

For Immediate Release

## **The KCC Rejects Westar's Proposal to Fund Additional Ownership in Jeffrey Energy Center through Rates, Saving Customers Millions.**

On September 12, 2019, the Kansas Corporation Commission (KCC) rejected the request from Westar Energy Company (Westar) to recover, through rates, costs associated with its acquisition and operation of an additional 8% ownership in Jeffrey Energy Center (JEC), a coal-fired power plant located near St. Mary's, Kansas (KCC Docket No. 19-WSEE-355-TAR). In the KCC's Order rejecting Westar's request, it sided with the Kansas Citizens' Utility Ratepayer Board (CURB), Kansas Industrial Consumers Group and other parties opposed to the proposal. Quoting CURB's witness, Andrea Crane, in its Order, the KCC agreed "there has been no showing that this capacity is needed now or is likely to be needed in the near term," and found Westar failed to meet its burden of showing its new lease and purchase agreement was a prudent decision for its retail customers. The Order states that the KCC's decision will likely save Westar customers over \$93 million in increased retail rates over the next 15 years. Westar will be allowed to retain any wholesale sales that are directly attributable to that 8% portion of its ownership in JEC.

In January 2019, Westar acquired this additional 8% ownership from Midwest Power Company, who had been leasing its 8% interest to Westar. Westar now has 92% ownership interest in JEC, with the remaining 8% belonging to Kansas City Power & Light (a sister company of Westar). "We believe this to be a very good decision," says David Nickel, Consumer Counsel for CURB, "given the unanimous testimony that Westar customers do not need energy or capacity from the 8% interest in JEC acquired by Westar. Westar customers should not be forced to pay for something they do not need."

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### CURB Testimony:

- Direct Testimony of Andrea Crane  
<http://estar.kcc.ks.gov/estar/ViewFile.aspx?Id=664db772-c0b6-49ac-9cbb-6d21e3de65f2>

### CURB Brief:

- Reply Brief of the Citizens' Utility Ratepayer Board  
<http://estar.kcc.ks.gov/estar/ViewFile.aspx?Id=4161f0c7-fc8e-4523-a787-4d63fb99f08c>