

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

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

In the Matter of Westar Energy Seeking)
Commission Approval to Implement Changes) Docket No. 15-WSEE-366-TAR
in their 2015 Transmission Delivery Charge)

ORDER GRANTING APPLICATION

This matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed the pleadings and record, the Commission makes the following findings:

I. BACKGROUND

1. On February 19, 2015, Westar Energy, Inc. and Kansas Gas and Electric Company (Westar Energy) filed an Application with the Kansas Corporation Commission seeking approval to update its Transmission Delivery Charge (TDC) tariff to reflect recovery costs associated with Westar Energy's transmission of electric power.¹ The Application Westar Energy filed cites to K.S.A. 66-1237 as the authority for the recovery of the TDC.² Westar Energy's Application requested that the updated and proposed TDC rates become effective on April 2, 2015.³

2. On February 23, 2015, the Citizens' Utility Ratepayer Board (CURB) filed its Petition to Intervene, citing its statutory authority to represent residential and small commercial ratepayers. CURB explained that the rates paid by and the services received by residential and

¹ Application of Westar Energy Seeking Commission Approval to Implement Changes in their 2015 Transmission Delivery Charge (Feb. 19, 2015).

² *Id.*

³ *Id.*

small commercial customers may be substantially affected by this proceeding.⁴ The Commission approved CURB's Petition to Intervene on March 5, 2015.⁵

3. On March 12, 2015, Commission Staff (Staff) filed its Motion for Approval of Westar Energy's Application to Update Its TDC Tariff Subject to Refund,⁶ wherein Staff recommended the Commission approve Westar Energy's Application subject to the Commission's findings in its final order in this docket.

4. In its motion, Staff concurred with Westar Energy's position that this matter is governed by K.S.A. 66-1237.⁷ Staff further took the position that K.S.A. 66-1237 grants the Commission authority to grant approval of TDC rates on a subject-to-refund basis.⁸

5. Finally, Staff indicated that it required additional time to complete its audit of Westar Energy's Application in this matter, and anticipated filing a Report and Recommendation or Status Update on or before June 30, 2015.

6. On March 26, 2015, the Commission issued its Order Granting Application to Implement Changes in Transmission Delivery Charge Subject-to-Refund pursuant to K.S.A. 66-1237.⁹ This order found that Westar Energy is a regulated utility subject to the Commission's jurisdiction and regulation, and that Westar Energy filed its Application to update its TDC charges at least 30 business days before the requested effective date of the rate change. The order further found that the Commission has authority to approve the TDC rate changes subject-to-refund, and that Staff's request to grant the requested change subject-to-refund is reasonable under the circumstances.

⁴ Petition to Intervene, ¶ 5 (Feb. 23, 2015).

⁵ Order Granting Intervention (Mar. 5, 2015).

⁶ Staff's Motion for Approval of Westar's Application to Update Its TDC Tariff Subject to Refund (Mar. 12, 2015).

⁷ *Id.* at p. 2.

⁸ *Id.*

⁹ Order Granting Application to Implement Changes in Transmission Delivery Charge Subject-to-Refund (Mar. 26, 2015).

7. On June 30, 2015, Staff filed its Report and Recommendation.¹⁰ Staff's Report and Recommendation is hereby adopted and incorporated by reference. In its Report and Recommendation, Staff reported that it had performed an audit of Westar Energy's TDC tariff filing, and recommended the Commission approve the tariff as filed. For ease of reference, Westar Energy requested \$224,861,730 in TDC revenues under its Application, which represents a \$7,224,212 increase since its last TDC filing in Docket No. 14-WSEE-393-TAR.¹¹

8. On July 1, 2015, CURB filed its Response to Staff's Report and Recommendation, wherein CURB indicated it had analyzed Westar Energy's Application as well as Staff's Report and Recommendation.¹² CURB concurred with Staff's recommendation for approval of Westar Energy's TDC increase as filed.¹³

II. FINDINGS AND CONCLUSIONS

9. Any electric utility subject to the Commission's regulation may seek recovery of its costs associated with the transmission of electric power through a separate transmission delivery charge included in customers' bills.¹⁴

10. An electric utility shall submit a report to the Commission at least 30 days before changing the utility's transmission delivery charge.¹⁵

11. The Commission may issue an order setting the TDC rates subject-to-refund.¹⁶

12. If the Commission subsequently determines that all or part of the TDC rate does not comply with K.S.A. 66-1237, the Commission may require changes in the TDC charge and impose appropriate remedies, including refunds.¹⁷

¹⁰ Staff's Report and Recommendation (Jun. 30, 2015).

