

**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) April 12, 2005**

**WESTAR ENERGY, INC.**

(Exact name of registrant as specified in its charter)

**KANSAS**  
(State or other jurisdiction of  
incorporation or organization)

**1-3523**  
(Commission File Number)

**48-0290150**  
(IRS Employer  
Identification No.)

**818 South Kansas Avenue, Topeka, Kansas**  
(Address of principal executive offices)

**66612**  
(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**

We will be attending the Midwest Utility Seminar on April 12, 2005 in Chicago, Illinois. We are scheduled to give a presentation on Tuesday, April 12, 2005 at 1:45 p.m. (CDT). A copy of the presentation to be used at the seminar is attached to this report and incorporated herein by this reference. The presentation is also available on our web site, <http://www.wr.com>.

The presentation indicates that we expect to recognize a mark to market gain of approximately \$12.3 million for the three months ended March 31, 2005 associated with the coal supply contract for our Lawrence and Tecumseh Energy Centers. As we have previously disclosed, based on the terms of this contract, changes in the fair value of this contract are marked to market through earnings in accordance with the requirements of SFAS No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." This may cause volatility in our reported earnings. However, since we anticipate using all of the coal delivered under this contract, we expect that over the life of this contract all changes recognized in the mark to market value of the contract will reverse and will not have an impact on our long-term results of operations.

The presentation also notes that the Kansas Corporation Commission approved our request to accumulate and defer for future recovery \$28 million to \$32 million of maintenance costs related to the January 4 and 5, 2005 ice storm that impacted substantially all of our service territory and highlights some of the key components of our rate review that we will file with the Kansas Corporation Commission on May 2, 2005, including a request to increase depreciation rates by \$25 million to \$30 million and a request to recover over a three to five year period approximately \$50 million of costs related to a 2002 storm and, as discussed above, the 2005 ice storm.

**Section 9. Financial Statements and Exhibits**

**Item 9.01(c) - Exhibits**

Exhibit 99.1 Presentation to Midwest Utility Seminar on April 12, 2005.

The information in this report, including any exhibits hereto, is not deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended. This report, including any exhibits hereto, contains information and data that may constitute forward-looking statements 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.

**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: April 12, 2005

By: /s/ LARRY D. IRICK

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Larry D. Irick, Vice President, General Counsel  
and Corporate Secretary

**EXHIBIT INDEX**

<b>Exhibit Number</b>	<b>Description of Exhibit</b>
99.1	Presentation to Midwest Utility Seminar on April 12, 2005.



## **Midwest Utility Seminar**

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Chicago, IL

April 12, 2005

## Forward-Looking Statements Disclosure

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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 dividend growth. 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. 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.

## Management Team Present

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- Greg Greenwood      Treasurer
- Bruce Burns      Director Investor Relations
- Jeff Beasley      Director Corporate Finance

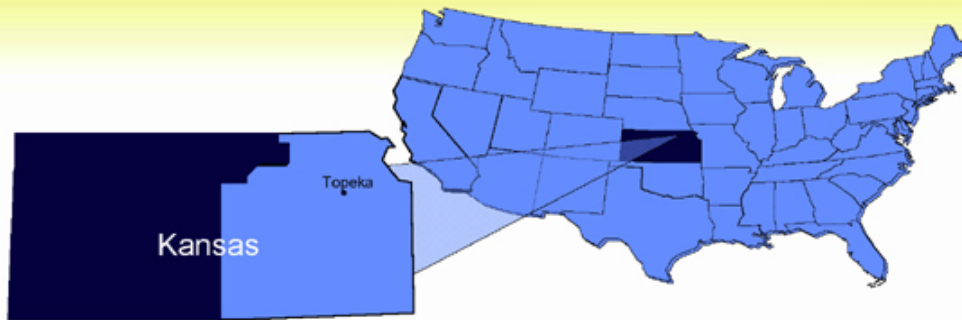
## Back to Basics Transformation is Complete

