CURB: THE CITIZENS' UTILITY RATEPAYER BOARD OF THE STATE OF KANSAS

# **CURBside News**

NEWS FROM THE WATCHDOG FOR RESIDENTIAL AND SMALL COMMERCIAL CONSUMERS OF UTILITIES SEPT. 2010

#### KCPL rate case underway: increase, overruns at issue

While testing of Kansas Power and Light's new Iatan II coal-fired plant indicates that it is almost ready to serve customers, the fight over the cost of the plant continues. Now in its third week, the hearing at the KCC to consider KCPL's request for a \$55.2 million rate increase has focused primarily on the cost overruns of the plant and on other projects intended to make environmental upgrades to existing plants.

KCPL came to the KCC five years ago with a proposal for a regulatory plan that would enlist customers to contribute funds in advance of completion of а massive construction program—a new coal-fired unit at Iatan, and environmental upgrades at its Iatan I and LaCygne plants. The plan called for annual rate increases and a final rate case that would set depreciation rates for the completed projects.

Now nearing completion, some of the projects came in at almost 50% over budget, and

(See KCPL rate case, p. 2)

#### Settlement reached on Empire energyefficiency programs

On June 29, the KCC approved a settlement among Empire District Electric Company, the KCC Staff and CURB which would allow Empire to implement, with modifications, its portfolio of proposed energyefficiency programs.

The programs will be implemented as a three-year pilot, with evaluation of the pilot program's performance, costs and benefits after the second year. The company will be allowed an accounting order for the costs of the pilot program, and may apply for actual cost recovery after the first year of operation.

Importantly, the company agreed to withdraw its request for upfront recovery of estimated costs, and its request for recovery of revenues lost due to increased customer efficiency. The company will be allowed at the end of the pilot period to apply for recovery of lost revenues, but only on a prospective basis. The Commission would have to approve revenue recovery any lost

(See Empire settlement, p. 2)

#### Atmos rate case settles; proposed increase reduced by \$2.21 million

A settlement agreement among Atmos Energy, CURB and Commission Staff was approved by the Commission on July 30. The agreement allows Atmos to increase rates by \$3.8 million annually. The company had requested a \$6.01 increase.

Although the increase was about \$1 million higher than CURB recommended, the settlement provided some key benefits to ratepayers. For example, trackers will be adopted for pension and post-employment benefit expenses, which protects ratepayers by ensuring that monies collected for such expenses are expended for that purpose.

Additionally, Atmos agreed not to request recovery of any Gas Safety and Reliability costs until its next rate case. The surcharge will be reset to \$0, and any expenses incurred from now until Atmos' next GSRS surcharge is approved will be absorbed by the company. Elimination of the surcharge removed the necessity of

(See Atmos settlement, p. 2)

#### **Atmos settlement**

(Continued from p. 1)

reaching accord on the appropriate return for the surcharge.

The residential customer service charge will increase to \$15.50 under the agreement, but volumetric rates will decrease.

The Commission, in approving the agreement, also admonished the company for not appealing significant increases that it had experienced in ad valorem taxes, and expressed concern that the company may have not made good faith efforts to mitigate the burden that its ad valorem taxes placed on customers. Given that there was no evidence of imprudence on the record, however, the declined Commission to disapprove denying recovery of ad valorem expenses.

#### KCC Docket No. 10-ATMG-495-RTS

#### Empire settlement

(Continued from p. 1)

mechanism.

Although CURB remains to have some concerns about the costs and benefits of Empire's proposal. the safeguards provided by the settlement will help ensure that programs that provide do not sufficient benefits in relation to their costs will be identified and either improved or discontinued. In the meantime, Empire will have three years to establish the success-or failure-of its energy-efficiency programs.

KCC Docket No. 10-EPDE-497-TAR

#### KCPL rate case (Continued from p. 1)

those who are being asked to pay the bill are not satisfied with KCPL's explanation that the original figures were just "ballpark" estimates that shouldn't have been taken too seriously. The dispute isn't just a matter of semantics: the Iatan II plant was originally projected to cost \$733.6 million, but it is going to cost closer to \$1.1 billion upon completion. One of the environmental projects that was projected to cost \$171 million came in at \$329 million. Such massive cost overruns are of great concern to ratepayers, who have already suffered significant annual increases to support KCPL's capital construction plan.