¹¹ *See id.* at p. 2.

¹² Response to Staff's Report and Recommendation (Jul. 1, 2015).

¹³ *See Id.*

¹⁴ K.S.A. 66-1237(a).

¹⁵ K.S.A. 66-1237(c).

¹⁶ *Id.*

13. Pursuant to K.S.A. 66-101 *et seq.*, the Commission is given full power, authority and jurisdiction to supervise and control electric public utilities doing business in Kansas, and is empowered to do all things necessary and convenient for the exercise of such power, authority and jurisdiction.

14. Pursuant to K.S.A. 66-117, a public utility over which the Commission has jurisdiction cannot make effective any changed rate, joint rate, toll, charge or classification or schedule of charges, or any rule or regulation or practice pertaining to the service of a public utility except by filing with the Commission.

15. The Commission finds that Westar Energy is a regulated public utility subject to the Commission's jurisdiction and regulation. Upon review of Staff's Report and Recommendation, the Commission adopts Staff's Report and Recommendation and finds Westar Energy's TDC filing accurately reflects the nature of the costs it incurs to provide transmission service, and that its TDC charges were calculated correctly in its Application. Therefore, the Commission finds Westar Energy's application to update its TDC tariff should be approved as filed.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. Westar Energy's Application to update its transmission delivery charge, as filed on February 19, 2015, is hereby approved.

B. The parties have 15 days, plus three days if service of this Order is by mail, to petition the Commission for reconsideration of any issue or issues decided herein.¹⁸

C. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further orders as it deems necessary.

¹⁷ *Id.*

¹⁸ K.S.A. 66-118b; K.S.A. 77-529(a)(1).

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Apple, Commissioner

Dated: JUL 14 2015

Amy Gilbert
ORDER MAILED JUL 15 2015

Amy L. Gilbert
Secretary

REV

PLEASE FORWARD THE ATTACHED DOCUMENT (S) ISSUED IN THE ABOVE-REFERENCED DOCKET TO THE FOLLOWING:

NAME AND ADDRESS	NO. CERT. COPIES	NO. PLAIN COPIES
NIKI CHRISTOPHER, ATTORNEY CITIZENS' UTILITY RATEPAYER BOARD 1500 SW ARROWHEAD RD TOPEKA, KS 66604 ***Hand Delivered***		
DELLA SMITH CITIZENS' UTILITY RATEPAYER BOARD 1500 SW ARROWHEAD RD TOPEKA, KS 66604 ***Hand Delivered***		
SHONDA SMITH CITIZENS' UTILITY RATEPAYER BOARD 1500 SW ARROWHEAD RD TOPEKA, KS 66604 ***Hand Delivered***		
DAVID SPRINGE, CONSUMER COUNSEL CITIZENS' UTILITY RATEPAYER BOARD 1500 SW ARROWHEAD RD TOPEKA, KS 66604 ***Hand Delivered***		
ROBERT VINCENT, LITIGATION ATTORNEY KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604-4027 ***Hand Delivered***		
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		
MICHAEL B. HEIM, SR. REGULATORY ANALYST WESTAR ENERGY, INC. 818 S KANSAS AVE PO BOX 889 TOPEKA, KS 66601-0889		

ORDER MAILED JUL 15 2015

The Docket Room hereby certified that on this _____ day of _____, 20____, it caused a true and correct copy of the attached ORDER to be deposited in the United States Mail, postage prepaid, and addressed to the above persons.