

WESTERN RESOURCES BOARD OF DIRECTORS
HUMAN RESOURCES COMMITTEE
January 29, 1998

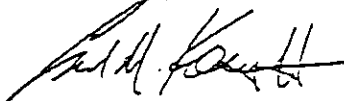
The following actions and recommendations were made by the Human Resources Committee:

1. The minutes of the November 19, 1997, meeting were approved.
2. The committee reviewed and unanimously approved the payment of the short-term incentive plan as presented at the meeting.
3. The committee also reviewed and unanimously approved the payments under the long-term incentive plan.
4. The committee also approved and recommended to the Board a resolution for the creation of a split dollar insurance program.
5. The committee unanimously recommended to the Board a resolution to amend various plans to provide fair and equitable treatment to employees transferring to Protection One.
6. The committee reviewed and recommended the granting of stock options and dividend equivalents for certain employees of Network Multi-Family as outlined and presented at the meeting.
7. Mr. John E. Hayes, Jr. met with members of the Human Resources Committee in executive session.

The following members were present: Mr. John H. Robinson, Chairman, Mr. Frank J. Becker, Dr. Gene A. Budig, Mr. John C. Dicus, and Mr. David H. Hughes.

Mr. Carl M. Koupal, Jr. also participated in the meeting, other than the executive session.

Submitted by,



Carl M. Koupal, Jr.



CARL M. KOUHAL, JR.
Executive Vice President and
Chief Administrative Officer

January 14, 1998

Mr. John H. Robinson
Mr. Frank J. Becker
Dr. Gene A. Budig
Mr. John C. Dicus
Mr. David H. Hughes

Gentlemen:

Please be advised there will be a meeting of the Human Resources Committee of the Board of Directors on January 29, 1998, at 8:00 a.m. The meeting will be held in the west conference room of the 11th floor, Topeka G.O.

We look forward to seeing you.

Sincerely,

CMK/naf

cc: Mr. John E. Hayes, Jr.
Mr. Richard D. Terrill
bcc: Stacy Kramer

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Telephone: (913) 575-6358 / Fax: (913) 575-1563
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WS030573

WESTERN RESOURCES
BOARD OF DIRECTORS
HUMAN RESOURCES COMMITTEE

AGENDA
January 29, 1998
8:00 a.m.

	<u>ITEM</u>	<u>REQUIRES</u>	<u>SECTION</u>
1.	Approval of November 19, 1997 meeting minutes	HR Committee Action	I
2.	Short Term Incentive Plan	HR Committee Action	II
	A. 1997 Short Term Incentive Compensation for Executive Council:		
	John Hayes Carl Koupal		
	David Wittig John Rosenberg		
	Steve Kitchen Norman Jackson		
	B. 1997 Short Term Incentive Compensation for Management Council.		
3.	Long Term Incentive Share Awards (Incentive period 1995 - 1997):	HR Committee Action	III
4.	Resolutions	HR Committee Action	IV
5.	Protection One Transition Amendments (Resolution)	Board Action	V
6.	Long Term Incentive Plan Network Multi-Family	HR Committee Action	VI
7.	Split Dollar Life Insurance Program	HR Committee Action	VII
8.	Market Data		VIII

WESTERN RESOURCES BOARD OF DIRECTORS
HUMAN RESOURCES COMMITTEE
November 19, 1997

The following action and recommendations were made by the Human Resources Committee:

1. Mr. John E. Hayes, Jr., met with the Human Resources Committee in executive session.
2. The minutes of the October 1, 1997, meeting were approved.
3. The Committee unanimously approved to recommend to the Board a resolution to amend various plans to provide fair and equitable treatment to employees transferring to Onsite Energy Corporation.

The following members were present: Mr. John H. Robinson (Chairman), Mr. Frank J. Becker, Dr. Gene A. Budig, Mr. John C. Dicus, and Mr. David H. Hughes. Messrs. Dicus and Hughes left the meeting during executive session to participate in another committee meeting.