Additionally, the depreciation rates proposed by the company are of concern to customers. The company has included costs that aren't allowed under current Kansas law. Unfortunately, budget restraints prevented CURB from engaging a depreciation expert for this case, but the KCC Staff's expert has raised some significant questions about what's been included in the rates.

The key question is whether the overruns are so egregious that customers should not be required to pay for them. That's one tough decision for the KCC to make, one of the toughest in years. We hope the Commission will take action to protect Kansas consumers from unnecessary costs.

KCC Docket No. 10-KCPE-415-RTS

#### Suburban Water seeks water cost adjustment; drops meter proposal

Suburban Water, a small regulated private water company that serves customers in the Bonner Springs area, has applied for a purchased water adjustment (PWA) that would allow it to pass along increases in the company's costs of purchasing water from the Board of Public Utilities in Kansas City.

Suburban has signed a fiveyear contract to purchase water from the BPU that will include several annual increases. If the KCC approves the PWA, Suburban will be able to add a surcharge to customer bills that will pass along those increases to customers.

The company had also applied for recovery of the costs of replacing about half of its customers' meters with electronic meters that could be read by simply driving by the meter with a vehicle equipped with electronic reading equipment. However, Suburban agreed to withdraw its application and defer any request for recovery of costs relating to any large-scale meter replacement program in a base rate case.

CURB was pleased that the meter proposal was withdrawn. Although Suburban intended only to replace meters that are due for replacement, the proposed high-tech meters would have been expensive, and would have required expensive computer equipment and software that simply couldn't be justified by such a small company. Currently, the company has only one full-time employee, who reads meters part-time as one of the duties of his job. Moving to electronically-read meters would not have reduced the number of employee positions or expenditures on salaries.

CURB is not particularly enamored with the PWA proposal, but recognizes that the approved KCC has costadjustment clauses for most of the utilities it regulates. Fortunately, at least Suburban Water's proposal is not for a permanent adjustment clause that will adjust for all water cost increases, known and unknown, in the future. The term of the PWA will be limited to five years, to cover the anticipated increases that are spelled out in the company's contract with BPU, and will be limited to those increases only. If Suburban wants to continue the PWA after five years, it will have to file for the KCC's approval. Although increases are unpleasant, customers concerned about future water costs will be able to budget with knowledge of what's coming down the road for the near future.

The evidentiary hearing on the PWA is scheduled to begin September 8, and the Commission's order will be due out on or before November 15.

KCC Docket No. 10-SUBW-602-TAR

#### KCPL proposes portfolio of DSM programs, incentives

Kansas City Power and Light has filed an application to implement а portfolio of demand-side management and energy-efficiency programs for its customers. Included in its request is a proposal to charge residential customers an average of \$3.54 a month over a five-year period, which would include costs of the programs and payments for shareholders "performance incentives" as that would reward the company even if the performance of the programs is mediocre.

KCPL is proposing to continue its Energy Optimizer program, which allows the company to reduce peak load by cycling (turning on and off) customers' air conditioning units. A similar program for commercial customers, MPower, is also proposed to continue. KCPL claims both of these programs have been successful and have achieved peak load reductions.

Also proposed to continue are KCPL's Energy Star® New Homes and Cool Homes (air conditioning system replacement program).

KCPL also wants to discontinue its Affordable New Homes program, which was intended to assist making lowincome housing more efficient, because of lack of participation. It also is requesting to change the classification of its Building Operator Certification program to an education program, which would eliminate the requirement that the program meet certain benefit/cost tests.

CURB is currently analyzing the company's proposal. Obviously, the company's request for performance incentives is troubling, and we do not expect to support it. Poor program performance should result in discontinuation of the programs, rather than rewards for the company.

CURB's testimony is due in mid-October, and the public hearing is scheduled for October 7. The period for public comment extends through November 19.

