



Received  
on

**MAY 31 2013**

by  
State Corporation Commission  
of Kansas

May 31, 2013

Ms. Patrice Petersen-Klein, Executive Director  
Kansas Corporation Commission  
1500 SW Arrowhead Road  
Topeka, Kansas 66044

Re: In the Matter of the Kansas Gas Service Compliance Docket as Established in  
Docket No. 06-GIMX-181-GIV. Docket No. 11-KGSG-820-CPL.

Dear Ms. Klein:

In accordance with the Commission's order of December 3, 2010, in Docket No. 06-GIMX-181-GIV and the Report of the Commission Staff and the Active Participating Utilities dated October 27, 2010, Kansas Gas Service submits for filing certain documents and schedules in conformity with the agreed upon procedures set forth in the order.

As part of the filing, Kansas Gas Service requests that its submission of its Cost Allocation Manual contained herein be considered confidential. This document explains the methodology used to allocate and assign costs by a regulated public utility and associated non-jurisdictional companies. This document is classified as confidential because it includes internal financial policies of the utility, concerns private business information, and has competitive implications for ONEOK's non-regulated operations and their cost structures.

Attachment B-5 and B-6 are also labeled confidential. The information in these attachments is private financial business information and has not been publicly disclosed. The information is also classified confidential because it would subject ONEOK, Inc., to competitive harm.

The remaining documents and information filed in this docket at this time are not classified as confidential, but as additional filings are made in this docket to address periodic filing requirements or informational requests, Kansas Gas Service reserves the right to classify information that is confidential in nature under the designation "CONFIDENTIAL."

In accordance with the Report of the Commission Staff and the Active Participating Utilities dated October 27, 2010 and the Commission's Order of December 3, 2010, in Docket No. 06-GIMX-181-GIV, Kansas Gas Service files the following documents:



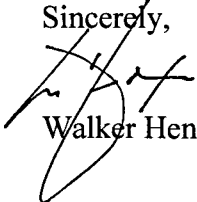
## **KANSAS GAS SERVICE**

A DIVISION OF ONEOK

- A.1. Cost Allocation Manual (CAM) [Confidential].
- A.2. Not applicable.
- B.1. Corporate Organizational Chart.
- B.2. Description of Business Activities
- B.3. Personnel Organizational Chart with descriptions.
- B.4. Summaries of Debt Agreements.
- B.5. Balance Sheet and Income Statement for Consolidated Utility Operations, Consolidated Non-Regulated Operations and Consolidated Corporate Operations [Confidential].
- B.6. Financial Ratios for Consolidated Utility Operations, Consolidated Non-Regulated Operations and Consolidated Corporate Operations [Confidential].
- C.1 Not applicable.
- C.2 Not applicable.
- C.3. List of Equity and Credit Analysts following ONEOK, Inc., whose reports are proprietary and not subject to distribution.

Please accept the filing as being made subject to the procedures set forth in the Report of the Commission Staff and the Active Participating Utilities in Docket No. 06-GIMX-181-GIV. If you have any questions or comments, please feel free to contact me.

Sincerely,



Walker Hendrix

BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

In the Matter of the Kansas Gas Service Compliance                    )       Docket No. 11-KGSG-820-CPL  
Docket as Established in Docket No. 06-GIMX-181-GIV.                )

KCC Requirement:

- A. To ensure proper allocation or assignment of joint or common costs for non-power goods and services, so a regulated utility bears only its fair share of costs, the public utility shall submit the following information on an annual basis by May 31<sup>st</sup>:
1. A Cost Allocation Manual (CAM) on a calendar year basis that:
    - a. Explains the methodology used for all costs allocated or assigned for non-power goods and services provided by: (i) the regulated utility, (ii) a holding company, or (iii) a centralized corporate services subsidiary to any associate company that is a jurisdictional public utility;
    - b. Demonstrates that all costs are allocated or assigned justly and reasonably and that the allocation or assignment of costs is not unduly discriminatory or preferential; and,
    - c. If a fully distributed cost methodology is not used, an explanation supporting use of the alternative method of allocation.

With respect to the CAM, it should be filed in the individual utility compliance docket, but if no changes are made to the CAM, a letter in place of the CAM indicating no changes have been made may be filed by the May 31<sup>st</sup> annual filing date. If the annual filing reflects changes made in the CAM, those changes should be noted and fully described.

2. Any centralized corporate services subsidiary, within a holding company that includes a jurisdictional public utility, required to file FERC Form No. 60, shall file a copy with the Commission by May 31<sup>st</sup> of the calendar year following the year subject of the report.

KGS Response

- A.
1. See the attached Cost Allocation Manual that was in effect for the 12 month period ending December 31, 2012. Please note that the Cost Allocation Manual and its attachments are deemed Confidential and proprietary. Revisions to the previously filed CAM were made in order to describe the allocation of new accounts payable software.
  2. Not Applicable

KCC Requirement

B. Each jurisdictional public utility shall provide annually by May 31<sup>st</sup> the following information using diagrams, schedules or narrative discussion as may be appropriate:

1. A complete detailed organization chart identifying each regulated utility and each associate company;

2. A detailed description of the activities and business conducted at each non-utility associate company;

3. An organizational chart of personnel that includes a list of all directors, corporate officers, and other key personnel shared by any jurisdictional public utility and any non-utility associate company or holding company, if any, along with a description of each person's duties and responsibilities to each entity;

4. Summaries of each mortgage, loan document and debt agreement, including a discussion of the type of collateral or security pledged to support the debt. The utility will also describe any loan or debt agreement taken out to finance an unregulated affiliate that encumbers utility property or cash-flow for security;

5. To the extent financial separations are maintained for either legal or financial accounting purposes and at a level in which financial statements are reasonably capable of being produced by the utility's accounting system, each jurisdictional public utility shall file income statements, balance sheets and cash flow statements for (1) consolidated utility operations; (2) consolidated non-regulated operations; and (3) consolidated corporate financials; (this information is confidential) and

6. To the extent financial separations are maintained for either legal or financial accounting purposes and at a level in which financial statements are reasonably capable of being produced by the utility's accounting system, each jurisdictional public utility shall file a summary of financial ratios as of the end of the last completed fiscal year, as described by way of example in the attachment to these rules and consistent with the method used to report such information to the principal bond rating agency or Standard & Poors for (1) consolidated utility operations; (2) consolidated non-regulated operations; and (3) consolidated corporate financials (this information is confidential).

#### KGS Response

B.