Mr. David E. Roth also participated in the meeting following the executive session.

Submitted by,



David E. Roth

SECTION II
SHORT TERM INCENTIVE PLAN

	<u>Page</u>
• Short Term financial criteria calculations	II-1
• Recommended Short Term Incentives	II-2

PROJECTED SHORT TERM INCENTIVE PAYOUTS

Grades	TARGET					PROJECTED PAYOUT				
	Total Target	EPS	Stock Apprec.	Individual/Discret.		Total Actual	EPS	Stock Apprec.	Individual/Discret.	
	60%	15.00%	15.00%	30.0%	30.0%	364.4%	294.962%	39.476%	30.00%	30.00%
1-2	55%	13.75%	13.75%	27.5%	27.5%	334.1%	270.382%	36.187%	27.50%	27.50%
3-7	40%	10.00%	10.00%	20.0%	20.0%	243.0%	196.641%	26.318%	20.00%	20.00%
8	30%	6.00%	6.00%	18.0%	18.0%	151.8%	117.985%	15.791%	18.00%	18.00%
9-11	15%	2.25%	2.25%	10.5%	10.5%	60.7%	44.244%	5.921%	10.50%	10.50%
A-C										

Assumptions: Per Plan

Actual EPS \$7.51. Budgeted EPS \$2.62.

Stock Appreciation reflects actual 1997 performance relative to the Comparator Group.
Individual/Discretionary paid per Performance Evaluations.

SHORT TERM INCENTIVE PAYOUT PROJECTIONS
 BASED ON \$7.51 EPS AND ACTUAL STOCK PERFORMANCE RELATIVE TO THE COMPARATOR GROUP