KCC Docket No. 10-KCPE-795-TAR

#### CURBside is brought to you by the Staff of CURB:

CONSUMER COUNSEL DAVID SPRINGE

#### ATTORNEYS Niki Christopher Steve Rarrick

TECHNICAL STAFF Stacey Harden

Administrative Staff Shonda Smith Della Smith

#### Efficiency Kansas increases number of partner lenders and utilities

Efficiency Kansas. the statewide energy-efficiency loan program administered by the KCC's State Energy Office, has expanded the reach of the program by adding more lenders and utilities who are participating in the program. There are now seventeen lender-partners and ten utilities offering access to the loan program.

Efficiency Kansas is funded with \$37 million through the American Recovery and Reinvestment Act (ARRA). Customers may obtain low-cost loans for energy-efficiency improvements to their homes, and then repay the loans through their utility bills. To ensure that the cost of the improvements does not exceed the expected energy savings, each home must undergo a comprehensive energy audit, where a professional assesses the various needs of the home. and then determines a list of priority projects that will yield the most energy savings. Only projects that are anticipated to generate energy savings that will cover the cost of the loan payment will be approved for completion. Loans are capped at \$20,000 for residential projects and \$30,000 for small commercial projects. Loans will have a maximum term of 15 years.

The payments on the loans will be repaid back into the loan fund; it is hoped that the program will be self-sustaining. The funds will be provided interest-free to partner utilities and lenders, but they may charge up to 4% interest on the loans to customers, and administrative fees will be charged to cover the costs of administrating the program.

Customers must be deemed creditworthy by the partner lender or utility; the qualifications may vary among the various partners. Tenants may participate if their landlord grants permission.

If a customer moves, the loans "stay with the meter" rather than with the customer. In other words, the loan will be repaid by the current resident of the home on his or her utility bills, rather than by the original borrower. It's so early in the program that it's not clear how the requirement of "creditworthiness" will affect successive tenants or owners. Notice is supposed to be provided to tenants and prospective buyers of homes that have been improved through Efficiency Kansas so that they are aware of the loan payment obligation. If all works as planned, however, the extra cost of the loan should be offset by the energy savings resulting from the improvements to the home.

See the following lenders and utilities if you are interested in participating in Efficiency Kansas:

office

Alden State Bank, Alden Baldwin State Bank, Baldwin City Bennington State Bank. Bennington Capitol Federal, Topeka-main bank Citizens Bank, Kingman-main bank Farmers and Merchants Bank of Colby, Colby National Farmers Bank. Phillipsburg Farmers State Bank of Oakley, Oakley First Bank, Sterling First National Bank & Trust, Junction City First National Bank of Hope, Hope Kansas State Bank Ottawa & Baldwin City, Ottawa Mid America Bank, Baldwin City Mid Amercan Credit Union, Wichita St. John National Bank, St. John Sunflower Bank, Salina-main bank First National Bank of Centralia, Centralia Midwest Energy, Hays-main office City of Chanute City of Horton City of Iola City of Osage City City of Sabetha City of Seneca DS&O Electric Cooperative, Solomon—main office Butler Rural Electric **Cooperative Association** Heartland Rural Electric Cooperative. Girard—main

#### CURB, Staff negotiate 47% reduction in proposed Empire increase

Empire District Electric Company's rate case was resolved by a settlement among Empire, Staff and CURB (KCPL, also a party, abstained from signing but did not oppose agreement). the The Commission approved the agreement on May 4.

Empire had asked for a \$5.2 million annual increase in rates. The settlement provides for an increase of \$2.79 million—which was actually less than CURB's recommendation.

Empire will also adopt trackers for pension and postemployment expenses, which will ensure that any monies collected from ratepayers for such expenses will actually be expended for their intended purpose. This provision is consistent with recent Commission decisions in cases involving Westar, Kansas Gas Service, and Atmos Energy, with the goal of uniform treatment of such expenses by all of the regulated utilities in the state.

Additionally, Empire will be allowed to file what is known as an abbreviated rate case when three projects currently under construction are completed later this year. A prudence review of major cost overruns on work on the Iatan plants (co-owned with KCPL) will be conducted in the abbreviated case.

All in all, CURB believes this settlement was a good one for Empire's customers. The company has made a great deal of capital investment since its previous rate case, so a rate increase was almost inevitable, but Staff and CURB had such strong positions in the case that Empire was willing to work with us on a settlement that resulted in a 47% reduction in the requested increase, adoption of the pension trackers and the prudence review.