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- Experienced utility leadership
- Executed debt reduction plan set out for investors and regulators nine months ahead of schedule
- Open communication and cooperation focused on fostering strong relationships
  - ☞ Emphasis on regulatory outcomes



## Vertically Integrated Kansas Utility

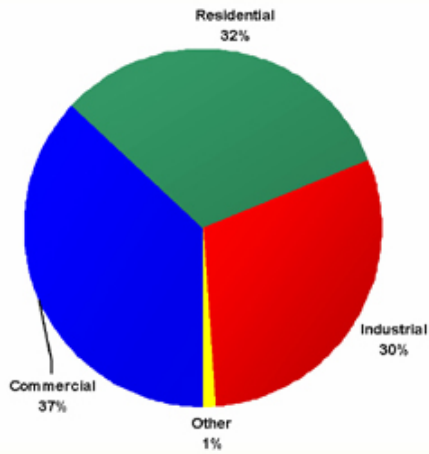


### ■ Key Operational Facts:

- ◆ ≈ 650,000 customers
- ◆ Nearly 6,000 MW of generation – 2004 reserve margin 20%
- ◆ 11,000 sq mile service territory
- ◆ 34,500 miles of T & D
- ◆ 2,000 employees
- ◆ Kansas retail market remains fully regulated

# Diverse Customer Base

## 2004 Retail Sales by Class



1% annual customer growth ~ 2 – 3% retail sales growth.