ALL ELIGIBLE EMPLOYEES

NAME	TITLE	SR	SALARY	ESR	STOCK	INCL	DISCRS	INCENTIVE TOTAL	COMPANY	
WAYES JR, JOHN E	CHRM OF THE BOARD & CEO	1	582,550	294.96%	29.48%	17.40%	11.40%	363,244	2,043,759	WRI
WITIG, DAVID G	PRESIDENT	2	514,220	294.96%	29.48%	17.40%	10.80%	362,644	1,864,866	WRI
KITCHEN, STEVEN L	VP CHIEF FINANCIAL OFFICER	4	327,000	270.26%	26.19%	15.95%	10.45%	332,977	1,009,808	WRI
KOUPAL JR, CARL M	EXEC VP & CAO	6	213,000	270.26%	26.19%	15.95%	9.90%	329,574	709,224	WRI
JACKSON, NORMAN E	VP - ELECTRIC OPERATIONS	7	210,000	270.26%	26.19%	14.95%	9.90%	329,574	690,581	WRI
ROSENBERG, JOHN K	VP GENERAL COUNSEL & SECTY	7	194,800	270.26%	26.19%	14.95%	9.90%	329,574	645,409	WRI
	WRI EXECUTIVE COUNCIL TOTAL		2,322,300					7,044,047		WRI
	VP GENERATION SERVICES									WRI
	EXEC VP SHARED SERVICES									WRI
	COB KGE & ELECTRIC DISTR VP									WRI
	VP CHIEF TRANSITION OFFICER									WRI
	CONTROLLER									WRI
	VP FINANCE									WRI
	VP REGULATORY AFFAIRS									WRI
	VP LABOR RELATIONS									WRI
	PRESIDENT - WESTAR ENERGY									WRI
	CORP SECTY & ASSOC GEN COUNSEL									WRI
	WRI OFFICER TOTAL									WRI
	EXEC DIR CORPORATE DEVELOPMENT									WRI
	EXEC DIRECTOR POWER DELIVERY									WRI
	EXEC DIR REGULATORY AFFAIRS									WRI
	EXEC DIR HUMAN RESOURCES									WRI
	EXEC DIRECTOR POWER SUPPLY									WRI
	ASSOC GEN COUNSEL									WRI
	DIRECTOR COAL PLANTS									WRI
	PRESIDENT - KPL									WRI
	ASSOC GEN COUNSEL ADMINISTRATION									WRI
	DIR OF AVIATION SERVICES									WRI
	DIR CUSTOMER SERVICE OPERATION									WRI
	GENERAL ATTORNEY									WRI
	DIR CORP COMMUNICATIONS									WRI
	DIR ENGY CNTR TRAIN/RSK MGMT									WRI
	EXEC DIR ELECTRIC TRANS SVCS									WRI
	EXEC DIR ELECT TRANS ENGINEERING									WRI
	DIR PRGD SUPPORT & ENVIRO SVCS									WRI
	PLANT DIRECTOR									WRI
	DIR COMMUNITY & SUPPORT SVCS									WRI
	DIRECTOR INTERNAL AUDIT									WRI
	EXEC DIR DISTRIB ENG SER									WRI
	DIRECTOR OF TAXATION									WRI
	DIR GAS FIRED PLANTS									WRI
	PRES - ELECTRIC DISTR - KGE									WRI
	ASST CONTROLLER - ACCOUNTING									WRI
	DIR CORP DEVEL - REGULATED									WRI
	DIR PURCHASING									WRI
	GENERAL MANAGER									WRI
	DIR OF GENERAL ACCOUNTING									WRI
	DIR TECHNICAL OPERATIONS									WRI
	GENERAL MANAGER									WRI
	PLANT MANAGER II									WRI
	DIR BENEFITS & SERVICES									WRI
	DIR IT CLIENT SERVICES									WRI
	OPERATIONS SUPT S.E.C.									WRI
	GENERAL MANAGER									WRI
	MGR PLANT SYSTEMS ENGINEERING									WRI
	MGR TECHNICAL RESOURCES(MIS)									WRI
	DIRECTOR CONSTR & MAINT									WRI
	DIR AD VALOREM TAXES									WRI
	MGR CUSTOMER & COMMUNITY REL									WRI
	DIR EQUIDIVERSITY & EMPLOYMENT									WRI
	DIR SYSTEM OPERS & DISP SUPPRT									WRI
	DIVISION MANAGER II									WRI
	DIR FACILITIES MGMT									WRI
	PLANT MANAGER II									WRI
	DIR FLEET MANAGEMENT									WRI
	ASSISTANT GENERAL ATTORNEY									WRI
	PLANT MANAGER I									WRI
	DIRECTOR REVENUE & FORECASTING									WRI
	MGR GENERAL OPERATIONS KGE									WRI
	DIR OF DISTR ENGINEERING									WRI
	MGR CENTRAL REGION OPERATIONS									WRI
	MGR OF SYSTEM PLANNING									WRI
	DIRECTOR MATERIALS MGT									WRI
	GENERAL MANAGER									WRI
	MGR INCOME TAX									WRI
	DIR WHOLESALE RATES									WRI
	DIR LABOR RELATIONS									WRI
	DIR STRATEGY									WRI
	MGR BUSINESS DEVELOP - KPL/KGE									WRI
	DIR PUBLICWORKS/FORCE SAFETY									WRI
	GENERAL MANAGER									WRI
	GENERAL MANAGER CUSTOMER SERV									WRI
	DIR COMPENSATION & PERF MGMT									WRI
	PLANT MANAGER II									WRI
	MGR TECHNICAL OPERATIONS-NORTH									WRI
	OPERATIONS MANAGER									WRI
	MGR SYSTEM DISPATCHING									WRI
	SYSTEM MAINTENANCE COORDINATOR									WRI
	DIRECTOR FUELS									WRI
	MGR TECHNICAL OPERATIONS									WRI
	MGR BUDGETS									WRI
	DIR TRANS ENGINEERING									WRI
	MGR WESTERN REGION OPERATIONS									WRI
	MGR TAX RESEARCH & PLANNING									WRI
	PLANT MANAGER I									WRI

