THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Andrew J. French,	Chair
Before Commissioners:	Andrew J. French,	Cha

Dwight D. Keen Annie Kuether

In the Matter of the Application of Butler Rural)	
Electric Cooperating Assn. Inc. for Permission)	Docket No. 25-BTRE-286-CCS
to Cease Operating as a(n) Electric Public)	
Utility in the State of Kansas)	

ORDER GRANTING APPLICATION

The above-captioned matter comes before the State Corporation Commission of the State of Kansas ("Commission") for consideration and determination. Having examined its files and records, the Commission finds and concludes:

I. BACKGROUND

- 1. On January 22, 2025, Butler Rural Electric Cooperative Association, Inc. ("Butler Rural") filed an application in the above-captioned docket requesting to cease operating as an electric public utility with regard to a small tract of land in Sedgwick County, Kansas.¹
 - 2. The legal description of the tract of land is as follows:

SEDGWICK COUNTY, KANSAS

The South 1/2 of the West 1/2 of the North 1/2 of the Northwest 1/4 Section 36, Township 26 South, Range 02 East.

3. The above-described tract of land is located on the service border of Butler Rural and Evergy Kansas South, Inc. ("Evergy South"). On November 26, 2024, Evergy South filed an

¹ Butler Rural Cooperative Application, p. 1, Docket No. 25-BTRE-286-CCS (Jan. 22, 2025) ("Application").

application in Docket No. 25-EKSE-224-COC requesting to expand its certificated territory into the above-described tract of land.²

4. On February 11, 2025, Commission Staff ("Staff") submitted a Report and Recommendation ("R&R") in which Staff analyzed both Butler Rural's and Evergy South's Applications.³ In its R&R, Staff recommended that the Commission find that public convenience and necessity will be promoted by this transaction and therefore grant Butler Rural's Application.⁴ Staff's R&R is attached hereto as **Attachment A**.

II. LEGAL STANDARDS AND DISCUSSION

- 5. The Retail Electric Suppliers Act ("RESA"), K.S.A. 66-1,170 *et. seq*, 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. RESA provides that retail electric suppliers may enter into agreements to amend boundaries between their facilities, subject to Commission approval. 6
- 6. The Commission is given full power, authority, and jurisdiction to supervise and control the electric public utilities, as defined in K.S.A. 66-101a, doing business in Kansas, and is empowered to do all things necessary and convenient for the exercise of such power, authority, and jurisdiction.⁷ The Commission has the power to grant an Application to Cease Service if doing so would promote public convenience and necessity.

² Evergy Kansas South Application, p. 1, Docket No. 25-EKSE-224-COC (Nov. 26, 2024).

³ Report and Recommendation, Utilities Division, Docket No. 25-BTRE-286-CCS and 25-EKSE-224-COC (Feb. 11, 2025) ("Staff's R&R" or "R&R").

⁴ *Id.* at p. 3.

⁵ K.S.A. 66-1,172.

^{6 11}

⁷ K.S.A. 66-101.

III. FINDINGS AND CONCLUSIONS

7. A customer whose property is located on the border of the certificated territories of Butler Rural and Evergy South plans to build a new home on the property.⁸ This landowner contacted Butler Rural and Evergy South requesting an estimate to provide power to their future home.⁹ The estimate the landowner received from Evergy South was less expensive.¹⁰ Evergy South provided Staff a signed letter from the landowner requesting their property be released from Butler Rural and to allow Evergy South to provide their electrical needs.¹¹

8. Staff recommended that the Commission approve Evergy South's request to service the above-described tract of land because it would be inconvenient and more expensive for the landowner to clear additional trees for Butler Rural to provide service.¹²

9. Butler Rural and Evergy South have mutually agreed, subject to Commission approval, that Evergy South should serve as the electric provider for the above-described tract of land.¹³

10. Staff confirmed that the above-included legal description is accurately depicted on the map attached to each Application.¹⁴ Staff also confirmed that the legal description of the above-described tract of land does not conflict with the Commission's Certificate records.¹⁵

11. The Commission adopts Staff's analysis and recommendations as stated in its February 11, 2025, R&R, which is attached hereto and incorporated herein. The Commission

⁸ Staff's R&R, p. 2.

⁹ *Id*.

 $^{^{10}}$ Id

¹¹ Id

¹² Id.

¹³ *Id*.

¹⁴ *Id*.

¹⁵ *Id*.

concludes that public convenience and necessity will be promoted by the approval of Butler Rural's Application.

THEREFEORE, THE COMMISSION ORDERS:

- A. Butler Rural's Application is granted.
- 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).¹⁶

BY THE COMMISSION IT IS SO ORDERED.

French, Chair; Keen, Commissioner; Kuether, Commissioner

Dated: 02/19/2025

Abigail D. Emery

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Acting Secretary to the Commission

MKH

¹⁶ K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).



