

## 2012 Kansas Statutes

**12-872. Same; sue and be sued; seal; purposes; contracts; limitations.** (a) The authority may sue and be sued in its corporate name but execution shall not in any case issue against any property of the authority. It may adopt a common seal and change the same at pleasure.

(b) The purpose of the authority shall be to determine the natural gas requirements of the city and to provide for natural gas sources necessary to meet such requirements. To carry out said purpose, the authority shall have the power to negotiate and, subject to approval of the governing body of the city, execute contracts for the production, purchase, sale, transmission and distribution of natural gas in Kansas. Such contracts may provide for:

(1) The purchase of natural gas at any wellhead in Kansas for the wellhead cost of the gas and may contain escalator clauses in the event that any order may be made by any authorized federal or state agency increasing the wellhead cost of gas;

(2) the transmission of natural gas by any existing pipeline corporation or public utility;

(3) the sale for resale of natural gas to private distributors located in the city and the delivery of the gas to the distribution systems of said private distributors;

(4) the direct sale and delivery of natural gas to industrial, institutional and commercial consumers within the city; and

(5) the construction and operation of pipelines by pipeline corporations or public utilities for the use of the authority.

(6) The construction of pipelines by the authority when no pipeline exists or when existing pipelines have no available space or are inadequate and when approved by the Kansas corporation commission.

(7) Said contracts may be for a period not to exceed twenty (20) years.

**History:** L. 1974, ch. 260, § 3; March 18.