

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 7, 2014

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))

WESTAR ENERGY, INC.

Item 2.02. Results of Operations and Financial Condition

On May 7, 2014, we issued a press release announcing our earnings for the period ended March 31, 2014. A copy of our May 7, 2014 press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference. We are also including our 2014 First Quarter Earnings package, which is attached hereto as Exhibit 99.2 and is incorporated herein by reference. The information furnished pursuant to this Item 2.02, including Exhibits 99.1 and 99.2, will not be incorporated by reference into any registration statement filed by us under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated by reference.

Item 7.01. Regulation FD Disclosure

We are furnishing an update to our 2014 Earnings Guidance, which is included in Exhibit 99.2 attached hereto and is incorporated herein by reference. This information is available to the public on our website, <http://www.WestarEnergy.com>. The information furnished pursuant to this Item 7.01, including Exhibit 99.2, will not be incorporated by reference into any registration statement filed by us under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated by reference.

Item 9.01. Financial Statements and Exhibits.

Exhibit 99.1 Press Release dated May 7, 2014

Exhibit 99.2 2014 First Quarter Earnings package and 2014 Earnings Guidance May Update

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 hereunto duly authorized.

WESTAR ENERGY, INC.

Date: May 7, 2014 By: /s/ Larry D. Irick
Name: Larry D. Irick
Title: Vice President, General Counsel and Corporate Secretary

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
Exhibit 99.1	Press Release dated May 7, 2014
Exhibit 99.2	2014 First Quarter Earnings package and 2014 Earnings Guidance May Update



Westar Energy Announces 1st Quarter 2014 Results

TOPEKA, Kan., May 7, 2014 - Westar Energy, Inc. (NYSE:WR) today announced earnings of \$69 million, or \$0.53 per share, for the first quarter 2014 compared with earnings of \$51 million, or \$0.40 per share, for the first quarter 2013.

Higher net income for the quarter, compared with last year, was largely driven by higher revenues. The higher revenues are due principally from higher energy sales from colder weather and higher prices from investments in air quality controls and transmission infrastructure. The increase in revenues was partially offset with higher operating costs due to scheduled maintenance, employee benefit costs and depreciation expense.

Earnings Guidance

The company raised its 2014 earnings guidance to \$2.30 to \$2.45 per share. Updated guidance drivers have been posted under Supplemental Materials within the investor section of the company website at www.WestarEnergy.com.

Conference Call and Additional Company Information

Westar Energy management will host a conference call Thursday, May 8 with the investment community at 10 a.m. ET (9 a.m. CT). Investors, media and the public may listen to the conference call by dialing 866-700-0133, participant code 37389140. A webcast of the live conference call will be available at www.WestarEnergy.com.

Members of the media are invited to listen to the conference call and then contact Gina Penzig with any follow-up questions.

This earnings announcement, a package of detailed first quarter financial information, the company's quarterly report on Form 10-Q for the period ended March 31, 2014 and other filings the company has made with the Securities and Exchange Commission are available on the company's website at www.WestarEnergy.com.

- 30 -

Westar Energy, Inc. (NYSE: WR) is Kansas' largest electric utility. For more than a century, we have provided Kansans the safe, reliable electricity needed to power their businesses and homes. Every day our team of professionals takes on projects to generate and deliver electricity, protect the environment and provide excellent service to our nearly 700,000 customers. Westar has 7,200 MW of electric generation capacity fueled by coal, uranium, natural gas, wind and landfill gas. We are also a leader in electric transmission in Kansas. Our innovative customer service programs include mobile-enabled customer care, digital meters and paving the way for electric vehicle adoption. Our employees live, volunteer and work in the communities we serve.

For more information about Westar Energy, visit us on the Internet at <http://www.WestarEnergy.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,"

Westar Energy announces 1st quarter results

“intend,” “guidance” or words of similar meaning. Forward-looking statements describe future plans, objectives, expectations or goals. Although Westar Energy believes that its expectations are based on reasonable assumptions, all forward-looking statements involve risk and uncertainty. The factors that could cause actual results to differ materially from these forward-looking statements include those discussed herein as well as (1) those discussed in the company's Annual Report on Form 10-K for the year ended Dec. 31, 2013 (a) under the heading, “Forward-Looking Statements,” (b) in ITEM 1. Business, (c) in ITEM 1A. Risk Factors, (d) in ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, and (e) in ITEM 8. Financial Statements and Supplementary Data: Notes 13 and 15; (2) those discussed in the company's Quarterly Report on Form 10-Q filed May 7, 2014, (a) in ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations and (b) in Part I, Financial Information, ITEM 1. Financial Statements: Notes 10 and 11; and (3) other factors discussed in the company's filings with the Securities and Exchange Commission. 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.

