

**BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

STATE CORPORATION COMMISSION

SEP 28 2010

In the Matter of Westar Energy, Inc. and Kansas)
Gas and Electric Company (both doing business)
as Westar Energy) Filing Tariff Revisions)
Seeking Approval for an Energy Efficiency)
Rider Pursuant to the Commission's Order)
Dated November 18, 2008 in Docket No. 08-)
GIMX-411-GIE.)

Docket No. 11-WSEE-032-TAR



**STAFF'S REPLY TO WESTAR'S RESPONSE TO COMMENTS
ON ENERGY EFFICIENCY RIDER**

The Staff of the State Corporation Commission of the State of Kansas ("Staff" and "Commission" respectively), hereby submits its reply to the response of Westar Energy, Inc. and Kansas Gas and Electric Company filed on September 22, 2010.

1. On July 16, 2010, Westar Energy, Inc. and Kansas Gas and Electric Company (collectively referred to as "Westar" or "Company") filed an application with the Commission seeking approval of an Energy Efficiency Cost Recovery Rider (EER). This rider would permit Westar to recover \$5,832,635.06 of costs associated with the implementation of various energy efficiency programs. Additionally within the filing, Westar requested Commission approval to cancel the Fuel Proration Rider (currently inactive) previously approved in Docket No. 09-WSEE-925-RTS for the months of February and March 2010.

2. On September 8, 2010, Staff filed its Memorandum (dated August 30, 2010), recommending the Commission approve Westar Energy's EER, as revised by Staff, in the amount of \$5,830,491.17. Staff's audit determined that \$2,142.89 in rebates used by Westar to encourage Company employees' purchase of Compact Fluorescent Light bulbs through the Save a Watt, Save a Lot program should be removed from the EER.¹ Staff viewed these expenses as inconsistent with Commission directions given in the April 13, 2009, *Order Following*

¹ Docket No. 11-WSEE-032-TAR, September 8, 2010, *Staff Memorandum* pg. 3.

Collaborative on Benefit-Cost Testing and Evaluation, Measurement, and Verification in Docket No. 08-GIMX-442-GIV. In addition, Staff recommended that Westar file its next EER on or before July 1, 2011, to include costs incurred for Commission approved programs from the first billing cycle of October 2011 through the last billing cycle in September 2012.

3. On September 22, 2010, Westar filed comments indicating, among other things, the Staff recommended filing would not be workable because actual costs from June are not available “...until approximately July 10 and [Westar] needs time after receipt of the information to develop its filing.”²

4. Following the filing of Westar’s comments, Staff and Westar engaged in discussions with reference to the proposed timeframe for filing the next EER. Staff indicated that it has consistently recommended the timeline for review of similar recovery mechanisms allow three months between the filing date and the date of implementation. Westar has indicated that it would not object to a filing date of July 15, 2011, with implementation to occur with the first billing cycle of November 2011. This provides the Commission with three and a half months for review.

² Docket No. 11-WSEE-032-TAR, September 22, 2010, *Response of Westar Energy, Inc. and Kansas Gas and Electric Company to Comments on Energy Efficiency Rider*.

WHEREFORE, Staff requests the Commission approve Westar's EER in the amount of \$5,830,491.17 set forth in Staff's August 30, 2010, Memorandum, approve the amended filing schedule discussed in paragraph 4 above, and approve cancellation of Westar's Fuel Proration Rider (currently inactive) approved in Docket No 09-WSEE-925-RTS for the months of February and March 2010.

Respectfully submitted,

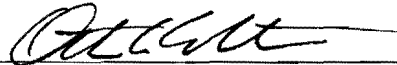


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VERIFICATION

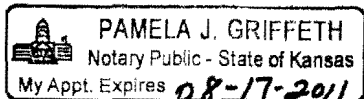
STATE OF KANSAS)
) ss.
COUNTY OF SHAWNEE)

Otto A. Newton, being duly sworn upon his oath deposes and states that he is Litigation Counsel for the Kansas Corporation Commission; that he has read and is familiar with the foregoing *Staff Reply to Westar's Response to Comments on Energy Efficiency Rider* and that the statements therein are true to the best of his knowledge and belief.



Otto A. Newton

SUBSCRIBED AND SWORN to before me this 28th day of September, 2010.


Notary Public

My Appointment Expires: August 17, 2011

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing *Staff Reply to Westar's Response to Comments on Energy Efficiency Rider* was deposited in the United States Mail, postage prepaid, this 28th day of September, 2010, addressed to:

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