

BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

In the Matter of the Application of )  
Kansas Gas Service, a Division of ONE ) Docket No. 24-KGSG-610-RTS  
Gas, Inc. for Adjustment of its Natural )  
Gas Rates in the State of Kansas. )

Schedules

Prepared By

Staff

Utilities Division

Kansas Corporation Commission

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Line No.	Description	Staff Adjusted
1	Pro Forma Rate Base	\$ 1,403,190,274
2	Staff Rate of Return	<u>7.5305%</u>
3	Operating Income Required	105,667,720
4	Staff Adjusted Operating Income	<u>52,960,525</u>
5	Difference	52,707,195
6	Income Tax Factor	<u>79.00%</u>
7	Pro Forma Revenue Requirement Increase	<u><u>\$ 66,717,969</u></u>

Line No.	Description	Applicant Per Books	Applicant Adjustments	Applicant Adjusted	Staff Adjustments	Staff Adjusted
Plant in Service						
1	Intangible Plant	\$ 6,045	\$ -	\$ 6,045	\$ -	\$ 6,045
2	Production Plant	852,915	0	852,915	0	852,915
3	Storage Plant	0	0	0	0	0
4	Transmission Plant	317,405,724	(2,931,666)	314,474,058	6,498,448	320,972,506
5	Distribution Plant	1,918,985,431	14,255,090	1,933,240,521	60,484,057	1,993,724,578
6	General Plant	173,622,654	2,655,531	176,278,185	3,439,844	179,718,029
7	Corporate Allocated Plant	0	90,173,610	90,173,610	(3,853,575)	86,320,035
8	Construction Work In Progress	0	0	0	0	0
9	Plant in Service	\$ 2,410,872,769	\$ 104,152,565	\$ 2,515,025,334	\$ 66,568,774	\$ 2,581,594,108
10	Accumulated Depreciation & Amortization	(791,876,703)	(32,760,050)	(824,636,754)	(33,653,099)	(858,289,853)
11	Net Plant in Service	1,618,996,066	71,392,515	1,690,388,580	32,915,675	1,723,304,256
Working Capital						
12	Materials and Supplies	\$ 18,315,019	\$ 4,263,528	\$ 22,578,547	\$ 1,537,594	\$ 24,116,141
13	Gas Storage Inventory	52,500,155	0	52,500,155	(22,033,772)	30,466,383
14	Ft. Riley	0	8,275,102	8,275,102	(8,275,102)	0
15	Prepayments	1,465,528	5,274,370	6,739,898	214,123	6,954,020
16	Long Term Prepayments	0	1,862,099	1,862,099	221,663	2,083,762
17	Accumulated Deferred Inc. Tax Liability	(234,250,371)	14,791,788	(219,458,582)	7,387,130	(212,071,452)
18	Accumulated Deferred Inc. Tax Liab.- Corporate	0	(3,186,706)	(3,186,706)	(2,493,376)	(5,680,081)
19	Excess Derred Inc. Tax Liability	(150,121,475)	9,130,883	(140,990,592)	(1,667,556)	(142,658,148)
20	Excess Derred Inc. Tax Liab. Corporate	0	(4,417,136)	(4,417,136)	(19,618)	(4,436,754)
21	Customer Deposits	(13,782,710)	0	(13,782,710)	(8,213)	(13,790,922)
22	Customer Advances	(5,160,298)	0	(5,160,298)	63,368	(5,096,930)
23	Working Capital	\$ (331,034,152.29)	\$ 35,993,929.00	\$ (295,040,223.29)	\$ (25,073,758.43)	\$ (320,113,981.72)
24	Rate Base	\$ 1,287,961,913	\$ 107,386,444	\$ 1,395,348,357	\$ 7,841,917	\$ 1,403,190,274

