THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners: Shari Feist Albrecht, Chair

Jay Scott Emler Dwight D. Keen

In the Matter of Westar Energy, Inc. and Kansas Gas and Electric Company Seeking Commission Approval to Implement Changes in their Transmission Delivery Charges Rate Schedules.) Docket No. 16-WSEE-375-TAR)
In the Matter of Westar Energy, Inc. and Kansas Gas and Electric Company Seeking Commission Approval to Implement Changes in their Transmission Delivery Charge Rate Schedules.)))) Docket No. 17-WSEE-377-TAR)
In the Matter of Westar Energy, Inc. and Kansas Gas and Electric Company Seeking Commission Approval to Implement Changes in their Transmission Delivery Charge Rate Schedules.)))) Docket No. 18-WSEE-355-TAR

ORDER ACKNOWLEDGING EFFECTIVE DATE OF TRANSMISSION DELIVERY CHARGE SUBJECT-TO-REFUND PURSUANT TO K.S.A. 66-1237

This matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and determination. Having examined its files and records, the Commission finds:

1. On August 31, 2018, Westar Energy Inc. and Kansas Gas and Electric Company (Westar) filed an updated Transmission Delivery Charge (TDC) tariff to reflect the reduction in revenue requirement resulting from the Tax Cut and Jobs Act.¹ Westar points to K.S.A. 66-1237

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¹ Westar Energy Inc. and Kansas Gas and Electric Company Update to TDC for Effects of Tax Cut and Jobs Act, Aug. 31, 2018, p. 1.

as the statutory authority for the updated TDC.² Westar requests the proposed TDC rates become effective October 30, 2018.³

- 2. Any electric public utility subject to the Commission's jurisdiction may seek recovery of the utility's costs associated with the transmission of electric power through a separate TDC included in customers' bills.⁴
- 3. This filing is permitted under K.S.A. 66-1237. K.S.A. 66-1237 subsection (c) provides as follows:

All transmission-related costs incurred by an electric utility and resulting from any order of a regulatory authority having legal jurisdiction over transmission matters, including orders setting rates on a subject-to-refund basis, shall be conclusively presumed prudent for purposes of the transmission delivery charge and an electric utility may change its transmission delivery charge whenever there is a change in transmission-related costs resulting from such an order. The commission may also order such a change if the utility fails to do so. An electric utility shall submit a report to the commission at least 30 business days before changing the utility's transmission delivery charge. If the commission subsequently determines that all or part of such charge did not result from an order described by this subsection, the commission may require changes in the transmission delivery charge and impose appropriate remedies, including refunds.

- 4. Pursuant to K.S.A. 66-1237(c), all transmission-related costs incurred by an electric public utility which resulted from a body with regulatory authority over transmission matters are conclusively presumed prudent.
- 5. K.S.A. 66-1237(c) provides for a process by which an electric public utility submits a report to the Commission a minimum of 30 business days prior to the electric public utility changing its TDC.
 - 6. The Commission may issue an order setting TDC rates subject-to-refund.⁵

² See id.

³ See id.

⁴ See K.S.A. 66-1237(a).

⁵ See K.S.A. 66-1237(c).

- 7. If the Commission subsequently determines all or part of the TDC rate does not comply with K.S.A. 66-1237, the Commission may require changes in the TDC and impose appropriate remedies, including refunds.⁶
- 8. The Commission finds Westar is a regulated electric public utility subject to the Commission's jurisdiction. The Commission also finds Westar filed its tariff to update its TDC on August 31, 2018, 30 business days prior to the requested effective date of the change. Accordingly, the Commission finds and concludes Westar has met the appropriate procedural requirements to allow its updated TDC to go into effect October 30, 2018, as requested.
- 9. Further, the Commission finds it has the authority to approve TDC rate changes subject-to-refund. The Commission notes that K.S.A. 66-1237(c) provides that if after Westar has changed its TDC the Commission determines all or part of the TDC did not result from an order described in K.S.A. 66-1237(c), the Commission may require changes in the charge and impose appropriate remedies, including refunds. The Commission recognizes finality of TDC rates is an ongoing dispute in other Westar TDC proceedings. Accordingly, the Commission finds and concludes the above summation of K.S.A. 66-1237(c) should in no way be deemed a conclusion or holding on matters regarding the subject-to-refund nature of TDCs, or other items, until the Commission explicitly rules upon such.
- 10. As stated above, all transmission-related costs incurred by an electric public utility which resulted from a body with regulatory authority over transmission matters are conclusively presumed prudent.⁷ Therefore, the Commission finds and concludes Westar's proposed TDC update will result in just and reasonable rates. Accordingly, the Commission finds and concludes

⁶ Id.

⁷ See K.S.A. 66-1237(c).

Westar's proposed TDC rates filed August 31, 2018, should become effective October 30, 2018,

on a subject-to-refund basis while the Commission conducts its review of Westar's TDC.

11. The effective date of a TDC is governed by K.S.A. 66-1237(c). Upon further

review of Westar's request, it is clear Westar is not requesting any tariff language changes or

revisions to the TDC otherwise subject to K.S.A. 66-117 which would require the Commission to

suspend the instant proceedings.

THEREFORE, THE COMMISSION ORDERS:

A. Westar Energy, Inc. and Kansas Gas and Electric Company's Transmission

Delivery Charge, as filed August 31, 2018, goes into effect on October 30, 2018, subject to

Commission review, possible changes to the charge and subject to appropriate remedies, including

refunds.

B. Parties have 15 days, plus three days if service is by mail, to petition for

reconsideration.8

C. The Commission retains jurisdiction over the subject matter and the parties to enter

further orders as it deems necessary.

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: _____10/23/2018

Lynn M. Retz

Secretary to the Commission

Lynn M. Reg

BGF

8 K.S.A. 66-118b; K.S.A. 77-529(a)(l).

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ŀ	, the undersigned,	certify that the true copy	y of the attached O	Order has been serv	ed to the following parties	by means of
		10/02/0010				

electronic service on _____10/23/2018

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