

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. 15-WSEE-532-MIS
Company for Approval of Interim Budgets)
for Energy Efficiency Programs.)

NOTICE OF FILING OF STAFF'S SECOND REPORT AND RECOMMENDATION

The Staff of the Kansas Corporation Commission (Staff and Commission, respectively) hereby files its Report and Recommendation (R&R) dated November 23, 2015, attached hereto and made a part hereof by reference. Staff's R&R contains the following recommendations:

1. The Commission should grant *interim* approval of Westar's proposed budgets (attached to Staff's R&R as Appendix A) for the WattSaver Air Conditioner Cycling Program, Energy Efficiency Education Programs, and Energy Efficiency Demand Response Program, with emphasis that final approval for each program budget depends upon the results of Staff's review of evaluation, measurement, and verification (EM&V) (or process evaluation, in the case of educational programs.)
2. The Commission should order Westar to cease operation of the Building Operator Certification (BOC) program (within a Commission approved timeframe) or submit an Application for renewal of the program, following the guidelines specifically established for energy efficiency programs in Dockets 08-441 and 08-442.
3. The Commission should reinstate the SimpleSavings program and extend the duration until January 1, 2027; additionally, Westar should be disallowed from accepting new SimpleSavings participants. Contingent upon program extension, Staff recommends the Commission grant *interim* approval of the SimpleSavings budget, with final budget approval pending Staff's review of EM&V.

WHEREFORE, Staff respectfully moves that the Commission issue an order adopting Staff's recommendations.

Respectfully submitted,




Michael R. Neeley, #25027
Litigation Counsel
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, Kansas 66604
(785) 271-3173 (Telephone)
(785) 271-3124 (Facsimile)
m.neeley@kcc.ks.gov (E-mail)
For Commission Staff

STATE OF KANSAS)
) ss.
COUNTY OF SHAWNEE)

VERIFICATION

Michael Neeley, being duly sworn upon his oath deposes and states that he is Litigation Counsel for the State Corporation Commission of the State of Kansas, that he has read and is familiar with the foregoing *Notice of Filing of Staff's Second Report and Recommendation* and that the statements contained therein are true and correct to the best of his knowledge, information and belief.



Michael Neeley # 25027
Kansas Corporation Commission of the
State of Kansas

Subscribed and sworn to before me this 24th day of November, 2015.





Notary Public

My Appointment Expires: August 17, 2019

**REPORT AND RECOMMENDATION
UTILITIES DIVISION**

TO: Chair Shari Feist Albrecht
Commissioner Jay Scott Emler
Commissioner Pat Apple

FROM: Josh Frantz, Research Economist
Lana Ellis, Deputy Chief of Economics and Rates
Robert Glass, Chief of Economics and Rates
Jeff McClanahan, Director of Utilities

DATE: November 23, 2015

SUBJECT: Docket No. 15-WSEE-532-TAR: *In the Matter of the Application of Westar Energy, Inc. and Kansas Gas and Electric Company for Approval of Interim Budgets for Energy Efficiency Programs.*

EXECUTIVE SUMMARY:

Westar has been Ordered (several times) by the Commission to submit new operating budgets for each of its energy efficiency (EE) programs. These budgets are required to adhere to the guidelines established in Docket No. 08-GIMX-441-GIV (08-441). Additionally, Westar is currently operating two expired EE programs: Building Operator Certification (BOC) Program and SimpleSavings Program Rider (SimpleSavings).

After being directed several times, Westar has now submitted budgets for each of its EE programs. Staff has evaluated the proposed EE program budgets and does not have any concerns at this time regarding these budgets; therefore, Staff recommends that the budgets for the WattSaver Air Conditioner Cycling Program, Energy Efficiency Demand Response Program, and Energy Efficiency Education Programs be granted interim approval, with emphasis that final approval for each program budget depends upon the results of Staff's forthcoming Evaluation, Measurement & Verification (EM&V) (or process evaluation for educational programs). Staff does have additional concerns regarding the BOC Program and SimpleSavings, to be discussed below.