Line No.	Description	Applicant Adjusted	Staff Adjustment No. 1	Staff Adjustment No. 2	Staff Adjustment No. 3	Staff Adjustment No. 4	Staff Adjustment No. 5	Staff Adjustment No. 6
Plant in Service								
1	Intangible Plant	6,045						
2	Production Plant	852,915						
3	Storage Plant	0						
4	Transmission Plant	314,474,058			6,498,448			
5	Distribution Plant	1,933,240,521			60,484,057			
6	General Plant	176,278,185			3,439,844			
7	Corporate Allocated Plant	90,173,610			(3,853,575)			
8	Construction Work In Progress	0						
9	Plant in Service	2,515,025,334	0	0	66,568,774	0	0	0
10	Accumulated Depreciation & Amortization	(824,636,754)				(33,653,099)		
11	Net Plant in Service	1,690,388,580	0	0	66,568,774	(33,653,099)	0	0
Working Capital								
12	Materials and Supplies	22,578,547						1,537,594
13	Gas Storage Inventory	52,500,155						
14	Ft. Riley	8,275,102						
15	Prepayments	6,739,898						
16	Long Term Prepayments	1,862,099						
17	Accumulated Deferred Inc. Tax Liability	(219,458,582)						
18	Accumulated Deferred Inc. Tax Liab.- Corporate	(3,186,706)					(2,493,376)	
19	Excess Derred Inc. Tax Liability	(140,990,592)	(1,667,556)					
20	Excess Derred Inc. Tax Liab. Corporate	(4,417,136)		(19,618)				
21	Customer Deposits	(13,782,710)						
22	Customer Advances	(5,160,298)						
23	Working Capital	(295,040,223)	(1,667,556)	(19,618)	0	0	(2,493,376)	1,537,594
24	Rate Base	1,395,348,357	(1,667,556)	(19,618)	66,568,774	(33,653,099)	(2,493,376)	1,537,594

Line No.	Description	Staff Adjustment No. 7	Staff Adjustment No. 8	Staff Adjustment No. 9	Staff Adjustment No. 10	Staff Adjustment No. 11	Total Staff Adjustments	Staff Adjusted
Plant in Service								
1	Intangible Plant							6,045
2	Production Plant							852,915
3	Storage Plant							0
4	Transmission Plant						6,498,448	320,972,506
5	Distribution Plant						60,484,057	1,993,724,578
6	General Plant						3,439,844	179,718,029
7	Corporate Allocated Plant						(3,853,575)	86,320,035
8	Construction Work In Progress							0
9	Plant in Service	0	0	0	0	0	66,568,774	2,581,594,108
10	Accumulated Depreciation & Amortization						(33,653,099)	(858,289,853)
11	Net Plant in Service	0	0	0	0	0	32,915,675	1,723,304,256
Working Capital								
12	Materials and Supplies						1,537,594	24,116,141
13	Gas Storage Inventory		(22,033,772)				(22,033,772)	30,466,383
14	Ft. Riley					(8,275,102)	(8,275,102)	0
15	Prepayments	214,123					214,123	6,954,020
16	Long Term Prepayments	221,663					221,663	2,083,762
17	Accumulated Deferred Inc. Tax Liability				7,387,130		7,387,130	(212,071,452)
18	Accumulated Deferred Inc. Tax Liab.- Corporate						(2,493,376)	(5,680,081)
19	Excess Derred Inc. Tax Liability						(1,667,556)	(142,658,148)
20	Excess Derred Inc. Tax Liab. Corporate						(19,618)	(4,436,754)
21	Customer Deposits			(8,213)			(8,213)	(13,790,922)
22	Customer Advances			63,368			63,368	(5,096,930)
23	Working Capital	435,785	(22,033,772)	55,156	7,387,130	(8,275,102)	(25,073,758)	(320,113,982)
24	Rate Base	435,785	(22,033,772)	55,156	7,387,130	(8,275,102)	7,841,917	1,403,190,274

