

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the Matter of the Complaint Against)
Westar Energy, Inc. by Lonnie and Patricia) Docket No. 20-WSEE-096-COM
Dalrymple)

**RESPONSE TO STAFF REPORT AND RECOMMENDATION OF EVERGY KANSAS
CENTRAL, INC.**

Evergy Kansas Central, Inc. (Evergy Kansas Central) submits the following Response to the Report and Recommendation filed by Commission Staff regarding the Complaint filed by Lonnie and Patricia Dalrymple.

1. On or about August 28, 2019, Mr. and Mrs. Dalrymple filed their Complaint in this matter. Westar was served with the Complaint on September 25, 2019. On March 5, 2020, Staff filed its Report and Recommendation (“R&R”) regarding the Complaint.

2. In its R&R, Staff recommends that the Commission find that Evergy Kansas Central complied with its tariff and dismiss the Complaint. Staff also recommends that the section of the tariff allowing for up to \$1,000 in reimbursement for a customer doing trenching and laying conduit as a result of a failed, direct-buried service line be revisited during the next general rate case to determine if \$1,000 is the appropriate amount of reimbursement. Finally, Staff recommends that the Commission require Evergy Kansas Central to set clear guidelines regarding the length of time a temporary line may remain in operation.

3. Evergy Kansas Central is filing in response to Staff’s recommendation regarding establishing a policy for temporary service lines. Evergy Kansas Central does in fact already have a clear policy regarding temporary service lines and how long those lines are permitted to remain in place. In this specific instance, there was a misunderstanding with Evergy Kansas Central’s

field employees, who believed that they could not implement the standard policy, described below, because Mr. and Mrs. Dalrymple had filed a complaint with the Commission.

4. Evergy Kansas Central's standard policy in cases where a temporary service line is installed in order to provide service while the customer completes the trenching and lays the conduit necessary for replacement of a failed underground service line is that the maximum time for the temporary line to remain in place is 30 days. Upon installation of a temporary service line, Evergy Kansas Central sends a notice to the customer indicating that they have 30 days to complete the necessary work and that if the work is not completed in that timeframe, the temporary line will be disconnected. This written policy is attached hereto as Exhibit A.

5. Once the misunderstanding with the field employees was cleared up, Evergy Kansas Central proceeded with its standard policy for handling temporary lines and issued Mr. and Mrs. Dalrymple a thirty-day notice indicating that electric service would be disconnected if they did not complete the required work necessary for Evergy Kansas Central to install a permanent service line.

6. Evergy Kansas Central has also communicated with its field personnel to make it clear that this policy should be followed regardless of whether an informal or formal complaint has been filed with the Commission, absent a Commission order to the contrary.

7. Therefore, it is not necessary for the Commission to require Evergy Kansas Central to develop any new policy or guidelines. Evergy Kansas Central has the appropriate policy in place and commits to follow that policy in any future cases involving use of a temporary service line while waiting for the customer to complete the required work to replace the permanent underground service line.

Respectfully submitted,

EVERGY KANSAS CENTRAL, INC

/s/ Cathryn J. Dinges
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Topeka, Kansas 66612
(785) 575-8344; Telephone
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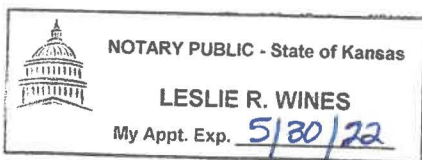
VERIFICATION

STATE OF KANSAS)
) ss
COUNTY OF SHAWNEE)

The undersigned, Cathryn Dinges, upon oath first duly sworn, states that she is Corporate Counsel for Evergy Metro, Inc., that she has reviewed the foregoing pleading, that she is familiar with the contents thereof, and that the statements contained therein are true and correct to the best of her knowledge and belief.

Cathryn Dinges
Cathryn Dinges

Subscribed and sworn to before me this 9th day of March, 2020.



Leslie R. Wines
Notary Public

My appointment expires: May 30, 2022

CERTIFICATE OF SERVICE

I hereby certify that on this 9th day of March, 2020, the foregoing Response was electronically served on the following parties of record:

COLE BAILEY, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
c.bailey@kcc.ks.gov

Additionally, the foregoing Answer was mailed to the following parties of record:

LONNIE & PATRICIA DALRYMPLE
17391 HOLLINGSWORTH ROAD
BASEHOR, KS 66007

/s/ Cathryn J. Dinges
Cathryn J. Dinges

Failed Services



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Touchpoint Team #2 identified service failure as a customer pain point. Their scope stated “Under current policies and procedures, the customer is left to deal with a failed or damaged overhead or underground service without any assistance by Westar employees. While the customer “owns” this equipment, they consistently feel that Westar should be responsible for repairs.”

