

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: Shari Feist Albrecht, Chair
Jay Scott Emler, Commissioner
Pat Apple, Commissioner

In the Matter of the Application of Westar Energy, Inc. to)
Cease Transacting the Business of an Electric Public Utility,) 15-WSEE-237-CCS
Specifically in Portions of Leavenworth County, Kansas)

ORDER

NOW, the above-captioned matter comes on for consideration and determination by the State Corporation Commission of the State of Kansas ("Commission"). Having examined its files and records, and being fully advised in the premises, the Commission finds and concludes as follows:

1. On December 5, 2014, Westar Energy, Inc. ("Applicant") filed an Application seeking to cease operating as an electric public utility in a portion of Leavenworth County, Kansas. Applicant is an electric public utility as defined by K.S.A. 2014 Supp. 66-104. A public hearing was neither requested nor held on this Application.

2. Specifically, Applicant requests permission to cease operating in the territory described as follows:

LEAVENWORTH COUNTY

A tract of land described as the Northwest ¼ of the Southeast ¼ of Section 1, Township 8 South, Range 21 East, in Leavenworth County, Kansas, as detailed on the map marked Exhibit A in the application.

A tract of land described as the East ½ of the Northwest ¼ of the Southwest ¼ of Section 2, Township 8 South, Range 21 East, in Leavenworth County, Kansas, as detailed on the map marked Exhibit B in the application.

A tract of land described as the South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$; and the South $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 11, Township 11 South, Range 21 East, in Leavenworth County, Kansas, as detailed on the map marked Exhibit C in the application.

A tract of land beginning at a point approximately 757 feet East of the Southwest section corner of Section 15; thence North 394 feet; thence East approximately 1094 feet to the centerline of New Lawrence Road; thence Southwesterly along center of road 425 feet; thence West 950 feet to the point of beginning, all in the Southwest $\frac{1}{4}$ of Section 15, Township 9 South, Range 22 East, in Leavenworth County, Kansas, as detailed on the map marked Exhibit D in the application.

A tract of land described as the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 31, Township 8 South, Range 22 East, in Leavenworth County, Kansas, as detailed on the map marked Exhibit E in the application.

A tract of land described as the Southeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 32, Township 7 South, Range 21 East, in Leavenworth County, Kansas, as detailed on the map marked Exhibit F in the application.

3. On May 20, 2015, Staff filed a Motion for Waiver of 180-day deadline pursuant to K.S.A. 66-131, noting all parties agreed to an extension of the deadline for Commission decision.

4. On June 2, 2015, the Commission issued an order granting Staff's motion and extending the deadline for decision in the Application until July 23, 2015.

5. Public convenience will be promoted by allowing Applicant to cease operating as an electric public utility in the territory described in Finding No. 2 above and granting Leavenworth-Jefferson Electric Cooperative, Inc., in Docket No. 15-LVJE-257-COC, a Certificate to serve as an electric public utility in that territory. This application, therefore, should be granted and an Order issued to Applicant to cease operation.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Application filed herein is granted and Westar Energy, Inc. is permitted to cease operating as an electric public utility in the territory described in Finding No. 2 herein.

B. A party may file a petition for reconsideration of this Order within fifteen (15) days from the date of service of this Order. If service is by mail, service is complete upon

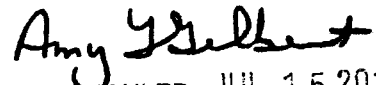
mailing, and three (3) days shall be added to the above time frame. K.S.A. 66-118b; K.S.A. 2014 Supp. 77-529.

C. The Commission retains jurisdiction of the subject matter and parties for the purpose of entering such further order or orders as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Apple, Commissioner

Dated: JUL 14 2015


ORDER MAILED JUL 15 2015
Amy L. Gilbert
Secretary

gdd

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Shari Feist Albrecht, Chair
Jay Scott Emler, Commissioner
Pat Apple, Commissioner

Sam Brownback, Governor

REPORT AND RECOMMENDATION UTILITIES DIVISION

TO: Chair Shari Feist Albrecht
Commissioner Jay Scott Emler
Commissioner Pat Apple

FROM: Gary Dawdy, Utility Engineer II
Leo Haynos, Chief Engineer
Jeff McClanahan, Director of Utilities

DATE: July 6, 2015

SUBJECT: 15-WSEE-237-CCS
In the Matter of the Application of Westar Energy, Inc. to Cease
Transacting the Business of an Electric Public Utility, Specifically in
Portions of Leavenworth County, Kansas

15-WSEE-238-COC
In the Matter of the Application of Westar Energy, Inc. for a Certificate of
Public Convenience and Authority to Transact the Business of an Electric
Public Utility Specifically in a Portion of Section 25, Township 2 South,
Range 7 East, in Leavenworth County, Kansas

