

Memorandum

City of Lawrence

City Auditor

TO: David L. Corliss, City Manager

FROM: Michael Eglinski, City Auditor

CC: Cynthia Boecker, Assistant City Manager
Diane Stoddard, Assistant City Manager
Jonathan Douglas, Assistant to the City Manager

Date: March 20, 2009

RE: Street Lighting – Interim Recommendation

Based on my in-progress performance audit of street lights, I recommend the city consider intervening in Kansas Corporation Commission Docket No. 09-WSEE-641-GIE. The docket addresses the consolidation of the northern and southern Westar areas and resulting rate design.

Intervening may provide an opportunity for the city to raise issues related to the street light tariff. The tariff governs the relationship between Westar Energy and the city. Based on the audit work completed to date the tariff does not:

- Define expectations for timely repair of street lights that are out after being reported by the city or the public;
- Define responsibility for identifying street lights that are out;
- Provide a mechanism for the city to avoid paying for street lights that are out or otherwise not working;
- Define the method for allocating estimated kilowatt-hours used to allocate surcharges.

Clarifying these expectations would help ensure appropriate service levels for street lighting provided in Lawrence.

Currently, the street light tariffs for the north and south areas have different rates.

At this point, the performance audit fieldwork is not completed and the work has not gone through a quality assurance process. However, because of the potential need for timely action by the city, I am providing this memo as an interim report. The final performance audit report will include a reference to this interim report.

Please let me know if you have any questions or would like any additional information.