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For Immediate Release

CURB Recommends Decrease in Westar's Rates

TOPEKA, Kansas, June 11, 2018 – The Citizen's Utility Ratepayer Board (CURB) filed testimony today in the Westar Energy (Westar) rate case (*KCC Docket No. 18-WSEE-328-RTS*). CURB's experts recommend a cumulative \$124,649,797 decrease in the overall revenue to be collected from Kansas consumers. If the Kansas Corporation Commission (KCC) adopts CURB's recommendations, a typical residential customer that uses 1,200 kWh in the summer months will see their bill decrease by 3.5% - or a little over \$6 per month.

1) Overall Net Revenue Decrease.

In its application, Westar seeks to have its rates changed in two Steps. In the first step, Westar proposes a rate decrease of \$1.56 million to be effective in September 2018. In the second step, Westar proposes a rate increase of \$54.2 million to be effective on February 1, 2019. Overall, Westar proposes that its rates be increased by \$52.6 million (a 2.6% increase from rates established in its prior KCC docket (*KCC Docket No. 17-WSEE-147-RTS*)).

CURB's position in this rate case stands in stark contrast to Westar's position.

- CURB recommends a rate decrease of \$122,739,935 in the first step that will be effective October of this year.
- In the second step, CURB recommends a revenue decrease of \$1.9 million that will become effective in February 2019.

"One of the major issues that CURB has is Westar's inclusion of the Western Plains Wind Farm in its rate base," says David Nickel, Consumer Counsel for CURB. "Westar acknowledges that this investment is not necessary to provide service to Westar's customers. Therefore, CURB believes it unfair to saddle the ratepayer with the risk of the investment, especially since the KCC staff warned Westar not to make the investment in 2015."

2) Effect of the Merger Between KCP&L and Westar

CURB's testimony outlines the very positive effect of the merger between KCP&L and Westar that the KCC approved on May 24, 2018. These benefits include: Bill credits of approximately \$57 million dollars to be paid to Westar customers over the period from 2018 through 2022; a five-year base rate moratorium; guaranteed annual savings during the five-year moratorium; and 100% of the tax savings under the Tax Cuts and Jobs Act being passed through to consumers.

3) Other Rate Issues in the Westar Application

CURB also filed testimony concerning how Westar electric rates are paid by Kansas consumers. Westar asked the KCC to raise the customer charge on residential consumers, including distributive generation residential customers, from \$14.50 to \$18.50 per month. CURB opposes this increase, recommending no change to the residential customer charge. CURB's testimony also addressed new rate classes, distributive generation customers, and how CURB's recommended rate decrease should be allocated among customer classes. Mr. Nickel states, "CURB's evidence very strongly supports the need to decrease rates for all Westar customers and we hope that the KCC will adopt our recommendations in this rate case."

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CURB Testimonies:

- Direct Testimony of Andrea Crane
<http://estar.kcc.ks.gov/estar/ViewFile.aspx?Id=18f1d637-0fe8-4cdd-92cd-3871d53701ad>
- Direct Testimony of Brian Kalcic
<http://estar.kcc.ks.gov/estar/ViewFile.aspx?Id=2e0ef670-7d33-49f6-b446-5fbfe925efdd>
- Direct Testimony of Stacey Harden
<http://estar.kcc.ks.gov/estar/ViewFile.aspx?Id=02530812-c17d-414e-bd16-0118b00cd022>