Media Contact:

Gina Penzig
Director, corporate communications
Phone: 785-575-8089
Gina.Penzig@westarenergy.com
Media line: 888-613-0003

Investor Contact:

Bruce Burns
Director, investor relations
Phone: 785-575-8227
Bruce.Burns@westarenergy.com

Westar Energy announces 1st quarter results

Westar Energy, Inc. Condensed Consolidated Statements of Income (Unaudited)

	Three Months Ended Mar. 31,			
	2014	2013	Change	% Change
(Dollars In Thousands, Except Per Share Amounts)				
REVENUES:				
Residential	\$ 192,287	\$ 165,375	\$ 26,912	16.3
Commercial	161,100	147,956	13,144	8.9
Industrial	94,495	90,925	3,570	3.9
Other retail	(8,523)	(3,171)	(5,352)	(168.8)
Total Retail Revenues	439,359	401,085	38,274	9.5
Wholesale	110,613	86,469	24,144	27.9
Transmission	61,466	51,510	9,956	19.3
Other	17,118	7,148	9,970	139.5
Total Revenues	628,556	546,212	82,344	15.1
OPERATING EXPENSES:				
Fuel and purchased power	173,839	151,752	22,087	14.6
SPP network transmission costs	51,958	43,796	8,162	18.6
Operating and maintenance	91,790	84,155	7,635	9.1
Depreciation and amortization	70,110	66,846	3,264	4.9
Selling, general and administrative	56,486	48,945	7,541	15.4
Taxes other than income tax	34,832	30,778	4,054	13.2
Total Operating Expenses	479,015	426,272	52,743	12.4
INCOME FROM OPERATIONS	149,541	119,940	29,601	24.7
OTHER INCOME (EXPENSE):				
Investment earnings	2,378	4,059	(1,681)	(41.4)
Other income	5,917	3,715	2,202	59.3
Other expense	(5,664)	(5,361)	(303)	(5.7)
Total Other Income	2,631	2,413	218	9.0
Interest expense	46,241	44,284	1,957	4.4
INCOME BEFORE INCOME TAXES	105,931	78,069	27,862	35.7
Income tax expense	34,961	24,813	10,148	40.9
NET INCOME	70,970	53,256	17,714	33.3
Less: Net income attributable to noncontrolling interests	2,015	2,112	(97)	(4.6)
NET INCOME ATTRIBUTABLE TO COMMON STOCK	\$ 68,955	\$ 51,144	\$ 17,811	34.8
BASIC AND DILUTED EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING ATTRIBUTABLE TO WESTAR ENERGY, INC. (See 10-Q Note 2):				
Basic earnings per common share	\$ 0.53	\$ 0.40	\$ 0.13	32.5
Diluted earnings per common share	\$ 0.52	\$ 0.40	\$ 0.12	30.0
AVERAGE EQUIVALENT COMMON SHARES OUTSTANDING (in thousands):				
Basic	129,004	127,196	1,808	1.4
Diluted	131,269	127,619	3,650	2.9
DIVIDENDS DECLARED PER COMMON SHARE				
	\$ 0.35	\$ 0.34	\$ 0.01	2.9
Effective income tax rate	33.00%	31.78%		

Westar Energy, Inc.

First Quarter 2014 Earnings

Released May 7, 2014

<u>Contents</u>	<u>Page</u>
Condensed Consolidated Statements of Income	1
Condensed Consolidated Balance Sheets	2
Condensed Consolidated Statements of Cash Flows	3
Earnings Variances	4
Supplemental Data	5
Capitalization & Long-Term Debt Table	6
GAAP to Non-GAAP Reconciliation	7
Supplemental Information	
2014 Earnings Guidance May Update	8

Bruce Burns
Director Investor Relations
785-575-8227
bruce.burns@WestarEnergy.com

NOTE:

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended March 31, 2014 should be read in conjunction with this financial information. The enclosed statements have been prepared for the purpose of providing information concerning the Company and not in connection with any sale, offer for sale, or solicitation to buy any securities.