Westar does not consider the BOC Program to be part of its EE suite of programs because of a claimed shift in nature, with its focus now on customer relationship-building rather than energy efficiency; however, Westar has not been able to identify any actual change to the BOC Program to substantiate the claimed shift in nature. Although the BOC Program tariff expired June 15, 2014, Westar is currently operating the Program as an EE program as it did prior to the Program's expiration, thus Staff recommends that the Commission order Westar to either cease operation of the BOC Program or to submit an Application to renew the Program, following the guidelines established for EE programs in Dockets 08-441 and 08-GIMX-442-GIV (08-442).

Westar has previously attempted to exclude SimpleSavings from its suite of active EE programs because Westar is no longer accepting new applicants to the Program and its cost is now minor. However, outstanding loans that were offered through SimpleSavings prevent Westar from completely discontinuing all program-related activity. Because there are still costs (although minimal) associated with SimpleSavings and because there are still outstanding program loans, Staff considers SimpleSavings to be an EE program in effect. Therefore, Staff recommends SimpleSavings be reinstated and that the duration of SimpleSavings be extended until January 1, 2027 (by this date, it is projected that all outstanding SimpleSavings loans will be paid off) and that Westar be disallowed from accepting new SimpleSavings participants. Contingent upon this extension, Staff recommends interim approval of the budget SimpleSavings, with final budget approval pending Staff's review of EM&V.

BACKGROUND:

Westar's Energy Efficiency Programs

Westar's specific EE programs and the associated dockets approving each program are:

- WattSaver Air Conditioner Cycling Program (WattSaver) (Docket No. 09-WSEE-636-TAR)
- Building Operator Certification (BOC) Program (Docket No. 09-WSEE-738-MIS)
- Energy Efficiency Education (EE Education) Programs (Docket No. 09-WSEE-986-ACT)
- Energy Efficiency Demand Response Program (EEDR) (Docket No. 10-WSEE-141-TAR)
- SimpleSavings Program Rider (SimpleSavings) (Docket No. 10-WSEE-775-TAR)

Westar's EE Program Budgets in Docket 15-WSEE-021-TAR

On July 15, 2014, Westar filed for revisions to its Energy Efficiency Rider (EER) tariff in the 15-WSEE-021-TAR (15-021) Docket. The EER is the mechanism used for cost recovery of Westar's EE programs.

On September 29, 2014, CURB recommended, in part, that because the budgets for Westar's EE programs expired in 2014, the Commission should order Westar to submit new operating

budgets for each of its EE programs and require Westar to seek Commission approval of interim program budgets while EM&V is conducted.¹ Staff's response, on October 9, 2015, suggested that the budget and EM&V issues would be more appropriately addressed in a separate proceeding.²

On January 6, 2015, the Commission ordered Westar to submit new operating budgets for each of its EE programs by March 16, 2015. The Commission further directed that the budgets should be submitted "in accordance with the guidelines established in Docket 08-GIMX-441-GIV." The requirements for content of an EE program application (as outlined in 08-441) are attached as Appendix B. The Order also stated that Westar must seek approval of interim budgets for those programs undergoing an evaluation process. Finally, the Commission directed Westar to conduct EM&V on its SimpleSavings, WattSaver, and EEDR programs.³

Westar filed five-year budgets for its EEDR, WattSaver, and EE Education Programs in 15-021 on March 16, 2015. Westar did not, however, file budgets for SimpleSavings and the BOC Program. Furthermore, Westar did not follow the EE program budget guidelines established in 08-441 nor did Westar request approval of those budgets as directed.

