# THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners: Andrew J. French, Chairperson

Dwight D. Keen Susan K. Duffy

| In the Matter of the Investigation into Kansas | ) |                            |
|--|---|----------------------------|
| Gas Service Company, a Division of One Gas     | ) |                            |
| Inc. Regarding the February 2021 Winter        | ) | Docket No. 21-KGSG-332-GIG |
| Weather Events, as contemplated by Docket      | ) |                            |
| No. 21-GIMX-303-MIS.                           | ) |                            |

### ORDER GRANTING INTERVENTION TO BONAVIA PROPERTIES, LLC

This matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. The Commission makes the following findings:

1. On February 15, 2021, pursuant to K.S.A. 77-536(a), the Commission issued an Emergency Order directing all jurisdictional natural gas and electric utilities to coordinate efforts and take all reasonably feasible, lawful, and appropriate actions to ensure adequate transportation of natural gas and electricity to interconnected, non-jurisdictional Kansas utilities. Jurisdictional natural gas and electric utilities were ordered to do everything necessary to ensure natural gas and electricity service continued to be provided to their customers in Kansas. The Commission authorized every jurisdictional electric and natural gas distribution utility that incurs extraordinary costs associated with ensuring their customers or the customers of interconnected Kansas utilities that are non-jurisdictional to the Commission continue to receive utility service during this weather event to defer those costs to a regulatory asset account. The Commission mandated that once the 2021 Winter Weather Event ended, and after all costs have been accumulated and recorded, each

<sup>&</sup>lt;sup>1</sup> Docket No. 21-GIMX-303-MIS (Docket 21-303), Emergency Order, ¶ 3 (Feb. 15, 2021).

² Id.

<sup>&</sup>lt;sup>3</sup> *Id*.  $\P$  4.

jurisdictional utility is directed to file a compliance report in the 21-303 Docket detailing the extent of such costs incurred, and present a plan to minimize the financial impacts of this event on ratepayers over a reasonable time frame.<sup>4</sup>

- 2. On March 9, 2021, the Commission issued an Order Adopting Staff's Report and Recommendation (R&R) to Open Company-Specific Investigations.<sup>5</sup> The Commission's order initiated the instant proceeding.
- 3. On April 14, 2021, Bonavia Properties, L.L.C. (Bonavia) submitted a Petition to Intervene in the instant proceeding.<sup>6</sup> Bonavia explains it is a customer of BlueMark Energy, LLC (BlueMark), which is a non-jurisdictional privately owned natural gas marketing company serving approximately 150 separate commercial and industrial natural gas customers in Kansas as well as Arkansas, Iowa, Missouri, Oklahoma, and Texas.<sup>7</sup>
- 4. Bonavia further explains BlueMark's largest customer base is served off Kansas Gas Service's (KGS) system, with Bonavia taking service in the same manner.<sup>8</sup> Bonavia alleges it has been negatively impacted by the Winter Weather Event.<sup>9</sup> Specifically, Bonavia claims its bill for natural gas purchased during the Winter Weather Event increased by 3770% over past bills for the same time period.<sup>10</sup>
- 5. Bonavia then explains that BlueMark, in its Petition to Intervene in Docket No. 21-GIMX-303-MIS (the docket which initiated the instant proceeding), asserted it anticipates that its customers will experience increased costs associated with service. <sup>11</sup> Bonavia concludes by stating

<sup>&</sup>lt;sup>4</sup> *Id*. ¶ 5.

<sup>&</sup>lt;sup>5</sup> Order Adopting Staff's R&R to Open Company-Specific Investigations; Order on Petitions to Intervene of Bluemark and CURB; Protective and Discovery Order (Docket No. 21-GIMX-303-MIS) (Mar. 9, 2021).

<sup>&</sup>lt;sup>6</sup> Bonavia Petition to Intervene (Apr. 14, 2021).

<sup>&</sup>lt;sup>7</sup> *Id.*, ¶ 7.

<sup>&</sup>lt;sup>8</sup> *Id.*, ¶ 8.

<sup>&</sup>lt;sup>9</sup> *Id.*, ¶ 9.

<sup>&</sup>lt;sup>10</sup> *Id*.

<sup>&</sup>lt;sup>11</sup> *Id.*, ¶ 11.

costs have already been or will be passed down to BlueMark's customers such as Bonavia, and its interests are not adequately represented by any other party to the proceeding.

- 6. The Commission shall grant intervention if the petition: (1) is submitted in writing and properly served; (2) states facts demonstrating the petitioner's legal rights, duties, privileges, immunities or other legal interests may be substantially affected by the proceeding or that the petitioner qualifies as an intervenor under any provision of law; and (3) the interests of justice and the orderly and prompt conduct of the proceedings will not be impaired by allowing the intervention.<sup>12</sup> The Commission has discretion to grant intervention at any time where intervention is in the interests of justice and will not impair the orderly and prompt conduct of the proceedings.<sup>13</sup> At any time during a proceeding, the Commission may impose limitations on an intervenor's participation.<sup>14</sup>
- 7. Bonavia submitted its Petition to Intervene in writing, properly served it in accordance with K.S.A. 77-521(a)(1), and stated facts demonstrating its legal rights and interests may be substantially affected by this proceeding under K.S.A. 77-521(a)(2). The Commission finds Bonavia's intervention will not impair the interests of justice, nor will its participation impede the orderly and prompt conduct of the proceedings, in accordance with K.S.A. 77-521(a)(3). Thus, the Commission finds Bonavia has met the requirements for intervention in K.S.A. 77-521 and K.A.R. 82-1-225, and therefore, should be granted intervention and full participation in all aspects of this docket.
- 8. Bonavia shall be added to the mailing list, with service of electronic notes, pleadings, testimony, orders, communications, and other documents directed to the following:

<sup>&</sup>lt;sup>12</sup> K.S.A. 77-521(a); K.A.R. 82-1-225(a).

<sup>&</sup>lt;sup>13</sup> K.S.A. 77-521(b); K.A.R. 82-1-225(b).

<sup>&</sup>lt;sup>14</sup> K.S.A. 77-521(c); K.A.R. 82-1-225(c).

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# THEREFORE, THE COMMISISON ORDERS:

A. Bonavia Properties, LLC is granted intervention.

## BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Duffy, Commissioner

Dated: \_\_\_\_\_.

Lynn M. Retz

Lynn M. Reg

PZA Executive Director

#### **CERTIFICATE OF SERVICE**

#### 21-KGSG-332-GIG

| I, the undersigned, cert | ify that a true copy o | of the attached Or | der has been served | to the following by means of |
|--------------------------|------------------------|--------------------|---------------------|------------------------------|
|                          |                        |                    |                     |                              |

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