Westar Energy, Inc.
Condensed Consolidated Statements of Income
(Unaudited)

	Three Months Ended March 31,			
	2014	2013	Change	% Change
(Dollars in Thousands, Except Per Share Amounts)				
REVENUES:				
Residential	\$ 192,287	\$ 165,375	\$ 26,912	16.3
Commercial	161,100	147,956	13,144	8.9
Industrial	94,495	90,925	3,570	3.9
Other retail	(8,523)	(3,171)	(5,352)	(168.8)
Total Retail Revenues	439,359	401,085	38,274	9.5
Wholesale	110,613	86,469	24,144	27.9
Transmission	61,466	51,510	9,956	19.3
Other	17,118	7,148	9,970	139.5
Total Revenues	628,556	546,212	82,344	15.1
OPERATING EXPENSES:				
Fuel and purchased power	173,839	151,752	22,087	14.6
SPP network transmission costs	51,958	43,796	8,162	18.6
Operating and maintenance	91,790	84,155	7,635	9.1
Depreciation and amortization	70,110	66,846	3,264	4.9
Selling, general and administrative	56,486	48,945	7,541	15.4
Taxes other than income tax	34,832	30,778	4,054	13.2
Total Operating Expenses	479,015	426,272	52,743	12.4
INCOME FROM OPERATIONS	149,541	119,940	29,601	24.7
OTHER INCOME (EXPENSE):				
Investment earnings	2,378	4,059	(1,681)	(41.4)
Other income	5,917	3,715	2,202	59.3
Other expense	(5,664)	(5,361)	(303)	(5.7)
Total Other Income	2,631	2,413	218	9.0
Interest expense	46,241	44,284	1,957	4.4
INCOME BEFORE INCOME TAXES	105,931	78,069	27,862	35.7
Income tax expense	34,961	24,813	10,148	40.9
NET INCOME	70,970	53,256	17,714	33.3
Less: Net income attributable to noncontrolling interests	2,015	2,112	(97)	(4.6)
NET INCOME ATTRIBUTABLE TO WESTAR ENERGY, INC.	\$ 68,955	\$ 51,144	\$ 17,811	34.8
BASIC AND DILUTED EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING ATTRIBUTABLE TO WESTAR ENERGY, INC. (See 10-Q Note 2):				
Basic earnings per common share	\$ 0.53	\$ 0.40	\$ 0.13	32.5
Diluted earnings per common share	\$ 0.52	\$ 0.40	\$ 0.12	30.0
AVERAGE EQUIVALENT COMMON SHARES OUTSTANDING (in thousands):				
Basic	129,004	127,196	1,808	1.4
Diluted	131,269	127,619	3,650	2.9
DIVIDENDS DECLARED PER COMMON SHARE	\$ 0.35	\$ 0.34	\$ 0.01	2.9
Effective income tax rate	33.00%	31.78%		

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended March 31, 2014 should be read in conjunction with this financial information.

Westar Energy, Inc.
Condensed Consolidated Balance Sheets
(Dollars in Thousands, Except Par Values)
(Unaudited)