Although another rate case won't be far behind, the settlement was a fair resolution of the case for all parties, and ratepayers are assured that there will be a thorough inquiry into whether Empire shares the responsibility for Iatan overruns with KCPL.

KCC Docket No. 10-EPDE-314-RTS

#### Westar proposes becoming Efficiency Kansas partner

In June, Westar Energy filed a proposal to become a partner in Efficiency Kansas, the staterun loan program for energyefficiency improvements to homes in Kansas.

As a partner, Westar would handle applications for Efficiency Kansas loans, determine the credit-worthiness of applicants and administer the project.

Customers would repay the loans through their electric bills. Based on a home-energy audit that determines which improvements would yield the most energy savings, the program only approves loans for improvements that would yield enough energy savings to cover the cost of the loan payments. Loans are capped at \$20,000 for residential customers and the term of the loan is not to exceed fifteen years.

If the customer moves or sells the home, the obligation to continue paying the loan passes to the next customer to reside in the home.

In addition, Westar is proposing to be reimbursed by customers for reduced energy sales as a result of their customers' increased energy efficiency. As it has with other lostrevenue reimbursement proposals, CURB expects to oppose this part of Westar's plan. Our testimony is due to be filed on October 1.

The public hearings on Westar's proposal will be held on September 22 in Topeka and on September 23 in Wichita. The public comment period will run through November 15.

KCC Docket No. 10-WSEE-775-TAR

#### Black Hills withdraws energy-efficiency program application

Black Hills has withdrawn its application to implement a portfolio of energy-efficiency programs, stating that it intends to re-submit an application in conjunction with its next rate increase application.

The company stated that the universally negative comments from customers at the public hearings on the programs, plus

(See Black Hills withdraws, p. 6)

### **Black Hills withdraws** (*Continued from p. 6*)

the numerous objections raised by CURB and the Commission Staff, prompted the company to withdraw the application.

CURB's objections centered around two key concerns: most of the programs were going to the rates raise of nonparticipants without providing them any benefits, and the company wanted not only to be paid upfront for its expenses, but wanted to receive payments for its losses in sales that the company estimated would occur as a result of participating customers becoming more efficient in their natural gas usage. CURB was also concerned that the programs, as would designed, not offer benefits commensurate with their costs.

and Staff CURB KCC agreed that the Commission should not consider any sort of mechanism to provide decoupling or recovery of lost revenues outside the context of rate case. where the а company's expenses and revenues can be thoroughly examined.

The Commission is expected to allow the company to withdraw its application.

Black Hills is currently under a base-rate moratorium that will expire at the end of this year. We anticipate that the company will be filing for a base rate increase in January 2011.

KCC Docket No. 10-BHCG-639-TAR

#### Settlement reached on pension and postemployment costs with Westar, KGS

CURB, Staff, Westar Energy and Kansas Gas Service have reached an agreement on the appropriate accounting and tracking of pension and postemployment costs of the utilities. The Commission approved the agreement on July 15.

Previously, Westar and KGS collected amounts for such costs in rates, but if their amassed pension fund investments were growing sufficiently to cover the actual costs, the utilities simply retained the money supplied by ratepayers. When interest rates were high, the utilities over-collected from ratepayers for years, and they weren't interested in trackers until they started spending their own money when interest rates plummeted in recent years and pension fund earnings weren't covering all the utilities' costs. Additionally, changes in federal accounting standards required some changes in how these funds were accounted for.

The discussions over how to address the new standards and the impacts that the changing financial climate have had on pension funds have gone on for three years. The agreement to adopt the trackers was a compromise solution. The utilities will not earn a return on the rates provided for pension funds, and rates will be adjusted annually to reflect the utilities' actual expenditures on pension and post-employment expenses. Although CURB is opposed to single-issue ratemaking, this compromise solution of tracking expenses and allowing adjustments to rates that reflect actual expenditures on these expenses is an improvement over allowing the utilities to keep ratepayer contributions when pension funds earn enough to cover those expenses.

