# THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Pat Apple, Chairman Shari Feist Albrecht Jay Scott Emler	
In the Matter of the Application		

Plains Energy Incorporated, Kansas City
Power & Light Company, and Westar
Energy, Inc. for Approval of the Merger of
Westar Energy, Inc. and Great Plains Energy
Incorporated.

Docket No. 18-KCPE-095-MER

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Uncorporated.

# ORDER GRANTING PETITION TO INTERVENE OF KANSAS MUNICIPAL ENERGY AGENCY, KANSAS MUNICIPAL UTILITIES AND CITY OF INDEPENDENCE, MISSOURI

This matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed the pleadings and record, the Commission makes the following findings:

- 1. On August 25, 2017, Westar Energy, Inc. and Kansas Gas and Electric Company (Westar), Great Plains Energy Incorporated (Great Plains) and Kansas City Power & Light Company (KCP&L) filed an Application seeking approval to merge. The Applicants intend to form a new, publicly traded holding company with a combined equity value of approximately \$14 billion, which will operate regulated electric utilities in Kansas and Missouri. Westar and KCP&L would become wholly-owned subsidiaries of the new holding company. As proposed, Westar shareholders will own approximately 52.5% of the combined company with Great Plains' shareholders owning the remaining 47.5% of the combined company.
- 2. On October 4, 2017, Kansas Municipal Energy Agency (KMEA), Kansas Municipal Utilities (KMU), and the City of Independence, Missouri (Independence) on behalf of

<sup>&</sup>lt;sup>1</sup> Application, Aug. 25, 2017, ¶¶ 9-10.

 $<sup>^{2}</sup>$  Id., ¶ 10.

 $<sup>^{3}</sup>$  Id., ¶ 11.

itself and its municipal utilities, Independence Power & Light (IPL), submitted a Petition to Intervene in the Docket.<sup>4</sup> The parties note they were granted intervention in Great Plains and Westar's previous merger/acquisition attempt, the Docket No. 16-KCPE-593-ACQ Docket.<sup>5</sup>

3. KMEA states its business is the planning, financing and constructing of projects for the purchase, sale, generation and transmission of electricity for its municipal members.<sup>6</sup> KMEA claims its members will or may be affected by any Commission order or activity in this Docket because many of its "members are interconnected with transmission systems owned and operated by Westar or by KCP&L, a subsidiary of Great Plains," and are "customers of the Southwest Power Pool (SPP) in the Westar or KCP&L transmission pricing zones of SPP." KMEA further stated it and some its members are also parties to "bilateral contracts with Westar and KCP&L."

4. KMU is a statewide association representing the utility interests of approximately 178 cities and communities in Kansas, composed of members who receive electric service at retail from Westar, KCP&L, and others.<sup>10</sup>

5. Independence owns and operates a municipal electric utility, IPL, providing residents of Independence, Missouri electric service. II IPL has a direct interconnection with KCP&L and "long-term PPAs for capacity and energy from various generating resources located

<sup>&</sup>lt;sup>4</sup> Petition to Intervene of Kansas Municipal Energy Agency, Kansas Municipal Utilities and City of Independence, Missouri, Oct. 4, 2017.

<sup>&</sup>lt;sup>5</sup> *Id.* at ¶ 2.

<sup>&</sup>lt;sup>6</sup> *Id.* at ¶ 3.

<sup>&</sup>lt;sup>7</sup> *Id*.

<sup>&</sup>lt;sup>8</sup> *Id*.

<sup>&</sup>lt;sup>9</sup> *Id*.

<sup>&</sup>lt;sup>10</sup> *Id.* at ¶ 4.

<sup>&</sup>lt;sup>11</sup> *Id.* at ¶ 5.

in Southeast Nebraska, Central Kansas, and Northeast Kansas. All of its PPAs rely on Westar and KCP&L transmission facilities."<sup>12</sup>

6. The Commission has broad discretion to grant a petition for intervention if it is in the interest of justice, if the intervention will not impair the orderly and prompt conduct of the proceedings, and if the party has stated facts demonstrating its legal rights, duties and privileges, immunities, or other legal interests may be substantially affected by the proceeding.<sup>13</sup> Furthermore, at any time during a proceeding, the Commission may impose limitations on an intervenor's participation.<sup>14</sup> Among the limitations contained in K.S.A. 77-521(c) is requiring multiple intervenors to combine their participation in the proceedings.

7. The Commission finds and concludes that KMEA, KMU and Independence have met the requirements of K.A.R. 82-1-225 and K.S.A. 77-521 and should be granted intervention in this Docket. The parties will be added to the mailing list, and electronic service of pleadings, communications, and correspondence should be delivered to counsel of record and their designees as follows:

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 $<sup>^{12}</sup>$  Id.

<sup>&</sup>lt;sup>13</sup> K.S.A. 77-521; K.A.R. 82-1-225.

<sup>&</sup>lt;sup>14</sup> K.S.A. 77-521(c).

## THEREFORE, THE COMMISSION ORDERS:

A. Kansas Municipal Energy Agency, Kansas Municipal Utilities and City of Independence, Missouri, are granted intervention, conditioned on combining their activities in the Docket.

B. The parties have 15 days from the date this Order was electronically served to petition for reconsideration.<sup>15</sup>

C. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further orders as it deems necessary.

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

Apple, Chairman; Albrecht, Commissioner; Emler, Commissioner

Dated: 00	T 1	2	2017	
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Lynn M. Retz

Secretary to the Commission

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<sup>15</sup> K.S.A. 66-118b; K.S.A. 77-529(a)(1).

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I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of

Electronic Service on OCT 1 2 2017

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