

**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, Inc. and)
Kansas Gas and Electric Company Seeking)
Commission Approval to Implement Changes) Docket No. 18-WSEE-355-TAR
in their Transmission Delivery Charges Rate)
Schedules.)

**ORDER ACKNOWLEDGING EFFECTIVE DATE OF TRANSMISSION DELIVERY
CHARGE SUBJECT-TO-REFUND PURSUANT TO K.S.A. 66-1237**

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and determination. Having examined its files and records and being fully advised in the premises, the Commission finds and concludes as follows:

I. BACKGROUND

1. On February 15, 2018, Westar Energy Inc. and Kansas Gas and Electric Company (Westar) filed an updated Transmission Delivery Charge (TDC) tariff to recover costs associated with Westar's transmission of electric power.¹ Westar points to K.S.A. 66-1237 as the statutory authority for the recovery of the TDC.² Westar requests the proposed TDC rates become effective April 3, 2018.³

2. On March 3, 2018, the Commission issued its Order Granting CURB intervention in the instant matter.⁴

¹ Tariff for Westar Energy Inc. and Kansas Gas and Electric Company 2018 Transmission Delivery charge, p. 1 (Feb. 15, 2018).

² See *id.*

³ See *id.*

⁴ See Order Granting CURB's Petition to Intervene (Mar. 3, 2018).

II. DISCUSSION

3. Any electric public utility subject to the Commission's jurisdiction may seek recovery of the utility's costs associated with the transmission of electric power through a separate TDC included in customers' bills.⁵

4. This filing is allowed by K.S.A. 66-1237. K.S.A. 66-1237 subsection (c) provides as follows:

All transmission-related costs incurred by an electric utility and resulting from any order of a regulatory authority having legal jurisdiction over transmission matters, including orders setting rates on a subject-to-refund basis, shall be conclusively presumed prudent for purposes of the transmission delivery charge and an electric utility may change its transmission delivery charge whenever there is a change in transmission-related costs resulting from such an order. The commission may also order such a change if the utility fails to do so. An electric utility shall submit a report to the commission at least 30 business days before changing the utility's transmission delivery charge. If the commission subsequently determines that all or part of such charge did not result from an order described by this subsection, the commission may require changes in the transmission delivery charge and impose appropriate remedies, including refunds.

5. As provided by K.S.A. 66-1237(c), all transmission-related costs incurred by an electric public utility which resulted from a body with regulatory authority over transmission matters are conclusively presumed prudent.

6. K.S.A. 66-1237(c) provides for a process by which an electric public utility submits a report to the Commission a minimum of 30 business days prior to the electric public utility changing its TDC.

7. The Commission may issue an order setting TDC rates subject-to-refund.⁶

8. If the Commission subsequently determines all or part of the TDC rate does not comply with K.S.A. 66-1237, the Commission may require changes in the TDC and impose appropriate remedies, including refunds.⁷

⁵ See K.S.A. 66-1237(a).

⁶ See K.S.A. 66-1237(c).

III. FINDINGS AND CONCLUSIONS

9. The Commission finds Westar is a regulated electric public utility subject to the Commission's jurisdiction. The Commission also finds Westar filed its tariff to update its TDC on February 15, 2018, 30 business days prior to the requested effective date of the change. Accordingly, the Commission finds and concludes Westar has met the appropriate procedural requirements to allow its updated TDC to go into effect April 3, 2018, as requested.

10. Further, the Commission finds it has the authority to approve TDC rate changes subject-to-refund. The Commission notes that K.S.A. 66-1237(c) provides that if after Westar has changed its TDC the Commission determines all or part of the TDC did not result from an order described in K.S.A. 66-1237(c), the Commission may require changes in the charge and impose appropriate remedies, including refunds. The Commission recognizes finality of TDC rates is an ongoing dispute in other Westar TDC proceedings. Accordingly, the Commission finds and concludes the above summation of K.S.A. 66-1237(c) should in no way be deemed a conclusion or holding on matters regarding the subject-to-refund nature of TDCs, or other items, until the Commission explicitly rules upon such.

11. As stated above, all transmission-related costs incurred by an electric public utility which resulted from a body with regulatory authority over transmission matters are conclusively presumed prudent.⁸ Therefore, the Commission find and concludes Westar's proposed TDC update will result in just and reasonable rates. Accordingly, the Commission finds and concludes Westar's proposed TDC rates filed February 15, 2018, should become effective April 3, 2018, on a subject-to-refund basis while the Commission conducts its review of Westar's TDC.

⁷ *Id.*

⁸ *See* K.S.A. 66-1237(c).

12. The effective date of a TDC is governed by K.S.A. 66-1237(c). Upon further review of Westar's request, it is clear Westar is not requesting any tariff language changes or revisions to the TDC otherwise subject to K.S.A. 66-117 which would require the Commission to suspend the instant proceedings.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. Westar Energy, Inc. and Kansas Gas and Electric Company's Transmission Delivery Charge, as filed February 15, 2018, shall go into effect on April 3, 2018, subject to Commission review, possible changes to the charge and subject to appropriate remedies, including refunds.

B. 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. 77-542.⁹

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

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Apple, Commissioner

Dated: 03/13/2018



Lynn M. Retz
Secretary to the Commission

REV

⁹K.S.A. 77-537(b); K.S.A. 66-118b; K.S.A. 77-529(a)(1).

CERTIFICATE OF SERVICE

18-WSEE-355-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 03/14/2018.

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