

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) May 2, 2005

WESTAR ENERGY, INC.

(Exact name of registrant as specified in its charter)

KANSAS

1-3523

48-0290150

(State or other jurisdiction of
incorporation or organization)

(Commission File Number)

(IRS Employer
Identification No.)

818 South Kansas Avenue, Topeka, Kansas

66612

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code (785) 575-6300

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 7. Regulation FD Disclosure

Item 7.01—Regulation FD Disclosure

On May 2, 2005, Westar Energy, Inc. and Kansas Gas and Electric Company, a wholly owned subsidiary of Westar Energy, filed a joint application with the Kansas Corporation Commission to propose changes to their electric rates. Westar Energy is seeking an approximate 9 percent, or \$47.8 million, increase in rates, and Kansas Gas and Electric Company is seeking an approximate 6 percent, or \$36.3 million, increase in rates.

A copy of a press release and presentation that discuss the rate review are attached to this report and incorporated herein by this reference and are also available on our web site, <http://www.wt.com>.

Section 9. Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

Exhibit 99.1 Press Release dated May 2, 2005

Exhibit 99.2 Summary of Rate Application dated May 2, 2005

Forward-looking statements: Certain matters discussed in this Current Report on Form 8-K are “forward-looking statements.” The Private Securities Litigation Reform Act of 1995 has established that these statements qualify for safe harbors from liability. Forward-looking statements may include words like we “believe,” “anticipate,” “expect,” “likely,” “estimate,” “intend” or words of similar meaning. Forward-looking statements describe our future plans, objectives, expectations or goals and are based on assumptions by the management of the Company as of the date of this document. If management’s assumptions prove incorrect or should unanticipated circumstances arise, the Company’s actual results could differ materially from those anticipated. These differences could be caused by a number of factors or combination of factors including, but not limited to, those factors described under the heading “Risk Factors” contained in the Company’s Annual Report on Form 10-K for the year ended December 31, 2004 as filed with the Securities and Exchange Commission. Readers are urged to consider such factors when evaluating any forward-looking statement, and the Company cautions you not to put undue reliance on any forward-looking statements. Any forward-looking statement speaks only as of the date such statement was made, and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement was made except as required by applicable laws or regulations.

The information contained in this report is summary information that is intended to be considered in the context of our SEC filings and other public announcements that we may make,

by press release or otherwise, from time to time. We disclaim any current intention to revise or update the information contained in this report, although we may do so from time to time as our management believes is warranted. Any such updating may be made through the filing of other reports or documents with the SEC, through press releases or through other public disclosure.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Westar Energy, Inc.

Date: May 2, 2005

By: /s/ Larry D. Irick

Name: Larry D. Irick

Title: Vice President, General Counsel and
Corporate Secretary

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
Exhibit 99.1	Press Release dated May 2, 2005
Exhibit 99.2	Summary of Rate Application dated May 2, 2005

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WESTAR ENERGY REQUESTS INCREASE IN ELECTRIC RATES**Westar seeks to strengthen operations and prepare for demands
of growth and new environmental standards**

TOPEKA, Kan., May 2, 2005 — As one of the final steps in a plan agreed to in July 2003, Westar Energy, Inc. (NYSE:WR) today filed with the Kansas Corporation Commission (KCC) a comprehensive review of its rates as an electric-only utility, proposing increases.

Westar is seeking an approximate 9 percent or \$47.8 million increase in rates for its northern region and an approximate 6 percent or \$36.3 million increase in rates for its southern region. The average residential customer would see a per month increase of \$5.28 in Westar's northern region and \$4.58 in Westar's southern region, based on use of 900 kilowatt-hours of electricity per month. The new rates would be the first increase for Westar's southern region customers in more than 15 years. Customers in Westar's northern region experienced a 5.35 percent increase in 2001, the first such increase since 1983.

Westar's northern region rates apply to about 352,000 customers, including those in the communities of Topeka, Lawrence, Olathe, Leavenworth, Atchison, Manhattan, Salina,

Westar Energy requests rate review

Hutchinson, Emporia and Parsons, among other towns and rural areas. Westar's southern region rates apply to about 303,000 customers in Wichita and surrounding areas, Arkansas City, El Dorado, Newton, Fort Scott, Pittsburg and Independence, among other towns and rural areas.