With this agreement, plus agreements reached in the Atmos and Empire rate cases this summer, most of the regulated utilities in the state are now accounting for these costs uniformly. KCPL, which opposed this solution, remains the only major regulated utility in the state that has not adopted this of tracking type Because KCPL mechanism. has been operating under a Commission-approved

regulatory plan that specified that KCPL could keep its current system in place, no changes could be made to KCPL's system until the Commission addressed the issue during the company's final rate case under the regulatory plan. That case is now before the Commission, but the outcome has not been determined as yet. We anticipate that the Commission will want KCPL to adopt the system that has been adopted by all the other regulated investor-owned public utilities in the state.

KCC Docket No. 07-GIMX-1041-GIV

#### KCC approves revision of settlement on KETA line

On July 29, the KCC approved revision of a settlement agreement that would allow Prairie Wind and ITC Great Plains to jointly build a transmission line (the KETA line) from Wichita to Spearville at either 765kV or as a 345kV double-circuit line.

The original agreement provided that the companies would build a single-circuit 765kV line. However, the Southwest Power Pool has made a preliminary recommendation that the line be built as a double-circuit 345kV line. The new agreement allows the companies to proceed either way. The new agreement will remain in effect if SPP issues letters to construct double-circuit the line at 345kV, and contains a provision that would allow the parties to revive their original agreement if the SPP issues letters to construct the line at 765kV.

The agreement also delineates how the project will be divided between Prairie Wind and ITC. CURB, Chermac Energy and KCPL, who were all parties to the proceeding, did not sign the agreement.

CURB was not a signatory because it maintains that there is insufficient oversight over project benefits and costs after projects are begun. Once FERC approves the recovery of transmission project costs through SPP, the KCC is obligated to allow the companies to recover those costs. There is no provision in the current regulatory scheme for the KCC to adjust recovery from ratepayers when cost overruns occur or projected benefits do not accrue to customers.

SPP conducts benefit/cost tests to evaluate proposed transmission projects based on the utility's own estimates of future project costs. If a project is completed at a much higher cost than originally estimated, benefits to customers can be swallowed up by the overruns. Nothing can be done to protect ratepayers from having to pay for these projects, even if they prove to provide no economic benefit to customers once cost overruns have occurred.

Since many of the proposed projects in the SPP footprint are projected to have only marginal benefits even after twenty or forty years of service, and recent experience shows that significant cost overruns are the norm rather than the exception, we are concerned that ratepayers may be forced to pay for transmission lines that provide no net benefits to them at all once cost overruns are taken into account. SPP testified at a hearing at the KCC last year that it monitors cost overruns, but admitted that it has never exercised its prerogative to ask FERC to deny cost recovery for any transmission project on the basis that cost overruns destroved the economic benefit of a project.

This is not simply an idle concern. If, for example, a project is approved because it provides a benefit to the grid of \$1.10 for every dollar spent, any cost overrun of more than 10% renders the project uneconomic. In other words, the project will cost more to build than it provides in benefits to the grid.

When a project is needed for reliability, the fact that it costs more to build than it brings in economic benefits can be forgiven. But when so many projects are now being approved not because they are needed for reliability purposes but are touted as economic projects that will bring in more money than they cost, it's vital that we ensure that they actually do so in the long run.

Our quarrel is not with the inaccuracy of the original estimates: we know it's difficult to accurately predict how much a project will cost several years in the future. Our quarrel is with the SPP practice of not taking reality into account in conducting its benefit/cost analyses. If recent history demonstrates that typical transmission projects are being completed at nearly twice their estimated cost, then SPP should be conducting benefit/ cost analyses based on more realistic cost estimates.

We also have a quarrel with SPP's total failure to respond to cost overruns of such magnitude by making sure that ratepayers aren't stuck with paying for projects that have been rendered uneconomic by cost overruns. Utilities have a responsibility to their customers to be prudent in their expenditures. The KCC has authority to deny rate

(See KETA line, p. 8)

#### KETA line (Continued from p. 7)

recovery for imprudent expenditures in almost every circumstance—*except* when it comes to transmission costs. Under current regulations, only the SPP and FERC can act to protect customers, and there has been virtually no action on their part to do so.

