

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

In the Matter of the Application of Westar)
Energy, Inc. and Kansas Gas and Electric) Docket No. 18-WSEE-163-TAR
Company for Approval of Revisions to their)
Policy for Residential Subdivisions)

**PETITION FOR RECONSIDERATION AND CLARIFICATION OF
WICHITA AREA BUILDERS ASSOCIATION, INC.**

The Wichita Area Builders Association, Inc. (WABA), pursuant to K.S.A. 66-118b, K.S.A. 2014 Supp. 77-529, and K.A.R. 82-1-235, hereby requests reconsideration and clarification of the State Corporation Commission of the State of Kansas' (Commission or KCC) *Order Denying Application* issued in this matter on June 12, 2018 (Order). In support thereof, WABA states the following:

I. BACKGROUND

1. On October 16, 2017, Westar Energy, Inc. (Westar Energy) and Kansas Gas and Electric Company (KGE) (collectively, Westar), filed an application requesting Commission approval of revisions to Westar's "Policy for Residential Subdivisions" to allow developers the option of providing irrevocable letters of credit (ILOC) to Westar in lieu of cash deposits on the subdivision developments.

2. On October 31, 2017, the Commission issued a Suspension Order, giving itself until June 13, 2018 to issue an Order on the Application.

3. On May 2, 2018, Commission Staff (Staff) filed its Report and Recommendation (Report), opposing the Application and recommending the opening of a general investigation to determine the appropriateness of accepting irrevocable letters of credit in place of cash deposits.¹

4. On May 14, 2018, Westar filed its Response to Staff Report and Recommendation, arguing, *inter alia*, deferral of the issue to a general investigation would result in an unnecessary delay.

5. On May 22, 2018, Staff filed its Reply to Westar's Response, reiterating, *inter alia*, that a general investigation is the appropriate forum to address whether utilities should be allowed to accept irrevocable letter of credits in lieu of cash deposits.²

6. On May 29, 2018, the WABA filed a Petition to Intervene. The Commission granted intervention on June 12, 2018 as part of its Order.³

II. RECONSIDERATION AND CLARIFICATION

7. In its Order, the Commission agreed with Staff that a general investigation is the appropriate forum to address the issue of allowing letters of credit in place of cash deposits for developers of residential subdivisions.⁴ However, the Commission did not, *sua sponte*, open a general investigation, or direct its Staff to initiate the investigation. Therefore, WABA seeks clarification of the aspect of the Commission's Order regarding the general investigation.

8. Specifically, WABA requests the Commission clarify its intent with regard to the opening of a general investigation to address the issue of allowing letters of credit in place of cash deposits for developers of residential subdivisions. To the extent the Commission intends,

¹ Staff Report, p. 2.

² Staff Reply, pp. 3-4.

³ Order, ¶ 10.

⁴ Order, ¶ 13.

sua sponte, to open the general investigation, WABA requests the Commission clarify its intent to do so, and to open the investigation as soon as practicable, but in no event later than thirty (30) days from the date of this petition. To the extent the Commission intended to direct its Staff to initiate the general investigation, WABA requests the Commission direct its Staff to initiate the general investigation as soon as practicable, but in no event later than thirty (30) days from the date of this petition.

WHEREFORE, the Wichita Area Builders Association, Inc. respectfully requests the Commission grant this Petition for Reconsideration and Clarification in this matter, and cause a general investigation to be initiated to address the use of letters of credit in place of cash deposits for developers of residential subdivisions, and for such further and other relief as may be just and proper.

Respectfully Submitted,

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**ATTORNEYS FOR WICHITA AREA
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CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that a true and correct copy of the above pleading was electronically served this 27th day of June, 2018 to:

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/s/ Terri Pemberton

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