THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Mark Sievers, Chairman

Ward Loyd

Thomas E. Wright

In the Matter of the Application of Westar Energy, Inc. for Approval of an Accounting)	Docket No: 11-WSEE-610-ACT
Authority Order to Record and Defer Costs Related to Westar Energy's SmartStar)	Docket No. 11-WSEE-010-AC1
Lawrence Project.)	

ORDER GRANTING WESTAR'S MOTION FOR LEAVE TO FILE COMMENTS OUT OF TIME

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having examined its files and records, and being duly advised in the premises, the Commission makes the following findings and conclusions:

1. On March 2, 2011, Westar Energy, Inc. (Westar) filed an Application with the Commission for approval of an Accounting Authority Order (AAO) to record and defer costs related to Westar's SmartStar Lawrence project. Application, March 2, 2011 (Application). Westar is requesting authority to: (1) defer expenses as a regulatory asset associated with this project in a separate sub account of 182.3, Regulatory Assets; (2) defer depreciation expense on capital investments, including smart meters and software development; and (3) earn a deferred return on investment at Westar's authorized return on rate base. Application, ¶ 6. Westar also asked that it be allowed to recover the amount deferred in the regulatory asset sub account through its Energy-Efficiency Rider (EER) in a future filing of the EER or amortized following a generate rate review proceeding. Application, ¶ 7.

- 2. Staff filed a Report and Recommendation on June 30, 2011, recommending the Commission approve the AAO for the non-labor expenses associated with the project without carrying charges. Staff did not recommend the Commission approve Westar's request to defer depreciation expense and carrying charges on the capital investment portion of the project, and recommended the deferred expenses be examined in Westar's next rate case, and not recovered through its EER. Staff Report and Recommendation, June 30, 2011, paragraph 5 (Staff Report, ¶ 5). The Citizens' Utility Ratepayer Board (CURB) has been granted intervention in this docket, and filed a Response to Staff's Report on July 20, 2011.
- 3. On July 21, 2011, Westar requested the Commission allow it to file its comments in response to Staff's Report out of time, and extend the deadline to file such responsive comments to August 15, 2011. Motion for Leave to File Comments Out of Time, July 21, 2011, paragraph 5 (Westar Motion, ¶ 5). Westar stated that due to an oversight on its part, it was not aware of Staff's filing and did not have time to review and file a response within the 10-day deadline of the filing of Staff's Report. Westar Motion, ¶ 3. Westar stated it actively monitors the new pleadings section of the Commission's website, and Staff's report did not appear online. *Id.* Westar stated it contacted Staff counsel and Staff does not oppose an extension for Westar to file responsive comments. Westar Motion, ¶ 4.
- 4. The Commission finds that conditions exist for an exercise of its discretion pursuant to K.A.R. 82-1-217(b) to accept Westar's comments subsequent to the expiration of the specified time. The Commission therefore concludes that Westar's Motion shall be granted, and that the deadline for Westar to file responsive comments shall be extended to no later than August 15, 2011, and such comments shall be accepted into the record of this docket.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

- A. Westar's Motion shall be granted. Westar shall file its responsive comments to Staff's Report and Recommendation no later than August 15, 2011.
- B. Parties have 15 days, plus three days if service of this Order is by mail, from the date of service of this Order in which to petition the Commission for reconsideration. K.S.A. 66-118b; K.S.A. 2010 Supp. 77-529(a)(1).
- C. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further order, or orders, as it may deem necessary and proper.

BY THE COMMISSION IT IS SO ORDERED.

Sievers, Ch	nirman; Loyd, Commissioner; Wright, Commissioner
Dated:	AUG 0 3 2011

Patrice Petersen-Klein Executive Director

mrd

ORDER MAILED AUG 0 4 2011

PLEASE FORWARD THE ATTACHED DOCUMENT (S) ISSUED IN THE ABOVE-REFERENCED DOCKET TO THE FOLLOWING:

NO. CERT. COPIES NO. PLAIN COPIES

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ORDER MAILED AUG 0 4 2011

The Docket Room hereby certified that on this ___day of ______, 20_____, it caused a true and correct copy of the attached ORDER to be deposited in the United States Mail, postage prepaid, and addressed to the above persons.

DATE

AUG 0 3 2011

PLEASE FORWARD THE ATTACHED DOCUMENT (S) ISSUED IN THE ABOVE-REFERENCED DOCKET TO THE FOLLOWING:

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