REDACTED

**SHORT TERM INCENTIVE PAYOUT PROJECTIONS
BASED ON \$7.31 EPS AND ACTUAL STOCK PERFORMANCE RELATIVE TO THE COMPANITOR GROUP**

ALL ELIGIBLE EMPLOYEES

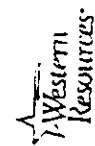
NAME	TITLE	PG	SALARY	EPS	STOCK	BON.	DISCR.	INCENTIVE TOTAL		COMPANY
								A	B	
SEIDEL, WILLIAM A	MGR TRANS & DISTR SERVICES									WR
SOMMALI, ANTHONY D	DIR CORP DEVELOP-GAS PROJECTS									WR
STUCHLIK, THOMAS R	MGR SYSTEM & INTERCONNECT OPER									WR
STWALLEY, GARRY E	MGR DATA ADMINISTRATION									WR
TEETER, R R	MANAGER COAL FUELS									WR
TEMPERO, PRESTON E	MGR PLANT INFORMATION SYSTEMS									WR
WAGNER, MELVIN D	CHIEF PILOT									WR
WALKER, DUANE L	MGR INTERCHANGE OPERATIONS									WR
WILLIAMS, CAROLINE A*	DIR CUSTOMER ACCOUNT SERVICES									WR
WINNERLING II, WILLIAM J	MGR POWER TECHNOLOGY CENTER									WR
WRIGHT, GREGORY M	MGR BUSINESS DEVELOPMENT									WR
YATES, MARK S	MAINT SUPERINTENDENT									WR
BLEDSoE, DARRELL O	DIR REVENUE ACCTNG & ASST									WR
COCK, ELYNN	DIR CASH MGT & ASST TREASURER									WR
EISENBARTH, ELSIE M*	MGR. ABR DEVELOPMENT/PROFITABILITY									WR
92	WRU NON-OFFICER TOTAL									
108	WESTERN RESOURCES SUB-TOTAL									
CLARK, JAMES T	VP MIS & TELECOMMUNICATIONS									ONEOK
ROTH, JAVIE E	VP HUMAN RESOURCES									ONEOK
ELASON, WILLIAM G	PRESIDENT - GAS SERVICE CO									ONEOK
SHEA, THOMAS E	TREASURER									ONEOK
4	ONEOK OFFICER TOTALS									
PETERS, J MICHAEL	ASSOC GEN COUNSEL REGULATION									ONEOK
SOMMER, JOHN L	PRESIDENT									ONEOK
ARNOLD, DAVID O	DIR EASTERN REGION									ONEOK
BAILEY, JOHN A*	DIR APPLICATIONS PROGRAMMING									ONEOK
FISCHER, LARRY L	REGION DIRECTOR									ONEOK
GREEN, ROBERT M	DIRECTOR OF TRAINING									ONEOK
CKENFUSS, DENNIS J	REGION DIRECTOR									ONEOK
TANGEMAN, RICHARD W	ASST VP GAS SUPPLY									ONEOK
BARTLING, DONALD W	GENERAL MANAGER									ONEOK
BIERY, GALEN E	ASSISTANT GENERAL ATTORNEY									ONEOK
CANTRELL, GLENDA R	ASSISTANT GENERAL ATTORNEY									ONEOK
CARROLL, MARK A	DIR OPER, COMPRESS & STORAGE									ONEOK
CLARK, MICHAEL D	CONTROLLER-WESTAR BUSINESS SVS									ONEOK
CROUSE, LYNN D	DIR TECHNICAL FIELD SUPPORT									ONEOK
DECOURSEY, JOHN P	ASSISTANT GENERAL ATTORNEY									ONEOK
DISKIN, JOSEPH B	MGR DISTRIBUTION OPERATIONS									ONEOK
DIXON, BRADLEY O	DIR GAS SUPPLY ADMINISTRATION									ONEOK
FALLON, JAMES M	DIR DISTRIBUTION TECH & COMPL									ONEOK
FELTES, DEANNA K	DIR ADMINISTRATIVE SERVICE									ONEOK
HARRIS, RICHARD B	OPERATIONS MANAGER									ONEOK
JOHNSON, STEVEN C	GENERAL MANAGER									ONEOK
KENNEDY, WARREN K	GENERAL MGR WICHITA GAS OPERs									ONEOK
KETTLE, ALAN F	MANAGER ENVIRONMENTAL ENG									ONEOK
KREADY, RICHARD O	DIR INVESTOR RELATIONS									ONEOK
MACHA, GARRY LEE	MGR DESIGN & PROJ ENGINEERING									ONEOK
MCCULLLEY, LESLIE O	DIR TECHNICAL SUPPORT									ONEOK
OAKES, ROBERT F	REGIONAL MGR SALES & MKT DEV									ONEOK
PURCELL, WILLIAM L	GENERAL MANAGER									ONEOK
WALKER JR, ALFRED	GENERAL MANAGER									ONEOK
WEINMEISTER, RODNEY W	MGR BUSINESS DEVELOP - KPL/KGE									ONEOK
WHITLOCK, DON W	DIR FINANCIAL SERVICES									ONEOK
WILLER, LARRY G	DIR TRANSPORTATION SERVICES									ONEOK
32	ONEOK NON-OFFICER TOTAL									
36	ONEOK TOTAL									
SHOCKLEY, JOHN DEREK	DIR PROJECT MANAGEMENT									ONSITE
SALZMANN, CHRISTIAN D	MGR PERFORMANCE CONTRACTING									ONSITE
SCHMAEDERER, MICHAEL A	MGR TECHNICAL SERVICES									ONSITE
HRENCHIR, PHILIP ALAN	MGR INDUSTRIAL PROCESSES									ONSITE
BOWMAN, TIMOTHY N	MGR INDUSTRIAL NATIONAL ACCTS									ONSITE
5	ONSITE TOTAL									
149	WESTERN RESOURCES GRAND TOTAL		15,229,021						16,452,125	