Westar's Refiling of EE Program Budgets in Docket 15-WSEE-532-MIS

Based on a conversation between Staff and Westar regarding Staff's interpretation of the 15-021 Order, Westar refiled its budgets along with an Application in a new docket, 15-WSEE-532-MIS (15-532). Thus, the 15-532 Docket was opened so that Westar could seek approval of interim budgets for its EE programs while these programs were in the EM&V process. Westar attached the same five-year budgets that were filed in 15-021 to its Application in 15-532; again, Westar did not file budgets for SimpleSavings or the BOC Program and did not follow the EE program budget guidelines established in 08-441. Additionally, Westar did not request approval of its budgets.

Commission Order of July 14, 2015, in Docket 15-021

In its July 14, 2015, Order, the Commission noted that budgets had not been submitted for all of Westar's ongoing EE programs as ordered on January 6, 2015, and directed Westar to submit operating budgets for each of its EE programs for Commission approval by July 24, 2015.⁴

¹ CURB's Reply to Staff's Report and Recommendation, p. 16, September 29, 2014, Docket No. 15-WSEE-021-TAR.

² Commission Staff's Reply to Curb's Reply and Westar's Response, October 9, 2015, Docket No. 15-WSEE-021-TAR.

³ Order on Operating Budgets and EM&V Studies, p. 4, January 6, 2015, Docket No. 15-WSEE-021-TAR.

⁴ Order Granting Westar's Motion for Approval of Third-Party to Conduct EM&V, p. 5, July 14, 2015, Docket No. 15-WSEE-021-TAR.

Westar's Response to the Commission Order of July 14, 2015, in Docket 15-021

Westar filed a Response to the July 14, 2015, Commission Order on July 22, 2015, claiming that the three programs for which it filed budgets are its only EE programs currently in effect. Therefore, Westar concluded "there are no additional programs for which Westar must file a budget in order to comply with the Commission order."⁵

Westar again explained why it believed two of its programs, the BOC Program and SimpleSavings, should not be included in its filing. As in the 15-532 Docket, Westar claimed that the BOC Program is no longer an EE program because it has "shifted in nature to be a program Westar utilizes to build customer relationships" and because the costs of the BOC Program are not recovered through the EER. Second, Westar stated it did not supply a budget for SimpleSavings because the program is no longer open to new customers and is, therefore, no longer in effect. Westar further argued that only a very minor amount of SimpleSavings costs are recovered through the EER.⁶ For these reasons, Westar no longer considers SimpleSavings and the BOC Program to be EE programs and did not submit budgets accordingly.

Staff's Report and Recommendation and Motion for Order in Docket 15-532

On September 2, 2015, Staff filed its report to the Commission recommending that the Commission require Westar to submit more detailed EE program budgets that comply with the guidelines established in the 08-441 Docket, prior to granting interim approval. Staff disagreed with Westar's claim that the BOC Program was no longer an EE program, citing a data request response from Docket 15-WSEE-115-RTS (15-115) in which Westar stated that the scope of the BOC Program has not changed.⁷ In addition, Staff noted that the program is subject to the requirements of 08-GIMX-441-GIV/08-GIMX-442-GIV, regardless of whether costs are recovered through the EER. Staff, therefore, recommended the Commission direct Westar to file for re-approval of the BOC Program, along with its detailed budget, for approval.

Similarly, Staff pointed out that while SimpleSavings' costs may be minimal and Westar may not be accepting new SimpleSavings participants, the SimpleSavings Program still exists and is, therefore, subject to the established requirements for EE programs. Staff thus recommended that Westar submit a detailed budget for approval for SimpleSavings, and additionally, Staff recommended the term of SimpleSavings be extended to January 1, 2027, and that SimpleSavings continue not accepting new participants.

⁵ Westar's Response to Commission Order Regarding Budgets for Energy Efficiency Programs, ¶ 3, July 22, 2015, Docket No. 15-WSEE-021-TAR.

⁶ *Ibid*, ¶4.

⁷ Westar's Response to Data Request KCC-097, Docket 15-WSEE-115-RTS.

Lastly, Staff noted that Westar did not request approval for its EE Education Programs budget, which has also expired, and thus recommended the Commission direct Westar to request approval for the EE Education Programs budget.