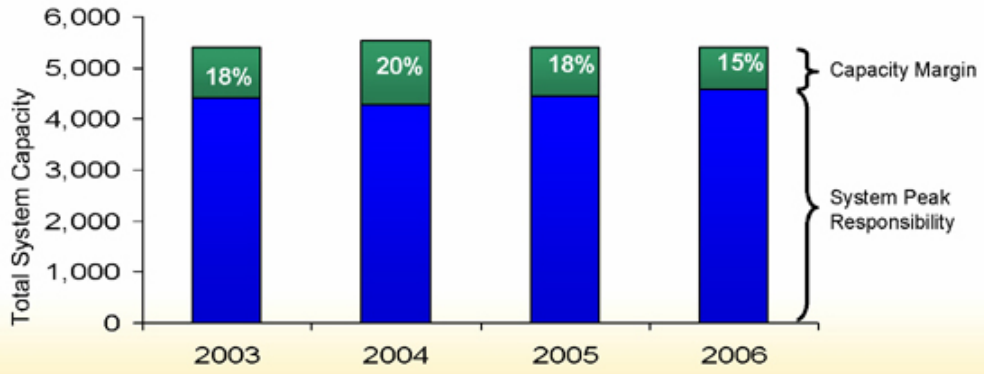
## MWh by Year



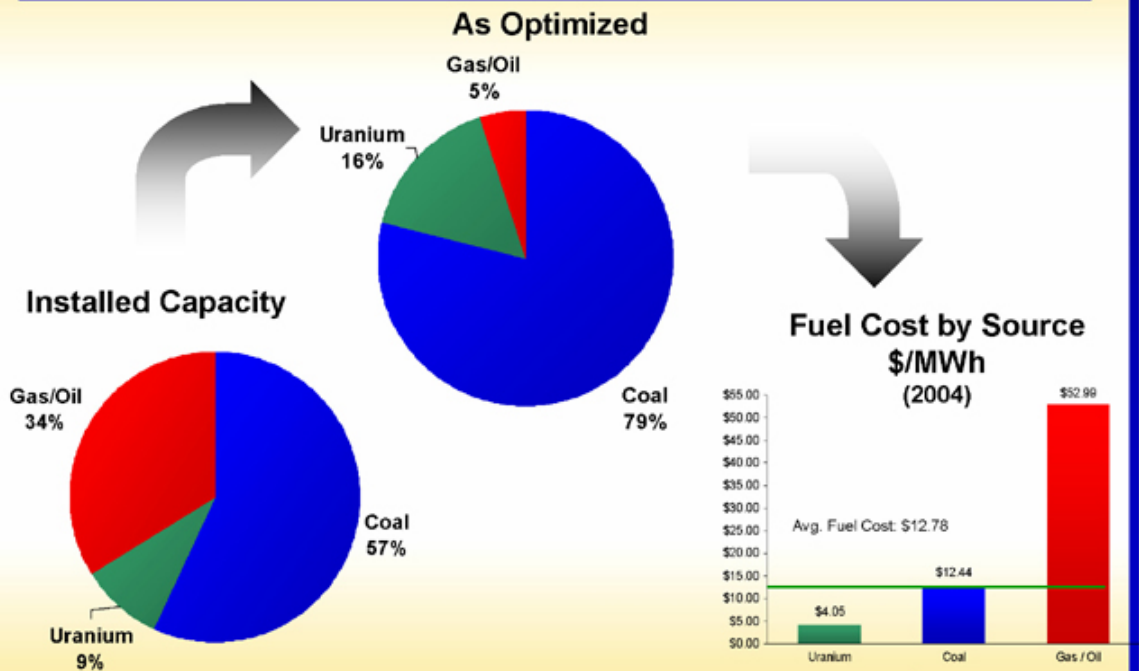
(1) No adjustment for divestiture of 10,000 rural retail customers.

# Self-Sufficient Generation

- 100% of generating assets in regulated cost of service
- Self-sufficiency minimizes market exposure