In addition to the rate changes, the application proposes two income-sharing plans, one based on a combination of customer service and financial performance and the other on wholesale sales. The application also proposes more detailed billing, including adjustable line items for fuel costs, environmental compliance and transmission services.

"In this process, we hope to show what it will take for Westar as a back-to-basics electric utility to continue to provide reliable service to our customers," Jim Haines, Westar president and chief executive officer, said. "This review is an opportunity for us to demonstrate that our proposed rates are in line with the cost of providing electricity to our customers."

Customer service enhancements and improvements

Since its last rate review in 2001, Westar has made substantial investments in customer service programs, transmission and distribution facilities and power plants. In testimony filed with the KCC, Caroline Williams, vice president, customer care, described new customer service programs implemented since 2001, including online bill access and payment, a service that provides estimates of when disrupted power is expected to be restored and a service offered during periods of high call volume that gives customers the choice of receiving a call back from the company instead of waiting on hold. Investments in Westar's network of power lines and related technology and equipment have reduced the number of outages experienced by an average customer per year by 22 percent since 2001. Projects that have contributed to this are outlined in testimony of Doug Henry, vice president, power delivery. The projects include inspections to

Westar Energy requests rate review

locate line damage before that damage results in a power outage, redesigning circuits to reduce the number of customers affected by an outage and an increase in dollars spent to keep trees out of power lines. Doug Sterbenz, senior vice president, generation and marketing, states in his testimony that continued investment in Westar's power plants has kept plant performance high.

While these and other costs directly related to providing electric service to customers have increased, testimony of Greg Greenwood, treasurer, discusses the savings Westar has realized by reducing debt by nearly \$2 billion and refinancing most of its remaining debt at lower interest rates.

The rate application is subject to review by the KCC. Westar expects new rates to be implemented in January 2006.

The proposed new rates would result in an average rate of approximately 6.0 cents/kWh in the northern region and approximately 6.4 cents/kWh in the southern region, compared with a national average of 7.5 cents/kWh.

"With our proposal filed today, the difference between our northern region prices and our southern region prices will be less than 7 percent. That gap is down from 32 percent when Westar was formed in 1992," said Haines. "We will continue to look for efficiencies and other means to equitably achieve a common set of prices between our two service regions."

Rate Rebates

Under the same July 2003 agreement with the KCC, Westar will rebate \$10.5 million to customers in May of this year and \$10 million in January 2006. The first rebate will appear as credits on customers' billing statements in May and June of this year.

Westar Energy requests rate review

Westar Energy, Inc. (NYSE: WR) is the largest electric utility in Kansas, providing electric service to about 653,000 customers in the state. Westar Energy has nearly 6,000 megawatts of electric generation capacity and operates and coordinates approximately 33,000 miles of electric distribution and transmission lines.

For more information about Westar Energy, visit us on the Internet at <http://www.wr.com>.

Forward-looking statements: Certain matters discussed in this news release are “forward-looking statements.” The Private Securities Litigation Reform Act of 1995 has established that these statements qualify for safe harbors from liability. Forward-looking statements may include words like “believe,” “anticipate,” “target,” “expect,” “pro forma,” “estimate,” “intend,” “guidance” or words of similar meaning. Forward-looking statements describe future plans, objectives, expectations or goals, including its expectations regarding its rate review pending with the Kansas Corporation Commission. Although Westar Energy believes that its expectations are based on reasonable assumptions, all forward-looking statements involve risk and uncertainty. Therefore, actual results could vary materially from what it expects. Please review Westar’s Annual Report on Form 10-K for the year ended December 31, 2004 for important risk factors that could cause results to differ materially from those in any such forward-looking statements. Any forward-looking statement speaks only as of the date such statement was made, and the company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement was made except as required by applicable laws or regulations.

