

# Sale of Natural Gas Lines



Law Department

August 4, 2020



# History



- In the early 1970's, Cities Service Gas Company, the pipeline supplying most of the natural gas to Wichita, announced it would no longer accept any additional large industrial customers due to a gas supply shortage.



# History - Continued



- In February, 1974, the City of Wichita established the Wichita Gas Utility (“WGU”) to allow the City to purchase natural gas directly from producers to serve the City’s industries.
- In 1980, the WGU transferred the management of its operations to the Kansas Industrial Energy Supply Company (“KIESCo”).

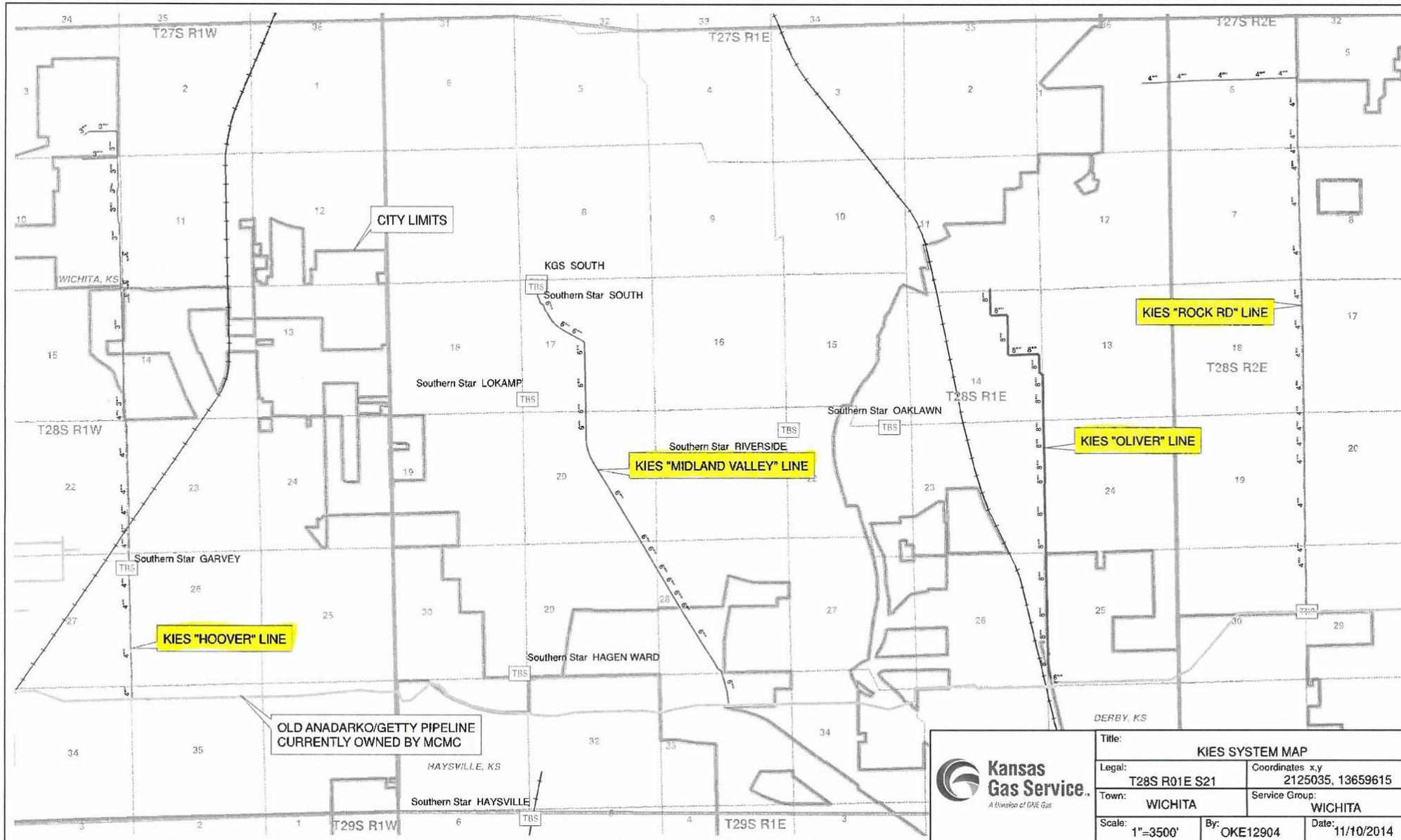


# Current Status



- There are four gas lines: Hoover, Midland, Rock and Oliver.
- The Hoover and Midland lines will be decommissioned by KGS.
- KGS will retain the approximate 27,700 ft. of the Rock line and 18,000 ft. for the Oliver line.





# Recommendation:



- It is recommended that the City Council authorize the sale of the gas distribution system to Kansas Gas Service.



# Questions?



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