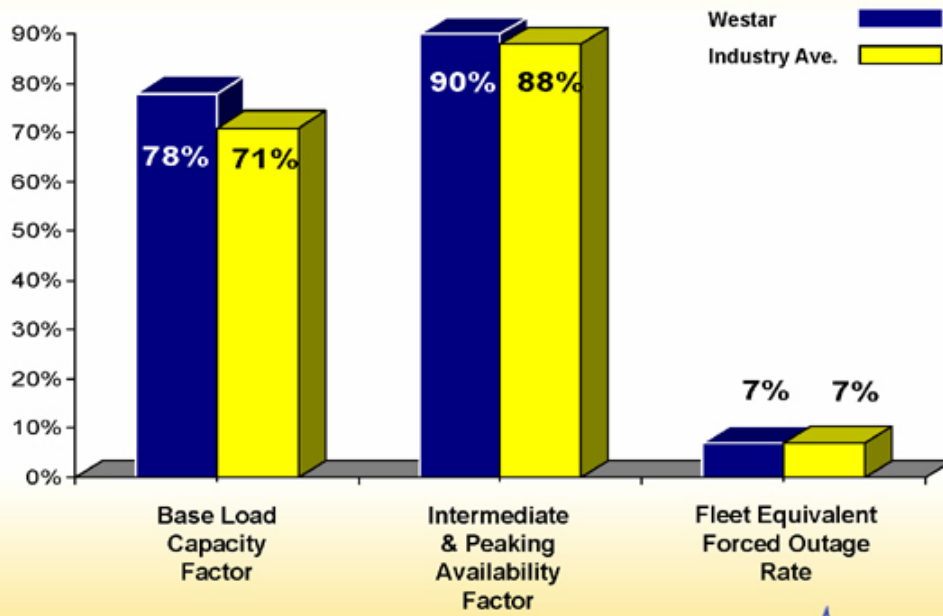


# Competitive Low-Cost Generation Portfolio



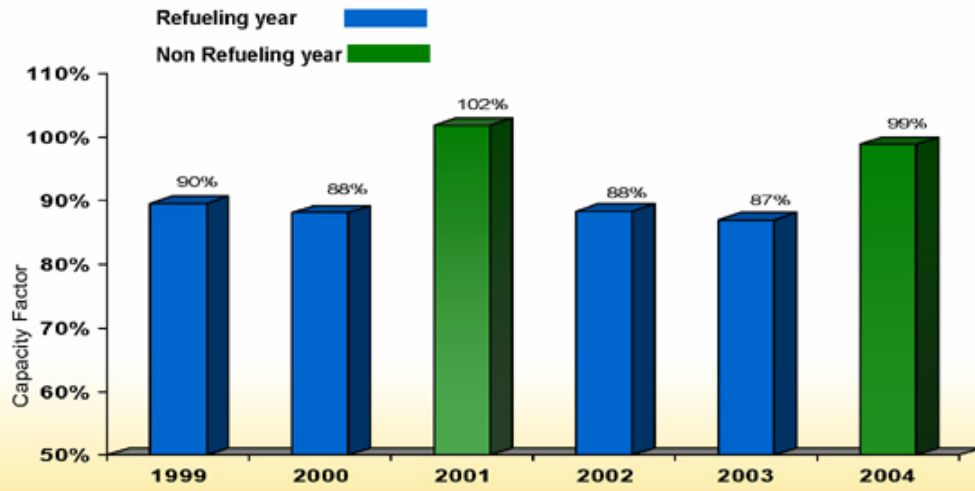
# High Performing Generating Assets

2004 Performance



# Wolf Creek

- Three-year average production cost second lowest in the nation among single-unit systems; competitive with most multi-unit fleets



## Recent Events

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## Recent Events

- Settled remaining Protection One issues
- Pension related FAS 87 adjustment
  - ☞ Approximate \$28 million minimum pension liability at 12/31/04
  - ☞ Offset by regulatory asset
- First Mortgage Bond Financing
  - ☞ Sold \$250 million first mortgage bonds 1/18/05
    - \$125 million 5.15% due 2017
    - \$125 million 5.95% due 2035
  - ☞ Called \$260 million 9.75% senior notes effective 2/17/05
  - ☞ Weighted cost of debt  $\approx$  6.3%



## January 2005 Ice Storm

- Cost of \$38 - \$42 million

- ☞ \$6 - \$8 million capital cost
- ☞ \$32 - \$36 maintenance expense



- Requested and received authority to defer maintenance expense

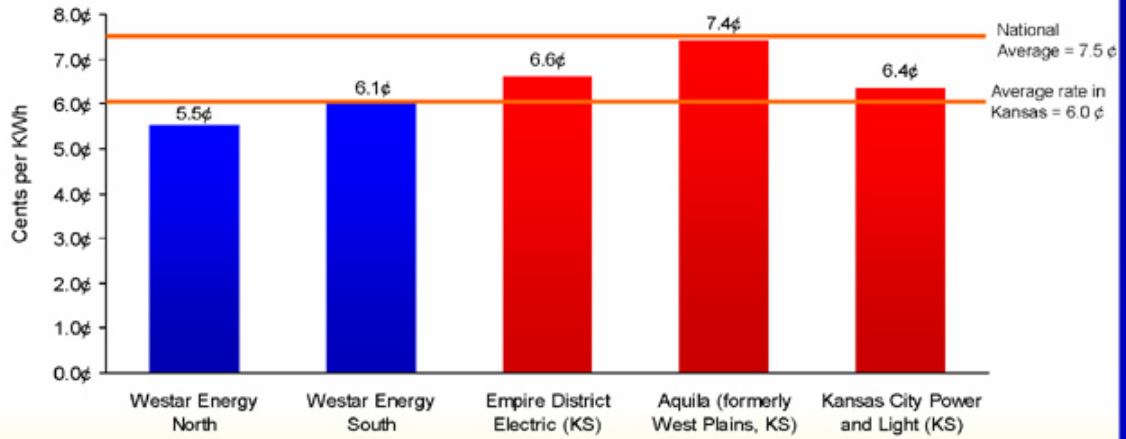
- ☞ \$28 to \$32 million (maintenance expense less \$4 million reduction in the storm reserve)
  - Storm reserve now approximately \$3 million
- ☞ Carrying charge of 9.08%
- ☞ Ratemaking treatment of regulatory asset to be determined in 2005 rate case