Reliability-Based Sharing Proposal

Westar's Reliability-Based Sharing Proposal, which is requested for a three-year trial period, would establish customer service standards and the potential for rebates to its customers based on Westar's financial performance. The amount of the rebates would depend on Westar's profits and its customer service performance in five key service areas: the number of outages an average customer experiences per year; the average number of minutes an average customer is without power per year; the availability of power plants; and the efficiency of answering customer calls and reading meters. Westar has proposed high performance thresholds in each of these areas. If its customer service slips below those levels, the potential for rebates would increase. During the three-year period, Westar will not request a rate review unless its earnings fall below a pre-established level.

More informative billing

The application also includes recommendations for certain costs and credits to be identified separately on customers' monthly statements. These include a Retail Energy Cost Adjustment, Environmental Cost Recovery Rider and Transmission Delivery Charge. Under Westar's proposal these costs would be presented separately on customers' monthly statements, and each would be adjusted periodically based on Westar's actual costs of providing the services.

Retail Energy Cost Adjustment

The Retail Energy Cost Adjustment would comprise two components: a Fuel Adjustment Clause and an Off-System Sales Sharing Adjustment. The Fuel Adjustment

Clause would reflect the actual ongoing fuel costs that were incurred to produce electricity. If costs fall, this would be a credit; if costs rise, it would be a charge. This amount would be adjusted monthly. When Westar's power plants are not required to meet its retail customers' needs, power produced by these plants can be sold to wholesale customers in the region. The Off-System Sales Sharing Adjustment would allow retail customers a share in gains from sales to wholesale customers. Under the proposal, when gains from these sales exceed the level already included in retail base rates, an additional credit based on a portion of the additional gains would be credited to retail customers. This amount would be adjusted annually.

Environmental Cost Recovery Rider

Westar's application proposes an Environmental Cost Recovery Rider to track and timely recover the actual costs of complying with new environmental regulations and protecting the environment. Westar anticipates the need to make additional investments in emissions-control equipment for its power plants in response to more stringent regulations regarding power plant emissions.

Transmission Delivery Charge

The Federal Energy Regulatory Commission requires Westar to operate its transmission facilities independently from its distribution facilities and from the balance of its business. Consistent with this approach, Westar's application proposes to identify the costs associated with the transmission services, remove them from the base rates and present the related charges to customers on a separate line item on their monthly statements.



Summary of Rate Application

May 2, 2005

Forward Looking Disclosure

The following presentation contains some "forward-looking statements" with respect to Westar Energy Inc.'s ("Westar") future plans, expectations and goals, including management's expectations with respect to future operating results and the outcome of Westar's pending rate review. The Private Securities Litigation Reform Act of 1995 has established that these statements qualify for safe harbors from liability.

Although we believe that the expectations and goals reflected in such forward-looking statements are based on reasonable assumptions, all forward-looking statements involve risk and uncertainty. Therefore, actual results could vary materially from what we expect. Please review our 2004 annual report on Form 10-K for important risk factors that could cause results to differ materially from those in any such forward-looking statements. Additionally, many of such forward-looking statements are subject to the outcome of our pending rate review with the Kansas Corporation Commission. Any forward-looking statement speaks only as of the date such statement was made, and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement was made except as required by applicable laws or regulations.

Contents

	<u>Page</u>
■ Overview	4
■ Kansas Retail Case Highlights	5
■ Depreciation Rate Change	7
■ Fuel Adjustment Clause/Off-System Sales Sharing	8
■ Transmission Formula Rate	9
■ Environmental Cost Recovery Rider	10
■ Other Significant Adjustments	12
■ Reliability-Based Sharing Proposal	13
■ Timeline	17

Overview

- On May 2, Westar filed two rate applications
 - ☞ Retail rate review with Kansas Corporation Commission (KCC)
 - Fulfills July 2003 agreement as part of approved debt reduction plan
 - ☞ FERC formula transmission rate
 - Unbundles transmission service from retail rates
 - Consistent with Southwest Power Pool (SPP) RTO membership
 - Allows for ROE premium

- By Kansas statute, KCC must issue an order no later than December 28, 2005
 - ☞ FERC transmission rate likely to be effective by December 2005

- Simultaneous filing allows opportunities for retail and transmission rates to be effective at same time