15-WSEE-239-CCS
In the Matter of the Application of Westar Energy, Inc. to Cease
Transacting the Business of an Electric Public Utility, Specifically in
Portions of Atchison County, Jackson County, Jefferson, and Leavenworth
County, Kansas

15-LVJE-256-CCS
In the Matter of The Application of Leavenworth-Jefferson Electric
Cooperative to Cease Transacting the Business of an Electric Public
Utility in the NE 1/4 of NE 1/4 of SW 1/4 of S16-T09S - R22E in
Leavenworth County, Kansas

15-LVJE-257-COC
In the Matter of the Application of Leavenworth-Jefferson Electric
Cooperative for a Certificate Of Convenience and Authority to Transact
the Business of an Electric Public Utility in parts of Leavenworth County,
Kansas

15-LVJE-258-COC

In the Matter of the Application of Leavenworth-Jefferson Electric Cooperative for a Certificate of Convenience and Authority to Transact the Business of an Electric Public Utility in parts of Atchison County, Jackson County, Jefferson County and Leavenworth County, Kansas

EXECUTIVE SUMMARY

These filings by Westar Energy, Inc. (Westar) and Leavenworth-Jefferson Electric Cooperative, Inc. (LJEC) were filed to cover 13 customers being served by LJEC in Westar's service area and one customer being served by Westar in LJEC's service area. Staff determined that notice should be provided to these customers and notice was provided by LJEC and Westar to each of their affected customers. Staff is recommending that the Applications be granted.

BACKGROUND:

On December 5, 2014, Westar filed 15-WSEE-237-CCS, 15-WSEE-238-COC, and 15-WSEE-239-CCS. On December 17, 2014, LJEC filed companion filings in 15-LVJE- 256-CCS, 15-LVJE-257-COC, and 15-LVJE-258-COC. These filings would exchange certain electric territories of Westar and LJEC located in portions of Atchison, Jackson, Jefferson and Leavenworth Counties.

ANALYSIS:

Pursuant to K.S.A. 2014 Supp. 66-131, the Commission has jurisdiction to grant a certificate to a public utility seeking to transact business in the State of Kansas. K.S.A. 66-1,170 et seq. the Retail Electric Suppliers Act (RESA) requires each and every retail electric supplier to obtain a certificate from the Commission.

The statutory standard of review in this matter is whether the "public convenience will be promoted by the transaction of said business and permitting said applicants to transact the business of a common carrier or public utility in this state." K.S.A. 2014 Supp. 66-131. Further, single electric certification shall be the standard in Kansas under K.S.A. 66-1,170 et seq.

In addition, 66-1,175 states:

Notwithstanding the exclusive right of retail electric suppliers to provide service within the certified territories established pursuant to this act, a retail electric supplier may enter into an agreement with another retail electric supplier for the establishment of boundaries between territories other than the boundaries established pursuant to this act or providing electric service to electric consuming facilities as between such retail electric suppliers. Any agreement entered into pursuant to this section shall be subject to approval by the corporation commission. If so approved, the commission shall issue certificates accordingly.

The above-captioned filings were filed as the result of meetings between LJEC and Westar. The meetings resulted in LJEC and Westar reviewing their mapping systems to determine if each company may have inadvertently built into the other's electric territory. As a result of the review, 16 locations were discovered where LJEC had existing electric facilities serving accounts located in Westar's certificated area, however, there are only 13 customers because three of the customers each have two separate accounts. Also, one instance was discovered where Westar had constructed facilities serving a customer in LJEC's territory.

Territory matters are handled on a case by case basis. Often the location and capacities of the two electric suppliers' existing electric facilities dictate the customers need for and desire of service from a particular electric supplier. The number of accounts/customers being served by LJEC in Westar's territory and the extensive time-frame of their connections has prompted Staff's decision to request customer notice in this case. After agreement by the parties, each utility developed a notice letter to customers, approved by Staff, which was mailed to the applicable accounts.

After providing all affected customers with notice¹ and opportunity to provide comment, Staff received contact from one of LJEC's noticed customers. This customer elected to continue receiving service from LJEC. Staff recommends that the Commission find that public convenience will be promoted by the granting of this Application.

Pursuant to an Order Granting Waiver of Deadline, the Commission action date is July 23, 2015.

RECOMMENDATION:

Staff is recommending that the six applications of Leavenworth-Jefferson and Westar, as captioned above, be granted.

¹ Refer to the Affidavit of Notice from LJEC and Westar.

JUL 14 2015

KANSAS CORPORATION COMMISSION
AMY L. GILBERT, SECRETARY

DOCKET NO.: 15-WSEE-237-CCS

ORDER DATE:

NAME AND ADDRESS

NO. OF
COPIES

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ORDER MAILED JUL 15 2015

The Docket Room hereby certifies that on _____, a
true and correct copy of the attached was deposited in the United States Mail, postage prepaid,
addressed to the above persons.