customers.⁶ Notwithstanding the mandated single electric provider service territories, RESA also provides that retail electric suppliers may enter into agreements to amend boundaries between their facilities. The agreements are subject to Commission approval, and if so approved, the Commission shall issue a certificate accordingly.⁷

³ Report and Recommendation, at 2.

⁴ Id. at 1.

⁵ K.S.A. 66-1,172.

⁶ K.S.A. 66-1,173.

⁷ K.S.A. 66-1,175.

6. DS&O is currently operating in the annexed area at issue here. According to the Application, Westar has notified DS&O by sending a copy of the Application to DS&O when it was originally filed.⁸

7. Based on the foregoing information, and the absence of any objection, Staff recommends the Commission find that public convenience will be promoted by granting Westar's Application for Transmission Rights Only in the area described in paragraph two, Ottawa County, Kansas.

III. Findings and Conclusion

8. The Commission finds pursuant to K.S.A. 66-131 and K.S.A. 66-1,170 et seq., public convenience and necessity will be promoted by granting Westar's request for permission to operate as an electric public utility in area described above in paragraph two.

The Commission adopts Staff's Report and Recommendation dated November 15,
which is attached hereto and made a part hereof by reference.

THEREFORE, THE COMMISSION ORDERS:

A. Westar's Application for a Transmission Rights Only Certificate is granted pursuant to K.S.A. 66-131 and K.S.A. 66-1,170 et seq.

B. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).⁹

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

⁸ Westar Application, at 1.

⁹ K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: ______2018

Lynn M. Ref

Lynn M. Retz Secretary to the Commission

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STATE OF KANSAS

Corporation Commission 1500 SW Arrowhead Road Topeka, KS 66604-4027



PHONE: 785-271-3100 FAX: 785-271-3354 http://kec.ks.gov/

GOVERNOR JEFF COLYER, M.D. Shari Feist Albrecht, Chair | Jay Scott Emler, Commissioner | Dwight D. Keen, Commissioner

REPORT AND RECOMMENDATION UTILITIES DIVISION

- TO: Chair Shari Feist Albrecht Commissioner Jay Scott Emler Commissioner Dwight D. Keen
- **FROM:** Jason Kerr, Electric Utility Engineering Technician Leo Haynos, Chief Engineer Jeff McClanahan, Director of Utilities
- **DATE:** November 15, 2018
- **SUBJECT:** 19-WSEE-163-COC In the Matter of the Application of Westar Energy for a Certificate of Public Convenience and Authority to Transact the Business of an Electric Public Utility Specifically in Portions of Section 28, Township 11 South, Range 3 West, Ottawa County, Kansas.

EXECUTIVE SUMMARY:

In Docket 19-WSEE-163-COC, Westar Energy, Inc. (Westar) requests a Certificate for Transmission Rights Only in order to change the location of an existing 34.500 kV transmission line.¹

BACKGROUND:

On October 24, 2018, Westar filed the above-captioned Application requesting a Certificate for Transmission Rights Only. Westar proposes to remove an existing 34.500 kV overhead subtransmission line from the west side of County Road 148th in Ottawa County and rebuild it on the east side of the road in the road right-of-way.

K.S.A. 66-1,170 et seq., the Retail Electric Suppliers Act (RESA), requires the state of Kansas to be divided into electric service territories in which only one retail electric supplier is established for a given territory. If a retail electric supplier receives Commission approval, RESA allows it to extend distribution or transmission facilities through the territory of another supplier provided

¹ EL 39502.

the supplier building through the territory only uses the proposed line to serve its own certificated customers.²

The Commission has authority to grant a Certificate of Convenience and Necessity to any public utility seeking to transact business in the State of Kansas.³

The statutory standard of review in this matter is whether the public convenience will be promoted by the transaction of the proposed project and by permitting the Applicants to transact the business of a common carrier or public utility.⁴

ANALYSIS:

Through a data request, Staff asked why the need for rebuilding in a manner that would require new TRO. Westar stated that building on the opposite side of the road will minimize the outage time when switching once the line is built. They went on to say that many of the existing poles are in need of replacement and conductors need to be upsized for reliability purposes.

Staff has reviewed Westar's Application and has confirmed the legal description included in the Application is accurately depicted on the map attached to the Application. Staff also confirmed the legal description is not in conflict with the Commission's Certificate records. The legal description is included as Attachment A to this Report and Recommendation.

Staff recommends that the Commission find that public convenience will be promoted by the granting of this Application.

The Commission action date is April 22, 2019.

RECOMMENDATION:

Staff is recommending Westar's Application for Certificate in 19-WSEE-163-COC be granted for Transmission Rights Only.

² K.S.A. 66-1,173.

³ K.S.A. 66-131.

⁴ K.S.A. 66-131.

ATTACHMENT A Legal Description of Proposed Transmission Line Route 19-WSEE-163-COC

OTTAWA COUNTY, KANSAS

TRANSMISSION RIGHTS ONLY:

The route starts at a point from an existing pole outside of Tescott Jct. Substation; thence east across 148th Road to east side of right of way, thence north to the Westar Energy territory boundary line near the Northwest 1/4 of the Northeast 1/4 of the Southeast 1/4, Section 28, Township 11 South, Range 3 West, Ottawa County, Kansas.

CERTIFICATE OF SERVICE

19-WSEE-163-COC

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of

electronic service on _____11/27/2018

MIKE OLBERDING DS&O ELECTRIC COOPERATIVE, INC. 129 West Main Street PO Box 286 Solomon, KS 67480 Fax: 785-655-2805 molberding@dsoelectric.com

CATHRYN J. DINGES, CORPORATE COUNSEL WESTAR ENERGY, INC. 818 S KANSAS AVE PO BOX 889 TOPEKA, KS 66601-0889 Fax: 785-575-8136 cathy.dinges@westarenergy.com COLE BAILEY, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604 Fax: 785-271-3354 c.bailey@kcc.ks.gov

/S/ DeeAnn Shupe