Order Directing Westar to Submit Budgets in Docket 15-532

On September 29, 2015, the Commission ordered that Westar submit budgets for its five EE programs that conform to the guidelines outlined in the 08-441 Docket by October 15, 2015.

Westar’s Motion for Approval of Energy Efficiency Budgets in Docket 15-532

On October 15, 2015, Westar submitted budgets for all of its EE programs, except the BOC Program, with costs broken down into four broad categories: (1) Administrative Costs; (2) Incentives; (3) Marketing; and (4) Evaluations. Westar did not provide budget data for the BOC Program because it is no longer considered to be an EE program, as discussed above.

On October 29, 2015, in response to a Staff data request,⁸ Westar submitted a revised set of budgets with expanded data (including data for the BOC Program) and an additional section with narrative detail explaining each program budget. That set of budgets is attached to this report as Appendix A.

ANALYSIS:

Budget Review

Westar has been ordered by the Commission several times to submit new operating budgets for each of its EE programs. The Commission has further directed that the budgets should “conform to the guidelines outlined in the 08-441 Docket.”⁹ Westar has submitted these budgets (see Appendix A). Staff evaluated Westar’s EE program budgets and finds them to be in accordance with these guidelines. Staff compared the budget data for each program to the original five-year program budgets, as well as to the historical program cost data.¹⁰ Staff does not have any concerns regarding the proposed EE program budgets at this time. Therefore, Staff recommends that the budgets for WattSaver, EE Education Programs, and EEDR be granted interim approval, with emphasis that final approval for each program budget depends upon the results of Staff’s review of EM&V (or process evaluation for educational programs). However, Staff does have concerns with the BOC Program and SimpleSavings, to be discussed below.

⁸ Westar’s Response to Data Request KCC-004, October 29, 2015, Docket No. 15-WSEE-532-MIS.

⁹ Order Directing Westar to Submit Budgets, p. 3, September, 29, 2015, Docket No. 15-WSEE-532-MIS.

¹⁰ Westar’s Responses to Data Requests CURB-003, CURB-004, and CURB-005, November 3, 2015, Docket No. 15-WSEE-532-MIS.

Building Operator Certification Program

The BOC Program is offered in partnership with the Midwest Energy Efficiency Alliance. The BOC Program is designed to establish and encourage Building Operator Certification through the Northwest Energy Efficiency Council's Building Operator Certification Level 1 and Level 2 series curriculums. In 2009, Westar submitted its Application for the BOC Program as part of Westar's energy efficiency efforts and the BOC Program was approved by the Commission in Docket 09-WSEE-738-MIS.¹¹ Although the tariff expired June 15, 2014, the BOC Program is still operational and continues to provide energy efficiency education.

Westar has expressed resistance, specifically in regards to the BOC Program, when ordered to provide budget data and request approval for its EE programs because Westar no longer considers the BOC Program to be an EE program and is not seeking recovery through the EER. Westar asserted that when considering whether to keep the BOC Program in its Energy Efficiency suite of programs, the BOC Program was re-evaluated and that its benefits now "align more as a customer relationship program than purely an energy efficiency program."¹² In that same response, however, Westar acknowledged that the curriculum of the BOC Program has not changed¹³ and, in a separate data request response, Westar stated that the scope of the BOC Program has not changed.¹⁴ Westar has not provided evidence that the substance of the BOC Program has actually changed; if the BOC Program has not changed, then it is still an EE program subject to Commission established requirements.

Although Westar is not currently seeking recovery of costs for the BOC Program, cost recovery is irrelevant to the determination of whether the BOC Program is an EE program. A specific process exists for review of EE programs, including, in particular, process evaluation for educational programs.¹⁵ Westar should not be allowed to operate an expired EE program that bypasses the established Commission policy detailing the criteria for EE program operation and recovery. Westar has not been able to identify any actual change to the BOC Program to substantiate the claimed shift in nature; therefore, the BOC Program is currently operating as an expired EE program. Accordingly, Staff recommends that the Commission order Westar to either cease operation of the BOC Program or submit an Application for renewal of the program, following the guidelines established for EE programs in Dockets 08-441 and 08-442.

