THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Shari Feist Albrecht, Chair Jay Scott Emler Dwight D. Keen

In the Matter of the Joint Application of) Westar Energy, Inc. and Kansas Gas and) Electric Company for Approval to Make) Certain Changes in their Charges for Electric) Services.

Docket No. 18-WSEE-328-RTS

ORDER ON WESTAR'S MOTION TO STRIKE PORTIONS OF SIERRA CLUB'S AND VOTE SOLAR'S TESTIMONY

This matter comes before the State Corporation Commission of the State of Kansas (Commission). Having examined its files and records, and being fully advised in the premises, the Commission finds and concludes as follows:

Background

1. On February 1, 2018, Westar Energy, Inc. (Westar) and Kansas Gas and Electric Company (KG&E) (Westar and KG&E collectively referred to as "Westar") filed a Joint Application requesting authorization to make certain changes to their charges for electric service in Kansas pursuant to K.S.A. 66-117 and K.A.R. 82-1-231.¹

2. On April 2, 2018, Sierra Club petitioned to intervene.

3. On April 19, 2018, Vote Solar petitioned to intervene.

4. On May 3, 2018, the Commission granted intervention to Sierra Club.

5. On June 7, 2018, the Commission issued its *Order Consolidating Vote Solar and Sierra Club Interventions*, granting intervention to Vote Solar "conditioned on [Vote Solar's] combining its activities in the docket with Sierra Club."² The Commission agreed

¹ Joint Application, p. 1 (Feb. 1, 2018).

² Order Consolidating Vote Solar and Sierra Club Interventions, Ordering Clause A (June 7, 2018).

with Westar that "the policy issues addressed in the 16-403 Docket must not be re-litigated in this proceeding,"³ but found that "Vote Solar's stated intention of providing evidence and argument on the results of Westar's proposed rate design for DG customers will not necessarily amount to re-litigation of the DG policy matters determined in the 16-403 Docket."⁴

6. On June 18, 2018, Westar filed a "Motion to Strike . . . portions of testimony filed on behalf of Sierra Club and Vote Solar." (Motion).⁵ Westar's Motion quoted various portions of the *Final Order* in the 16-403 Docket⁶ for the ostensible purpose of arguing that Sierra Club and Vote Solar are attempting to re-litigate the 16-403 Docket.⁷ Westar argued that "page 33, line 1 through page 38, line 5 and . . . page 38, lines 18 through 20" of Madeline Yozwiak's direct testimony constitute "a collateral attack on the Commission Final Order in the 16-403 Docket and should be stricken as an attempt to relitigate those issues in direct contravention of the Consolidation Order."⁸

7. On June 26, 2018, Sierra Club and Vote Solar responded in opposition to Westar's Motion, arguing that Westar improperly appealed to the 16-403 Docket as a basis for requesting that portions of Sierra Club's and Vote Solar's testimony should be stricken.⁹ Sierra Club and Vote Solar argued that "the portion of the testimony that Westar seeks to strike" is responsive and relevant to Westar's testimony on Residential Distributed Generation (RS-DG).¹⁰ Sierra Club and Vote Solar acknowledged the Commission's finding

³ *Id.* at ¶ 13.

⁴ Id.

⁵ Motion, p. 1.

⁶ Motion, ¶ 6.

⁷ Motion, \P 7.

⁸ Motion, ¶ 8.

⁹ Sierra Club and Vote Solar's Response in Opposition to Westar's Motion to Strike, ¶ 16 (June 26, 2018) (Response).
¹⁰ Response, ¶¶ 6-11.

Response, ¶¶ 6-11.

in the 16-403 Docket that "the current two-part residential rate design is problematic and a cost-based three-part rate to improve cost recovery is an appropriate rate design option, among others, for residential DG customers."¹¹ Sierra Club and Vote Solar noted the Commission's further finding that the appropriateness of a three-part rate design for DG customers does not serve as a predetermination that such a rate design will result in just and reasonable rates.¹² Sierra Club and Vote Solar argued that DG customers have the same right as any other customer class to receive Westar's service at just, reasonable, non-discriminatory and non-preferential rates.¹³ Sierra Club and Vote Solar also argued that DG customers "have a right not to be charged higher rates or charges for [Westar's] service, or otherwise be prejudiced or disadvantaged, based on their use of renewable energy sources."¹⁴

Findings and Conclusions

8. K.A.R. 82-1-204(f)(8) states that the "'[f]ormal record' or 'record' shall include the following, when filed with the commission . . . (8) all prefiled testimony or proposed exhibits offered but not received in evidence." K.A.R. 82-1-230(a) gives the Prehearing Officer discretion to admit evidence into the record.

9. Regarding Westar's request that "the direct testimony of Madeline Yozwiak, from page 33, line 1 through page 38, line 5 and . . . page 38, lines 18 through 20" be stricken from the record, ¹⁵ the Commission finds that pursuant to K.A.R. 82-1-204(f)(8), everything in Ms. Yozwiak's direct testimony is already part of the "formal record" or "record." Therefore, based on the Commission's discretion under K.A.R. 82-1-230(a), the

¹¹ Response, ¶ 13.

¹² Response, ¶ 14.

¹³ Response, ¶ 15.

¹⁴ Response, ¶ 15.

¹⁵ Motion, p. 4.

Commission will not formally strike any portion of Ms. Yozwiak's direct testimony from the record.

10. However, the Commission has discretion to weigh Sierra Club's and Vote Solar's proffered evidence.¹⁶ Pursuant to its *Order Consolidating Vote Solar and Sierra Club Interventions*, the Commission will give no weight to testimony it finds to be an attempt to re-litigate the policy issues addressed in the 16-403 Docket. Thus, any testimony arguing or implying that "[a] cost of service based three-part rate consisting of a customer charge, demand charge, and energy charge" is *per se* or by its very nature unjust, unreasonable, prejudicial, disadvantageous, unduly discriminatory or unduly preferential will be given no weight.¹⁷ However, the Commission will give due weight to any testimony addressing the questions of whether Westar's proposed rate design for DG customers *in this docket* will result in just and reasonable rates for such customers¹⁸ or will subject such customers to higher rates or charges or any other prejudice or disadvantage.¹⁹

THEREFORE, THE COMMISSION ORDERS:

A. Westar's Motion to Strike portions of testimony filed on behalf of Sierra Club and Vote Solar is denied.

B. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).²⁰

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

¹⁶ Sw. Kansas Royalty Owners Ass'n v. State Corp. Comm'n, 244 Kan. 157, 166 (1989); Colorado Interstate Gas Co. v. State Corp. Comm'n, 192 Kan. 1, 18 (1963).

¹⁷ See 16-403 Docket, Final Order, ¶ 23 (Sept. 21, 2017).

¹⁸ See *id.* at \P 24.

¹⁹ See K.S.A. 66-117d.

²⁰ K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated:

Lynn M. Ref

Lynn M. Retz Secretary to the Commission

MJD

18-WSEE-328-RTS

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of

electronic service on 07/10/2018

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18-WSEE-328-RTS

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