Line No.	Description	Increase / (Decrease) to Rate Base
1	Staff Adjustment No. 1	Baldry
2	Excess Derred Inc. Tax Liability	(1,667,556)
3	To update KGS EDIT related to Pension, OPEB, and Net Operating Loss to April 30, 2024.	
4	Staff Adjustment No. 2	Baldry
5	Excess Derred Inc. Tax Liab. Corporate	(19,618)
6	To update KGS EDIT related to Remeasurement to April 30, 2024.	
7	Staff Adjustment No. 3	Buller
8	Transmission Plant	6,498,448
9	Distribution Plant	60,484,057
10	General Plant	3,439,844
11	Corporate Allocated Plant	(3,853,575)
12	To update KGS Plant in Service to April 30, 2024.	
13	Staff Adjustment No. 4	Buller
14	Accumulated Depreciation & Amortization	(33,653,099)
15	To update KGS accumulated depreciation to April 30, 2024.	
16	Staff Adjustment No. 5	Campbell
17	Accumulated Deferred Inc. Tax Liab.- Corporate	(2,493,376)
18	To update Corporate ADIT as of April 30, 2024.	
19	Staff Adjustment No. 6	Campbell
20	Materials and Supplies	1,537,594
21	To normalize and update KGS materials and supplies to April 30,2024, using a 18-month average.	
22	Staff Adjustment No. 7	Campbell
23	Prepayments	214,123
24	Long Term Prepayments	221,663
25	To normalize and update KGS and ONE Gas's prepayments to April 30,2024, using a 18-month average.	

Line No. Description	Increase / (Decrease) to Rate Base
26 Staff Adjustment No. 8	Campbell
27 Gas Storage Inventory	(22,033,772)
28 To update and normalized KGS Gas Storage Inventory to April 30, 2024, using a 18-month average.	
29 Staff Adjustment No. 9	Campbell
30 Customer Deposits	(8,213)
31 Customer Advances	63,368
32 To normalize and update KGS customer advances and Customer Deposits to April 30, 2024, using a 13-month average.	
33 Staff Adjustment No. 10	Jackson
34 Accumulated Deferred Inc. Tax Liability	7,387,130
35 To update ADIT to April 30, 2024 balances.	
36 Staff Adjustment No. 11	Buller
37 Ft. Riley	(8,275,102)
38 To remove Ft. Riley from working capital.	



Line No.	Description	Applicant Per Books	Applicant Adjustments	Applicant Adjusted	Staff Adjustments	Staff Adjusted	Staff Pro Forma Adjustments	Staff Pro Forma
Operating Revenues								
1	Gas Revenues	\$ 789,338,704	\$ (511,351,295)	\$ 277,987,409	\$ 1,108,946	\$ 279,096,355	\$ 66,717,969	\$ 345,814,324
2	Service and Other Revenues	67,309,786	(8,858,296)	58,451,490	\$ 91,472	58,542,962		58,542,962
3	Revenues	<u>\$ 856,648,490</u>	<u>\$ (520,209,591)</u>	<u>\$ 336,438,899</u>	<u>\$ 1,200,418</u>	<u>\$ 337,639,317</u>	<u>\$ 66,717,969</u>	<u>\$ 404,357,286</u>
Operations and Maintenance Expenses								
4	Production Expense	\$ 475,865,481	\$ (474,706,679)	\$ 1,158,802	\$ -	\$ 1,158,802		\$ 1,158,802
5	Underground Storage Expense	63,365	19	63,384	\$ -	63,384		63,384
6	Transmission Expense	7,395,598	(66,445)	7,329,153	\$ 73,416	7,402,569		7,402,569
7	Distribution Expense	60,824,123	2,293,858	63,117,981	\$ 483,702	63,601,683		63,601,683
8	Customer Account Expense	17,126,390	721,771	17,848,161	\$ (2,601,272)	15,246,889		15,246,889
9	Customer Service and Information Expense	384,566	(3,748)	380,817	\$ (20,128)	360,689		360,689
10	Sales Expense	479,905	19,590	499,495	\$ (9,651)	489,843		489,843
11	Administration and General Expense	90,850,994	(15,395,172)	75,455,822	\$ (3,649,615)	71,806,207		71,806,207
12	Operations and Maintenance Expenses	<u>\$ 652,990,422</u>	<u>\$ (487,136,807)</u>	<u>\$ 165,853,615</u>	<u>\$ (5,723,548)</u>	<u>\$ 160,130,067</u>	<u>\$ -</u>	<u>\$ 160,130,067</u>
13	Depreciation and Amortization	\$ 89,223,457	\$ 4,379,107	\$ 93,602,565	\$ (13,813,132)	\$ 79,789,433		\$ 79,789,433
14	Taxes Other Than Income Taxes	26,899,087	15,371,830	42,270,917	(136,385)	42,134,531		42,134,531
15	Total Income Taxes - Current	3,403,831	(10,191,962)	(6,788,131)	4,383,431	(2,404,700)	14,063,294	11,658,595
16	Deferred Income Taxes	682,881	4,373,767	5,056,648	0	5,056,648		5,056,648
17	Investment Tax Credits	(27,186)	0	(27,186)	0	(27,186)		(27,186)
18	Expenses	<u>\$ 773,172,492</u>	<u>\$ (473,204,066)</u>	<u>\$ 299,968,426</u>	<u>\$ (15,289,634)</u>	<u>\$ 284,678,792</u>	<u>\$ 14,063,294</u>	<u>\$ 298,742,087</u>
19	Operating Income	<u>\$ 83,475,998</u>	<u>\$ (47,005,525)</u>	<u>\$ 36,470,473</u>	<u>\$ 16,490,052</u>	<u>\$ 52,960,525</u>	<u>\$ 52,654,674</u>	<u>\$ 105,615,199</u>

