

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

Before Commissioners: Mark Sievers, Chairman  
Thomas E. Wright  
Shari Feist Albrecht

In the Matter of the General Investigation )  
into Class Cost of Service and Rate Design )  
Methods Used to Establish Gas and Electric ) Docket No. 13-GIMX-606-GIV  
Utility Rates. )  
)

**ORDER OPENING DOCKET AND APPOINTING PREHEARING OFFICER**

This matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration. Having examined the files, the Commission concludes as follows:

1. On April 4, 2013, Staff filed a Report and Recommendation (R&R) recommending the Commission open a general investigation into class cost of service (CCOS) and rate design. Staff reasons the Commission has not broadly reviewed CCOS and rate design since 1998, and posits the Commission may benefit from evaluating potential methods of allocating costs among customer classes that reduces the discretionary choice of cost allocators.
2. The Commission may initiate an investigation into rates, rules, and regulations of gas<sup>1</sup> and electric public utilities.<sup>2</sup>
3. The Commission finds that all Kansas gas and electric public utilities should be made party to this proceeding and served with a copy of this Order. But only parties filing an

<sup>1</sup> K.S.A. 66-1,201; K.S.A. 66-1,204.

<sup>2</sup> K.S.A. 66-101d; K.S.A. 66-101g.

entry of appearance will be placed on the official mailing list and receive documents filed in this proceeding.

4. Entries of appearance are due by May 17, 2013.

5. Staff's R&R presents two questions: (1) is a Commission inquiry into cost allocation and rate design methodologies appropriate or necessary and (2) if so, what procedure should the Commission adopt to address these issues. Parties shall submit their comments by June 21, 2013. Reply comments are due by July 12, 2013.

6. Although the Commission will conduct any evidentiary hearing in this docket, the Commission designates a prehearing officer to conduct any prehearing conferences that may be needed in this proceeding and to address any matters that are appropriately considered in a prehearing conference, including all items listed in the Kansas Administrative Procedure Act (KAPA) at K.S.A. 77-517(b). These items include, for example, conversion of the proceeding to another type; exploration of settlement possibilities; preparation of stipulations; clarification of issues; rulings on identity and limitation of the number of witnesses; objections to proffers of evidence; determination of the extent to which direct evidence, rebuttal evidence, or cross-examination will be presented in written form, and the extent to which telephone or other electronic means will be used as a substitute for proceedings in person; order of presentation of evidence and cross-examination; rulings regarding issuance of subpoenas; discovery orders and protective orders; and such other matters as will promote the orderly and prompt conduct of the hearing.

7. The Commission concludes that a prehearing officer should be designated for this proceeding to conduct any prehearing conferences that might be needed and to address any matters that are appropriately considered in a prehearing conference, including all items listed in KAPA at

K.S.A. 77-517(b). The Commission designates Brian G. Fedotin, Advisory Counsel, 1500 SW Arrowhead Road, Topeka, KS 66604-4027, telephone number 785-271-3105, email address b.fedotin@kcc.ks.gov, to act as Prehearing Officer in this proceeding.<sup>3</sup> The Commission, as it deems necessary, may designate other staff members to serve in this capacity.

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

- A. The Commission initiates an investigation into Class Cost of Service and Rate Design methods used to establish gas and electric utility rates.
- B. The Commission designates Brian G. Fedotin to act as prehearing officer in this proceeding.
- C. Parties have 15 days from the date of electronic service of this Order to petition the Commission for reconsideration.<sup>4</sup>
- D. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further orders as it may deem necessary.

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<sup>3</sup> K.S.A. 77-514; K.S.A. 77-516; K.S.A. 77-551.

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

**BY THE COMMISSION IT IS SO ORDERED.**

Sievers, Chairman; Wright, Commissioner; Albrecht, Commissioner.