1. Please see the attached organization chart, containing KGS affiliated entities within ONEOK as of December 31, 2012.

2. Please see the attached description of the business activities of these affiliates.

3. Please see the attached organization chart of directors, officers, and other personnel shared between utility and non-utility operations along with a description of job responsibilities of the officers.

4. Please see the attached summary of debt agreements. There is no utility debt that encumbers utility property used to finance unregulated affiliates.

5. Please see the attached income statements and balance sheet information outlining ONEOK consolidated utility operations, consolidated non-regulated operations and consolidated

corporate financials. Please note that ONEOK Partners' operations contain both regulated and non-regulated operations. Cash flow information is not maintained in the requested format. Please note that this attachment is deemed Confidential.

6. Please see the attached financial ratios split between consolidated utility operations, consolidated non-utility operations and consolidated corporate financials. Please note that this attachment is deemed Confidential.

#### KCC Requirement

Each jurisdictional public utility shall provide to the Director of Utilities and the Chief of Accounting and Financial Analysis at the Commission concurrent with the filing of 8-K disclosures the following:

Written or verbal notice of any affiliate of the jurisdictional public utility or holding company, if any, that has an affiliate that has defaulted on a material obligation or debt for the purpose of 8-K reporting.

Written or verbal notice of any requests by any jurisdictional public utility or holding company, if any, for material waivers or amendments as provided for the purpose of 8-K reporting to debt agreements that secure, encumber, or finance any jurisdictional public utility's assets.

Each jurisdictional public utility shall file reports published by credit rating agencies and equity analysts regarding the utility's regulated and unregulated business within 10 days after publication of the report and its receipt by the utility. A public utility shall not be required to file reports that the utility has not received, or reports that cannot be disseminated or reproduced because of copyright or contractual restrictions.

A summary of any debt secured or encumbered, in any way, by the assets of any jurisdictional public utility on behalf of a non-utility affiliate or holding company, if any.

#### KGS Response

C.

KGS will provide written or verbal notice concurrently, in the event that any affiliate defaults on a material obligation or debt for the purpose of 8-K reporting. Neither ONEOK, nor any of its affiliates, has defaulted on a material obligation or debt.

KGS will provide written or verbal notice of any requests by a jurisdictional public utility or holding company if it seeks a material waiver or amendments as provided for the purpose of 8-K reporting to debt agreements that secure, encumber, or finance any jurisdictional public utility's assets. No such requests have been made.

ONEOK receives credit rating and equity analyst reports under an agreement with an outside vendor. According to the terms of the agreement, ONEOK is prohibited from releasing these reports to third parties. Equity analysts covering ONEOK include:

Argus Research

Barclays Capital

BMO Capital Markets

Citi

Deutsche Bank

Edward Jones

Goldman Sachs

JP Morgan

Morgan Stanley

S&P Capital IQ

Tuohy Brothers

UBS

U.S. Capital Advisors

Wells

Credit analysts reporting on ONEOK debt include:

Barclay's Capital

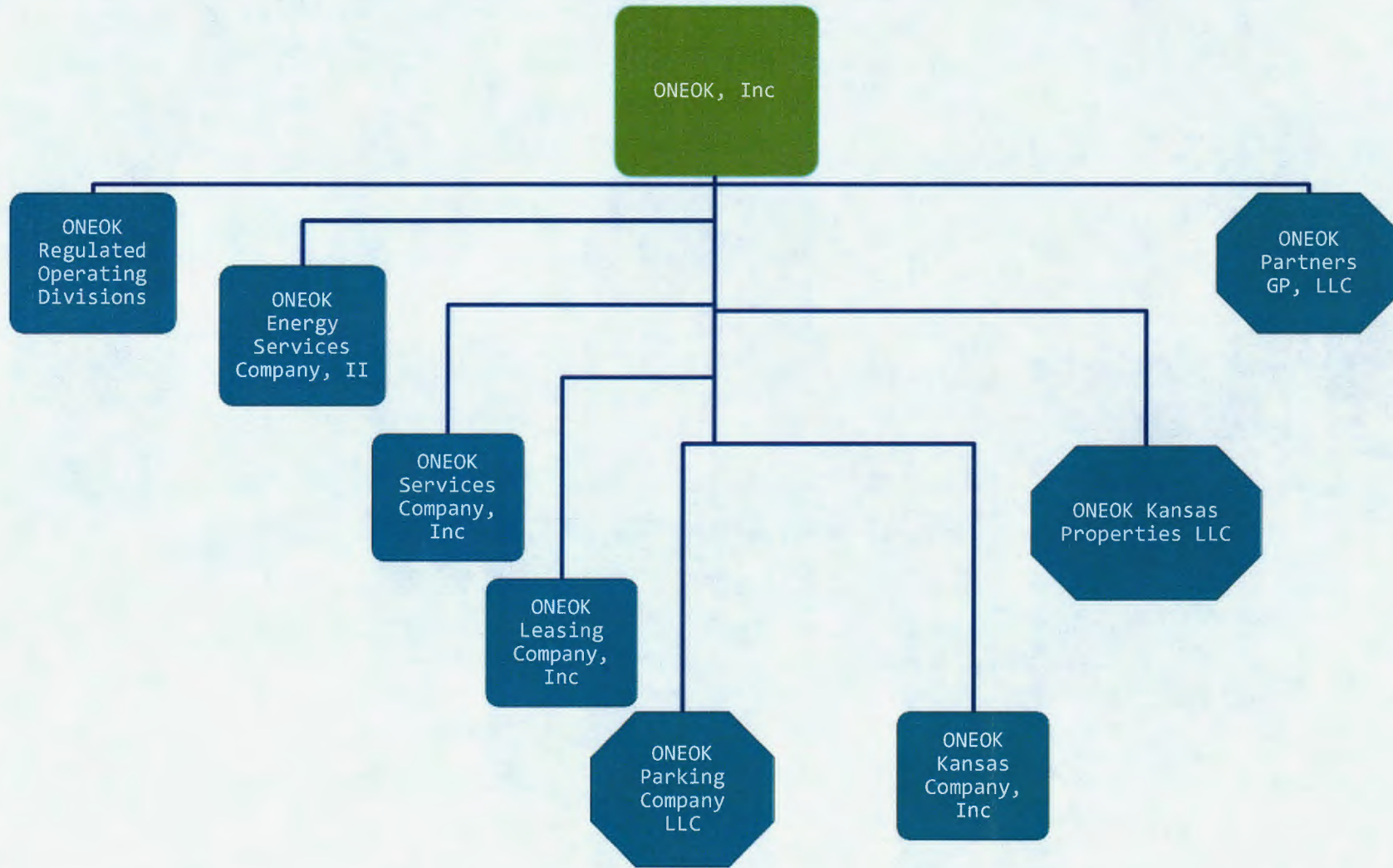
Wells Fargo

Moody's

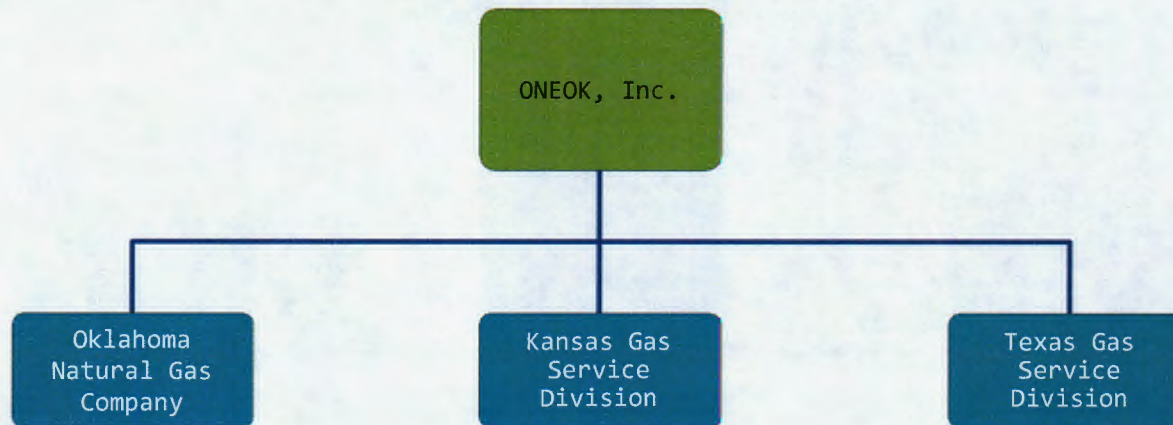
Goldman Sachs

ONEOK does not have any debt issuances that are secured or encumbered with the assets of KGS.