**Focus in 2005**

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# Low Utility Rates

- ◆ Lowest rates in Kansas
- ◆ 26% and 18% below national average



*Westar Energy North/South rate differential has largely been eliminated, and our rate plan will seek further rate alignment*

Source: EEI July 1, 2004

## Current Focus

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- Successful rate review in 2005
  - ☞ Constructive relationship exists
  - ☞ Kansas regulation has been historically balanced
- Continue to minimize operating risk
- Resolve EPA “new source” review & related issues
  - ☞ Settlement discussions ongoing
  - ☞ Will seek timely recovery of related costs in upcoming rate review
- Develop and execute long-term energy supply plan
- Conclude litigation against former management

# Reducing Risk

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## ■ Business

- ☞ Single line of business

## ■ Financial

- ☞ Typical utility capital structure

## ■ Operating

- ☞ System reliability
- ☞ Fuel supply
- ☞ Regulatory

# Reduced Financial Risk

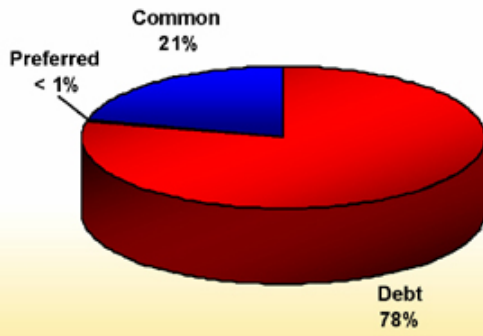
## Dramatic De-leveraging

December 31, 2002  
(millions)

Debt	\$3,590
Preferred	21
Common	<u>957</u>
Total Capitalization	\$4,568

December 31, 2004  
(millions)

Debt	\$1,705
Preferred	21
Common	<u>1,388</u>
Total Capitalization	\$3,114



## Reliability & Customer Relationships

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- Improved tree trimming
- Infrared / inspection programs
- Fuse coordination
- Apprentice program
- “Virtual Hold”
- Providing estimated restoration time

**Fuel Supply**

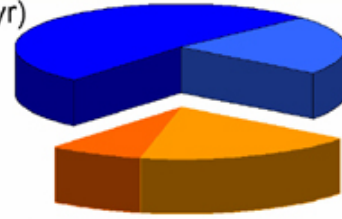




# Coal Supply

## Westar-operated plant supply (80%)

- 75% under contract through 2020 (10+ MM tons/yr)
  - ☞ 70% has no market openers
  - ☞ 30% reopened on price every 5 years
    - Next reopening in 2008
  - ☞ All volumes have cost escalators
- 25% under contract until 2007 – 2009 (3.5 MM tons/yr)
  - ☞ 100% at fixed price or capped through 2007
  - ☞ 70% at fixed price or capped through 2009
- \$12.3 million gain on mark-to-market of coal contract at 3/31/05
  - ☞ To reverse over remaining life of coal contract



