# THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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Shari Feist Albrecht, Chair

Jay Scott Emler

Pat Apple

In the Matter of the Informational Filing of	,	
Mid-Kansas Electric Company, LLC to	)	
Provide Notification of a Network Integration	)	Docket No. 15-MKEE-028-CON
Transmission Service Agreement and Network		
Operating Agreement.		

# **ORDER ON APPLICATION**

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having examined the files, the Commission finds and concludes as follows:

- 1. On July 22, 2014, Mid-Kansas Electric Company, LLC (Mid-Kansas) filed with the Commission, for informational purposes, its Network Integration Transmission Service Agreement and Network Operating Agreement with Kansas Municipal Energy Agency.
- 2. Mid-Kansas is a cooperative exempt from the Commission's jurisdiction, with limited exception, pursuant to K.S.A. 2013 Supp. 66-104d. On November 22, 2013, Mid-Kansas filed its Notice of Election to Deregulate in Docket No. 14-MKEE-253-DRC, and on January 7, 2014, the Commission acknowledged and affirmed Mid-Kansas' election.<sup>1</sup>
- 3. On August 21, 2014, the Commission suspended the effective date of Mid-Kansas' filing.<sup>2</sup>

<sup>2</sup> Suspension Order (Aug. 21, 2014).

<sup>&</sup>lt;sup>1</sup> Order Affirming Mid-Kansas Electric Company, LLC's Election to Deregulate (Jan. 7, 2014).

- 4. Staff investigated Mid-Kansas' filing and provided a Report and Recommendation, dated August 29, 2014, which is attached hereto and hereby incorporated by reference.
- 5. In its Report and Recommendation, Staff stated the service agreement and operating agreements conform to the pro-forma agreements found in the Commission-approved Mid-Kansas Open Access Transmission Tariff.<sup>3</sup> Staff further reported that no revisions in text or rates have been made and the only changes from the Commission-approved pro-forma agreements are the addition of the names of the affected parties, dates, and points of delivery as appropriate. Therefore, Staff recommends acceptance of Mid-Kansas' filing for informational purposes and recommends the docket be closed.
- 6. Upon review of Staff's Report and Recommendation, the Commission adopts
  Staff's Report and Recommendation and finds that Mid-Kansas' informational filing should be
  accepted and this docket be closed.

### IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

- (A) Mid-Kansas' Network Integration Transmission Service Agreement and Network Operating Agreement with Kansas Municipal Energy Agency as filed in this docket are acknowledged, and this docket is closed.
- (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.<sup>4</sup>

<sup>&</sup>lt;sup>3</sup> See Docket No. 12-MKEE-650-TAR, Order on Stipulation and Agreement and Amendment to Stipulation and Agreement (Oct. 31, 2012).

<sup>&</sup>lt;sup>4</sup> K.S.A. 66-118b; K.S.A. 2013 Supp. 77-529(a)(1).

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

# BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Com.; Apple, Com.;

Dated: SEP 0 4 2014

ORDER MAILED SEP 0 5 2014

Thomas A. Day
Acting Executive Director

AS

Utilities Division 1500 SW Arrowhead Road Topeka, KS 66604-4027



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Sam Brownback, Governor

Shari Feist Albrecht, Chair Jay Scott Emler, Commissioner Pat Apple, Commissioner

# REPORT AND RECOMMENDATION UTILITIES DIVISION

TO:

Chair Shari Feist Albrecht

Commissioner Jay Scott Emler

Commissioner Pat Apple

FROM:

Tom DeBaun, Senior Energy Engineer

Leo Haynos, Pipeline Safety, Chief Engineer

Jeff McClanahan, Director of Utilities

DATE:

August 29, 2014

**SUBJECT:** 

15-MKEE-028-CON

In the Matter of the Informational Filing of Mid-Kansas Electric Company, LLC to Provide Notification of a Network Integration Transmission Service Agreement and Network Operating Agreement

#### **EXECUTIVE SUMMARY:**

Mid-Kansas Electric Company, LLC ("Mid-Kansas" or "Transmission Provider") filed an executed Network Integration Transmission Service Agreement ("NITSA") between the Mid-Kansas and the Kansas Municipal Energy Agency ("KMEA" or "Transmission Customer"). Providing the transmission service requires use of the transmission facilities of three Mid-Kansas members—Prairie Land Electric Cooperative, Inc., Southern Pioneer Electric Company, and Western Cooperative Electric Association, Inc. ("Host Transmission Owners"). Thus, the filing includes three separate Network Operating Agreements ("NOA") between Mid-Kansas, KMEA, and each Host Transmission Owner.

The service agreement and the operating agreements conform to pro-forma agreements found in the Commission-approved, Mid-Kansas Open Access Transmission Tariff ("Mid-Kansas OATT"), Attachments F and G, respectively. No revisions in text or rates have been made and only the names of the affected parties, dates, and points of delivery have been inserted as appropriate.

Staff recommends acceptance of the filing for informational purposes and that the Docket be closed.

<sup>&</sup>lt;sup>1</sup> Docket No. 12-MKEE-650-TAR ("12-650 Docket"), Order on Stipulation and Agreement and Amendment to Stipulation and Agreement; In the Matter of the Application of Mid-Kansas Electric Company, LLC for Approval to Adopt and Implement a Formula-Based Rate for Recovery of Transmission Costs and to Amend its Open Access Transmission Tariff, October 31, 2012.

## **BACKGROUND:**

As stated in the filing (¶2), Mid-Kansas' charges, fees or tariffs for transmission service to others are subject to Commission regulation pursuant to K.S.A. 66-104d(f). The proforma NITSA and NOA were approved in the 12-650 Docket.

The NITSA includes references to applicable rate schedules and charges in the Mid-Kansas OATT and enables the delivery of power and energy from the Transmission Customer's designated resources to the Transmission Customer's load at specified points of delivery.

The NOA covers technical requirements and "...sets out the terms and conditions under which the Transmission Provider, Host Transmission Owner, and Network Customer will cooperate, and the Host Transmission Owner and Network Customer will operate their respective systems, and specifies the equipment that will be installed and operated. The Parties shall operate and maintain their respective systems in a manner that will allow the Host Transmission Owner and the Network Customer to operate their systems and Control Area, and the Transmission Provider to perform its obligations consistent with Good Utility Practice."

# **ANALYSIS:**

The use of a rate formula template and protocols to produce a Formula Based Rate ("FBR") in conjunction with pro forma agreements in a Commission-approved transmission tariff is intended to reduce or eliminate analysis required for individual transmission service agreements. The agreements in this Docket simply reflect straightforward application of the Mid-Kansas OATT.

### **RECOMMENDATION:**

Staff recommends acceptance of the filing for informational purposes and that the Docket be closed.

<sup>&</sup>lt;sup>2</sup> Mid-Kansas Open Access Transmission Tariff; Attachment G, Network Operating Agreement, 1.0 Network Service.

PLEASE FORWARD THE ATTACHED DOCUMENT (S) ISSUED IN THE ABOVE-REFERENCED DOCKET TO THE FOLLOWING:

NO. CERT. COPIES NO. PLAIN COPIES

# NAME AND ADDRESS

AMBER SMITH, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604-4027 \*\*\*Hand Delivered\*\*\*

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