An outcome of this Touchpoint Team’s work was the decision that all service line failures should be recorded in the SharePoint site titled Touchpoint Team 2: [Failed OH/UG Services](#).

This site will be utilized to track all failed services. Detailed instructions are on this site under OH/UG Services Documents in the Clerk Checklist and SharePoint Training documents.

Customer Communication

Above ground temporary service can be provided, if safe conditions allow, until a new service line can be installed. The temporary service should be used for a maximum of 30 days. The Company acknowledges there are instances where a customer cannot provide the necessary work within 30 days. In these instances, if the customer can provide evidence of arrangements made with a qualified contractor, temporary service may be provided for an extended, agreed upon time frame. This communication should be documented in SharePoint.

The 30-day customer letter is to be utilized to communicate with the customer and serve as a 30 day notification when needed. This letter must be generated through the SharePoint site for tracking purposes.

Types of Service

A residential or commercial customer may have an overhead service, an underground service in conduit, or a direct buried underground service. The customer’s responsibilities may vary with the type of service that currently serves them.

Overhead Service: Above ground temporary service should be provided, if safe conditions allow. If the temporary service is set, a 30-day letter should be sent. If the customer needs assistance locating a qualified electrician to make repairs, division office personnel will assist. This should be documented in SharePoint.

Underground in Conduit: In accordance with GT&C 8.01.09 and 7.06.02, Westar takes ownership and maintains the conduit once it is installed; therefore, the Company is responsible for digging, trenching and replacing wire and/or conduit if the conduit is damaged and cannot be used. In the event of damage to company property, Westar will perform replacement and repairs seeking reimbursement from the appropriate party via the damage claim process.

Since it is the Company’s responsibility to get the work done, no 30-day notification letter will need to be sent to the customer even if temporary service is provided. All should be tracked on the SharePoint site with any communication made with the customer. It should be documented when the failed service issue was resolved.

Direct Buried Underground: In the event of a failed existing underground direct buried service line (per General Terms & Conditions 7.06.02c):

- i) The Company will install a temporary above ground service line to reestablish temporary service to the customer.
- ii) The customer will properly install three-inch conduit, including any trenching, and backfilling in accordance with service standards, and all federal, state, county, and city code requirements.
- iii) Upon completion of item ii) the Company will provide, install in customer provided conduit, and terminate up to 135 feet of underground electric service line and reestablish permanent underground electric service.
- iv) The Company will provide a reasonable reimbursement to the customer to cover up to 135 feet of trenching and backfill costs associated with the underground service, not to exceed \$1,000. Reimbursements will normally be provided through bill credits for residential customers and through direct payment for landlords and mobile home park owners.”

Provide temporary service, if safe conditions allow, and send the customer the 30-day letter aforementioned. This should be documented in Share Point.



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Existing underground customers may move to overhead service if overhead lines are compatible, serve the customer's location, and the area allows overhead service installation. A licensed electrician will need to install a service mast as shown in the overhead service standards.

Upon completion of work, if an inspection is required for the customer location, the city/county inspector will notify Westar Energy the service at the address is ready to be reinstalled. Westar Energy will install a new service cable, at no charge, within 3 to 5 working days (weather permitting).

Failed Direct Bury Service Reimbursement Process

Beginning Sept. 27, 2018, Per 7.06.02c (iv), Westar will reimburse customers reasonable costs for up to 135' of trenching and backfill costs (up to \$1,000) associated with the failed direct bury underground service.

We don't expect to see very many scenarios where we would see anything up to the \$1,000 maximum being unreasonable, if the customer can provide a good explanation of their costs. The only possibility would be where it cost a customer \$400 in actual expenses and they want us to pay \$800 or \$1000 (with no reasonable documentation or explanation).

If the customer has access to the proper equipment and performs the work themselves, the customer will need to provide an invoice of some kind, stating how much they feel the reimbursement should be. If they rented the equipment themselves, it would be nice to have that invoice to reference, and then they'd need to provide documentation for their labor separately (a Word or Excel document is fine). While we may feel we need to attempt to judge whether the per foot cost is "reasonable" or not, the directive is that if it is 135' or less and the cost is \$1,000 or less, we will do the refund.

The customer would not qualify for any refund if they choose to go back w/ OH SVC line. Per Docket No. 15-WSEE-580-COM, Page 5: "Regarding the cost to the customer, Staff notes that while the tariff addresses replacing a failed overhead service with an underground one, it does not address the scenario of replacing a failed underground with an overhead service. However, Westar's Energy Operations Manual does allow existing underground customers to be moved to overhead service if overhead lines are compatible, serve the customer's location, and the area allows overhead service installation. Section 7.06.01 of the tariff allows the Complainant the option of installing overhead electric service lines, of which 135 feet will be installed free of charge. Staff believes the Complainant would still be required to pay for the cost of setting a suitable meter pole, installing a weatherhead, and providing for the electric service entrance to its tenant's home. We also believe it would be reasonable to require the Complainant to install the necessary pole and conduit to connect the pad mounted transformer to an overhead service." Since no trenching is done as part of replacing the UG with UG, they do not qualify for the refund, and in fact could incur additional costs to prepare their site to be properly fed from OH.

