

125 FERC ¶ 61,252
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

December 2, 2008

In Reply Refer To:
Westar Energy, Inc.
Docket Nos. EL08-31-000
and ER08-396-000

Winston & Strawn LLP
ATTN: Donald K. Dankner
Attorney for Westar Energy, Inc.
1700 K Street, N.W.
Washington, DC 20006-3817

Dear Mr. Dankner:

1. On September 26, 2008, you filed a Settlement Agreement and Offer of Settlement (Settlement) on behalf of Westar Energy, Inc. (Westar), Kansas Electric Power Cooperative, Inc., Western Farmers Electric Cooperative, Kansas Municipal Utilities, Kansas Power Pool, Kansas Municipal Energy Agency, Occidental Power Marketing, L.P., Occidental Permian Ltd. and Occidental Chemical Corporation, Arkansas Electric Cooperative Corporation, Golden Spread Electric Cooperative, Inc., Southwest Power Pool, Inc. (SPP), and the Kansas Corporation Commission. On October 16, 2008, Commission Trial Staff filed comments in support of the Settlement. No other comments were filed. On October 20, 2008, the Settlement Judge certified the Settlement to the Commission as an uncontested settlement.
2. On September 26, 2008, concurrent with filing the Settlement, Westar and SPP jointly filed a Motion for Interim Rate Relief and Request for Expedited Action to implement the settlement rates set forth in Exhibits 1, 2, and 3 of the Settlement on an interim basis while the Commission reviews the Settlement, effective October 1, 2008. The Chief Administrative Law Judge granted the motion on October 1, 2008.
3. The Settlement resolves all issues pending in these proceedings concerning Westar's proposed revisions to its existing cost-of-service formula transmission rate for all transmission facilities turned over to the operational control of SPP. The Settlement is fair and reasonable and in the public interest and is hereby approved. The tariff designations, however, do not comply with *Designation of Electric Rate Schedule Sheets*,

Order No. 614, FERC Stats. & Regs. ¶ 31,096 (2000). Therefore, Westar is required to file rate schedule sheets in conformance with Order No. 614 within 30 days of this order. The Commission's approval of the Settlement does not constitute approval of, or precedent regarding, any principle or issue in these proceedings.

4. The Settlement provides that the parties retain their rights under sections 205 and 206 of the Federal Power Act with respect to modifications to the Settlement after approval. Changes proposed by a non-party or by the Commission acting *sua sponte* shall also be subject to the "just and reasonable" standard of review. The Commission retains the right to investigate the rates, terms and conditions under the just and reasonable and not unduly discriminatory or preferential standard of section 206 of the Federal Power Act, 16 U.S.C. § 824e (2006).

5. Refunds and adjustments shall be made pursuant to the Settlement.

6. This letter order terminates Docket Nos. EL08-31-000 and ER08-396-000.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

cc: All Parties