Kansas Retail Case Highlights

- Seeking \$84.1 million increase
 - ☞ Northern territory \$47.8 million, or 9.3%
 - ☞ Southern territory \$36.3 million, or 6.3%

- Increase allows us to retain our regional and national competitive pricing advantage
 - ☞ Requested average rates
 - Northern territory 6.0 cents per kWh
 - Southern territory 6.4 cents per kWh
 - ☞ Rates remain among the lowest in the state
 - ☞ National average 7.5 cents per kWh

- Further closes the difference between our Northern and Southern rate areas
 - ☞ Proposed difference now less than 7%
 - ☞ Was about 32% at the time of the merger
 - ☞ Common rate structure and design

Key Calculations in Retail Case

- KCC jurisdictional rate base of \$2.3 billion
 - Excludes FERC jurisdictional rate base of approximately \$326 million
 - Reflects rate base credits of \$626 million
 - Principally deferred income taxes

- Requested rate of return – summarized ^{1/}

	% of		Component		WACC	Pre-Tax
	<u>Capital</u>		<u>Cost</u>			
Common equity	45%	x	11.5%	=	5.2%	8.7%
Debt	55%	x	6.6%	=	<u>3.6%</u>	<u>3.6%</u>
Weighted average return					8.8%	12.3%

^{1/} Summary excludes minor effect of 0.7% preferred stock ratio

Depreciation Rate Change

- New depreciation rates
 - ☞ In 2001 case KCC ordered lower depreciation rates, based on longer plant lives
 - Reduced annual revenues by approximately \$30 million
 - Direct impact on cash flow, but no direct impact on earnings

- A subsequent KCC order required Westar to conduct a fresh depreciation study. Results of that study are part of the present rate review

- Proposed increases in depreciation expense of \$29 million
 - ☞ Does not challenge longer plant lives
 - ☞ Increases cost of negative net salvage value, particularly on generating assets

Fuel Adjustment Clause/Off-System Sales Sharing

- Fuel adjustment clause
 - ☞ Monthly adjustment based on estimated fuel and purchased power costs
 - Two month lag to true up actuals vs. estimates

- Proposed off-system sharing
 - ☞ \$24 million credit built into retail rates
 - No change from what exists today
 - ☞ Sliding scale sharing thereafter
 - \$24-\$32 million—50%/50%
 - > \$32 million—75% Westar/25% customers
 - ☞ Sharing through fuel adjustment clause

Transmission Formula Rate

- Transmission formula rate
 - ☞ Revenue requirement associated with the transmission function is removed from bundled retail rates
 - ☞ FERC filing to create a FERC-approved formula transmission rate
 - ☞ Retail revenue requirement will include a "line item expense" equal to FERC formula rate and SPP charges
 - Will appear as an unbundled line item on retail bills
 - Authorized by Kansas statute

- Simultaneous FERC filing
 - ☞ Includes FERC formula ROE plus 50 basis point premium for RTO membership
 - ☞ Rate expected to be effective December 2005

Environmental Cost Recovery Rider

- Pending environmental rules, regulations, statutes and litigation will cause Westar to invest significantly to further reduce emissions
 - ☞ SO_x
 - ☞ NO_x
 - ☞ Mercury
 - ☞ Particulates

- Uncertain legislative and regulatory outcomes result in wide range of potential expenditures
 - ☞ We have identified the potential for up to \$660 million (nominal dollars) of expenditures for environmental projects over approximately 10 years
 - Expenditures could be significantly lower

- First projects are likely to include scrubbers and SCR for our 50% of LaCygne Unit 1 (operated by KCPL (GXP))
 - ☞ Follow-on projects may include
 - Low NO_x burners at Jeffrey Energy Center (JEC)
 - Potential rebuild of scrubbers at JEC
 - Other projects as needed

Environmental Cost Recovery Rider

- Propose a tracking mechanism to recover associated costs of environmental compliance
 - ☞ Revenue requirement related to environmental costs would be recovered as a line item on retail bills
 - ☞ True up and rebundle costs in subsequent rate reviews

- Advantages
 - ☞ Adequate and timely cost recovery
 - Avoid more frequent rate cases
 - ☞ Send proper price signals with regard to the cost of environmental compliance
 - ☞ Minimizes total cost to customer by avoiding AFUDC