# ONEOK, Inc Associated Companies

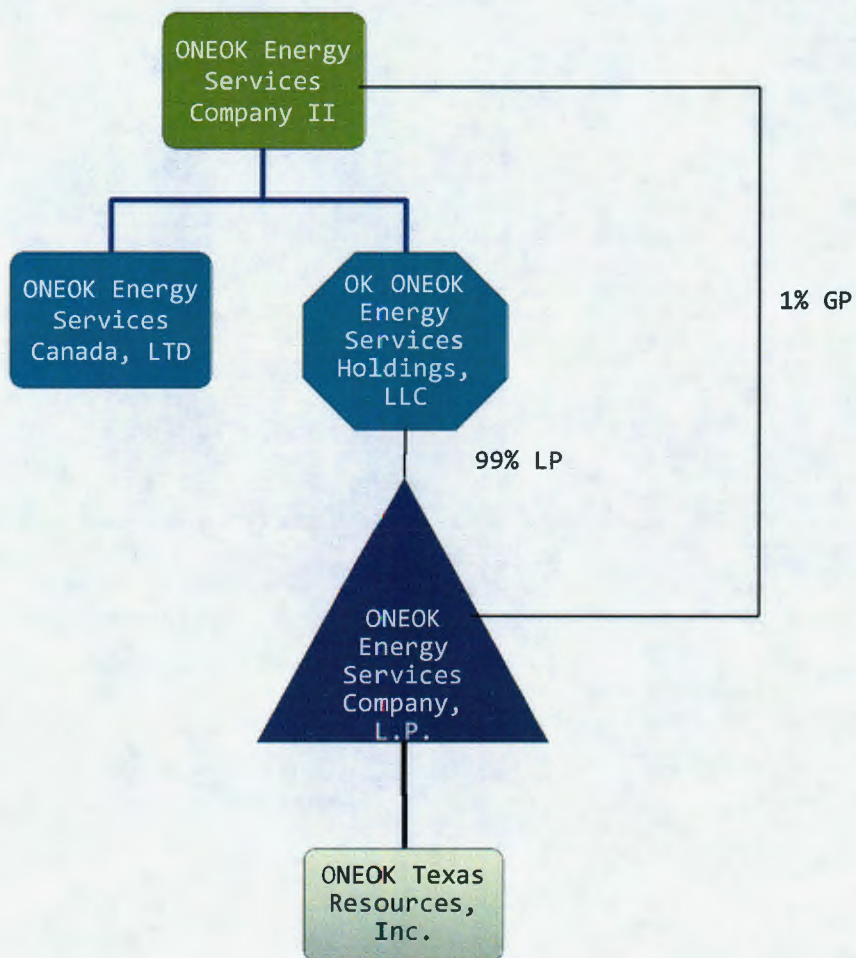


# ONEOK Inc. Regulated Operating Divisions

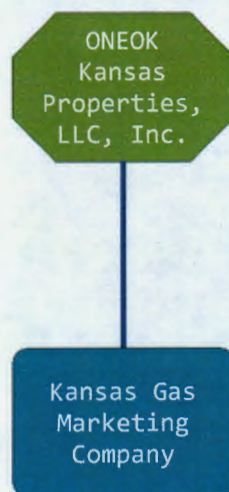




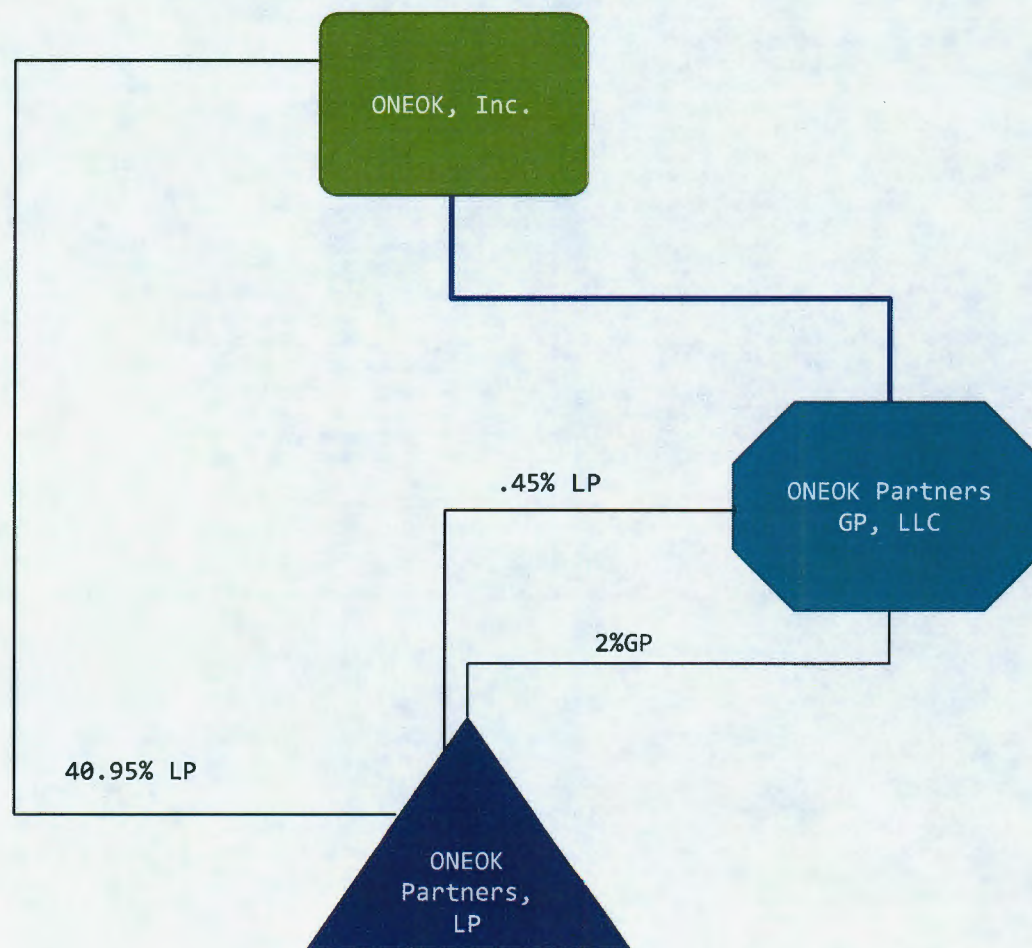
# ONEOK Energy Services Company II



# ONEOK Kansas Properties, LLC



# ONEOK Partners



ONEOK, Inc.  
Non-Utility Associated Company Descriptions

December 31, 2012

The following provides a detailed description of the activities and business conducted at each non-utility associate company for ONEOK, Inc. Except for ONEOK Partners, L.P., each of these subsidiaries is wholly owned, either directly or indirectly, by ONEOK, Inc.

ONEOK Partners L.P. - ONEOK Partners is one of the largest publicly traded master limited partnerships and a leader in the gathering, processing, storage and transportation of natural gas in the United States. In addition, ONEOK Partners owns one of the nation's premier natural gas liquids systems, connecting NGL supply in the Mid-Continent and Rocky Mountain regions with key market centers. ONEOK, Inc. and its subsidiaries is the sole general partner and own 43.4 percent of ONEOK Partners, L.P.

ONEOK Energy Services Company, II - This entity owns 100%, either directly or indirectly, of ONEOK Energy Marketing Company; ONEOK Energy Services Canada, LTD; ONEOK Energy Services Holdings, L.L.C.; ONEOK Energy Services, L.P.; and ONEOK Texas Resources, Inc. This company has no assets or operations other than its investment in these entities.

ONEOK Energy Marketing Company (OEMC) - This entity provides natural gas retail marketing and supply services to municipal, small commercial, industrial and agricultural customers in the Mid-Continent region, residential and agricultural customers in Nebraska and residential customers in Wyoming. OEMC was sold effective February 1, 2012.

ONEOK Energy Services Canada, LTD - This entity delivers physical natural gas products and risk-management services through its network of contracted natural gas transportation and storage capacity and natural gas supply. This contracted storage and transportation capacity connects the major supply and demand centers throughout the United States into Canada.

ONEOK Energy Services Holdings, L.L.C. - This entity owns 99% of ONEOK Energy Services, L.P. This company has no assets or operations other than its investment in ONEOK Energy Services, L.P.

ONEOK Energy Services, L.P. - This entity delivers physical natural gas products and risk-management services through our network of contracted natural gas transportation and storage capacity and natural gas supply. This contracted storage and transportation capacity connects the major supply and demand centers throughout the United States and into Canada. Our customers are primarily LDCs, electric utilities, and commercial and industrial end-users.

ONEOK Texas Resources, Inc. - This entity owns available for sale marketable securities.

ONEOK Partners GP, L.L.C. - This entity owns the entire 2% general partner interest and 500,000 limited partner units of ONEOK Partners, L.P.

ONEOK Services Company - This entity provides labor resources to ONEOK and ONEOK Partners operations.

ONEOK Leasing Company - This entity owns operates and leases available space in ONEOK, Inc.'s corporate headquarters building to ONEOK, ONEOK Partners and third-parties.

ONEOK Parking Company, L.L.C - This entity owns operates and leases available space in ONEOK, Inc.'s parking garage attached to its corporate headquarters building to ONEOK, ONEOK Partners and third-parties.

ONEOK Kansas Properties, L.L.C. - This entity owns several pieces of intellectual properties used among the ONEOK group.

ONEOK Kansas Company - This entity acts as an internal bank for ONEOK and helps provide cash management functions among ONEOK's various entities other than ONEOK Partners.

NBP Services, LLC - This entity has no assets or operations.

Kansas Gas Marketing Company - This entity has no assets or operations.

