

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

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

In the Matter of Westar Energy, Inc. and)
Kansas Gas and Electric Company Seeking) Docket No. 17-WSEE-014-TAR
Commission Approval for Tariff Revisions to)
the 2016 Energy Efficiency Rider.)

ORDER APPROVING ENERGY EFFICIENCY RIDER SURCHARGE ADJUSTMENT

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed its files and records, and being duly advised in the premises, the Commission makes the following findings:

Background

1. On July 15, 2016, Westar Energy, Inc., and Kansas Gas and Electric Company (Westar) filed proposed tariff revisions relating to its Energy Efficiency Rider (EER) surcharge.¹ The company requested that the surcharge be reduced from \$0.000235/kWh to \$0.000199/kWh for November 2016 through October 2017 based upon approved energy efficiency program expenses of \$3,944,733.² Westar requested an effective date of October 28, 2016.³

2. The Citizens Utility Ratepayer Board (CURB) was granted intervention on July 22, 2016.

¹See Application for Westar Energy 2016 Energy Efficiency Rider (July 15, 2016) (Application).

²See Id. at 8. Such expenses included \$3,839,152 from July 1, 2015, through June 30, 2016, plus \$105,581 in unrecovered expenses from the prior period.

³Id. at 2.

3. On September 1, 2016, Commission Staff (Staff) filed a *Notice of Filing of Staff's Report and Recommendation (R&R)*.⁴ Staff stated in its R&R that it performed an audit of Westar's request.⁵ Staff examined the budgets for the EER programs and found them to be reasonable.⁶ Staff also examined the expenditures associated with the EER programs and found the proposed EER rate calculations to be accurate.⁷ Staff recommended that Westar's EER rates be approved with the condition that Westar should file its next EER in July 2017 to include costs for Commission approved programs incurred from July 2016 through June 2017.⁸

4. No party has disputed Staff's R&R.

Jurisdiction and Due Process

5. The Commission has general supervisory jurisdiction over Westar pursuant to K.S.A. 66-101 and jurisdiction over Westar's rates pursuant to K.S.A. 66-101b.

6. K.S.A. 66-117 governs the process for rate changes before the Commission. K.S.A. 66-117(g) states that proceedings under K.S.A. 66-117 shall be conducted in accordance with the provisions of the Kansas administrative procedure act. Such act may be found in K.S.A. 77-501 *et seq.* Summary proceedings are governed by K.S.A. 77-537.

Standard for Approval

7. Pursuant to K.S.A. 66-101b, all electric public utility rates must be "just and reasonable."

Commission Findings

8. Having reviewed both Westar's request and Staff's R&R, the Commission finds that pursuant to K.S.A. 77-537(a)(3), a good faith basis exists to believe the allegations of the

⁴See Notice of Filing of Staff's Report and Recommendation (Sept. 1, 2016) (R&R).

⁵Id. at 4.

⁶Id. at 5.

⁷Id. at 5.

⁸Id. at 5.

parties to this proceeding will be supported by the applicable standard of proof.⁹ Specifically, the Commission finds that the rates contained in Westar's request are just and reasonable. Staff's R&R contained a thorough analysis of Westar's request and recommended approval of the rates contained therein. No party opposed such recommendation, and the Commission finds it to be reasonable.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. Westar's proposed EER tariff revisions are approved, effective October 28, 2016, as requested by the company.

B. Westar shall file its next EER in July 2017 to include costs for Commission approved programs incurred from July 2016 through June 2017.


C. Parties have 15 days, plus three days if service is by mail, from the date of service of this Order to petition the Commission for reconsideration or request a hearing, as provided in K.S.A. 77-542.¹⁰

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

BY THE COMMISSION IT IS SO ORDERED.

Emler, Chairman; Albrecht, Commissioner; Apple, Commissioner

Dated: SEP 27 2016



Amy L. Green
Secretary to the Commission

MRN

Order Mailed Date

SEP 28 2016

⁹The standard of proof in a rate proceeding is a preponderance of the evidence. Kansas-Nebraska Nat. Gas Co. v. State Corp. Comm'n, 4 Kan. App. 2d 674, 681 (1980).

¹⁰K.S.A. 77-537(b); K.S.A. 66-118b; K.S.A. 77-529(a)(1).

CERTIFICATE OF SERVICE

17-WSEE-014-TAR

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of first class mail/hand delivered on SEP 27 2016.

THOMAS J. CONNORS, ATTORNEY AT LAW
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3116
tj.connors@curb.kansas.gov

JEFFREY L. MARTIN, VICE PRESIDENT, REGULATORY
AFFAIRS
KANSAS GAS & ELECTRIC CO.
D/B/A WESTAR ENERGY
818 S KANSAS AVE
PO BOX 889
TOPEKA, KS 66601-0889
jeff.martin@westarenergy.com

DAVID W. NICKEL, CONSUMER COUNSEL
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3116
d.nickel@curb.kansas.gov

SHONDA SMITH
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3116
sd.smith@curb.kansas.gov

CATHRYN J DINGES, CORPORATE COUNSEL
KANSAS GAS & ELECTRIC CO.
D/B/A WESTAR ENERGY
818 S KANSAS AVE
PO BOX 889
TOPEKA, KS 66601-0889
Fax: 785-575-8136
cathy.dinges@westarenergy.com

MICHAEL NEELEY, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604-4027
Fax: 785-271-3167
m.neeley@kcc.ks.gov

DELLA SMITH
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3116
d.smith@curb.kansas.gov

SCOTT UNEKIS, REGULATORY ECONOMIST
WESTAR ENERGY, INC.
818 S KANSAS AVE
PO BOX 889
TOPEKA, KS 66601-0889
scott.unekis@westarenergy.com

/S/ DeeAnn Shupe
DeeAnn Shupe

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