- Present case seeks to establish the rider prior to Westar having to make significant investments in environmental controls

Other Significant Adjustments

- Rematch COLI credits and Wolf Creek revenue requirement
 - ☞ In 2001 case KCC extended the depreciable life of Wolf Creek
 - ☞ COLI was originally used to offset Wolf Creek revenue requirement
 - ☞ In this review we seek two adjustments
 - Spread COLI benefits over the now anticipated longer life of Wolf Creek
 - Smooth the COLI credits to an equal annual amount
 - Proposed annual credit slightly greater than what is in rates today
- Asking the Commission to revisit two controversial adjustments from the 2001 rate case that served to reduce ratebase
 - ☞ Unamortized gain on LaCygne sale-leaseback transaction
 - Ratebase deduction of \$90 million (revenue requirement of \$11.0 million)
 - ☞ Imputed deferred income taxes associated with KPL/KGE merger premium
 - Ratebase deduction of \$69 million (revenue requirement of \$12.7 million)
- Recovery of costs related to 2002 and 2005 ice storms
 - ☞ Recover \$49 million of costs over three (North) and five (South) year periods
 - ☞ Annual revenue requirement of \$18 million

Reliability-Based Sharing Proposal

(Alternative Ratemaking Proposal)

Overview

- In addition to the traditional rate review, Westar has proposed an alternative ratemaking feature, a reliability-based sharing proposal (RBSP)
 - ☞ Three-year trial period, with opportunity to extend
 - ☞ Provide incentives to improve customer service along five dimensions
 - ☞ Less satisfactory customer service would result in lower ROE threshold before customer rebates are triggered, and lower ROE before we could seek rate increase
 - ☞ Improved customer service would result in higher ROE threshold before customer rebates are triggered, and make us less subject to a rate complaint

- Basic construct
 - ☞ Establishes a midpoint ROE of 11.5%, with a 200% basis point deadband (10.5%-12.5%)
 - ☞ Annual review, using abbreviated, but traditional ratemaking formula
 - Earnings above 12.5% shared with customers 50%/50% via rebates
 - No opportunity for Westar to seek a rate increase unless actual ROE is <10.5%
 - ☞ Entire bandwidth moves up or down based on five customer service measures

Five Customer Service Quality Measures

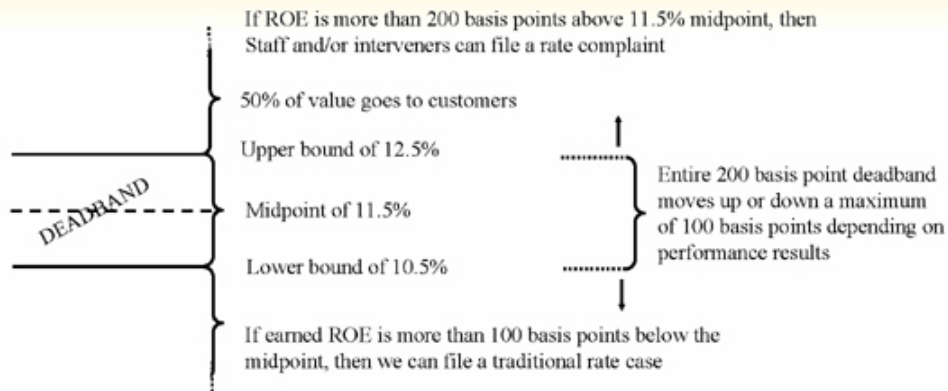
- Customer service quality scored along five dimensions, each with equal weighting
 - System average interruption duration index (SAIDI)
 - System average interruption frequency index (SAIFI)
 - Answered call rate
 - Actual meter reads
 - Equivalent forced outage rate (EFOR) on generation plants

- Each measure scored along a five point scale

- Deadband movement based on weighted average score

- Maximum weighted average bandwidth movement of 100 basis points
 - Deadband can never go above 13.5% on the upper end or below 9.5% on the lower end, regardless of customer service performance

ROE Bandwidth Dynamics



2005 Rate Case Timeline

Approximate Dates