# ONEOK Board of Directors

Attachment B-3

James C. Day

Julie H. Edwards

William L. Ford

John W. Gibson

Bert H. Mackie

Steven J. Malcolm

Jim W. Mogg

Patty L. Moore

Gary D. Parker

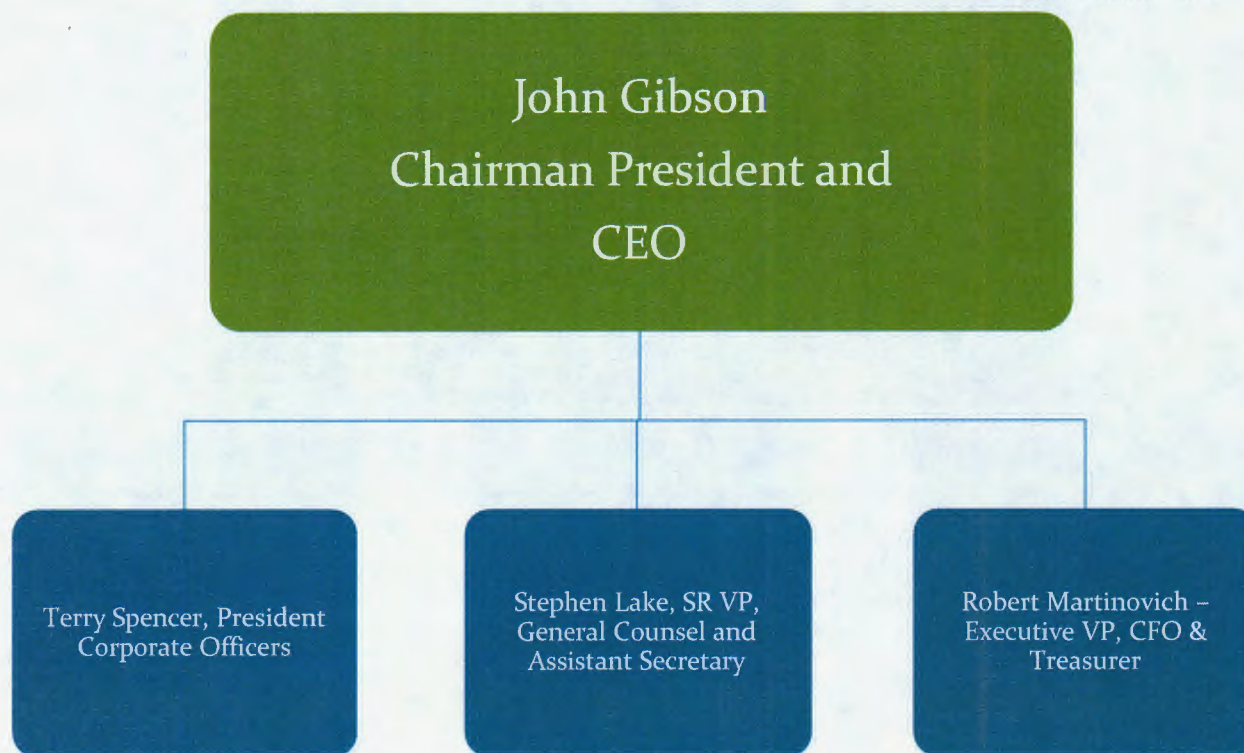
Eduardo A. Rodriguez

Gerald B. Smith

# ONEOK

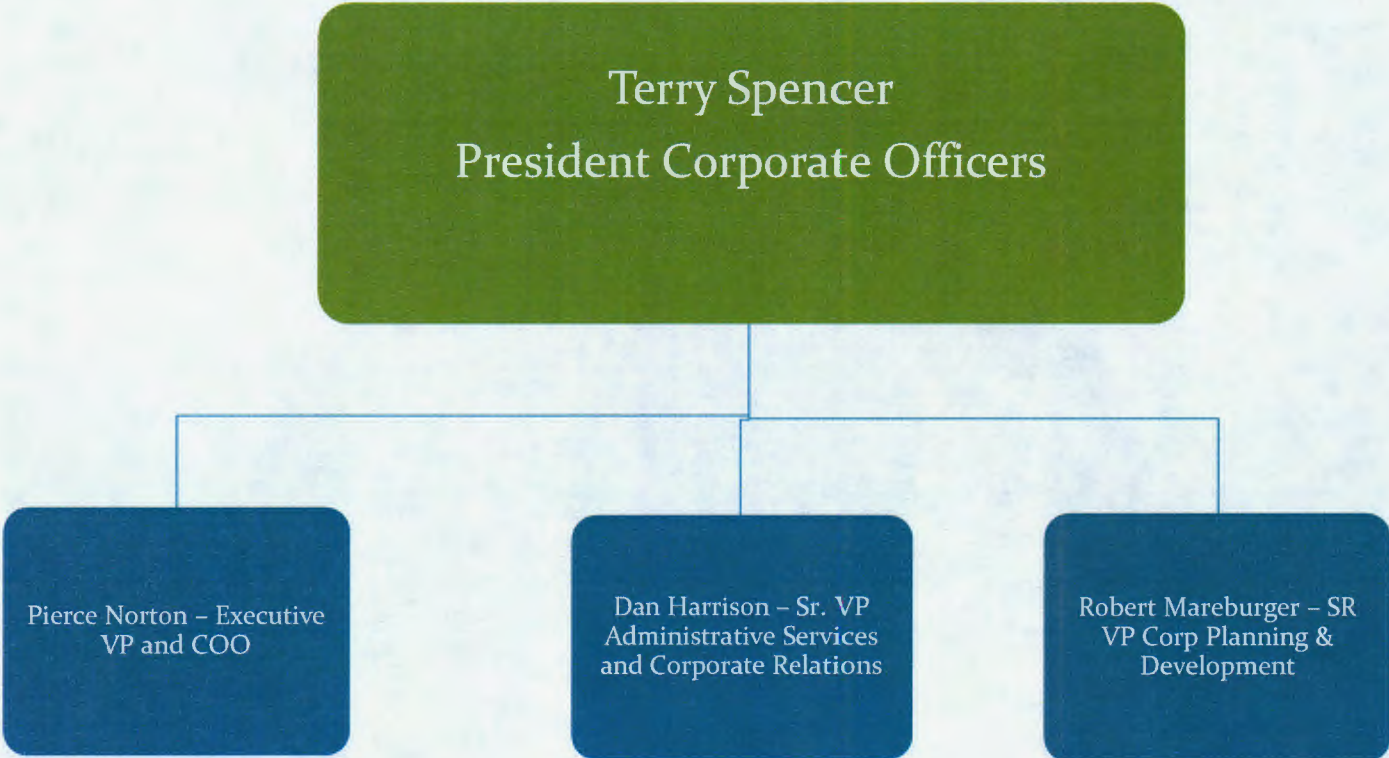
## 2012 Officers Organization Chart Shared between Utility and Non-Utility Affiliates