	March 31, 2014	December 31, 2013
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 9,065	\$ 4,487
Accounts receivable, net of allowance for doubtful accounts of \$7,233 and \$4,596, respectively	231,782	250,036
Fuel inventory and supplies	249,687	239,511
Deferred tax assets	38,618	37,954
Prepaid expenses	19,934	15,821
Regulatory assets	134,458	135,408
Other	23,280	23,608
Total Current Assets	<u>706,824</u>	<u>706,825</u>
PROPERTY, PLANT AND EQUIPMENT, NET	<u>7,669,016</u>	<u>7,551,916</u>
PROPERTY, PLANT AND EQUIPMENT OF VARIABLE INTEREST ENTITIES, NET	<u>293,939</u>	<u>296,626</u>
OTHER ASSETS:		
Regulatory assets	606,840	620,006
Nuclear decommissioning trust	178,591	175,625
Other	255,249	246,140
Total Other Assets	<u>1,040,680</u>	<u>1,041,771</u>
TOTAL ASSETS	<u><u>\$ 9,710,459</u></u>	<u><u>\$ 9,597,138</u></u>
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Current maturities of long-term debt	\$ 250,000	\$ 250,000
Current maturities of long-term debt of variable interest entities	28,256	27,479
Short-term debt	178,900	134,600
Accounts payable	191,216	233,351
Accrued dividends	45,075	43,604
Accrued taxes	101,832	69,769
Accrued interest	91,958	80,457
Regulatory liabilities	46,235	35,982
Other	78,435	80,184
Total Current Liabilities	<u>1,011,907</u>	<u>955,426</u>
LONG-TERM LIABILITIES:		
Long-term debt, net	2,969,118	2,968,958
Long-term debt of variable interest entities, net	166,791	194,802
Deferred income taxes	1,397,197	1,363,148
Unamortized investment tax credits	191,484	192,265
Regulatory liabilities	297,544	293,574
Accrued employee benefits	327,558	331,558
Asset retirement obligations	171,432	160,682
Other	71,924	68,194
Total Long-Term Liabilities	<u>5,593,048</u>	<u>5,573,181</u>
COMMITMENTS AND CONTINGENCIES (See 10-Q Notes 10 and 11)		
EQUITY:		
Westar Energy, Inc. Shareholders' Equity:		
Common stock, par value \$5 per share; authorized 275,000,000 shares; issued and outstanding 128,813,670 shares and 128,254,229 shares, respective to each date	644,068	641,271
Paid-in capital	1,705,254	1,696,727
Retained earnings	748,411	724,776
Total Westar Energy, Inc. Shareholders' Equity	<u>3,097,733</u>	<u>3,062,774</u>
Noncontrolling Interests	7,771	5,757
Total Equity	<u>3,105,504</u>	<u>3,068,531</u>
TOTAL LIABILITIES AND EQUITY	<u><u>\$ 9,710,459</u></u>	<u><u>\$ 9,597,138</u></u>

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended March 31, 2014 should be read in conjunction with this financial information.

Westar Energy, Inc.
Condensed Consolidated Statements of Cash Flows
(In Thousands)
(Unaudited)

	Three Months Ended March 31,	
	2014	2013
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:		
Net income	\$ 70,970	\$ 53,256
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	70,110	66,846
Amortization of nuclear fuel	5,966	2,857
Amortization of deferred regulatory gain from sale leaseback	(1,374)	(1,374)
Amortization of corporate-owned life insurance	5,884	3,522
Non-cash compensation	1,796	2,221
Net deferred income taxes and credits	34,787	22,387
Stock-based compensation excess tax benefits	636	(202)
Allowance for equity funds used during construction	(5,006)	(2,746)
Changes in working capital items:		
Accounts receivable	16,892	(2,313)
Fuel inventory and supplies	(9,956)	12,180
Prepaid expenses and other	(2,255)	7,641
Accounts payable	1,422	28,214
Accrued taxes	33,428	31,431
Other current liabilities	2,838	(7,251)
Changes in other assets	3,650	(31,259)
Changes in other liabilities	8,524	8,224
Cash Flows from Operating Activities	<u>238,312</u>	<u>193,634</u>
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:		
Additions to property, plant and equipment	(218,329)	(181,987)
Purchase of securities - trusts	(2,707)	(32,582)
Sale of securities - trusts	3,745	33,305
Proceeds from investment in corporate-owned life insurance	1,121	79,508
Proceeds from federal grant	—	876
Investment in affiliated company	1,362	—
Other investing activities	(1,230)	240
Cash Flows used in Investing Activities	<u>(216,038)</u>	<u>(100,640)</u>
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:		
Short-term debt, net	44,139	(196,318)
Proceeds from long-term debt	—	246,179
Retirements of long-term debt of variable interest entities	(27,148)	(25,368)
Repayment of capital leases	(755)	(802)
Borrowings against cash surrender value of corporate-owned life insurance	861	—
Repayment of borrowings against cash surrender value of corporate-owned life insurance	(1,040)	(78,655)
Stock-based compensation excess tax benefits	(636)	202
Issuance of common stock	10,317	1,546
Cash dividends paid	(41,591)	(39,964)
Other financing activities	(1,843)	—
Cash Flows used in Financing Activities	<u>(17,696)</u>	<u>(93,180)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>4,578</u>	<u>(186)</u>
CASH AND CASH EQUIVALENTS:		
Beginning of period	4,487	5,829
End of period	<u>\$ 9,065</u>	<u>\$ 5,643</u>

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended March 31, 2014 should be read in conjunction with this financial information.