Until regulators and regional transmission organizations take affirmative actions to ensure cost overruns have not been imprudently incurred and do a better job of protecting consumers from having to pay for "economic" projects that provide no economic benefits, CURB will not be a signatory to any agreement to build highvoltage lines that are labeled "economic" projects.

KCC Docket Nos. 08-ITCE-936-COC and 08-PWTE-1022-COC

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#### **Consumer Counsel's**



#### CORNER

It's been a hot summer here in the corner. According to the weather people, the months of June and July were 30% to 40% warmer than normal. We've been running the air conditioner and trying to stay cool, but it has been a challenge. We've also been trying to be conservation-minded, so we keep inching the thermostat higher trying to save a few dollars. To the extent we can, we also try to turn off lights and other electronic devices during the day. This will help keep our overall monthly usage as low as possible and our electric bill down.

Why does trying to keep our usage as low as possible matter? Well, as a Westar customer, our household pays a higher rate in the summer once our usage exceeds 900 KWh a month. The rate for usage above 900 KWh goes up two cents per KWh. The average residential customer uses about 1200 KWh in a normal summer month. This summer, with the heat, we're all using a lot more than we normally do. At Westar's higher rate, I'm guessing your bills were a bit higher than you expected.

CURB supported charging higher rates for usage above 900 KWh in the summer months. It's no secret that costs and rates are going up in general. Keeping rates as affordable as possible for small users, or people that actively work to stay under 900 KWh is a Board priority. Also, as customers demand more power, Westar has to build more facilities to meet that demand. All customers have to pay for those new facilities. It seems appropriate to have high use customers pay a bit more than low use customers; hence, the increase in rate above 900 KWh during the summer.

In fact, the cost of generating electricity changes hour-byhour. In the summer as the afternoon heats up, utilities must turn on additional small natural gas generators to meet the demand. These are the most expensive generators to run on a utility system. The cost of generating power at 4:00 p.m. on a hot summer day is likely to be much higher than the cost of generating power at 6:00 a.m. on the same day. Right now, your meter is only read once a month, so you don't see this hour cost change. hour-to However, it is theoretically possible to charge customers a different rate for each hour, depending on the actual cost to generate within that hour.

Skip to the future. Hour-tohour metering isn't theory any more. Perhaps you have heard about the "smart grid" or "smart meters". It's all the buzz in the industry right now. Advances in technology make it possible to

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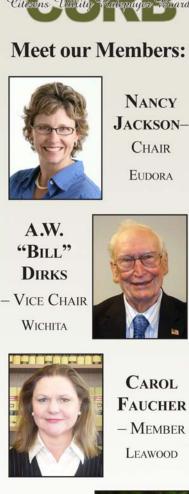
put a meter on your house that can record your usage each hour, allowing the utility to bill you hour-by-hour as costs change. The "smart" part of the meter allows two-way communications. The utility can talk to appliances in your home. You can have your utility preprogram appliances to turn off when prices in any given hour go above a preset level. Millions of these meters are being rolled out in California and Texas.

The sales line here is that the new meters will give you more "control" over your energy use and energy bills. That's true. You will have the control to turn down your use on that hot summer day when energy costs are high, or to do your laundry at 11:00 at night when the electricity cost is cheaper. The question is, do customers want this type of control? And do the raise security meters and privacy concerns?

Westar has been approved to receive \$19 million under the Department of Energy Smart Grid Investment Grant Program. Westar will match the grant and begin an experiment with smart

grid and smart meters on its system. The city of Lawrence has been chosen for the location the experiment. of The experiment will be called "Smart Star"-catchy, huh?and will be run for three years. Whether customers will see hour-to-hour pricing, or appliance-controlling features has yet to be determined. It should be an interesting learning experience. One thing is certain: in the future we customers are going to have to start thinking about how, and more importantly, when, we are using energy. The size of our utility bill will depend on our "control" over our usage.

