

Citizens' Utility Ratepayer Board

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David W. Nickel, Consumer Counsel
1500 S.W. Arrowhead Road
Topeka, Kansas 66604-4027
Phone: (785) 271-3200
<http://curb.kansas.gov>

For Immediate Release

CURB Enters Settlement Agreement in Westar's Rate Case

TOPEKA, Kansas, July 17, 2018 – The Citizens' Utility Ratepayer Board (CURB) entered into a Non-Unanimous Settlement Agreement (Settlement Agreement) in the rate case filed by Westar Energy, Inc. in *KCC Docket No. 18-WSEE-328-RTS*. Westar, the Kansas Corporation Commission staff, CURB and several interveners including the Kansas Industrial Customers Group joined in the Settlement Agreement. "The terms of the Settlement Agreement are very beneficial to residential and small commercial ratepayers," says David Nickel, Consumer Counsel for the CURB. Some of the aspects of the Settlement Agreement that CURB believes are positive are:

- The parties to the Settlement Agreement recommend an overall rate decrease in Westar rates of \$66 million.
- There will be no increase in customer service charges for residential and small commercial ratepayers.
- The Western Farms Wind Farm investment will be treated similarly to a Purchased Power Agreement, with the result that customers should see energy costs decrease due to the operation of that energy source.

Mr. Nickel notes that, due to the merger approved by the KCC, Westar has pledged not to file another base rate application for at least the next five years. Although the utility will still be able to file for recovery of costs it incurs due to property taxes charged by local governments and for costs associated with energy generation that is lawfully approved by the regional transmission organization (Southwest Power Pool) to which Westar belongs, the rate case moratorium should lend itself to some rate stability for consumers. Moreover, the study which Westar, the KCC staff and CURB (among others) will undertake pursuant to the merger settlement should help to find ways in which utility costs can be maintained in a reasonable manner, to the benefit of all Westar ratepayers.

"CURB thanks all parties who worked diligently for four consecutive days to come to a reasonable and fair settlement of the issues presented in this case," says Mr. Nickel. "While there is still a lot of work to be done to ensure that Kansas utility rates are as competitive as reasonably and lawfully possible, achieving the agreement of Westar and several intervening parties on a reduction of utility rates in this case is a very good and encouraging start," he stated.

CURB estimates that residential customers should see an average monthly decrease to their bills of approximately \$4.00, provided their usage remains the same. In addition to the rate reduction,

residential and other customer groups will receive a number of bill credits arising from the Tax Cuts and Jobs Act and merger savings. These bill credits will amount to a total of over \$50.00 and should be paid to the residential ratepayer around November.

Established in 1988, the Citizens' Utility Ratepayer Board (CURB) is an independent state agency focused on advocacy for residential and small commercial utility consumers in Kansas. CURB is composed of an appointed board of five (5) volunteer members representing the congressional districts in Kansas and one at-large member. CURB's mission is "to zealously represent the interests of residential and small commercial utility ratepayers before the Kansas Corporation Commission and the Kansas legislature."