Attachment B-3



# ONEOK Corporate Officers Organization Chart

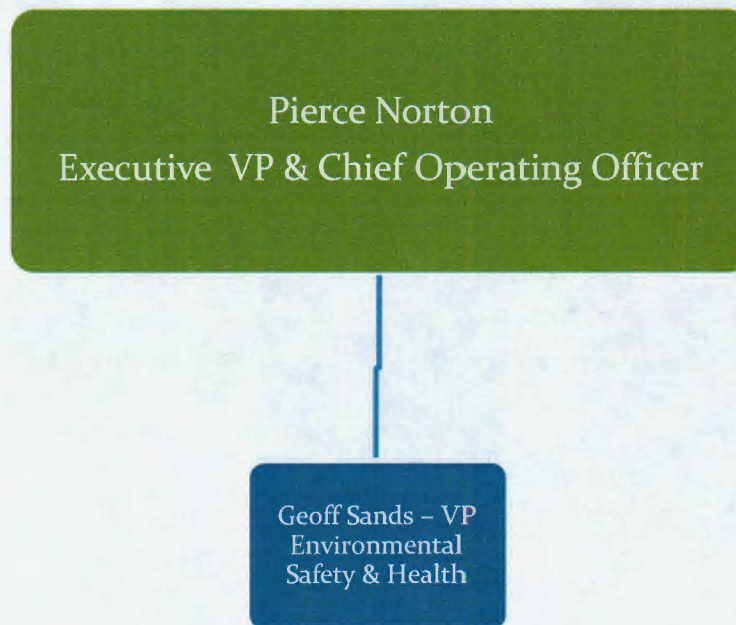
Attachment B-3





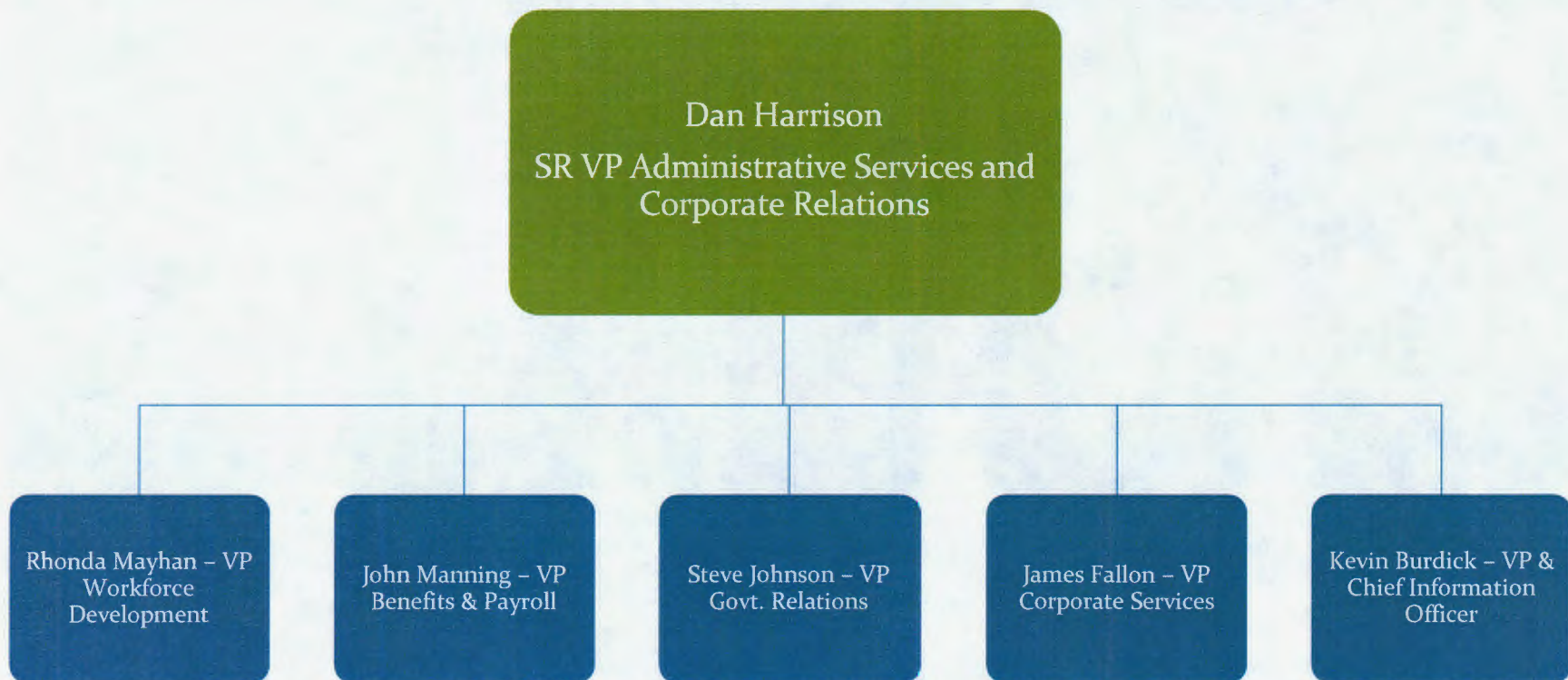
# ONEOK Executive VP & COO Organization Chart

Attachment B-3



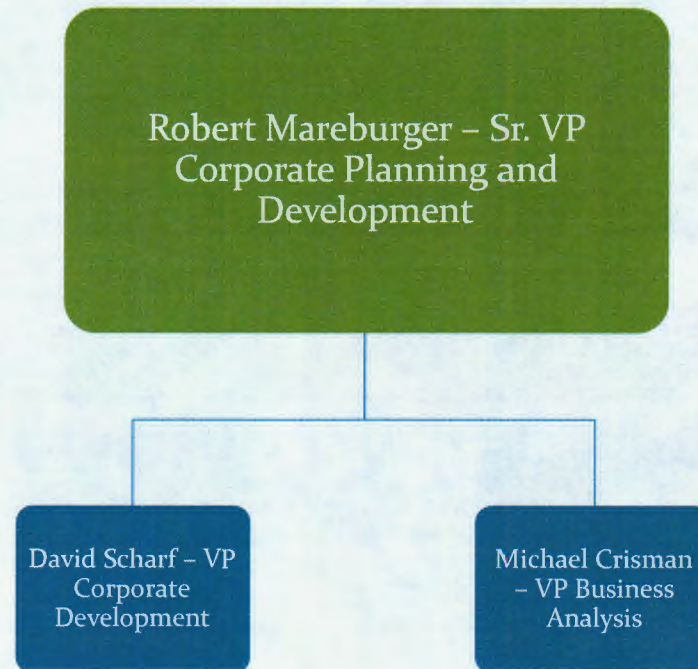
# ONEOK Sr. VP Administrative Services Organization Chart