Line No.	Description	Applicant Adjusted	Staff Adjustment No. 1	Staff Adjustment No. 2	Staff Adjustment No. 3	Staff Adjustment No. 4	Staff Adjustment No. 5
Operating Revenues							
1	Gas Revenues	277,987,409			228,129		
2	Service and Other Revenues	58,451,490					
3	Revenues	<u>336,438,899</u>	0	0	228,129	0	0
Operations and Maintenance Expenses							
4	Production Expense	1,158,802					
5	Underground Storage Expense	63,384					
6	Transmission Expense	7,329,153				73,721	
7	Distribution Expense	63,117,981			8,274	479,103	
8	Customer Account Expense	17,848,161				(805,839)	
9	Customer Service and Information Expense	380,817				(11,169)	
10	Sales Expense	499,495				2,976	
11	Administration and General Expense	75,455,822	44,737			(295,086)	28,882
12	Operations and Maintenance Expenses	<u>165,853,615</u>	44,737	0	8,274	(556,294)	28,882
13	Depreciation and Amortization	93,602,565		(11,845,934)	(329,472)		
14	Taxes Other Than Income Taxes	42,270,917				(53,540)	
15	Total Income Taxes - Current	(6,788,131)					
16	Deferred Income Taxes	5,056,648					
17	Investment Tax Credits	(27,186)					
18	Expenses	<u>299,968,426</u>	44,737	(11,845,934)	(321,198)	(609,834)	28,882
19	Operating Income	<u>36,470,473</u>	(44,737)	11,845,934	549,327	609,834	(28,882)

Line No.	Description	Staff Adjustment No. 6	Staff Adjustment No. 7	Staff Adjustment No. 8	Staff Adjustment No. 9	Staff Adjustment No. 10	Staff Adjustment No. 11	Staff Adjustment No. 12
Operating Revenues								
1	Gas Revenues							
2	Service and Other Revenues							
3	Revenues	0	0	0	0	0	0	0
Operations and Maintenance Expenses								
4	Production Expense							
5	Underground Storage Expense							
6	Transmission Expense							
7	Distribution Expense							
8	Customer Account Expense							
9	Customer Service and Information Expense							
10	Sales Expense							
11	Administration and General Expense	(73,350)	36,970	(1,624,195)	(36,846)	(65,741)		415
12	Operations and Maintenance Expenses	(73,350)	36,970	(1,624,195)	(36,846)	(65,741)	0	415
13	Depreciation and Amortization						(1,521,778)	
14	Taxes Other Than Income Taxes			(49,418)				
15	Total Income Taxes - Current							
16	Deferred Income Taxes							
17	Investment Tax Credits							
18	Expenses	(73,350)	36,970	(1,673,613)	(36,846)	(65,741)	(1,521,778)	415
19	Operating Income	73,350	(36,970)	1,673,613	36,846	65,741	1,521,778	(415)