There is no distinction made in the GT&C between Residential vs Commercial applications; a customer is a customer. The commercial customer would qualify as long as the service is 135' or less and the customer is requesting reimbursement of \$1,000 or less.

Direct buried services that are replaced in a proactive manner BEFORE they have actually failed are not eligible for reimbursement. Direct buried services that are accidentally cut while performing other work are not eligible for reimbursement; these costs are recovered as a part of the Damage Claims process.

REIMBURSEMENT

A key component of the tariff is that the reimbursement will "cover up to 135 feet" of trenching. A calculation may need to be performed to arrive at the cost for 135 feet if the service length is longer. That formula is:

TOTAL COST OF JOB divided by TOTAL FOOTAGE = COST/FT. Multiply that result times 135 feet to arrive at the new cost for 135 feet. That is the eligible reimbursement cost, payable up to the \$1,000 maximum.

The language of the GT&C states that for homeowners, we will normally refund to their CSS account. However, due to current CSS system limitations, we can only refund up to an equal amount of what the customer currently owes; the account cannot carry a credit balance.

Customer documentation should be scanned and then stored electronically in a locally shared drive for future reference.

For all customers (not including Landlords or Mobile Home Park Owners), use the **REAC** CSS transaction to access the customer's bill information to make the evaluation as to whether they have a suitable account balance to accept the



Failed Services

reimbursement. If the reimbursement is less than what the customer owes, follow Method #1 outlined below; otherwise follow Method #2. Landlords and Mobile Home Park Owners must follow Method #2.

METHOD #1- CUSTOMER BILL REFUNDS PROCESS

If the homeowner does not have enough of a balance to accept the full credit, contact a Customer Operations Call Center supervisor via email (CreditCollectionsWMS@eShare.WestarEnergy.com) to have the credit applied to the customer's account. When contacting the supervisor, the suitable documentation must be attached to the communication. It is recommended that the documentation also be stored locally (shared network drive) in case future questions arise.

METHOD #2 - ACCOUNTS PAYABLE REQUEST FOR PAYMENT PROCESS

Follow the Sharepoint path outlined below to arrive at the AP Payment Request Form.

Circuit> Department> Accounting and Finance> Westar Forms> Accounts Payable Forms> Payment Request Form - Westar.

Following the coding outlined below, once the form is filled out, email it as well as the customer supplied invoice to ap.admin@westarenergy.com for Accounts Payable to verify and sign off on.

The refund documentation will be attached as a part of the process in PeopleSoft, but it is recommended that the documentation also be stored locally (shared network drive).

Refer to examples at the end of the policy for guidance on proper documentation.

Coding for Reimbursements of Failed Direct Bury UG Service

Business Unit	Dept. ID	Work Area	Account	Class	Project	Jobtask	
10000/10100 (Westar/KGE)	Appropriate Local (like 03201)	Appropriate Local (like 03201)	5940003	R100	00B505	----	

Tax Information

Assuming the customer provides some information supporting the need for the reimbursement, we can follow the Damages claims process (for tax purposes anyway – see paragraph below) to support that a Form 1099 is not required.

- **Damage / Right of Way Settlement**
 - Payments for surface and subsurface damages (damages to the land, fences and improvements as opposed to damages to growing crops) reduce the landowner's basis in the property. The payments are not taxed until they exceed the landowner's basis in the land. After that, they are taxed as capital gains income. Because Westar is not able to determine the landowner's basis in the property, Westar is not required to file a Form 1099-MISC to report any part of the payment as income.



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SCENARIO #1

A customer with a 100' direct buried service experiences a failure. They hire a contractor to dig a 100' trench and follow Westar standards to re-establish permanent UG service. They present to Westar a copy of their paid contractor invoice, requesting reimbursement of \$950. What do we do?

Because the trenching is less than 135' and the cost is below \$1,000, we agree to provide the refund. We pull the customer's account up using REAC and determine that their current bill is \$200. We must follow Method #2, the AP Non-PO process to execute cutting a check to reimburse the customer the \$950.

SCENARIO #2

A customer experiences a failure of their 125' direct bury service. City codes demand that they retain permanent service underground. The customer has a friend with the proper equipment to perform the trenching and backfilling to Westar service standards, so they perform the work. The customer calls in one day to ask for a refund of \$1,500. What do we do?

