

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the joint applica-) Application No. NG-0039
tion of Kinder Morgan, Inc.,)
Houston, Texas; KM Retail Utilities)
Holdco LLC, Houston, Texas; Source)
Gas Distribution LLC, Lakewood,)
Colorado, Source Gas Holdings LLC,)
Stamford, Connecticut; and Source)
Gas LLC, Stamford, Connecticut;)
seeking approval of (1) the pro-) ASSESSMENT ORDER NO. HS-0012
posed transfer of Kinder Morgan,)
Inc.'s Nebraska Certificate of Con-)
venience and utility assets to)
Source Gas Distribution LLC; and)
(2) the proposed change of control)
of Source Gas Distribution LLC from)
Kinder Morgan, Inc. to Source Gas)
LLC.) Entered: June 4, 2013

BY THE COMMISSION:

The Commission received the following invoices from Harding & Shultz for costs associated with the above-captioned docket:

September 4, 2012	\$171.50
October 4, 2012	\$955.50
November 1, 2012	\$494.24

The Commission's contract with Harding & Shultz to serve as Public Advocate terminated on November 14, 2012. As of that date, the above-described amounts, totaling \$1,621.24, were outstanding.

In order to fulfill the Commission's obligations to pay Harding & Shultz for work performed, the Commission staff was directed on November 27, 2012, to make payment to Harding & Shultz for the above-described invoices using General Funds available to the Commission. In addition, Commission staff was directed to assess these costs to SourceGas no later than June 11, 2013, to allow General Funds used in the payment to be restored prior to commencement of the 2013-2014 fiscal year.

Investigation-related assessments are governed by Neb. Rev. Stat. § 66-1840, which specifies a maximum limit on the amount that may be assessed to a jurisdictional utility during a fiscal year:

The total amount, in any one fiscal year, for which any utility shall be assessed under this section shall not exceed the following: (a) For a jurisdictional utility that has not filed an annual report with the commission as provided in the State Natural Gas Regulation Act prior to the beginning of the commission's fiscal year, actual expenses, including direct and indirect expenses, incurred by

the commission; and (b) for any other jurisdictional utility, one percent of the utility's gross operating jurisdictional revenue less gas cost derived from intrastate natural gas utility business as reflected in the last annual report filed with the commission pursuant to the act prior to the beginning of the commission's fiscal year. The commission may render bills in one fiscal year for costs incurred within a previous fiscal year.

Neb. Rev. Stat. § 66-1840.

The maximum amount assessable to SourceGas Distribution LLC (SourceGas) for the 2012-2013 fiscal year is \$352,209.21, consistent with Neb. Rev. Stat. sec. 66-1840. By vote on July 10, 2012, the Commission allocated a total of \$342,209.21 to the Public Advocate for assessment to SourceGas under sec. 66-1840, reserving the remaining \$10,000.00 for assessment of Commission consultant costs, for the 2012-2013 fiscal year.¹

Commission staff recommends that the Commission approve assessments of the following invoices and corresponding amounts, totaling \$1,621.24:

September 4, 2012	\$171.50
October 4, 2012	\$955.50
November 1, 2012	\$494.24

O P I N I O N A N D F I N D I N G S

Upon the recommendations of the Commission staff, the Commission finds that assessment against SourceGas of a total of \$1,621.24 should be made. The Commission further finds that the Commission staff should restore the Commission's General Funds prior to commencement of the 2013-2014 fiscal year for the above-described invoices upon receipt of payment by SourceGas.

O R D E R

¹ By vote on March 12, 2013, the Commission approved adjusting the allocation for Fiscal Year 2012-2013 of SourceGas Distribution LLC's cap on direct natural gas assessments to the Public Advocate from \$342,209.21 to \$347,209.21; leaving a balance of \$5,000 each for Public Advocate costs and Natural Gas Department consultants; these amounts are being assessed in Docket NG-0072, *In the Matter of SourceGas Distribution LLC, Golden, Colorado, seeking approval of an infrastructure system replacement cost recovery charge, pursuant to Sections 66-1865 and 66-1866 of the State Natural Gas Regulation Act.*

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IT IS THEREFORE ORDERED by the Commission that the above-described assessment of \$1,621.24 is approved and hereby made and that the Commission's General Fund be restored upon payment of the above-mentioned amount upon receipt of payment by SourceGas Distribution, LLC.

MADE AND ENTERED at Lincoln, Nebraska, this 4th day of June, 2013.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:







Chair

ATTEST:



Executive Director