REDACTED

*DENOTES THAT THE EMPLOYEE'S INCENTIVE IS PRORATED EITHER DUE TO A MID-YEAR PROMOTION, DEMOTION OR RETIREMENT.

- KENT WEATHERBY 25% (3 MOS.)
- PHIL JENKINS 33.3% (4 MOS.)
- BILL DYKES 33.3% (4 MOS.)
- MARTIN KLOTZBACK 8.3% (1 MO.)
- ELSIE EISENBARTH 16.7% (2 MOS.)
- STEVE OWENS 41.7% (5 MOS.)
- ALLEN PHELPS 16.7% (2 MOS.)
- MJ. POSTLETHWAIT 54.2% (8.5 MOS.)
- DAVID SCHNEWEIS 16.7% (2 MOS.)
- CAROLINE WILLIAMS 8.3% (1 MO.)
- JOHN BAILEY 91.7% (11 MOS.)
- WAYNE KITCHEN 10 MOS. AS AN EXEMPT PARTICIPANT AND 2 MOS. AS AN OFFICER

Name	Base Salary	1997 Short-term Entitlement	Cash Payment	Residual Entitlement	Pension Offset	Program Payout to Executive
John Hayes	562,650	2,043,759	387,103	1,656,656	350,902	900,937
David Wittig	514,250	1,864,866	376,431	1,488,435	320,082	1,036,733
Steve Kitchen	327,300	1,089,808	356,430	733,378	187,114	609,732
Carl Koupal	213,000	709,224	341,355,757	353,467	121,770	451,437
Norm Jackson	210,300	690,981	348,257	342,724	118,323	205,291
John Rosenberg	194,800	645,409	325,753	319,656	110,704	270,898