¹¹ Order Approving Building Operator Certification Program, p. 7, June 15, 2009, Docket No. 09-WSEE-738-MIS.

¹² Westar's Response to Data Request KCC-003, Response b, October 29, 2015, Docket No. 15-WSEE-532-MIS.

¹³ *Ibid*, Response a.

¹⁴ Westar's Response to Data Request KCC-097, Docket No. 15-WSEE-115-RTS.

¹⁵ Order Following Collaborative on Benefit-Cost Testing and Evaluation, Measurement, and Verification, ¶ 137, April 13, 2009, Docket No. 08 -GIMX-442-GIV.

SimpleSavings Program Rider / Efficiency Kansas Revolving Loan Program

The State Energy Office's Efficiency Kansas Revolving Loan Program (Efficiency Kansas) was funded with money allocated to Kansas by the American Recovery and Reinvestment Act of 2009. "SimpleSavings" is the name of Westar's program in partnership and under the State's Efficiency Kansas loan program. SimpleSavings was designed to provide energy-efficiency improvements to existing homes and small businesses by working with partner lenders and utilities to provide interest-free loans. As part of SimpleSavings, energy audits were conducted to provide a list of cost-effective improvements participants could make, and once loans were approved, the participants would make monthly payments on their utility bills to repay the loan.

The money allotted to Efficiency Kansas was reallocated to other programs in 2011, and as a result, the program was ramped down. The pilot period for the partnership between Efficiency Kansas and Westar's SimpleSavings Program ended on January 31, 2015.¹⁶ However, terms of the loans issued through SimpleSavings extend beyond that date (SimpleSavings loans were generally for a 15-year term).

Westar has previously expressed resistance, specifically in regards to SimpleSavings, when Ordered to provide budget data and request approval for its EE programs because Westar did not consider SimpleSavings to be an operational EE program (Westar has now provided a budget for SimpleSavings that adheres to the guidelines of Docket 08-441).¹⁷ Since the money allocated for Efficiency Kansas was reallocated to other programs in 2011, Westar is no longer accepting new SimpleSavings participants. The only costs still incurred related to SimpleSavings are minor and stem from the administration of outstanding loans. For these reasons, Westar did not consider SimpleSavings to be one of its EE programs in effect.

Because there are still costs (although minimal) associated with SimpleSavings and because there are still outstanding SimpleSavings loans, Staff does consider SimpleSavings to still be an EE program. However, Staff recognizes that since SimpleSavings is no longer accepting new participants and the funding for Efficiency Kansas has been reallocated, it would not be sensible to require Westar to reapply for SimpleSavings anew.¹⁸ Therefore, Staff recommends that SimpleSavings be reinstated and that its duration be extended until January 1, 2027 (by this date, it is projected that all outstanding SimpleSavings loans will be paid off). Additionally, Staff recommends that the Commission formally disallow Westar from accepting new SimpleSavings applicants. Finally, contingent upon program extension, Staff recommends the Commission

¹⁶ Order Approving Partnership Between Efficiency Kansas and Westar's SimpleSavings Program, p. 20, January 1, 2011, Docket No. 10-WSEE-775-TAR.

¹⁷ Westar's Response to Data Request KCC-004, October 29, 2015, Docket No. 15-WSEE-532-MIS.

¹⁸ Application requirements are defined in Docket No. 08-GIMX-441-GIV, Appendix A, and are attached to this report as Appendix B.

grant interim approval of the budget SimpleSavings, with final budget approval pending Staff's review of EM&V.

