

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

Before Commissioners:     Mark Sievers, Chairman  
                                  Thomas E. Wright  
                                  Shari Feist Albrecht

In The Matter of the Application of Westar     )  
Energy, Inc. and Kansas Gas and Electric     ) Docket No. 13-WSEE-382-TAR  
Company Seeking Commission Approval for     )  
Ad Valorem Tax Surcharge Rider Tariff.     )

**ORDER ON APPLICATION SEEKING  
APPROVAL FOR AD VALOREM TAX SURCHARGE**

The above-captioned matter comes before the State Corporation Commission of the State of Kansas ("Commission") for consideration and decision. Having examined the files, the Commission finds and concludes as follows:

1.     On November 29, 2012, Westar Energy, Inc. and Kansas Gas and Electric Company, collectively (Westar), pursuant to K.S.A. 66-117(f) filed an Application with the Commission seeking approval of Westar's Ad Valorem tax surcharge.

2.     On December 18, 2012, Commission Staff (Staff) filed its Report and Recommendation on Westar's filing. Staff stated that Westar is requesting a consolidated surcharge of \$21,893,561 or \$0.001111 per kWh.

3.     Staff stated that it had performed an on-site review of Westar's 2012 Ad Valorem tax statements. While conducting the review, Westar provided Staff an updated surcharge calculation to reflect additional property tax statements received since filing the Application. This updated calculation was included as an exhibit to Staff's Report and Recommendation. Staff recommended that Westar's Ad Valorem tax surcharge request be approved in the amount of \$21,812,232 with the following conditions:

- a. Westar shall file updated tariffs with the Commission reflecting the revised surcharge before implementing the surcharge.
  - b. Staff shall review the updated surcharge to ensure the surcharge is applied in a reasonable manner and is calculated to substantially collect the increase in Ad Valorem taxes.
  - c. Staff will ensure that the annual true-up of amounts collected vs. actual amount of increase or reduction in Ad Valorem taxes will be reflected in the subsequent year Ad Valorem tax surcharge calculation.
  - d. Staff requests that Westar file its Ad Valorem Tax Surcharge Rider annual true-up in December of each calendar year.
4. On December 19, 2012, the Citizens' Utility Ratepayer Board filed comments in support of Staff's conclusions and recommendations.
5. Upon review of Staff's Report and Recommendation, the Commission adopts Staff's Report and Recommendation and finds that the Revised Ad Valorem Tax Surcharge amount of \$21,812,232 or \$0.001106 per kWh is reasonable, in the public interest, and should be approved, subject to the condition set forth in subparagraphs 3 (a) through (d) above.

**IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:**

- (A) Westar Energy, Inc.'s revised Ad Valorem Tax Surcharge amount of \$21,812,232 or \$0.001106 per kWh is hereby approved, subject to the conditions set forth in subparagraphs 3 (a) through (d) above.

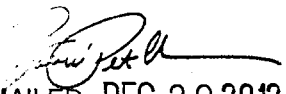
(B) The parties have fifteen (15) days, plus three (3) days if service of this order is by mail, from the date this order was served in which to petition the Commission for reconsideration of any issue or issues decided herein.<sup>1</sup>

(C) The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further orders as it may deem necessary and proper.

**BY THE COMMISSION IT IS SO ORDERED.**

Sievers, Chmn; Wright, Com; Albrecht, Com.

Dated: DEC 20 2012

  
ORDER MAILED DEC 20 2012  
Patrice Petersen-Klein  
Executive Director

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<sup>1</sup> K.S.A. 66-118b; K.S.A. 2011 Supp. 77-529(a)(1).

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

NAME AND ADDRESS	NO. CERT. COPIES	NO. PLAIN COPIES
NIKI CHRISTOPHER, ATTORNEY CITIZENS' UTILITY RATEPAYER BOARD 1500 SW ARROWHEAD ROAD TOPEKA, KS 66604 <b>***Hand Delivered***</b>		
C. STEVEN RARRICK, ATTORNEY CITIZENS' UTILITY RATEPAYER BOARD 1500 SW ARROWHEAD ROAD TOPEKA, KS 66604 <b>***Hand Delivered***</b>		
DELLA SMITH CITIZENS' UTILITY RATEPAYER BOARD 1500 SW ARROWHEAD ROAD TOPEKA, KS 66604 <b>***Hand Delivered***</b>		
SHONDA SMITH CITIZENS' UTILITY RATEPAYER BOARD 1500 SW ARROWHEAD ROAD TOPEKA, KS 66604 <b>***Hand Delivered***</b>		
DAVID SPRINGE, CONSUMER COUNSEL CITIZENS' UTILITY RATEPAYER BOARD 1500 SW ARROWHEAD ROAD TOPEKA, KS 66604 <b>***Hand Delivered***</b>		
SAMUEL FEATHER, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD ROAD TOPEKA, KS 66604-4027 <b>***Hand Delivered***</b>		
MICHAEL B. HEIM, SR. REGULATORY ANALYST WESTAR ENERGY, INC. 818 S KANSAS AVE PO BOX 889 TOPEKA, KS 66601-0889		

ORDER MAILED DEC 20 2012

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.