Attachment B-3



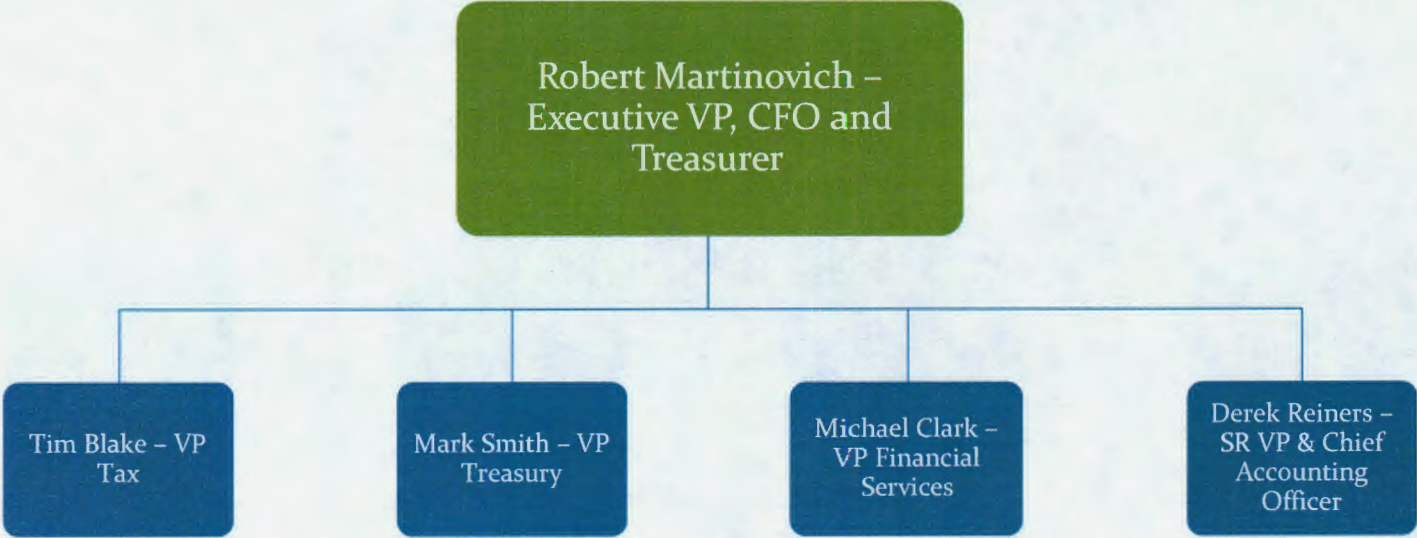
# ONEOK Senior VP Corporate Planning and Development Organization Chart

Attachment B-3



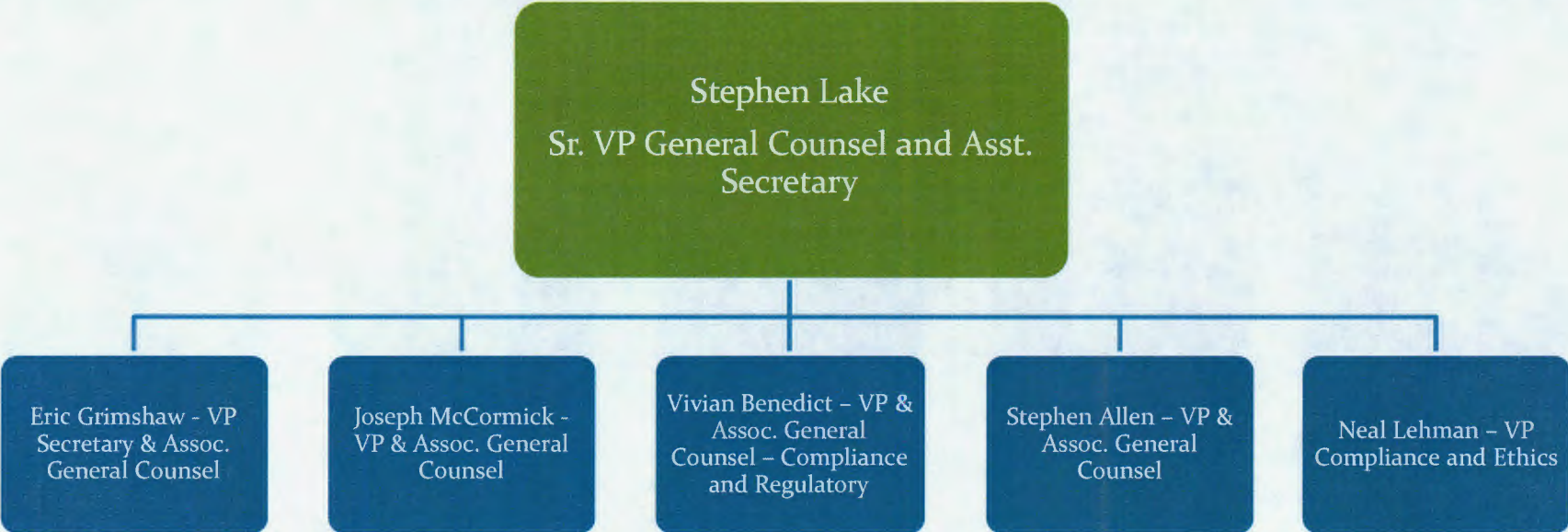
# ONEOK Executive VP, CFO and Treasurer Organization Chart

Attachment B-3



# ONEOK SR VP General Counsel Organization Chart

Attachment B-3



**ONEOK INC**  
**Listing of Officers Shared with Associated Companies**

**Attachment B-3**

<b>Full Name</b>	<b>Position</b>	<b>Job Description</b>
Allen, Stephen B	VP & ASSOC GEN COUNS	Advises company on legal rights and obligations. Manages the general law department and monitors the activity of outside counsel.
Benedict, Vivian Cooper (Vicky)	VP AND ASSOC GEN COUNSEL COMPL AND REG	Advises company on legal rights and obligations. Ensures compliance with federal, state and local laws and regulations.
Blake, Timothy S (Tim)	VP TAX	Responsible for establishing and implementing tax policy and overseeing the preparation of tax returns and related reports to ensure compliance with all federal, state and local tax laws and regulations.
Burdick, Kevin L	VP & CHIEF INFORMATION OFFICER	Responsible for the total IT function and resources, including strategic planning.
Clark, Michael D	VP FINANCIAL SERVICES	Responsible for the company's audit, financial planning and financial business process improvement functions.
Crisman, Michael	VP BUSINESS ANALYSIS	Responsible for evaluating acquisitions, facilitating the evaluation of capital growth projects, and supporting the company's economic-thinking efforts.
Fallon, James M	VP CORP SVCS	Responsible for staff functions such as building management, purchasing and right of way.
Gibson, John W	CHAIRMAN PRESIDENT AND CEO	Responsible for establishing and executing the company's major goals and objectives. Responsible for company profits and losses. Provide leadership, direction and guidance of company activities.
Grimshaw, Eric	VP, SECRETARY & ASSOC GEN COUNS	Responsible for preparing and maintaining all official corporate documents pertaining to the shareholders and the Board of Directors.
Harrison, Dandridge L	SR. VP ADMINISTRATIVE SERVICES AND CORPORATE RELATIONS	Responsible for the investor relations, corporate communications, government relations and community investment functions, including the ONEOK Foundation. Directs and coordinates human resources, information technology and corporate services for the company.
Johnson, Steve	VP GOVERNMENT RELATIONS	Oversees company representation related to state and federal legislative and regulatory activities for all company divisions.
Lake, Stephen William	SR VP, GEN COUNSEL AND ASST SEC	The head of all legal affairs of the company.
Lehman, Neal	VP COMPLIANCE AND ETHICS	Responsible for the development and implementation of ONEOK ethic standards.
Manning, John E	VP BENEFITS & PAYROLL	Responsible for overall coordination and management of multiple functions, including development, implementation, and administration of human resource programs such as health and welfare benefits, payroll, government reporting and HRIS.