Line No.	Description	Staff Adjustment No. 13	Staff Adjustment No. 14	Staff Adjustment No. 15	Staff Adjustment No. 16	Staff Adjustment No. 17	Staff Adjustment No. 18	Staff Adjustment No. 19
Operating Revenues								
1	Gas Revenues							819,121
2	Service and Other Revenues							85,065
3	Revenues	0	0	0	0	0	0	904,186
Operations and Maintenance Expenses								
4	Production Expense							
5	Underground Storage Expense							
6	Transmission Expense							
7	Distribution Expense							
8	Customer Account Expense							
9	Customer Service and Information Expense							
10	Sales Expense				(12,500)			
11	Administration and General Expense	(149,496)	(90,867)	(168,357)	(326,804)	(731,221)	(41,441)	
12	Operations and Maintenance Expenses	(149,496)	(90,867)	(168,357)	(339,304)	(731,221)	(41,441)	0
13	Depreciation and Amortization						(115,947)	
14	Taxes Other Than Income Taxes					(33,428)		
15	Total Income Taxes - Current							
16	Deferred Income Taxes							
17	Investment Tax Credits							
18	Expenses	(149,496)	(90,867)	(168,357)	(339,304)	(764,649)	(157,389)	0
19	Operating Income	149,496	90,867	168,357	339,304	764,649	157,389	904,186

Line No.	Description	Staff Adjustment No. 20	Staff Adjustment No. 21	Staff Adjustment No. 22	Staff Adjustment No. 23	Total Adjustments	Staff Adjusted
Operating Revenues							
1	Gas Revenues	61,696				1,108,946	279,096,355
2	Service and Other Revenues	6,407				91,472	58,542,962
3	Revenues	68,103	0	0	0	1,200,418	337,639,317
Operations and Maintenance Expenses							
4	Production Expense					0	1,158,802
5	Underground Storage Expense					0	63,384
6	Transmission Expense		(305)			73,416	7,402,569
7	Distribution Expense		(3,675)			483,702	63,601,683
8	Customer Account Expense		(675)	(1,794,758)		(2,601,272)	15,246,889
9	Customer Service and Information Expense		(8,960)			(20,128)	360,689
10	Sales Expense		(127)			(9,651)	489,843
11	Administration and General Expense		(157,215)			(3,649,615)	71,806,207
12	Operations and Maintenance Expenses	0	(170,956)	(1,794,758)	0	(5,723,548)	160,130,067
13	Depreciation and Amortization					(13,813,132)	79,789,433
14	Taxes Other Than Income Taxes					(136,385)	42,134,531
15	Total Income Taxes - Current				4,383,431	4,383,431	(2,404,700)
16	Deferred Income Taxes					0	5,056,648
17	Investment Tax Credits					0	(27,186)
18	Expenses	0	(170,956)	(1,794,758)	4,383,431	(15,289,634)	284,678,792
19	Operating Income	68,103	170,956	1,794,758	(4,383,431)	16,490,052	52,960,525

