

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

In the Matter of Westar Energy, Inc. and)
Kansas Gas and Electric Company Seeking) Docket No. 15-WSEE-021-TAR
Commission Approval for Tariff Revisions to)
the Energy Efficiency Rider.)

CURB'S MOTION FOR CLARIFICATION

The Citizen's Utility Ratepayer Board ("CURB") responds as follows to the Kansas Corporation Commission's *Order on Operating Budgets and EM&V Studies* and *Order Granting Westar Energy, Inc. and Kansas Gas and Electric Company's Motion for Approval of Third-Party to Conduct EM&*, which were filed in the above-captioned docket on January 6, 2015 and July 14, 2015, respectively.

I. BACKGROUND

1. The Commission's January 6, 2015, *Order on Operating Budgets and EM&V Studies* ordered Westar Energy to "submit new operating budgets for each of its ongoing energy-efficiency programs, in accordance with the guidelines established in Docket 08-GIMX-441-GIV, by March 16, 2015. For programs offered during an evaluation process, Westar shall petition for approval of interim program budgets during the pendency of the evaluation." (Ordering ¶ A).

2. On March 16, 2015, Westar filed five year budgets for three Commission-approved energy-efficiency programs: WattSaver, Energy Efficiency Demand Response ("EEDR"), and Energy Efficiency Education. Westar's March 16, 2015, filing did not petition

the Commission for approval of interim budgets for WattSaver and the EEDR programs, which are currently undergoing Commission-required EM&V.

3. In the July 14, 2015, *Order Granting Westar Energy, Inc. and Kansas Gas and Electric Company's Motion for Approval of Third-Party to Conduct EM&V*, the Commission approved Westar's request to use a third-party provider to conduct EM&V. The Order further stated that Westar has only submitted operating budgets for three of its ongoing energy efficiency programs and again ordered Westar to "submit operating budgets for each of its ongoing energy-efficiency programs by July 24, 2015, for Commission approval." (Order, ¶14).

4. On July 22, 2015, Westar responded to the Commission's July 14, 2015 Order by explaining that Westar currently offers just three energy-efficiency programs. Westar points out that it filed five-year operating budgets for each of these energy-efficiency programs, and that there are no additional programs for which Westar must file a budget in order to comply with the Commission's Order. Westar concludes that it has fully complied with the Commission Order.

II. REQUEST FOR CLARIFICATION

5. The Commission's January 6, 2015, *Order on Operating Budgets and EM&V Studies* contains two specific sets of instructions for the filing of the programs' budgets. First, the Order required Westar to submit new operating budgets for each of its ongoing energy-efficiency programs, in accordance with the guidelines established in Docket 08-GIMX-441-GIV. CURB interprets the Commission's order to require Westar to submit operating budgets that adhere to the guidelines established in the 441 Docket. The guidelines for energy efficiency program budgets provide that a five-year program budget will identify the program's start-up cost,

administrative cost, incentives (if any), marketing cost, and evaluation cost. (441 Final Order, at page 40-41). Once submitted, it is CURB's interpretation of the Commission Order that the Commission would then determine and approve the appropriate program budget for each energy-efficiency program.

6. Second, the Commission's January 6, 2015, *Order on Operating Budgets and EM&V Studies* ordered that for programs undergoing an evaluation (sometimes referred to as EM&V), Westar must petition for approval of interim program budgets during the pendency of the evaluation. In the same Order, the Commission required EM&Vs be completed on WattSaver, EEDR, and Simple Savings. CURB interprets the Commission's Order as requiring Westar to petition for approval of an interim budget for both the WattSaver and the EEDR, until such time as the program evaluations have been conducted, and the Commission has had time to review the program evaluations.

7. CURB does not disagree with Westar's response that it is currently operating just three energy-efficiency programs and that Westar has provided the Commission with five-year budgets for these three programs.

8. However, CURB disagrees with Westar's assertion that it has fully complied with the Commission order to file budgets for its ongoing energy efficiency programs. Westar did not file its five-year operating budgets in accordance with the guidelines set forth in the 08-GIMX-441-GIV Docket, nor did Westar petition the Commission for approval of interim budgets for programs undergoing an evaluation.

9. CURB therefore seeks clarification of the following questions:

(1) Did the Commission's January 6, 2015, *Order Regarding Budgets for Energy Efficiency Programs* intend to require Westar to submit five-year operating budgets, in accordance with the guidelines established in Docket 08-GIMX-441-GIV, for Commission approval?

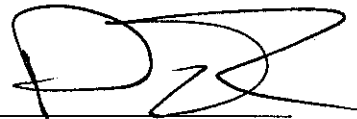
(2) Did the Commission's January 6, 2015, *Order Regarding Budgets for Energy Efficiency Programs* intend to require Westar to petition for approval of interim program budgets during the pendency of the evaluation?

If the answer to either or both of the above questions is yes, then the logical next step would be for the Commission to order Westar to comply with its directives; if the answer is no, CURB seeks guidance from the Commission on its views on how to prudently evaluate the costs included in Westar's recently-filed energy-efficiency rider in Docket No. 16-WSEE-021-TAR (*emphasis added to avoid confusion with this similarly-numbered docket*).

10. On July 14, 2015, Westar filed its annual energy-efficiency rider ("EER"), seeking cost recovery for energy-efficiency program costs from July 1, 2014 through June 30, 2015 in Docket No. 16-WSEE-021-TAR. The application seeks recovery of \$4,700,093 in program expenses – of which \$4,699,541(99.9%) is attributable to WattSaver and EEDR. Both WattSaver and EEDR are undergoing Commission-ordered evaluations. Additionally, the budgets for WattSaver and EEDR expired in 2014, and there has not been a petition to request an interim budget, nor a Commission order approving an operating budget for either of the two programs.

11. CURB respectfully asks the Commission to provide clarification and guidance as soon as possible regarding its *Order on Operating Budgets and EM&V Studies* and *Order Granting Westar Energy, Inc. and Kansas Gas and Electric Company's Motion for Approval of Third-Party to Conduct EM&V*, so that Westar's current EER application can be audited and then implemented in a manner that fulfills the Commission's responsibility to review costs for prudence.

Respectfully Submitted,


A handwritten signature in black ink, appearing to read 'D Springe', written over a horizontal line.

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VERIFICATION

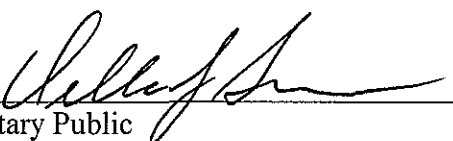
STATE OF KANSAS)
) ss:
COUNTY OF SHAWNEE)

I, David Springe, of lawful age and being first duly sworn upon my oath, state that I am an attorney for the Citizens' Utility Ratepayer Board; that I have read and am familiar with the above and foregoing document and attest that the statements therein are true and correct to the best of my knowledge, information, and belief.



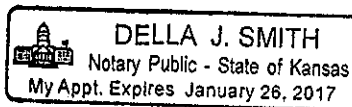
David Springe

SUBSCRIBED AND SWORN to before me this 23rd day of July, 2015.



Notary Public

My Commission expires: 01-26-2017.



CERTIFICATE OF SERVICE

15-WSEE-021-TAR

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing document was served by electronic service on this 23rd day of July, 2015, to the following:

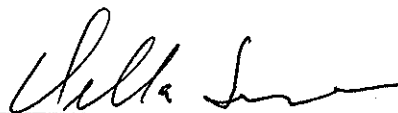
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