**ONEOK INC**  
**Listing of Officers Shared with Associated Companies**

**Attachment B-3**

Full Name	Position	Job Description
Mareburger, Robert S	SR VP CORP PLANNING & DEVELOPMENT	Responsible for business development, strategic and long-range planning and capital investment.
Martinovich, Robert F	EXECUTIVE VP, CFO AND TREAS	Responsible for all financial operations including accounting, tax, audit and treasury.
Mayhan, Rhonda L	VP WORKFORCE DEVELOPMENT	Responsible for designing, implementing and monitoring human resource programs and policies related to planning for long-term human resource needs and trends; ensuring that current employees have the necessary skills for future requirements.
McCormick, Joe	VP & ASSOCIATE GENERAL COUNSEL	Responsible for oversight of all legal activities within the distribution division.
Norton, Pierce H	EXECUTIVE VP & CHIEF OPERATING OFFICER	Responsible for ONEOK's distribution and energy services business segments, as well as the environment, safety and health. Also responsible for the ONEOK Partners Energy Services, Natural Gas, Natural Gas Liquids and Operations.
Reiners, Derek S	SR VP & CHIEF ACCTG OFFICER	Responsible for overseeing and directing accounting functions, including contributing to the formulation, implementation, and administration of corporate policies and business goals.
Sands, Geoffrey Allen	VP ENVIRONMENTAL SAFETY & HEALTH	Responsible for designing and implementing company environmental control programs to ensure compliance with all federal, state, and local laws and regulations regarding the environment.
Scharf, David	VP CORPORATE DEVELOPMENT	Responsible for identifying acquisition opportunities and platforms for growth.
Smith, Mark Wayne	VP TREASURY	Responsible for treasury functions such as credit, finance and risk and insurance.
Spencer, Terry K	PRES ONEOK AND ONEOK PARTNERS	Responsible for the overall ONEOK and ONEOK Partners Companies. Also responsible for support functions including corporate planning and development, human resources, information technology, corporate services, and investor relations and public affairs

## ONEOK, Inc.

<b>Maturity</b>	<b>2015</b>	<b>2022</b>	<b>2028</b>	<b>2028</b>
<b>Issue Date</b>	6/15/05	2/1/12	9/29/98	9/30/98
<b>Maturity Date</b>	6/15/15	2/1/22	9/30/28	9/30/28
<b>Rate</b>	5.20%	4.25%	6.50%	6.88%
<b>Principal</b>	\$400,000,000	\$700,000,000	\$87,657,000	\$100,000,000
<b>Annual Interest</b>	\$20,800,000	\$29,750,000	\$5,697,705	\$6,875,000
<b>Payments</b>	6/15, 12/15	2/1, 8/1	2/28, 5/31, 8/31, 11/30	4/1, 10/1
<b>CUSIP</b>	682680AM5	682680AQ6	682680AA1	682380AB9
<b>Trustee</b>	US Bank	US Bank	Bank of NY	Bank of NY
<b>Lead Bank(s)</b>	Citi UBS	JPMorgan BOA / Wells Fargo	Edward Jones	BOA Merrill Lynch
<b>Callable</b>	Anytime	Anytime	After 10/1/2003	Anytime
<b>Premium</b>	+20 bps	+35 bps	None	+20bps
<b>Indenture</b>	12/28/01	2/1/12	9/24/98	9/24/98
<b>Filing</b>	Same as Indenture (Annual compliance cert)	Same as Indenture (Annual compliance cert)	Same as Indenture (Annual compliance cert)	Same as Indenture (Annual compliance cert)
<b>Events of Def</b>	Fail to pay Int/Princ/Prem Interest: 30 days Covenants: 60 days Def on Agmt>\$100MM Bankruptcy, Reorganization	Fail to pay Int/Princ/Prem Interest: 30 days Covenants: 60 days Def on Agmt>\$100MM Bankruptcy, Reorganization	Fail to pay Int/Princ/Prem 30 days notice: Int Covenants: 60 days Def on Agmt>\$15MM Bankruptcy, Reorganization	Fail to pay Int/Princ/Prem 30 days notice: Int Covenants: 60 days Def on Agmt>\$15MM Bankruptcy, Reorganization
<b>Limitations on Liens</b>	Liens Language 1	Liens Language 2	Liens Language 2	Liens Language 2



ONEOK, Inc.

<b>Maturity</b>	<b>2035</b>	<b>5-Year Credit Agreement</b>	<b>Indenture - Bank of NY</b>	<b>Indenture - US Bank</b>
<b>Issue Date</b>	6/17/05	5/5/11	9/24/98	12/28/01
<b>Maturity Date</b>	6/15/35	3/2018	-	-
<b>Rate</b>	6.00%	LIBOR (3 days) / Prime (same day)	-	-
<b>Principal</b>	\$400,000,000	\$1,200,000,000	-	-
<b>Annual Interest</b>	\$24,000,000	\$2,400,000 (Facility Fee)	-	-
<b>Payments</b>	6/15, 12/15	-	-	-
<b>CUSIP</b>	682380AN3	-	-	-
<b>Trustee</b>	US Bank	BOA (Administrative Agent)	-	-
<b>Lead Bank(s)</b>	Citi UBS	BOA JPM / RBS	Chase Bank of TX	US Bank
<b>Callable</b>	Anytime	-	-	-
<b>Premium</b>	+25 bps	-	-	-
<b>Indenture</b>	12/28/01	-	-	-
<b>Filing</b>	Same as Indenture (Annual compliance cert)	Comp Certificates	Comp Certificates Certain SEC filings	Comp Certificates Certain SEC filings
<b>Events of Def</b>	Fail to pay Int/Princ/Prem Interest: 30 days Covenants: 60 days Def on Agmt>\$100MM Bankruptcy, Reorganization	CF Events of Default (Sec 8.01)	See '98 Indenture (Events of Default)	See '01 Indenture (Events of Default)
<b>Limitations on Liens</b>	Liens Language 1	See CF Covenants (Sec 7.01)	See '98 Indenture (Limitation on Liens)	See '01 Indenture (Limitation on Liens)