Line No. Description	Increase / (Decrease) to Operating Income
1 Staff Adjustment No. 1	Baldry
2 Administration and General Expense	(44,737)
3 To reflect lease expense to April 30, 2024.	
4 Staff Adjustment No. 2	Buller
5 Depreciation and Amortization	11,845,934
6 To reflect Staff's adjustment to depreciation expense using the April 30, 2024, plant balance and Staff's depreciation rates.	
7 Staff Adjustment No. 3	Buller
8 Gas Revenues	228,129
9 Distribution Expense	(8,274)
10 Depreciation and Amortization	329,472
11 To update Fort Riley Revenue and O&M Expense to April 30, 2024 and move the related Depreciation Expense to IS-2.	
12 Staff Adjustment No. 4	Figgs
13 Transmission Expense	(73,721)
14 Distribution Expense	(479,103)
15 Customer Account Expense	805,839
16 Customer Service and Information Expense	11,169
17 Sales Expense	(2,976)
18 Administration and General Expense	295,086
19 Taxes Other Than Income Taxes	53,540
20 To update and annualize payroll expenses, annualize payroll taxes, 401(k) costs, retirement plan, and profit sharing costs.	
21 Staff Adjustment No. 5	Figgs
22 Administration and General Expense	(28,882)
23 To reflect Staff's adjustment to insurance	
24 Staff Adjustment No. 6	Figgs
25 Administration and General Expense	73,350
26 To normalize worker's compensation expense by using a three-year average ending April 30, 2024.	

Line No. Description	Increase / (Decrease) to Operating Income
27 Staff Adjustment No. 7	Figgs
28 Administration and General Expense	(36,970)
29 To update employee medical reserve expense using the 12-month ending balance as of April 30, 2024.	
30 Staff Adjustment No. 8	Figgs
31 Administration and General Expense	1,624,195
32 Taxes Other Than Income Taxes	49,418
33 To reflect Staff's adjustment to incentive compensation.	
34 Staff Adjustment No. 9	Figgs
35 Administration and General Expense	36,846
36 To reflect Staff's adjustment to corporate benefits.	
37 Staff Adjustment No. 10	Figgs
38 Administration and General Expense	65,741
39 To decrease expense related to the amortization of pension and OPEB costs.	
40 Staff Adjustment No. 11	Figgs
41 Depreciation and Amortization	1,521,778
42 To reflect Staff's adjustment to Tracker 1.	
43 Staff Adjustment No. 12	Figgs
44 Administration and General Expense	(415)
45 To reflect Staff's update to Interest on Customer Deposits.	
46 Staff Adjustment No. 13	Figgs
44 Administration and General Expense	149,496
45 To reflect Staff's adjustment to Relocation charges.	
46 Staff Adjustment No. 14	Figgs
47 Administration and General Expense	90,867
48 To reflect Staff's adjustment to Severance Charges.	

Line No. Description	Increase / (Decrease) to Operating Income
49 Staff Adjustment No. 15	Figgs
50 Administration and General Expense	168,357
51 To decrease expenses related to amortized rate case expense.	
52 Staff Adjustment No. 16	Campbell
53 Sales Expense	12,500
54 Administration and General Expense	326,804
55 To reflect Staff's adjustment to Miscellaneous Expenses.	
56 Staff Adjustment No. 17	Jackson
57 Administration and General Expense	731,221
58 Taxes Other Than Income Taxes	33,428
59 To update the Distrigas allocation factor to reflect three-year average.	
60 Staff Adjustment No. 18	Jackson
61 Administration and General Expense	41,441
62 Depreciation and Amortization	115,947
63 To reflect Staff's adjustment to the Cyber Security Tracker.	
64 Staff Adjustment No. 19	Glass
65 Gas Revenues	819,121
66 Service and Other Revenues	85,065
67 To reflect Staff's adjustment to test year revenue levels based on normalized weather during the test year.	904,186
68 Staff Adjustment No. 20	Glass
69 Gas Revenues	61,696
70 Service and Other Revenues	6,407
71 To reflect Staff's adjustment to normalize the impact of changes in the number of customers served during the test year.	



Line No. Description	Increase / (Decrease) to Operating Income
72 Staff Adjustment No. 21	Figgs
73 Transmission Expense	305
74 Distribution Expense	3,675
75 Customer Account Expense	675
76 Customer Service and Information Expense	8,960
77 Sales Expense	127
78 Administration and General Expense	157,215
79 To reflect Staff's adjustment to miscellaneous corporate charges.	
74 Staff Adjustment No. 22	Luke Fry
75 Customer Account Expense	1,794,758
76 To reflect Staff's adjustment to bad debt expense.	
76 Staff Adjustment No. 23	Luke Fry
77 Total Income Taxes - Current	(4,383,431)
78 To reflect Staff's adjustment to Income Tax expenses.	

