

CURB News

News from the Watchdog for Residential and Small Commercial Utility Consumers

December 2019



THE CITIZENS' UTILITY RATEPAYER BOARD OF KANSAS

Atmos Energy Rate Case Update

CURB's primary focus the past few months has been Atmos Energy Company's (Atmos) rate case, Docket No. 19-ATMG-525-RTS, for which an evidentiary hearing was held December 10–12 in the Kansas Corporation Commission's (KCC) Topeka office. Atmos provides retail natural gas service to approximately 135,000 customers in 32 Kansas counties. The parties/interveners in the Docket are Atmos, KCC Staff, and CURB.

Atmos's proposal would result in an additional \$7.16 million *increase* to its year one revenue requirement, while CURB's proposal would result in a \$3.15 million *reduction*.

CURB's expert witnesses for the evidentiary hearing were: Dr. Randall Woolridge, Josh Frantz, Andrea Crane, James Garren, and Glenn Watkins. Dr. Woolridge proposes a lower return on equity (ROE) than proposed by Atmos and KCC Staff; Mr. Frantz proposes modifications to the proposed System Integrity Program (SIP), which is designed to accelerate replacement of obsolete pipeline; Ms. Crane proposes several adjustments to rate base, including adjustments related to disallowance of certain incentive compensation and retirement plan expenses; Mr. Garren supports CURB's depreciation methodology; and Mr. Watkins supports CURB's rate design, including a reduction of the monthly customer charge (a.k.a. "facilities charge") in contrast to Atmos's proposed customer charge increase.

Going forward, briefs by the parties will be filed in January, and the Final Order from the Commission is due by February 24, 2020.

MAJOR CASES WE ARE CURRENTLY FOLLOWING:

- **SENATE BILL 69** —
ELECTRIC RATE STUDY
- **19-ATMG-525-RTS** —
ATMOS RATE CASE
- **20-KG&E-112-CON** —
WESTAR'S AGREEMENT WITH SPIRIT AEROSYSTEMS
- **19-SPEE-240-MIS** —
SOUTHERN PIONEER FORMULA BASED RATEMAKING
- **20-SPEE-169-RTS** —
SOUTHERN PIONEER RATE CASE

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Semi-Annual NASUCA Conference Recap

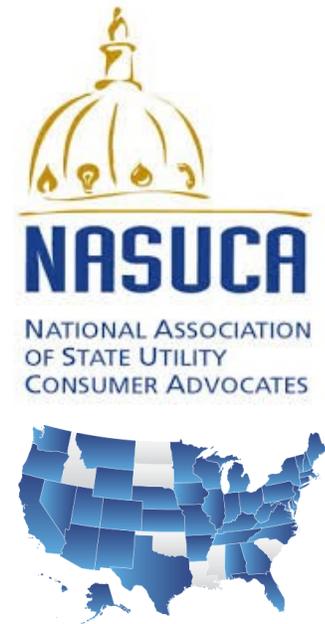
Josh Frantz, rate analyst for CURB, attended the semi-annual conference of the National Association of State Utility Consumer Advocates (NASUCA) held November 2019 in San Antonio, Texas. NASUCA is an association of 55 consumer advocate offices in 43 states as well as the District of Columbia, Barbados, Puerto Rico, and Jamaica. NASUCA holds two conferences per year, one in June and one in November. These conferences help consumer advocates like CURB become familiar with utility issues other states are facing, learn best practices in representing utility consumers, and allow members to share and discuss their successes and challenges.

Within NASUCA there are several committees focused on specific facets of the utility industry: Electricity; Natural Gas; DER (distributed energy resources); Water; Telecommunications; Accounting and Taxes; and Consumer Protection. Each committee holds meetings (typically monthly via telephone or web) to discuss policy positions. During the conference, each Committee Chair gave an overview of the goings-on within their Committee.

Sessions of the November 2019 NASUCA conference covered topics such as: system impacts of high variable renewable energy; grid modernization planning; affordability, arrearage and shut-off issues; consumer privacy pertaining to energy data; regional transmission organizations (RTOs) and independent system operators (ISOs); the impacts of electrification on the natural gas industry; and advanced metering systems.

