Mark A. Ruelle President and Chief Executive Officer



January 17, 2018

The Honorable Jeff Colyer Lieutenant Governor, State of Kansas Capitol Building Room 241 South 300 SW 10<sup>th</sup> Street Topeka, KS 66612

Dear Lt. Gov. Colyer,

Thank you for your letter. We share an interest in keeping electricity reliable and affordable for Kansans. Supporting the latter goal, we look forward to making sure our customers receive the full benefit of the Tax Cuts and Jobs Act. We estimate the tax law will reduce our costs by \$65 million or more. That benefit should and will go to our customers.

Though the new tax law is just days old, we are already preparing the necessary paperwork to start this process. Later this month or early February, we will file a request with the Kansas Corporation Commission to update our prices to reflect the full savings from the federal tax reduction and other costs to provide electricity. This thorough process typically takes a few months. In the meantime, the KCC Staff has also initiated a process to ensure that any cost savings from Jan. 1 until rates are updated also will be preserved for customers. They have our full support in this process.

Affordable electricity is important to Kansas, whether it be communities attracting and retaining businesses or families managing their household budgets. Westar Energy has maintained rates below the national average while investing to make our air cleaner and our service more reliable.

We look forward to working with the KCC and others to provide Kansans the benefit of these tax savings.

Sincerely,