Line No.	Description	Applicant Per Books	Applicant Adjustments	Applicant Adjusted	Staff Adjustments	Staff Adjusted	Staff Pro Forma Adjustments	Staff Pro Forma
1	Operating Income Before Income Taxes	87,535,524	(52,823,721)	34,711,803	20,873,483	55,585,286	66,717,969	122,303,255
	Tax Differences							
2	Interest on Debt	(30,682,964)	5,868,803	(24,814,161)	0	(24,814,161)	250,100	(24,564,061)
3	Other Income and Deductions	1,086,402	(1,086,402)	0	0	0	0	0
4	Reverse Book Depreciation	82,740,919	0	82,740,919	0	82,740,919	0	82,740,919
5	Other CIAC to Income	1,583,594	0	1,583,594	0	1,583,594	0	1,583,594
6	Workmen's Comp Settlement	259,228	0	259,228	0	259,228	0	259,228
7	Bad Debts	1,501,703	0	1,501,703	0	1,501,703	0	1,501,703
8	Amortizations	330,663	0	330,663	0	330,663	0	330,663
9	OPEB Cash Payments	(10,103,865)	0	(10,103,865)	0	(10,103,865)	0	(10,103,865)
10	Contingencies/Reserves	8,753,910	0	8,753,910	0	8,753,910	0	8,753,910
11	Pension: Book Accrual	(1,761,575)	0	(1,761,575)	0	(1,761,575)	0	(1,761,575)
12	Pension: Contributions	43,484	0	43,484	0	43,484	0	43,484
13	OPEB: Book Accrual	67,647,860	0	67,647,860	0	67,647,860	0	67,647,860
14	Book Reg Assets - Net	(125,774,436)	0	(125,774,436)	0	(125,774,436)	0	(125,774,436)
15	Purchased Gas Adjustment	(2,620,487)	0	(2,620,487)	0	(2,620,487)	0	(2,620,487)
16	Tax Depreciation	9,383	0	9,383	0	9,383	0	9,383
17	Rate Case Expenses	(64,832,458)	0	(64,832,458)	0	(64,832,458)	0	(64,832,458)
18	Active Employee Benefits	166,409	(166,409)	0	0	0	0	0
19	Net Operating Loss	227,426	(227,426)	0	0	0	0	0
20	Meal Disallowance - 50%	96,086	(96,086)	0	0	0	0	0
21	Lobbying Expenses	1,150	(1,150)	0	0	0	0	0
22	Civic Disallowance - 50%	763	(763)	0	0	0	0	0
23	Total Tax Differences	(71,326,805)	4,290,568	(67,036,238)	0	(67,036,238)	250,100	(66,786,138)
24	Taxable Income	16,208,719	(48,533,153)	(32,324,435)	20,873,483	(11,450,951)	66,968,069	55,517,117
25	LESS: Permanent Differences	0	0	0	0	0	0	0
26	Taxable Income Less Permanent Differences	16,208,719	(48,533,153)	(32,324,435)	20,873,483	(11,450,951)	66,968,069	55,517,117
27	Kansas Income Tax Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
28	Kansas Income Tax	0	0	0	0	0	0	0
29	Adjustments	0	0	0	0	0	0	0
30	Kansas Income Tax - Current	0	0	0	0	0	0	0
31	Taxable Federal Income	16,208,719	(48,533,153)	(32,324,435)	20,873,483	(11,450,951)	66,968,069	55,517,117
32	LESS: Permanent Differences	0	0	0	0	0	0	0
33	Taxable Income Less Permanent Differences	16,208,719	(48,533,153)	(32,324,435)	20,873,483	(11,450,951)	66,968,069	55,517,117
34	Federal Income Tax Rate	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
35	Federal Income Tax	3,403,831	(10,191,962)	(6,788,131)	4,383,431	(2,404,700)	14,063,294	11,658,595
36	Adjustments	0	0	0	0	0	0	0
37	Federal Income Tax - Current	3,403,831	(10,191,962)	(6,788,131)	4,383,431	(2,404,700)	14,063,294	11,658,595
	Summary of Income Taxes - Current							
38	Kansas Income Tax	0	0	0	0	0	0	0
39	Federal Income Tax	3,403,831	(10,191,962)	(6,788,131)	4,383,431	(2,404,700)	14,063,294	11,658,595
40	Total Income Taxes - Current	3,403,831	(10,191,962)	(6,788,131)	4,383,431	(2,404,700)	14,063,294	11,658,595

