

**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) December 28, 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**

On December 28, 2005, the Kansas Corporation Commission issued an order that left the rates of Westar Energy, Inc. and Kansas Gas and Electric Company, a wholly owned subsidiary of Westar Energy, nearly unchanged. On May 2, 2005, Westar Energy and Kansas Gas and Electric Company filed a joint application with the Kansas Corporation Commission to propose changes to their electric rates. Westar Energy sought an approximate 9 percent, or \$47.8 million, increase in rates, and Kansas Gas and Electric Company sought an approximate 6 percent, or \$36.3 million, increase in rates. The Kansas Corporation Commission's action will increase Westar Energy's rates by approximately \$24.2 million and decrease Kansas Gas and Electric Company's rates by approximately \$21.2 million.

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.wr.com>.

Section 9. Financial Statements and Exhibits**Item 9.01. Financial Statements and Exhibits.**

Exhibit 99.1 Press Release dated December 28, 2005

Exhibit 99.2 Summary of Rate Order dated December 30, 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 Quarterly Report on Form 10-Q for the period ended September 30, 2005 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.

By: /s/ Mark A. Ruelle

Name: Mark A. Ruelle

Title: Executive Vice President and Chief Financial Officer

Date: December 29, 2005

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
Exhibit 99.1	Press Release dated December 28, 2005
Exhibit 99.2	Summary of Rate Order dated December 30, 2005



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WESTAR ENERGY RESPONDS TO KCC RATE ORDER

TOPEKA, Kan., Dec. 28, 2005 — The Kansas Corporation Commission ordered Westar Energy's (NYSE:WR) rates to remain nearly unchanged. Westar sought an overall increase of about \$84 million. Rates will increase \$24.2 million in the northern territory and decrease \$21.2 million in the southern territory.

"The commission's order, with respect to the level of our rates, is disappointing," said James Ludwig, vice president, public affairs. "We are satisfied that the commission approved such structural changes as the fuel clause, timely recovery of investments in pollution control equipment and realistic depreciation rates."

Management continues to evaluate the order and will discuss it in greater detail during the conference call Friday, Dec. 30 at noon central time.

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Westar Energy, Inc. (NYSE: WR) is the largest electric utility in Kansas, providing electric service to about 659,000 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. 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 we expect. Please review our Quarterly Report on Form 10-Q for the period ended Sept. 30, 2005 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.



Review of KCC Rate Order

December 30, 2005



Forward-Looking Statements 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 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 quarterly report on Form 10-Q for the period ended September 30, 2005 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.



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2005 Rate Review Overview

- On May 2, Westar filed two rate applications
 - ☞ Retail rate review with the Kansas Corporation Commission (KCC)
 - Docket 05-WSEE-981-RTS
 - ☞ FERC formula transmission rate
 - Docket ER05-925-000

- Effective dates for applications
 - ☞ By Kansas statute, order was issued by Dec. 28, 2005
 - ☞ FERC transmission rate in effect Dec. 1, 2005 subject to refund

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



Kansas Retail Case



Background

- On May 2, 2005, Westar filed for \$84 million increase in retail rates
 - ☞ North \$48 million 9.3%
 - ☞ South 36 million 6.3%
 - \$84 million 7.7%

- As adjusted and corrected, overall requested increase remained at \$84 million, but adjustments affected the individual rate areas
 - ☞ North \$56 million 10.9%
 - ☞ South 28 million 5.0%
 - \$84 million 7.8%



2005 Key Rate Case Components

- ☛ Fuel adjustment clause
- ☛ Environmental cost recovery rider
- ☛ Transmission delivery charge (unbundled FERC formula rate)
- ☛ Increase depreciation rates by \$29 million
- ☛ Storm recovery of \$49 million
- ☛ Incentive structure for wholesale margin sharing
- ☛ Levelize regulatory COLI credits over 60 year Wolf Creek life
- ☛ Asked KCC to reconsider two controversial adjustments ordered in 2001 rate case
 - Unamortized gain on LaCygne sale-leaseback transaction
 - Imputed deferred income taxes associated with 1992 merger