RECOMMENDATION:

Staff recommends the Commission take the following actions:

- 1) Because Westar's EE program budgets are now in accordance with the guidelines established in Docket 08-441, Staff recommends that the Commission grant *interim* approval for the budgets of WattSaver Air Conditioner Cycling Program, Energy Efficiency Education Programs, and Energy Efficiency Demand Response Program, with emphasis that final approval for each program budget depends upon the results of Staff's review of EM&V (or process evaluation, in the case of educational programs).
- 2) Although the BOC Program tariff expired June 15, 2014, the Program is still operational and continues to provide energy efficiency education. Westar has not been able to identify any actual change to its BOC Program as evidence of the claimed shift in nature, thus the BOC Program is currently operating as an expired EE program. Moreover, whether a utility seeks recovery through the EE Rider is not relevant to determining whether a program is an EE program. Therefore, Staff recommends that the Commission order Westar to either cease operation of the BOC Program or submit an Application for renewal of the program, following the guidelines specifically established for EE programs in Dockets 08-441 and 08-442.
- 3) SimpleSavings' pilot period ended January, 31, 2015. Although the program has been functionally discontinued, there are still outstanding program loans, thus Staff recommends that the Commission reinstate SimpleSavings and that its duration be extended until January 1, 2027 (by this date, it is projected that all outstanding SimpleSavings loans will be paid off); additionally, Staff recommends that the Commission order Westar be disallowed from accepting new SimpleSavings participants. Finally, contingent upon program extension, Staff recommends the Commission grant *interim* approval of the SimpleSavings budget, with final budget approval pending Staff's review of EM&V.

APPENDIX A

Westar Energy Efficiency Program Budgets					
Year	2015	2016	2017	2018	2019
EEDR					
Administration	\$ -	\$ -	\$ -	\$ -	\$ -
Customer Incentives	\$ 3,785,000	\$ 3,840,000	\$ 3,785,000	\$ 3,840,000	\$ 3,785,000
Marketing	\$ -	\$ -	\$ -	\$ -	\$ -
Evaluations	\$ 55,000	\$ -	\$ 55,000	\$ -	\$ 55,000
WattSaver					
Program Management	\$ 170,000	\$ 170,000	\$ 170,000	\$ 170,000	\$ 170,000
Service Calls	\$ 420,269	\$ 463,748	\$ 420,269	\$ 463,748	\$ 420,269
Call Center & Network Fee	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000
Total Administration	\$ 1,390,269	\$ 1,433,748	\$ 1,390,269	\$ 1,433,748	\$ 1,390,269
Customer Incentives	\$ 58,560	\$ 58,560	\$ 58,560	\$ 58,560	\$ 58,560
Marketing	\$ -	\$ -	\$ -	\$ -	\$ -
Satisfaction Surveys	\$ 3,297	\$ 3,297	\$ 3,297	\$ 3,297	\$ 3,297
Post Cycling Surveys	\$ 4,396	\$ 4,396	\$ 4,396	\$ 4,396	\$ 4,396
EM&V	\$ 43,017	\$ -	\$ 43,017	\$ -	\$ 43,017
Total Evaluations	\$ 51,171	\$ 7,692	\$ 51,171	\$ 7,692	\$ 51,171
Building Operator Certification					
Program fee	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000
Other administration costs	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000
Total Administration	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Customer Incentives	\$ 41,000	\$ 41,000	\$ 41,000	\$ 41,000	\$ 41,000
Marketing	\$ -	\$ -	\$ -	\$ -	\$ -
Evaluations	\$ -	\$ -	\$ -	\$ -	\$ -
EE Education					
Administration	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
Customer Incentives	\$ -	\$ -	\$ -	\$ -	\$ -
Marketing	\$ -	\$ -	\$ -	\$ -	\$ -
Evaluations	\$ -	\$ -	\$ -	\$ -	\$ -
Simple Savings					
Administration	\$ 150	\$ 8,000	\$ 150	\$ 150	\$ 150
Customer Incentives	\$ -	\$ -	\$ -	\$ -	\$ -
Marketing	\$ -	\$ -	\$ -	\$ -	\$ -
Evaluations	\$ -	\$ -	\$ -	\$ -	\$ -
Total Budget for Recovery	\$ 5,400,173	\$ 5,408,023	\$ 5,400,173	\$ 5,400,173	\$ 5,400,173