Line No.	Description	Applicant Adjusted	Staff Adjusted	Staff Pro Forma
1	Rate Base	\$ 1,395,348,357	\$ 1,403,190,274	\$ 1,403,190,274
2	Weighted Cost of Debt (Schedule C-1)	1.7783%	1.7506%	1.7506%
3	Interest Expense	\$ 24,813,480	\$ 24,564,061	\$ 24,564,061

Line No.	Description	Total Company	Applicant Adjustments	Applicant Adjusted Balance	Staff Adjustments	Staff Adjusted	Capitalization Ratio's	Cost of Capital	Weighted Cost of Capital
1	Long Term Debt	\$ 1,876,669,799	\$ -	\$ 1,876,669,799	\$ 514,889	\$ 1,877,184,688	39.7922%	4.3993%	1.7506%
2	Common Equity	<u>2,765,878,165</u>	0	2,765,878,165	74,404,320	2,840,282,485	<u>60.2078%</u>	9.6000%	<u>5.7799%</u>
3	Total	<u>\$ 4,642,547,964</u>	\$ -	\$ 4,642,547,964	\$74,919,209	\$ 4,717,467,173	100.0000%		<u>7.5305%</u>

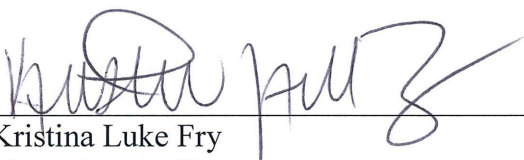
Line No.	Description	Applicant Adjusted Balance	Staff Adjustment No. 1	Total Staff Adjustments	Staff Adjusted
1	Long Term Debt	1,876,669,799	514,889	514,889	1,877,184,688
2	Common Equity	2,765,878,165	74,404,320	74,404,320	2,840,282,485
3	Total	4,642,547,964	74,919,209	74,919,209	4,717,467,173

Line No.	Description	Increase / (Decrease) to Capital Structure
1	Long Term Debt	514,889
2	Common Equity	74,404,320
3	To revise capital structure	

STATE OF KANSAS )  
 ) ss.  
COUNTY OF SHAWNEE )

**VERIFICATION**

Kristina Luke Fry, being duly sworn upon her oath deposes and states that she is a Managing Auditor for the Utilities Division of the Kansas Corporation Commission of the State of Kansas, that she has read and is familiar with the foregoing *Direct Testimony*, and attests that the statements contained therein are true and correct to the best of her knowledge, information and belief.

  
\_\_\_\_\_  
Kristina Luke Fry  
Managing Auditor  
State Corporation Commission of the  
State of Kansas

Subscribed and sworn to before me this 26 day of June, 2024.

  
\_\_\_\_\_  
Notary Public

My Appointment Expires: 4/28/25

 NOTARY PUBLIC - State of Kansas  
ANN M. MURPHY  
My Appt. Expires 4/28/25

## **CERTIFICATE OF SERVICE**

24-KGSG-610-RTS

I, the undersigned, certify that a true and correct copy of the above and foregoing Testimony was served via electronic service on the 1st day of July, 2024, to the following:

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## CERTIFICATE OF SERVICE

24-KGSG-610-RTS

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*Ann Murphy*

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