## Co-owned plant supply managed by GXP (20%)

- Fixed price volumes under contract 

	'05	'06	'07	'08
	100%	90%	70%	35%

21



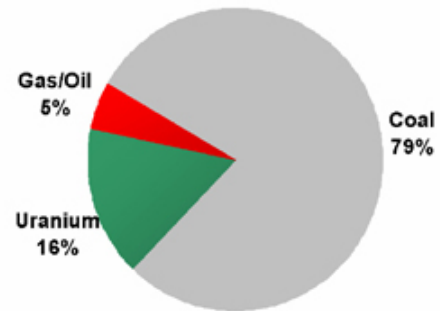
# Uranium and Gas/Oil

## ■ Gas/Oil

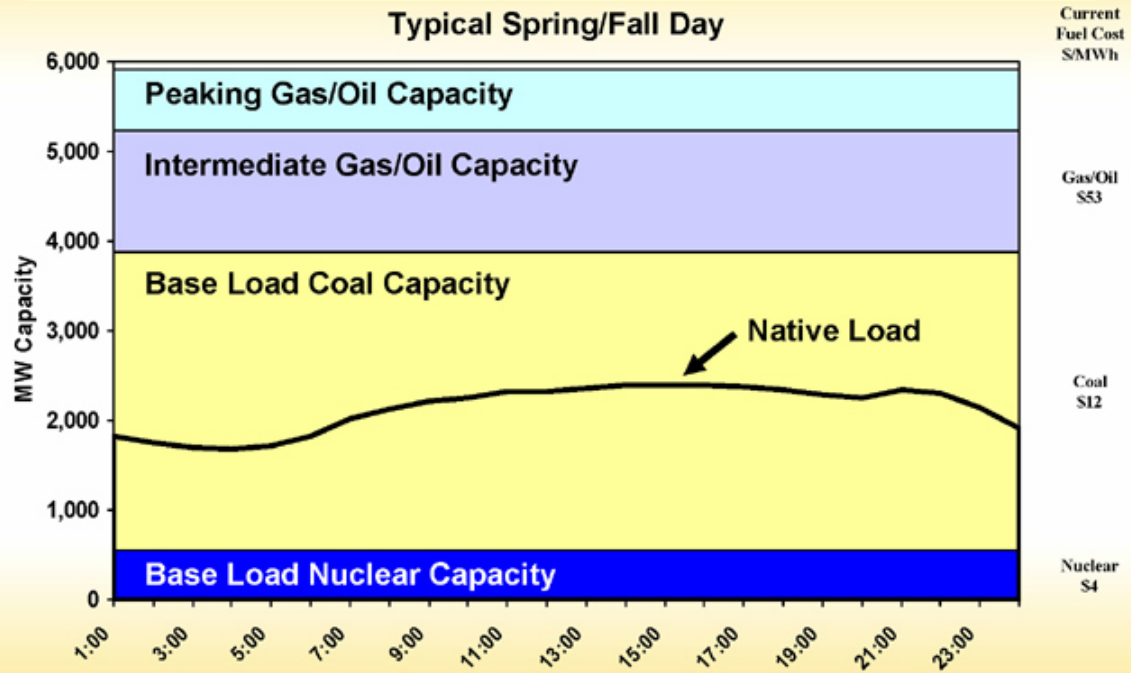
- ☛ No significant quantities of gas or oil hedged

## ■ Uranium

- ☛ 100% of uranium and uranium conversion under contract through September 2009
- ☛ Experiencing no delivery issues



# Illustrative Market Opportunities



## Energy Marketing Supports Plant Utilization

- Trades occur primarily where we can physically send/receive power  
(SPP, MAIN, ECAR, MAPP, SERC)
- Power sales and purchases generally physically backstopped
  - ☞ Minimize risk of loss in the event of counter party failure
  - ☞ Utility has first call on wholesale transactions to meet native load

*Energy Marketing seeks to optimize Westar's usage  
of its generation portfolio*

## **Rates & Regulation**

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## Ratemaking in Kansas

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- Generally conservative, but open to new ideas
- Historical test year used, but with some forward-looking adjustments
- Statutory 240 days for rate cases
- History of allowing reasonable ROEs
- Environmental cost recovery