APPENDIX A

Additional Budget Detail

EEDR:

- Customer Incentives: The budget for customer incentives is comprised of the \$4/kW of interruptible demand customers have agreed to under the tariff.
- Evaluations: EM&V's are scheduled for 2015 (completed) and 2017 (per the S&A in 15-WSEE-181-TAR). The additional 2019 EM&V is scheduled on a two-year cycle as suggested in the 08-442 order.

WattSaver:

- Administration: The administrative budget for the WattSaver program is comprised of Honeywell's (the third party administrator) fees for administering the program. This includes general program management, service calls, call center fees, and paging network fees.
- Customer Incentives: The customer incentives budget is for the replacement thermostats that are installed in customers' homes when they leave the program.
- Evaluations: Customer satisfaction surveys are performed weekly, and post cycling surveys are performed after each cycling event. The EM&V schedule is identical to the schedule described in the EEDR program.

EE Education:

- Administration: Ongoing costs for education programs include replenishment of printed material, CFLs, energy efficiency promotional items and other materials as needed. Costs are highly variable, but based on previous years expenditures, we have revised our budget to about \$60,000 per year.

Simple Savings:

- Administrative: The only ongoing recurring costs to the program are UCC filing costs.
 - While doing further research answering DRs, it was brought to our attention that the initial registration of the loans was for a five year period, and that the majority will need to be renewed in 2016. Any costs that occur outside of 2016 will be for loans paid off early.

Building Operator Certification:

Westar is submitting the breakdown of the BOC budget as the request of KCC staff and has no plans to submit the costs associated with it for recovery at this time.

- Administrative: The administrative costs are comprised of the cost for MEEA to administer the course and the associated costs involved in organizing the course (meeting room rental, etc.)
- Customer Incentives: Westar reimburses participants who successfully complete the certification half of the course enrollment fee.

APPENDIX B

Content of Energy Efficiency Program Application

1. Program Description
2. Program Goal
 - A. Expected energy and demand savings — time horizon
3. Program Framework/Strategy
 - A. Relationship to other programs
 - B. Marketing Strategy
 - C. Program Delivery (In House/Third Party)
 - D. Partners
4. Program Budget (5-Year)
 - A. Start-up Cost
 - B. Administrative Cost
 - C. Incentives (if any)
 - D. Marketing
 - E. Evaluation
5. Program Beneficiaries
 - A. Expected number of participants by customer class or subclass
 - B. Other beneficiaries
6. Program Benefit-Cost Analysis
 - A. All five benefit-cost tests and supporting documentation
7. Program Evaluation, Measurement and Verification Plan
8. Program Specific Tariff Schedule
(For programs involving monetary transactions or the provision of articles of value (e.g. free thermostats or CFLs).)

CERTIFICATE OF SERVICE

15-WSEE-532-MIS

I, the undersigned, certify that a true and correct copy of the above and foregoing Notice of Filing of Staff's Second Report and Recommendation was served by electronic service on this 24th day of November, 2015, to the following:

NIKI CHRISTOPHER, ATTORNEY
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3116
n.christopher@curb.kansas.gov

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

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

SAMUEL FEATHER, OFFICE OF GENERAL COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604-4027
Fax: 785-271-3167
s.feather@kcc.ks.gov

ANDREW FRENCH, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604-4027
Fax: 785-271-3314
a.french@kcc.ks.gov

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

JEFFREY L. MARTIN, VICE PRESIDENT, REGULATORY
AFFAIRS
WESTAR ENERGY, INC.
818 S KANSAS AVE
PO BOX 889
TOPEKA, KS 66601-0889
jeff.martin@westarenergy.com



Pamela Griffeth
Administrative Specialist