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 Application of Western |) | |
|--|---|----------------------------|
| Cooperative Electric Association, Inc. Seeking |) | |
| Commission Approval to Update Its Local |) | Docket No. 18-WSTE-473-TAR |
| Access Delivery Service Tariff Pursuant to the |) | |
| 34.5kV Formula Based Rate Plan Approved in |) | |
| Docket No. 16-MKEE-023-TAR. |) | |

ORDER APPROVING WESTERN COOPERATIVE ELECTRIC ASSOCIATION, INC.'S APPLICATION TO UPDATE ITS LOCAL ACCESS DELIVERY SERVICE TARIFF

This matter comes before the State Corporation Commission of the State of Kansas (Commission). Having reviewed its files and records, and being fully advised in the premises, the Commission makes the following findings:

- 1. On April 27, 2018, Western Cooperative Electric Association, Inc. (Western) filed its Application seeking approval to update its local access delivery service (LADS) tariff pursuant to the 34.5 kV formula-based rate plan (34.5kV FBR Plan) approved in Docket No. 16-MKEE-023-TAR. On April 27, 2018, Western filed Prefiled Direct Testimony of Elena E. Larson and Prefiled Direct Testimony of Dennis Deines in support of its Application.
- 2. On April 30, 2018, Mark D. Calcara and Taylor P. Calcara entered their appearances on behalf of Western. On May 4, 2018, William G. Riggins entered his appearance on behalf of Kansas Electric Power Cooperative, Inc. (KEPCo).

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¹ Application, p. 1 (Apr. 27, 2018).

² Prefiled Direct Testimony of Elena E. Larson, Rate and Regulatory Consultant, Power System Engineering, Inc., on Behalf of Western Cooperative Electric Association, Inc. (Apr. 27, 2018); Prefiled Direct Testimony of Dennis Deines, Co-Interim General Manager, Western Cooperative Electric Association, Inc., on Behalf of Western Cooperative Electric Association, Inc. (Apr. 27, 2018).

- 3. On May 16, 2018, Western, KEPCo, and Commission Utilities Staff (Staff) (collectively, Joint Movants) filed a Joint Motion for Procedural Schedule, recommending an agreed schedule for Commission review and approval.³
 - 4. On May 24, 2018, the Commission issued an *Order Setting Procedural Schedule*.⁴
- 5. On August 27, 2018, Staff filed its Report and Recommendation (R&R), recommending approval of Western's proposed 34.5 kV monthly Local Access Charge (LAC) demand rate of \$1.73 per kilowatt month.⁵ In the 16-MKEE-023-TAR Docket (16-023 Docket), the Commission approved a 34.5 kV FBR Plan which allows for annual adjustments to the LAC demand rate assessed to wholesale customers receiving service off Western's 34.5 kV sub-transmission facilities.⁶
- 6. Western's requested rate of \$1.73 per kilowatt month represents a 1.8% increase from its current LAC rate of \$1.70 per kilowatt month.⁷ The \$1.70 rate was approved by the Commission in the 17-WSTE-477-TAR Docket (17-477 Docket).⁸
- 7. After a thorough review of Western's revised version of the Application to correct three minor errors, Staff found the "corrections resulted in a \$110 decrease to the original revenue requirement and a revised revenue requirement of \$1,285,617." Staff noted the amount of the adjustment ultimately had no impact on the resulting LAC rate of \$1.73 per kilowatt month and recommended approval of the revised net revenue requirement which reflects an accurate calculation of the LAC rate. ¹⁰

³ Western Cooperative Electric Association, Inc., Staff and Kansas Electric Power Cooperative, Inc. Joint Motion for Procedural Schedule (May 16, 2018).

⁴ Order Setting Procedural Schedule (May 24, 2018).

⁵ Report and Recommendation, p. 1 (Aug. 27, 2018) (R&R).

⁶ R&R, p. 2.

⁷ R&R, p. 2.

⁸ R&R, p. 2, fn. 4.

⁹ R&R, p. 2.

¹⁰ R&R, p. 2.

8. Staff's recommendation to approve Western's revised revenue requirement of \$1,285,617 and the proposed monthly LAC rate of \$1.73 per kilowatt month is unopposed.

9. Based on the evidence presented, the Commission adopts Staff's uncontested Report and Recommendation to approve a 34.5 kV monthly LAC demand rate of \$1.73 per kilowatt month for Western.

THEREFORE, THE COMMISSION ORDERS:

A. Western's Application for a 34.5 kV monthly LAC demand rate of \$1.73 per kilowatt month is approved.

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).¹¹

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

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner
09/11/2018
Dated:

Lynn M. Retz

Secretary to the Commission

Lynn M. Ret

MJD/sc

¹¹ K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

CERTIFICATE OF SERVICE

18-WSTE-473-TAR

| I, the undersigned, cer | fy that the true copy of the attached Order has been served to the following parties by means | of |
|-------------------------|---|----|
| electronic service on | 09/11/2018 | |

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/S/ DeeAnn Shupe

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