Westar Energy, Inc.
1st Quarter 2014 vs. 2013

Earnings Variances

	(\$ per share)	Change (Dollars in Thousands)	(\$ per share)
2013 earnings attributable to common stock	\$	51,144	\$ 0.40
Favorable/(Unfavorable)			
Retail		38,274	A
Wholesale		24,144	B
Transmission		9,956	
Other revenues		9,970	C
Fuel and purchased power		(22,087)	D
SPP network transmission costs		(8,162)	
Gross Margin		52,095	
Operating and maintenance		(7,635)	E
Depreciation and amortization		(3,264)	F
Selling, general and administrative		(7,541)	G
Taxes other than income tax		(4,054)	H
Other income (expense)		218	
Interest expense		(1,957)	
Income tax expense		(10,148)	I
Net income attributable to noncontrolling interests		97	
Change in shares outstanding	(0.01)		
2014 earnings attributable to common stock	\$	68,955	\$ 0.53

Major factors influencing the period to period change in EPS -- Favorable/(Unfavorable)

- A Due primarily to a 6% increase in retail MWh sales (see page 5 for changes by customer class; HDD 12% higher than last year and 16% higher than normal)
- B Due to a 21% increase in MWh sales (see page 5 for changes by customer class)
- C Due primarily to an increase in energy marketing margins from favorable market conditions -- \$10.4M
- D Due primarily to a 9% increase in combined MWh generated and purchased, and a 12% increase in the average cost of MWhs purchased
- E Due primarily to higher costs at Wolf Creek from higher costs incurred during a scheduled outage -- (\$5.6M); and higher amortization of refueling outage costs -- (\$1.6M)
- F Due principally to property additions
- G Due principally to higher post-retirement and other employee benefits costs due to the restructuring of insurance contracts in 2013 resulting in an increase in 2014 -- (\$3.5M); increased allowance for uncollectible accounts -- (\$1.5M)
- H Due primarily to higher property tax expense that is largely offset by increased prices -- (\$3.3M)
- I Due primarily to higher income before income taxes

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended March 31, 2014 should be read in conjunction with this financial information.

Westar Energy, Inc.
Revenue, Sales and Energy Supply

Supplemental Data

	Three Months Ended March 31,			
	2014	2013	Change	% Change
Revenues	(Dollars In Thousands)			
Residential	\$ 192,287	\$ 165,375	\$ 26,912	16.3
Commercial	161,100	147,956	13,144	8.9
Industrial	94,495	90,925	3,570	3.9
Other retail	3,462	3,198	264	8.3
Provision for rate refunds	(11,985)	(6,369)	(5,616)	(88.2)
Total Retail Revenues	439,359	401,085	38,274	9.5
Tariff-based wholesale	67,894	71,749	(3,855)	(5.4)
Market-based wholesale	42,719	14,720	27,999	190.2
Transmission	61,466	51,510	9,956	19.3
Other	17,118	7,148	9,970	139.5
Total Revenues	\$ 628,556	\$ 546,212	\$ 82,344	15.1

Electricity Sales	(Thousands of MWh)			
Residential	1,709	1,543	166	10.8
Commercial	1,760	1,703	57	3.3
Industrial	1,339	1,312	27	2.1
Other retail	21	21	—	—
Total Retail	4,829	4,579	250	5.5
Tariff-based wholesale	1,371	1,479	(108)	(7.3)
Market-based wholesale	1,105	566	539	95.2
Total wholesale	2,476	2,045	431	21.1
Total Electricity Sales	7,305	6,624	681	10.3

	(Dollars per MWh)			
Total retail	\$ 90.98	\$ 87.59	\$ 3.39	3.9
Tariff-based wholesale	\$ 49.52	\$ 48.51	\$ 1.01	2.1
Market-based wholesale	\$ 38.66	\$ 26.01	\$ 12.65	48.6

Fuel and Purchased Power	(Dollars In Thousands)			
Fuel used for generation	\$ 138,650	\$ 127,653	\$ 10,997	8.6
Purchased power	39,452	29,016	10,436	36.0
Subtotal	178,102	156,669	21,433	13.7
RECA recovery and other	(4,263)	(4,917)	654	13.3
Total fuel and purchased power expense	\$ 173,839	\$ 151,752	\$ 22,087	14.6