I picked on Westar here, but KCP&L is experimenting with smart grid too. In fact, dozens of utilities all across the country are going through this same exercise. I suppose you can't turn back technology, or stop its advance, but smart grid and smart meters must involve some smart answers before we dive in the deep end. I live in Lawrence. I'm going to be a guinea pig in the experiment. I'll let you know how it goes. —Dave Springe



Stephanie Kelton – Member Lawrence





Jim Zakoura of the Hospital Intervenors and Steve Rarrick of CURB study exhibits at the KCPL rate case hearing

#### IT'S YOUR TURN: Speak out about lost-revenue recovery and energyefficiency proposals!

The KCC has scheduled two public hearings on Westar Energy's proposed SimpleSavings energy-efficiency program and proposal for lost-revenue recovery.

Wednesday, September 22 at 6:00 p.m. Kansas Corporation Commission 1500 SW Arrowhead Rd Topeka, Kansas & Thursday, September 23 at 6:00 p.m. WSU Eugene M. Hughes

Metropolitan Complex Sudermann Commons Room 5015 E. 29<sup>th</sup> North (Entrance C) Wichita, KS

Question and answer session begins at 6 p.m. Formal hearing before KCC begins at 7 p.m.

Public hearings give customers the opportunity to ask questions of representatives of the KCC Staff, CURB, and the utility company in an informal session. Then in a formal hearing, customers may address comments directly to members of the Kansas Corporation Commission.

Exercise your right to speak out by attending. If you cannot attend but wish to comment on Westar's proposed increase, comments will be accepted by the KCC through November 15 as follows:

Telephone: 1-800-662-0027 Email: <u>public.affairs@kcc.ks.gov</u> US Mail: 1500 SW Arrowhead RD Topeka, KS 66604 Please include the docket number in your comments: 10-WSEE-775-TAR

#### IT'S YOUR TURN: Speak out about proposed DSM programs and performance incentives!

The KCC has scheduled a public hearing on KCP&L's Demand-Side Management Programs and Cost Recovery.

Thursday, October 7 at 6:00 p.m. Overland Park City Hall Council Chambers 8500 Santa Fe Drive Overland Park, KS

Question and answer session begins at 6 p.m.

### Formal hearing before KCC begins at 7 p.m.

Public hearings give customers the opportunity to ask questions of representatives of the KCC Staff, CURB, and the utility company in an informal session. Then in a formal hearing, customers may address comments directly to members of the Kansas Corporation Commission.

Exercise your right to speak out by attending. If you cannot attend but wish to comment on KCP&L's proposed programs and costrecovery, comments will be accepted by the KCC through November 19 as follows:

Telephone: 1-800-662-0027 Email: public.affairs@kcc.ks.gov US Mail: 1500 SW Arrowhead RD Topeka, KS 66604

Please include the docket number in your comments: 10-KCPE-795-TAR

## Kansas Lifeline Program

## Save up to **\$17.77 off** your telephone bill!

You may be eligible to receive up to \$17.77 off your monthly local telephone bill through the Lifeline Program. If you don't currently have telephone service, you may also be eligible for a discount on your connection charge through Link Up America.

#### You are eligible if you receive any of the following:

Food Stamps, General Assistance, Supplemental Security Income (SSI), Temporary Assistance to Families, Medicaid, United Tribes Food Distribution Program, Bureau of Indian Affairs General Assistance, Tribally Administered Temporary Assistance for Needy Families, Head Start (only those meeting its income qualifying standard), Free School Lunch Program, 150% of the federal poverty level\*. A consumer must provide THREE CONSECUTIVE MONTHS of statements as documentation of income, or provide a copy of their tax return for the previous year.

> For more information about Kansas Lifeline or Link Up America, call your **local** telephone company. The number is on your telephone bill or in the front part of the telephone directory.

#### \*2010 Kansas Poverty Level Guidelines

Number In Family Maximum Annual Income

1 \$16,245 2 \$21,855 3 \$27,465 4 \$33,075 5 \$38,685 6 \$44,295 7 \$49,905 8 \$55,515

each additional person \$ 5,610

The Kansas Lifeline program is 150% of the 2010 federal poverty level.

Information prepared by the Kansas Corporation Commission 1.800.662.0027

CURBSIDE THE CITIZENS' UTILITY RATEPAYER BOARD (CURB) 1500 S.W. ARROWHEAD RD. TOPEKA, KANSAS 66604 TELEPHONE: (785) 271-3200 FAX: (785) 271-3116 EMAIL: ecurb@curb.kansas.gov