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THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

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by  
State Corporation Commission  
of Kansas

In the Matter of the Application of Mid-Kansas )  
Electric Company, LLC for Approval of a Debt ) Docket No. 13-MKEE-452-MIS  
Service Coverage Formula Based Ratemaking )  
Pilot Plan for the Geographic Territory Served by )  
Its Member-Owner Southern Pioneer Electric )  
Company. )

**CURB'S List of Contested Issues**

The Citizens' Utility Ratepayer Board (CURB), pursuant to the *Prehearing Officer Order Granting Joint Motion Modifying Procedural Schedule* issued in the above-captioned docket on June 17, 2013, presents below its list of seven contested issues that remain unresolved notwithstanding the filing of the *Non-Unanimous Settlement Agreement* filed in the above-captioned docket on June 21, 2013.

1. Should the Commission adopt a Debt Service Coverage Performance Based Ratemaking Plan (DSC-FBR Plan) for Southern Pioneer? CURB does not believe that a DSC-FBR Plan should be adopted.
2. If the KCC adopts a DSC-FBR Plan, how much time should be allotted for the annual review? The Settlement Agreement provides for up to 120 days but is based on the assumption that review and approval can generally be accomplished within 90 days. This amount of time is too short. A review period of up to the full 240-day statutory period should be available.
3. If the KCC adopts a DSC-FBR Plan, should it include Local Access Charges (LAC)? CURB recommends that if a DSC-FBR Plan is adopted, it should apply to all components of the revenue requirement that are under the jurisdiction of the KCC.
4. If the KCC adopts a DSC-FBR Plan, what DSC ratio should apply? The 1.75 ratio in the Settlement Agreement is excessive, and is even higher than the DSC floor requested by the Company. CURB recommends a DSC ratio of no greater than 1.40. If a higher ratio is used, then the plan should be limited to historic debt service.

5. If the KCC adopts a DSC-FBR Plan, it should be limited to changes in projected debt service, using a DSC ratio of 1.40.
6. The 10% limit on annual rate increases is too high. If a 10% limit is adopted, it should be applied only to non-fuel rates.
7. Approval of the DSC-FBR Plan is inconsistent with the KCC's statement that it would treat Southern Pioneer in a manner similar to other investor-owned utilities in the event the Company chose to remain a C corporation. [*Order Approving Settlement Agreement with Modifications*, at para. 27(F)(v), June 25, 2012, Docket No. 12-MKEE-380-RTS].

Respectfully submitted,



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**CERTIFICATE OF SERVICE**

13-MKEE-452-MIS

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing document was served by electronic service on this 25<sup>th</sup> day of June, 2013, to the following parties who have waived receipt of follow-up hard copies:

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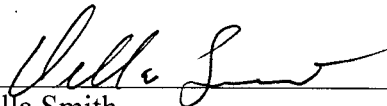
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