Electricity Supply	(Thousands of MWh)			
Generated - Gas	304	350	(46)	(13.1)
Coal	5,181	5,185	(4)	(0.1)
Nuclear	894	454	440	96.9
Wind	114	104	10	9.6
Subtotal electricity generated	6,493	6,093	400	6.6
Purchased	1,045	857	188	21.9
Total Electricity Supply	7,538	6,950	588	8.5

	(Dollars per MWh)			
Average cost of fuel used for generation	\$ 21.35	\$ 20.95	\$ 0.40	1.9
Average cost of purchased power	\$ 37.75	\$ 33.86	\$ 3.89	11.5
Average cost of fuel and purchased power	\$ 23.63	\$ 22.54	\$ 1.09	4.8

Degree Days	2013/			
	2014	20 yr Avg	Change	% Change
Cooling				
Actual compared to last year	—	—	—	nm

Actual compared to 20 year average	—	3	(3)	nm
Heating				
Actual compared to last year	2,804	2,510	294	11.7
Actual compared to 20 year average	2,804	2,428	376	15.5

nm - not meaningful

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended March 31, 2014 should be read in conjunction with this financial information.

Westar Energy, Inc.

Capitalization

	March 31, 2014		December 31, 2013	
	(Dollars in Thousands)			
Current maturities of long-term debt	\$ 250,000		\$ 250,000	
Current maturities of long-term debt of VIEs	28,256		27,479	
Long-term debt, net	2,969,118		2,968,958	
Long-term debt of variable interest entities, net	166,791		194,802	
Total long-term debt	3,414,165	52.4%	3,441,239	52.9%
Common equity	3,097,733	47.5%	3,062,774	47.0%
Noncontrolling interests	7,771	0.1%	5,757	0.1%
Total capitalization	<u>\$ 6,519,669</u>	<u>100.0%</u>	<u>\$ 6,509,770</u>	<u>100.0%</u>
GAAP Book value per share	\$ 24.05		\$ 23.88	
Period end shares outstanding (in thousands)	128,814		128,254	

Outstanding Long-Term Debt

	CUSIP	March 31, 2014	December 31, 2013
	(Dollars in Thousands)		
Westar Energy:			
First Mortgage Bond series:			
6.00% Series due July 2014	95709TAA8	\$ 250,000	\$ 250,000
5.15% Series due January 2017	95709TAB6	125,000	125,000
8.625% Series due December 2018	95709TAG5	300,000	300,000
5.10% Series due July 2020	95709TAD2	250,000	250,000
5.95% Series due January 2035	95709TAC4	125,000	125,000
5.875% Series due July 2036	95709TAE0	150,000	150,000
4.125% Series due March 2042	95709TAH3	550,000	550,000
4.10% Series due April 2043	95709TAJ9	250,000	250,000
4.625% Series due September 2043	95709TAK6	250,000	250,000
		<u>2,250,000</u>	<u>2,250,000</u>
Pollution control bond series:			
Variable series due April 2032 (Wamego)	933623BN9	30,500	30,500
Variable series due April 2032 (St Marys)	792609AF6	45,000	45,000
		<u>75,500</u>	<u>75,500</u>
Total Westar Energy		<u>2,325,500</u>	<u>2,325,500</u>
KGE			
First mortgage bond series:			
6.70% Series due June 2019	485260BL6	300,000	300,000
6.15% Series due May 2023	485260B@1	50,000	50,000
6.53% Series due December 2037	485260BJ1	175,000	175,000
6.64% Series due May 2038	485260B#9	100,000	100,000
		<u>625,000</u>	<u>625,000</u>
Pollution control bond series:			
Variable rate series due April 2027 (LaCygne)	502828AJ5	21,940	21,940
5.3% Series due June 2031	121825BW2	108,600	108,600
5.3% Series due June 2031	933623BR0	18,900	18,900
4.85% Series due June 2031	121825CB7	50,000	50,000
5.0% Series due June 2031	121825CF8	50,000	50,000
Variable rate series due April 2032 (St Marys)	792609AE9	14,500	14,500
Variable rate series due April 2032 (Wamego)	933623BM1	10,000	10,000
		<u>273,940</u>	<u>273,940</u>
Total KGE		<u>898,940</u>	<u>898,940</u>
Total long-term debt		3,224,440	3,224,440
Unamortized debt discount		(5,322)	(5,482)
Long-term debt due within one year		(250,000)	(250,000)
Total long-term debt, net		<u>\$ 2,969,118</u>	<u>\$ 2,968,958</u>

