

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

REBUTTAL TESTIMONY

OF

MIRANDA DICK

WESTAR ENERGY

DOCKET NO. 18-WSEE-328-RTS

I. INTRODUCTION

1

2 **Q. PLEASE STATE YOUR NAME.**

3 A. My name is Miranda Dick.

4 **Q. ARE YOU THE SAME MIRANDA DICK WHO PROVIDED DIRECT**
5 **TESTIMONY IN THIS MATTER?**

6 A. Yes.

7 **Q. WHAT IS THE PURPOSE OF THIS REBUTTAL TESTIMONY?**

8 A. The purpose of my testimony is to respond to the payroll tax
9 adjustments and medical and dental benefits issues raised by
10 Citizens' Utility Ratepayer Board (CURB) witness Ms. Crane and the
11 pension expense adjustment proposed by Staff witness Ms. Luke
12 Fry.

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II. PAYROLL TAX ADJUSTMENTS

Q. PLEASE SUMMARIZE THE PAYROLL TAX ADJUSTMENTS PROPOSED BY MS. CRANE.

A. Ms. Crane proposes an adjustment of \$389,191 to eliminate payroll tax expense associated with her recommendation to disallow 50% of short-term incentive (STI) costs.

Q. DO YOU AGREE WITH THE ADJUSTMENTS?

A. No. Please refer to Jerl Banning’s rebuttal testimony for a detailed explanation of the adjustment related to STI costs. Based on Mr. Banning’s recommendation to the Commission to reject Ms. Crane’s STI Compensation Expense adjustment, her corresponding adjustment to eliminate payroll tax expense associated with the disallowance of 50% of STI costs is not necessary.

III. MEDICAL AND DENTAL BENEFITS

Q. PLEASE SUMMARIZE THE MEDICAL AND DENTAL EXPENSE ADJUSTMENTS PROPOSED BY MS. CRANE.

A. Ms. Crane is proposing adjustments to Westar’s medical and dental expenses to align with actual test year expenses and does not attempt to update medical and dental expenses for known and measurable cost updates provided in discovery.

Q. DO YOU AGREE WITH THE ADJUSTMENTS PROPOSED BY MS. CRANE?

A. No. We do not believe it is appropriate to base the adjustment for Westar’s medical and dental costs on actual test year expense since

1 more recent known and measurable information is available. I
2 recommend the Commission reject Ms. Crane's adjustments to
3 medical and dental expenses.

4 **IV. PENSION EXPENSE ADJUSTMENT**

5 **Q. PLEASE SUMMARIZE THE PENSION EXPENSE ADJUSTMENTS**
6 **PROPOSED BY STAFF WITNESS MS. LUKE FRY.**

7 A. Ms. Luke Fry is proposing adjusting Administrative and General
8 Expense by \$2,417,184 to reflect the Company's actual pension and
9 other postemployment benefit (OPEB) expense compared to
10 pension and OPEB expense in rates through March 31, 2018.

11 **Q. DO YOU AGREE WITH THE ADJUSTMENTS PROPOSED BY MS.**
12 **LUKE FRY?**

13 A. In part. We agree with updating the original pension expense with
14 actual amounts through March 31, 2018. However, the adjustment
15 as calculated in Exhibit KALF-1 of Ms. Luke Fry's testimony includes
16 a transmission elimination at 4.344%. The amounts shown in Exhibit
17 KALF-1 for actual pension expense for 3/31/2018 in the amount of
18 \$38,535,911 already excludes transmission related costs of 4.344%.
19 Therefore, Westar is proposing the pension expense adjustment
20 should be \$2,526,955 to avoid duplicating the transmission
21 elimination.

22 **Q. THANK YOU.**

STATE OF KANSAS)
) ss:
COUNTY OF SHAWNEE)

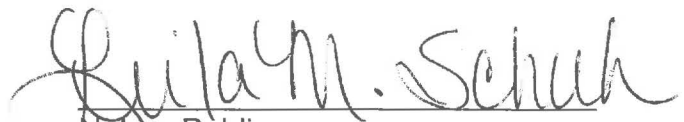
VERIFICATION

Miranda Dick, being duly sworn upon her oath deposes and states that she is the Director Manager Benefits Accounting for Westar Energy, Inc., that she has read and is familiar with the foregoing Rebuttal Testimony, and attests that the statements contained therein are true and correct to the best of her knowledge, information and belief.



Miranda Dick

Subscribed and sworn to before me this 2nd day of July, 2018.



Notary Public

My Appointment Expires: 11-13-2020