KCC Order

- Order indicated slight increase in overall retail rates

North	\$24.2 million	4.7%
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South	(21.2) million	(3.7%)
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Total	\$ 3.0 million	0.3%
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- Expect use of more recent three-year average of wholesale margins to result in a slight decrease in overall retail rates

- Other key elements

- ☛ Approved fuel adjustment clause
- ☛ Approved environmental cost recovery rider
- ☛ Approved transmission delivery charge
- ☛ Approved Westar's depreciation increase
- ☛ Accepted Westar's position on LaCygne gain
- ☛ Rejected Westar's proposed wholesale margin sharing
- ☛ Rejected requested changes in COLI rate making treatment
- ☛ Rejected Westar's position on merger savings



Estimated Impact of KCC Order

	<u>KCC Order*</u>
Westar Energy requested rate increase	\$ 84
ROE recommendation	(30)
	<i>10.00%</i>
Wholesale margin sharing	(11)
LaCygne 2 unamortized gain	0
1992 merger savings	(11)
COLI	(11)
Depreciation expense	0
Post employment benefits amortization	(6)
Ice storm costs	0
Other (+/-)	(12)
Recommended Adjustments	<u>(81)</u>
Indicated rate increase	<u>\$ 3</u>

* Excludes any revenues associated with higher fuel costs that may be reflected in fuel adjustment clause



Key Calculations in Retail Case

- KCC jurisdictional rate base of \$2.2 billion
 - ☛ Excludes \$320 million FERC jurisdictional rate base

- Allowed rate of return – summarized

	% of <u>Capital</u>		Component <u>Cost</u>		<u>WACC</u>
Common equity	44.59%	x	10.00%	=	4.46%
Post 1970 ITC	2.31%	x	7.89%	=	0.18%
Preferred Stock	0.69%	x	4.55%	=	0.03%
Long Term Debt	52.41%	x	6.14%	=	<u>3.22%</u>
Weighted cost of capital					7.89%



Key Rate Components

- Fuel adjustment clause
 - ☞ Expect to set rates based on forecasted costs with periodic true-up
- Environmental cost recovery rider
 - ☞ Adopted Westar recommendation for capital recovery only
 - ☞ Proceeds from sale of emissions allowances returned to customers through fuel clause
- Transmission delivery charge
 - ☞ Adopted Westar/KCC Staff joint recommendation
- Wholesale margin sharing
 - ☞ Adopted Staff position to refund 100% of market-based wholesale (asset-based) margins based on three-year rolling average
 - ☞ Energy marketing (non-asset) margins remain outside of ratemaking



Next Steps in Retail Case

- Full review of all elements in the order

- Any party can petition the Commission with a request for reconsideration by January 16
 - ☞ Commission has 30 days to consider petitions

- Plan to implement new tariffs approximately February 1



FERC Transmission Case Formula Rate Filing



2005 FERC Filing

- FERC transmission rate base approximately \$320 million
 - ☞ Revenue requirement of \$77 million
- Adopt a formula rate approach to:
 - ☞ Establish current rates for transmission service
 - ☞ Keep rates current with annual adjustment
- Requested 12% ROE (11.5% plus 0.5% adder)
 - ☞ Westar – member SPP Regional Transmission Organization
- Proposed rates accepted for filing
 - ☞ Suspended for five months
 - ☞ Became effective December 1, 2005, subject to refund
- Case assigned to settlement judge
 - ☞ Next settlement hearing scheduled for January 12, 2006



FERC Formula Transmission Rate

■ Advantages:

- ☞ Reduce regulatory lag
- ☞ Potential for incentive ROE for RTO participation
- ☞ More certainty for cost recovery of transmission system improvements



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