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Laura Kelly, Governor

Andrew J. French, Chairperson Dwight D. Keen, Commissioner Annie Kuether, Commissioner

REPORT AND RECOMMENDATION UTILITIES DIVISION

TO: Andrew J. French, Chairperson

Dwight D. Keen, Commissioner Annie Kuether, Commissioner

FROM: Jason Kerr, Utility Engineering Technician

Paul Owings, Deputy Chief Engineer Jeff McClanahan, Director of Utilities

DATE: February 11, 2025

SUBJECT: Docket No. 25-BTRE-286-CCS – In the Matter of the Application of Butler Rural

Electric Cooperative Assn. Inc. for Permission to Cease Operating as an Electric

Public Utility in the State of Kansas.

Docket No. 25-EKSE-224-COC – In the Matter of the Application of Evergy Kansas South, Inc. for Authority to Transact the Business of an Electric Public Utility Specifically, in a portion of Section 36, Township 26 South, Range 02 East,

Sedgwick County, Kansas.

EXECUTIVE SUMMARY:

In Docket 25-BTRE-286-CCS, Butler Rural Electric Cooperative Assn. Inc. ("Butler Rural") is seeking approval of the Commission to cease transacting as an electric public utility for a small tract of land in Butler County. In Docket 25-EKSE-224-COC, Evergy Kansas South, Inc. ("Evergy South") is requesting a Certificate of Convenience and Authority to engage in the business of an electric public utility for the tract of land.

Staff recommends that the Commission grant these Applications and find that public convenience will be promoted by these transactions.

BACKGROUND:

On January 22, 2025, Butler Rural brought Docket 25-BTRE-286-CCS by filing an Application to cease transacting as an electric public utility for a small tract of land (the Tract) in Sedgwick County, described as follows:

The South 1/2 of the West 1/2 of the North 1/2 of the Northwest 1/4 Section 36, Township 26 South, Range 02 East.

On November 26, 2024, Evergy South filed Docket 25-EKSE-224-COC for a Certificate of Convenience and Authority to engage in the business of an electric public utility for this tract of land.

A landowner whose property is located within the certified territory of Butler Rural and on the border of Evergy South, wishes to build a home on the property. The landowner contacted both Utility providers requesting an estimate to provide electric power to their future home. After the estimates were received, Evergy South was less expensive. The customer requested that their property be released from Butler Rural so Evergy South could provide their electric needs. Through a DR request, Evergy South provided Staff with a signed letter from the landowner requesting their property be released from Butler Rural and allow Evergy South to provide their electrical needs.

The landowner's property is located along the line dividing Butler Rural and Evergy South territories. It would be inconvenient and more expensive for the landowner to accept if Butler Rural was to clear additional trees to provide service to this customer. Evergy South has facilities contiguous to the landowner's property and can supply electricity with the existing facilities without the need or expense of new facilities, the cost of which would be passed to the landowner.

Along with the landowner's request, Butler Rural and Evergy South have mutually agreed, subject to Commission approval that Evergy South should be allowed to provide service to this customer.

ANALYSIS:

The Commission has jurisdiction to grant a Certificate of Convenience to any public utility seeking to transact business in the State of Kansas.¹ The Retail Electric Suppliers Act ("RESA"), K.S.A. 66-1,170 et seq., 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.² Notwithstanding the mandated single electric provider service territories, RESA also provides that retail electric suppliers can enter into agreements to amend boundaries between their facilities.³ Such agreements are filed in the form of Certificates and, if approved by the Commission, Certificates to amend the subject territory are issued accordingly.⁴ RESA provides that it is the public policy of the state of Kansas to minimize disputes between retail electric suppliers which may result in inconvenience, diminished efficiency and higher costs in serving the consumer.⁵

The statutory standard in this matter is whether the public convenience will be promoted by the transaction of the applicant's business and permitting the Applicant to transact the business of a public utility.⁶

Furthermore, pursuant to K.S.A. 66-131(b), the Commission's action date for issuing a decision in this Docket is May 25, 2025.

¹ K.S.A. 66-131(a); 66-1,172; 66-1,175.

² K.S.A. 66-1,172.

³ K.S.A. 66-1,175.

⁴ *Id*.

⁵ K.S.A. 66-1,171(f).

⁶ K.S.A. 66-131(a).

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

RECOMMENDATION:

Staff recommends that the Commission grant these Applications and find that public convenience will be promoted by this transaction. Upon approval, the updated territory descriptions will be reflected in the Commission's certified territory map.

ATTACHMENT A

Legal Description of Territory Trade Between
Butler Rural Electric Cooperative Assn. Inc. and Evergy Kansas South, Inc.
Docket No. 25-BTRE-286-CCS and 25-EKCE-224-COC

SEDGWICK COUNTY, KANSAS

The South 1/2 of the West 1/2 of the North 1/2 of the Northwest 1/4 Section 36, Township 26 South, Range 02 East.

CERTIFICATE OF SERVICE

25-BTRE-286-CCS

I, the undersigned, certify that a true copy of the attac	thed Order has been served to the following by means of
electronic service on	
BRETT W. BERRY, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604 brett.berry@ks.gov	MADISEN HANE, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604 madisen.hane@ks.gov
DOUG VEATCH, MANAGER OF OPERATIONS BUTLER RURAL ELECTRIC COOPERATIVE ASSN., INC. D/B/A VELOCITY 216 S. Vine El Dorado, KS 67042 doug@butler.coop	
	/S/ KCC Docket Room
	KCC Docket Room