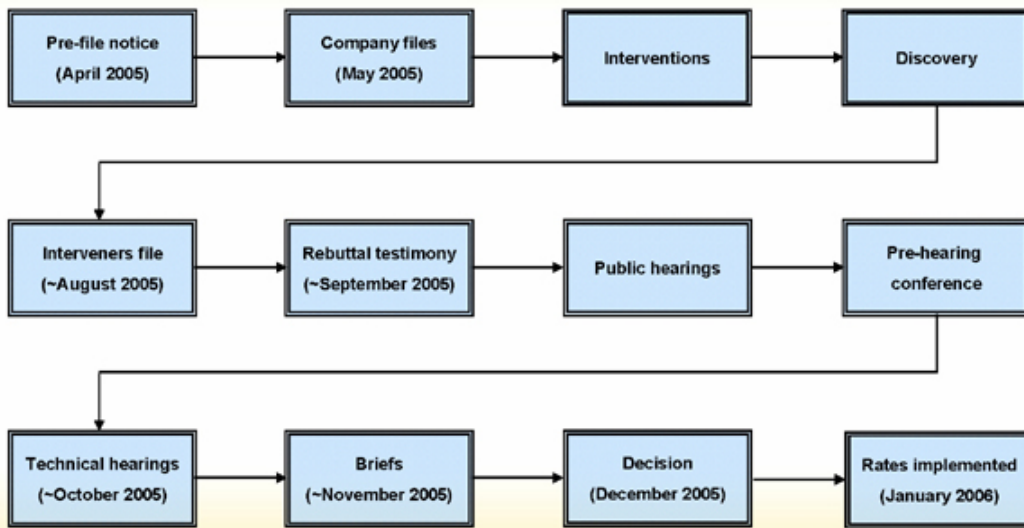
# Regulation in Kansas

- Three Commissioners appointed by governor  
(no more than 2 from same political party)

	<u>Term Ending</u>
☛ Brian Moline, (D) Chairman	March 15, 2006
☛ Robert Krehbiel, (D)	March 15, 2007
☛ Michael Moffet (R)	March 15, 2008
- Commission staff – combination of appointments and civil service positions
  - ☛ Staff of 46 in the utilities division
- Common interveners in Kansas regulatory process
  - ☛ Citizens Utility Ratepayers Board (CURB)
  - ☛ Kansas Industrial Consumers (KIC)
  - ☛ Wichita School District

# 2005 Rate Case Timeline

*Approximate Dates*





## Rate Case Approach

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- A traditional filing, but to include alternative rate making proposal
- Key components
  - ☞ Fuel adjustment clause
  - ☞ Wholesale margin sharing mechanism
  - ☞ Environmental tracker mechanism
  - ☞ Transmission formula rate
  - ☞ Further align gap between North and South rates
  - ☞ Increase in depreciation rates of \$25 - \$30 million
  - ☞ Storm recovery of  $\approx$  \$50 million over 3 to 5 years

# **Investment Considerations**

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## Conservative Dividend Policy

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- 2004 dividend payout ratio only 51%
  
- Target 60% to 75% payout
  - ☞ 2005 may approach lower end of range
  
- Next dividend review planned for early 2006

## Investment Highlights

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- Pure utility / constructive regulation
- Diverse customer mix / below average utility rates
- Reliable, low-cost generating assets
- Stable environment / improving returns
- Attractive dividend policy

# Appendix

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## 2005 Ongoing Earnings Guidance

2004 GAAP EPS	\$	2.14
Less: Special items (a)		0.65
2004 Ongoing EPS (Non-GAAP)	\$	1.50

**2005 Earnings Drivers and Adjustments:**

Weather		\$0.11 - 0.15
Sales growth		0.05 - 0.10
Income taxes		(0.07)
Fuel		(0.13 - 0.16)
Discontinuation of shared services		(0.03 - 0.05)
Pension & medical		(0.05 - 0.07)
O&M / SG&A		(0.07 - 0.10)
Share dilution		(0.06 - 0.09)
Interest savings (net)		0.11 - 0.14
Refinancing opportunities		0.04 - 0.15
Corporate-owned life insurance		0.10
2005 Ongoing EPS Guidance (Non-GAAP)		\$1.50 - \$1.60

(in millions unless otherwise noted)

Average shares outstanding		86 - 87
Depreciation & amortization		\$169 - \$171
Capital expenditures (including cost of removal)		\$210
Effective tax rate		28% - 30%

The effects of the listed earnings drivers and adjustments are not necessarily independent of one another, and the combination of effects can cause individual impacts smaller or larger than the ranges indicated.