The customer must still provide some kind of invoice to us, stating how much they feel the reimbursement should be. If they had to rent any equipment along the way, those invoices would be helpful to include. Otherwise, they would need to submit some other kind of document (Word or Excel is fine) stating what their labor and equipment costs were. Once the customer provides the proper documentation, and because their footage is below 135', they would be eligible for a refund of \$1,000, the maximum payout allowed. We pull the customer's account up using REAC and determine that their current bill is \$1,400. Because their CSS Account can cover the total refund cost, we follow Method #1 and contact a Customer Operations Call Center supervisor via email to execute the refund, making sure to attach the documentation provided by the customer.

SCENARIO #3

A customer experiences a failure of their direct bury service and attempt to claim a distance of 150'. They hired a qualified contractor to perform the work and the customer is presenting an invoice of \$1,800 for reimbursement. What do we do?

There are 2 components to this scenario: A) service length greater than 135', and B) costs greater than \$1,000. We must perform a calculation to determine the cost of reimbursement of 135' feet because the tariff states the reimbursement covers "up to 135 feet", which ties directly to our Service Standards for an UG service. In this case, take the total cost of the job divided by the total footage to determine cost per foot = \$12.00. Take the \$12.00 times 135 feet = \$1,620. We will pay out \$1,000 because that is our maximum reimbursement amount. Perform the customer account evaluation in REAC to determine which method to take to execute the reimbursement.

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REQUEST FOR PAYMENT (THIS FORM TO BE USED IN ABSENCE OF AN INVOICE)									
PAY TO:	David Streck						INVOICE DATE	01/03/2019	
ADDRESS:	3317 N. Sandy Hollow						INVOICE NUMBER	RFP010319	
CITY:	Hutchinson	State	KS	Zip Code	67501		PAYMENT DATE		
REMIT NOTES:	This is reimbursement for failed UG service line trenching and customers labor						VENDOR NUMBER		
	(This information will be returned to Vendor)						AP BUSINESS UNIT		
SPECIAL HANDLING	Send check to David Streck 3317 N. SANDY HOLLOW, HUTCHINSON, KS 67501								
ATTACHMENT?	YES X	NO							
Amount	Description	GL BU	Account #	Operating Unit	Department	Work Area	Class	Project	Job Task
390.00	Labor For Trenching	10000	5940003	10000	2901	2901	R100	00B505	N/A
155.04	Trencher Equip Rental	10000	5940003	10000	2901	2901	R100	00B505	N/A
14.11	Tax If Applicable								
559.15	Total								
All forms need a Submitter/Requestor Printed Name									
Submitter/Requestor									
Bonnie Elam/UC			(Please Print)			(Date)		1/3/2019	

Failed Services



Rental To

High Reach Equipment LLC
3824 W 30th St S
Wichita, KS 67217
www.highreachequip.com

Paid in Full

Completed	Invoice#
Mon 10/22/2018	50065-2

Bill to:

Customer #: 12448

STRECK DAVE
3517 N SANDY HOLLOW
Hutchinson, KS 67501

Date Out Mon 10/22/2018

Terms	Aging Date
Due upon receipt	Mon 10/22/2018

Find Here

Find Here

Picked up by: DAVE STRECK

Qty	Key	Items Rented	Rental Period	Status	Returned Date	Price
1	DARTREXCH-4418	DARTREXCH-4418 TRENCHER	Mon 10/22/2018 8:00AM to Mon 10/22/2018 10:14AM	Returned	Mon 10/22/2018 10:14AM	\$121.00
		Meter Out: 155.3 Plus \$121.00 1day \$200.00 1week \$920.00 4weeks \$2,759.00	Meter In: 134.8 Total hours on meter: 1.2			
1	SACHP-10TH-TRAILER	SACHP-10TH-TRAILER TRAILER	Mon 10/22/2018 8:00AM to Mon 10/22/2018 10:14AM	Returned	Mon 10/22/2018 10:14AM	\$15.00
		1day \$30.00 1week \$160.00 4weeks \$540.00				

130' OF TRENCHING X 3,00 FT. = \$390.00

Payments made on this contract:

Rental/Sale Paid: \$169.15 Mon 10/22/2018 8:40AM Credit Card Visa xxxx xxxx xxxx 4950
Total \$169.15

Payment Due upon receipt

Please pay from this invoice.

Rental and Sales:	Damage Waiver:	Subtotal:	HUTCHINSON TAX:
\$136.00	\$18.04	\$155.04	\$14.11
Total Amount: \$169.15	Total Paid: \$169.15	Total Due: \$0.00	

820-889-3843 Phone

www.highreachequip.com

820-259-7785 Fax

Signature:

DAVE STRECK