



*Serving the People of Kansas...*

# KANSAS CORPORATION COMMISSION

## CONSUMER ALERT

### **Kansas Gas Service Deferred 2021 Winter Weather Event Costs**

On February 8, 2022, the Kansas Corporation Commission (KCC) approved a settlement agreement outlining how Kansas Gas Service (KGS) will recover \$366 million in deferred natural gas costs incurred during the February 2021 winter weather event.

KGS applied for and received Securitized Utility Tariff Bonds to obtain the most favorable financing to reduce costs to ratepayers. The 2021 Kansas Legislature passed the Utility Financing and Securitization Act, which allows utilities to use securitized bonds to pay for extraordinary costs at more favorable terms than traditional financing.

The KCC reviewed and approved the KGS securitization plan to ensure the lowest possible bond costs were passed on to customers.

Beginning in December 2022, KGS customers will see an itemized "Winter Event Securitized Cost" of \$5.64 per on their monthly bills. The length of the payment period is 10 years. This charge may be adjusted up or down twice a year depending on the amount of collection.

It is important to note that any recovery of costs through federal or state investigations into price gouging, market manipulation or civil suit resulting from the weather event will be passed on to customers.

#### **Links to additional information**

[The Commission order issued February 8, 2022](#)

[Testimony from KCC's Justin Grady, Utilities Division, in favor of the settlement](#)

[The complete Docket 21-KGSG-332-GIG](#)