A major happening at this conference was a first-of-its-kind joint resolution between NASUCA and the National Association of Regulatory Utility Commissioners (NARUC) which was passed during the meeting. The resolution relates to data collection/reporting for utility service payment delinquencies and disconnections. In essence, the resolution recognizes the “energy burden” faced by lower income households—particularly those with seniors, infants, or individuals with medical needs—and encourages the standardization of data and sharing of best practices to help reduce the occurrence and negative impact of service payment delinquencies and disconnections.

CURB members who attend these conferences return to Kansas with broadened industry knowledge. Plus, it can be reinvigorating to have discussions with consumer advocates from other states facing the same battles CURB faces in Kansas. The next NASUCA conference will be held June 2020 in Portland, Maine. CURB will continue to attend these conferences in order to improve its ability to advocate for residential and small commercial ratepayers.



A MAJOR HAPPENING AT THIS CONFERENCE WAS A JOINT RESOLUTION BETWEEN NASUCA AND NARUC TO HELP REDUCE THE OCCURRENCE AND NEGATIVE IMPACT OF SERVICE PAYMENT DELINQUENCIES AND DISCONNECTIONS.

We're on the Web!

curb.kansas.gov

Evergy Drone Program Presentation



CURB members recently attended a presentation of Evergy’s Unmanned Aircraft Systems (UAS, commonly referred to as “drones”) Program held at the Kansas Corporation Commission’s (KCC) Topeka office. Following a slideshow presentation in the KCC hearing room, attendees were able to view a live demonstration in the parking lot.

Evergy began its use of drones in 2016. Current capabilities include: visual inspection, infrared inspection, surveying, enclosed area inspections, and outage/storm response. Different drone models are used for different tasks—for instance, a caged model is used for enclosed area inspections. Benefits of drones include employee safety and greatly improved maneuverability (no scaffolding or bucket truck required for visual inspections).

As for capabilities on the horizon, Evergy is working with the Federal Air-space Administration (FAA) in partnership with other industry leaders to prove the effectiveness of beyond visual line of sight flights (BVLOS, flights operated outside a pilot’s line of sight) for the inspection of its infrastructure. BVLOS flight is not yet allowed in the United States without a hard-to-get waiver from the FAA. The eventual goal is to use UAS to perform fully-automated system inspections and data analysis.

CUSTOMERS OF



THE KCC NEEDS YOUR OPINION ABOUT ELECTRIC SERVICE RATES!

The Kansas Corporation Commission is holding a public hearing on Southern Pioneer’s proposed rate changes in docket 20-SPEE-169-RTS:

MONDAY, JANUARY 6, 2020, 6:00–8:00 P.M.

LIBERAL HIGH SCHOOL AUDITORIUM

1611 W 2ND ST

LIBERAL, KANSAS

or by video-conference at:

Medicine Lodge High School Library

400 W Eldorado Ave

Medicine Lodge, Kansas

Public hearings give customers the opportunity to ask questions of representatives of the KCC Staff, CURB, and the utility company in an informal session.

VISIT:

[HTTPS://KCC.KS.GOV/](https://kcc.ks.gov/)

[YOUR-OPINION-MATTERS](#)

FOR MORE INFORMATION ABOUT
THIS PUBLIC HEARING

CLICK [HERE](#) TO SUBMIT A PUBLIC
COMMENT ONLINE

ABOUT THE CITIZENS' UTILITY RATEPAYER BOARD (CURB)

Established in 1988, the Citizens' Utility Ratepayer Board (CURB) is an agency focused on advocacy for residential and small commercial utility consumers in Kansas. The Board is composed of five (5) appointed volunteer members representing the four congressional districts in Kansas and one at-large member. CURB was initially founded by the Chairman of the Kansas Corporation Commission upon a perceived need for a stronger consumer advocate. CURB has evolved into an independent agency, currently employing a consumer counsel, two supporting attorneys, two analysts, and two administrative staff.

OUR MISSION: To zealously protect the interests of residential and small commercial utility ratepayers before the Kansas Corporation Commission and the Kansas legislature.

OUR VISION: To protect Kansas residential and small commercial utility ratepayers by promoting the delivery of optimal utility services—being safe, reliable and technically robust, environmentally sensible, cost-effective, and equitably provided to all Kansas utility consumers at just prices.

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Questions? Contact our Editor,
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