Westar Energy, Inc.
GAAP to Non-GAAP Reconciliation

Fuel and purchased power costs fluctuate with electricity sales and unit costs. As permitted by regulators, prices are adjusted to reflect changes in the costs of fuel and purchased power. Fuel and purchased power costs for wholesale customers are recovered at prevailing market prices or based on a predetermined formula with a price adjustment approved by FERC. As a result, changes in fuel and purchased power costs are offset in revenues with minimal impact on net income. For this reason, Westar management believes that gross margin is useful for understanding and analyzing changes in operating performance from one period to the next. Gross margin is calculated as total revenues, including transmission revenues, less the sum of fuel and purchased power costs and amounts billed by the SPP for network transmission costs (SPP NITS). Accordingly, gross margin reflects transmission revenues and costs on a net basis.

The calculations of gross margin for the three months ended March 31, 2014 and 2013 are shown in the table below. The table also includes a reconciliation of gross margin to income from operations for both periods. Income from operations is the GAAP financial measure most directly comparable to gross margin.

	Three Months Ended March 31,		
	2014	2013	Change
	(Dollars in Thousands)		
Revenues	\$ 628,556	\$ 546,212	\$ 82,344
Less: Fuel and purchased power expense	173,839	151,752	22,087
SPP network transmission costs	51,958	43,796	8,162
Gross Margin	<u>\$ 402,759</u>	<u>\$ 350,664</u>	<u>\$ 52,095</u>
Gross margin	\$ 402,759	\$ 350,664	\$ 52,095
Less: Operating and maintenance expense	91,790	84,155	7,635
Depreciation and amortization expense	70,110	66,846	3,264
Selling, general and administrative expense	56,486	48,945	7,541
Taxes other than income tax	34,832	30,778	4,054
Income from operations	<u>\$ 149,541</u>	<u>\$ 119,940</u>	<u>\$ 29,601</u>

The Notes to the Condensed Consolidated Financial Statements in the company's Quarterly Report on Form 10-Q for the period ended March 31, 2014 should be read in conjunction with this financial information.



2014 Earnings Guidance
May Update

2014 EPS guidance range \$2.30 - \$2.45

Updated key drivers and planning assumptions:

- Retail MWh sales up 50 - 100 bp
- Modest annualized price adjustments
 - ~\$31 million 2012 abbreviated rate case, effective December 2013
 - ~\$44 million transmission formula rate and companion TDC, net of SPP network costs
 - ~\$11 million environmental cost recovery rider
- Normal weather and energy marketing activity remainder of the year
- ~6% increase in combined O&M and SG&A expenses excluding SPP network costs and property tax that have revenue offsets
 - ~10% increase top line operating expense excluding fuel and depreciation
- ~4 - 5% increase in depreciation expense
- COLI proceeds ~\$14 million
- Higher equity AFUDC ~\$2 million
- Higher interest expense ~\$5 million
- Effective tax rate 32-34%
- Financing:
 - No additional equity sales
 - Settle 3 million forward shares already priced under ATM for yearend average annual outstanding count ~130 million
 - No additional debt issuance anticipated
 - Refinance \$177.5 million of pollution control bonds in June
 - Refinance \$250 million first mortgage bond due July

Forward-looking statements: Certain matters discussed in this document 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 “driver,” “assumption,” “believe,” “anticipate,” “target,” “expect,” “pro forma,” “estimate,” “intend,” “guidance” or words of similar meaning. Forward-looking statements describe future plans, objectives, expectations or goals. Although Westar Energy believes that its expectations are based on reasonable assumptions, all forward-looking statements involve risk and uncertainty. The factors that could cause actual results to differ materially from these forward-looking statements include those discussed herein as well as (1) those discussed in the company’s Annual Report on Form 10-K for the year ended Dec. 31, 2013 (a) under the heading, “Forward-Looking Statements,” (b) in ITEM 1. Business, (c) in ITEM 1A. Risk Factors, (d) in ITEM 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations, and (e) in ITEM 8. Financial Statements and Supplementary Data: NOTES 13 and 15; (2) those discussed in the company’s Quarterly Report on Form 10-Q filed May 7, 2014, (a) in ITEM 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations and (b) in Part I, Financial Information, ITEM 1. Financial Statements: Notes 10 and 11; and (3) other factors discussed in the company’s filings with the Securities and Exchange Commission. 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.

May 7, 2014