

- Special to the Daily Leader

The Kansas Corporation Commission issued an order May 29 granting Westar Energy's request to revise the company's Environmental Cost Recovery Rider tariff. "The Commission finds that Westar's projects reviewed in this proceeding are prudent and that the costs Westar incurred for those projects were reasonable," the order read.

Westar estimates that the average Westar North residential customer will see a monthly rate increase of \$2.95 or 4.6 percent, and the average Westar South residential customer will see a monthly rate increase of \$0.88 or 1.24 percent. The new rates went into effect Monday.

On March 17, Westar filed a revision to its ECRR tariffs to include costs associated with its investments in pollution control equipment for 2008. Westar sought to recover revenue associated with 15 environmental projects totaling \$25,802,236 for Westar North and \$7,923,510 for Westar South.

As a result of a staff audit, the amount Westar will be allowed to recover was reduced to \$25,063,238 for Westar North and \$7,389,942 for Westar South. In conducting an investigation into Westar's filing, staff discovered computational errors in the application as well as the inappropriate inclusion of costs already recovered through Westar's Purchase Power Agreement with Mid-Kansas Electric Company.

In 2005, the KCC approved the use of an ECRR tariff to allow Westar to recover cost incurred through mandated environmental upgrades as a surcharge on a customer's monthly bill rather than requiring the company to accumulate these costs and incorporate them into base rates after the projects were completed.