Dated: APR 10 2013

  
ORDER MAILED APR 11 2013  
Patrice Petersen-Klein  
Executive Director

BGF

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

NAME AND ADDRESS	NO. CERT. COPIES	NO. PLAIN COPIES
DEAN MATTHEWS, FIELD OPERATOR AMARILLO NATURAL GAS COMPANY 2915 I-40 WEST AMARILLO, TX 79109		
ALAN DEGOOD, PRESIDENT AMERICAN ENERGIES GAS SERVICE, LLC 155 N MARKET STREET SUITE 710 WICHITA, KS 67202		
STEVEN S. WILLIAMS, ESQ. ANADARKO NATURAL GAS COMPANY 1201 LAKE ROBBINS DRIVE THE WOODLANDS, TX 77380		
ATTN: GAS SERVICE CONTACT ATMOS ENERGY CORPORATION P O BOX 650205 DALLAS, TX 75265-0205		
MARGARET A. (MEG) MCGILL, REGULATORY MANAGER BLACK HILLS/KANSAS GAS UTILITY COMPANY, LLC D/B/A BLACK HILLS ENERGY 1102 EAST 1ST ST PAPIILLION, NE 68046		
KAREN SMITH, DEPUTY CITY CLERK CITY OF ALTA VISTA 521 MAIN PO BOX 44 ALTA VISTA, KS 66834		
ATTN: CITY CLERK CITY OF ESKRIDGE CITY HALL 110 SOUTH MAIN STREEET PO BOX 156 ESKRIDGE, KS 66423		
WILLIAM L. GIPSON, PRESIDENT / CEO EMPIRE DISTRICT ELECTRIC COMPANY 602 S JOPLIN AVE (64801) PO BOX 127 JOPLIN, MO 64802		

ORDER MAILED APR 11 2013

The Docket Room hereby certified that on this \_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, it caused a true and correct copy of the attached ORDER to be deposited in the United States Mail, postage prepaid, and addressed to the above persons.

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

NAME AND ADDRESS	NO. CERT. COPIES	NO. PLAIN COPIES
ITC GREAT PLAINS, LLC 1100 SW WANAMAKER RD STE 101 TOPEKA, KS 66604		
MARY TURNER, DIRECTOR, REGULATORY AFFAIRS KANSAS CITY POWER & LIGHT COMPANY ONE KANSAS CITY PL, 1200 MAIN ST (64105) PO BOX 418679 KANSAS CITY, MO 64141-9679		
BRIAN G. FEDOTIN, ADVISORY COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604-4027 ***Hand Delivered***		
JUDY JENKINS, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604-4027 ***Hand Delivered***		
JIM LUDWIG, VP REGULATORY KANSAS GAS & ELECTRIC CO. D/B/A WESTAR ENERGY 818 S KANSAS AVE PO BOX 889 TOPEKA, KS 66601-0889		
DAVID N. DITTEMORE, MANAGER OF RATES & ANALYSIS KANSAS GAS SERVICE, A DIVISION OF ONEOK, INC. 7421 W 129TH ST OVERLAND PARK, KS 66213-2634		
BOB POEHLING, GENERAL MANAGER KANSAS MUNICIPAL ENERGY AGENCY 6300 W 95TH ST OVERLAND PARK, KS 66212-1431		
C/O DAVID CRISP MID CONTINENT MARKET CENTER, INC. PO BOX 22089 TULSA, OK 74121		

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NAME AND ADDRESS	NO. CERT. COPIES	NO. PLAIN COPIES
DON GULLEY, VP REGULATORY & MARKET AFFAIRS MID-KANSAS ELECTRIC COMPANY, LLC 301 W 13TH ST PO BOX 980 HAYS, KS 67601		
EARNIE LEHMAN, CEO,PRES. & MGR. MIDWEST ENERGY, INC. 1330 CANTERBURY ROAD PO BOX 898 HAYS, KS 67601-0898		
KELLY B. HARRISON, PRESIDENT PRAIRIE WIND TRANSMISSION, LLC 818 S KANSAS AVE PO BOX 889 TOPEKA, KS 66601-0889		
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THOMAS K. HESTERMANN, MANAGER, REGULATORY RELATIONS SUNFLOWER ELECTRIC POWER CORPORATION 301 W. 13TH PO BOX 1020 (67601-1020) HAYS, KS 67601		
JEFFREY L. MARTIN, EXECUTIVE DIRECTOR, REGULATORY AFFAIRS WESTAR ENERGY, INC. 818 S KANSAS AVE PO BOX 889 TOPEKA, KS 66601-0889		
BRUCE W. MUELLER, GENERAL MANAGER WHEATLAND ELECTRIC COOPERATIVE, INC. 101 MAIN ST PO BOX 230 SCOTT CITY, KS 67871		

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