(a) Reconciliation to 2004 GAAP EPS is contained in Appendix

## Ongoing Earnings Guidance Measure

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"Ongoing earnings" is a non-GAAP (generally accepted accounting principles) financial measure that differs from GAAP earnings because it excludes the effect of special items. Westar Energy provides ongoing earnings in addition to GAAP earnings because it believes this measure provides investors with a useful indicator of results comparable between periods because it excludes the effects of special items that may not recur or may occur on an irregular or unpredictable basis. Management uses ongoing earnings to provide a more meaningful view of Westar Energy's fundamental earnings power. This measure is used internally with management and the board of directors to evaluate business performance.

Investors should note that this non-GAAP measure involves judgments by management including whether an item is classified as a special item. Ongoing earnings should not be considered an alternative to, or more meaningful than, GAAP earnings. Westar Energy's ongoing earnings may not be comparable to a similarly titled measure of another company.

Westar Energy is unable to reconcile 2005 ongoing earnings guidance to 2005 GAAP earnings per share because the future impact of the special items is not predictable. An identified special item for 2005 will be the legal fees and related expenses incurred in connection with litigation related to former senior management and shareholder lawsuits. Westar Energy is unable to predict the level of these expenses but estimates that these fees and expenses may be at least \$6 million in 2005.

# Reconciliation of Special Items

## Consolidated Earnings and Earnings Per Share Year Ended December 31 (Unaudited)

	Earnings		Earnings per Share	
	2004	2003	2004	2003
Income from continuing operations	\$ 100,080	\$ 162,915	\$ 1.21	\$ 2.25
Results of discontinued operations, net of tax	78,790	(77,905)	0.95	(1.08)
Preferred dividends	970	968	0.01	0.01
Earnings available for common stock	<u>\$ 177,900</u>	<u>\$ 84,042</u>	<u>\$ 2.14</u>	<u>\$ 1.16</u>
<b>Reconciliation of GAAP to Non-GAAP</b>				
Earnings available for common stock	\$ 177,900	\$ 84,042	\$ 2.14	\$ 1.16
Special Items (After-tax):				
Discontinued operations	78,790	(77,905)	0.95	(1.08)
Gain on sale of utility assets	-	7,468	-	0.10
Settlement of call option	-	(9,876)	-	(0.14)
Investigation / litigation expense	(11,014)	(5,757)	(0.13)	(0.08)
RSU vesting for former management	(2,750)	-	(0.03)	-
Gain on sale of ONEOK stock	-	59,817	-	0.83
Loss on debt retirement	(11,346)	(7,368)	(0.14)	(0.10)
Lease buy-out on aircraft	-	(6,116)	-	(0.08)
Total Special Items	<u>53,680</u>	<u>(39,737)</u>	<u>0.65</u>	<u>(0.55)</u>
Ongoing Earnings	<u>\$ 124,220</u>	<u>\$ 123,779</u>	<u>\$ 1.50</u>	<u>\$ 1.71</u>

"Ongoing earnings" is a non-GAAP (generally accepted accounting principles) financial measure that differs from GAAP earnings because it excludes the effect of special items. Westar Energy provides ongoing earnings in addition to GAAP earnings because it believes this measure provides investors with a useful indicator of results comparable between periods because it excludes the effects of special items that may not recur or may occur on an irregular or unpredictable basis. Management uses ongoing earnings to provide a more meaningful view of Westar Energy's fundamental earnings power. This measure is used internally with management and the board of directors to evaluate business performance.



## **Westar Energy Investor Contact**

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