SECTION III
LONG TERM INCENTIVE

	<u>Page</u>
• Stock grant calculations/distribution percentage calculations	III-1
• Long term financial criteria calculations	III-2

STOCK GRANT CALCULATIONS FOR INCENTIVE PERIOD 1995, 1996, 1997

Participant	1995 Performance Share Award	Distribution Percentage	Actual Shares Awarded	Stock Price at 12/31/97	Estimated Value of 1995 Inc. Paid 1998
John Hayes	1613.86	109.600%	1768.81	43.00	78,058.94
David Wildig	983.37	109.120%	1073.05	43.00	46,141.29
Steve Michien	783.69	109.200%	855.79	43.00	36,798.05
Carl Koupal	503.25	108.840%	547.74	43.00	23,552.70
Norman Jackson	471.65	107.400%	506.55	43.00	21,781.74
John Rosenberg	556.38	107.000%	595.31	43.00	25,598.12
Executive Council Total	4,812.20		5,347.25		228,931.75
Jim Clark				43.00	
Jerry Courington				43.00	
Bill Elston				43.00	
Tom Grennan				43.00	
Richard Haden				43.00	
Jim Merkin				43.00	
Steve Weinstein				43.00	
Bill Moore				43.00	
Carl Rickalls				43.00	
David Ruff				43.00	
Rita Sharpe				43.00	
Tom Sheat				43.00	
Rich Terrell				43.00	
Ken Wynne				43.00	
Bill Brown				43.00	
Lee Burban				43.00	
Frank Bryan				43.00	
Jim Hariss				43.00	
Dick LaGree				43.00	
Ed Schaub				43.00	
SMC and Retired Officer Total	8605.38		9,285.50		389,276.42
Grand Total			14,632.75		\$79,208.17

REDACTED

DISTRIBUTION PERCENTAGE CALCULATIONS

Participant	Individual Rankings		% of Possible Individual Rankings	% Financially Weighted 70%	% Indiv. Weighted 30%	Distribution Percentage
	1995	1997				
John Hayes	50	48	98.667%	80.000%	29.600%	108.600%
Steve Michien	40	48	97.333%	80.000%	29.200%	108.200%
Carl Koupal	47.2	43	96.333%	80.000%	28.800%	108.000%
John Rosenberg	42	45	90.000%	80.000%	27.000%	107.000%
David Wildig	49.6	49	97.667%	80.000%	29.120%	107.600%
Norman Jackson						
Jim Clark						
Jerry Courington						
Bill Elston						
Tom Grennan						
Richard Haden						
Jim Merkin						
Steve Weinstein						
Bill Moore						
Carl Rickalls						
David Ruff						
Rita Sharpe						
Tom Sheat						
Rich Terrell						
Ken Wynne						
Bill Brown						
Lee Burban						
Frank Bryan						
Jim Hariss						
Dick LaGree						
Ed Schaub						

REDACTED

STOCK GRANT CALCULATIONS FOR THE FIVE YEAR PERIOD 1993, 1996, 1997

Participant	1995 Performance Share Award	Exclusion Percentage	Actual Shares Awarded	Stock Price \$1/23/97	Estimated Value of 1995 P.S. Paid 1996
John Hayes	1613.88	100.000%	1768.81	43.00	76,058.91
David Willig	983.37	100.120%	1037.05	43.00	48,141.28
Steve Kuchin	781.69	100.200%	855.79	43.00	36,798.95
Carl Koopel	501.25	100.840%	547.74	43.00	23,557.70
Norman Jackson	471.65	107.880%	506.55	43.00	21,781.74
John Tassanberg	558.36	107.000%	595.31	43.00	25,598.12
Executive Council Total	4,912.20		5,347.75		229,931.75
Ann Clark				43.00	
Jerry Covington				43.00	
Bill Ellison				43.00	
Tom Graham				43.00	
Richard Hudson				43.00	
Jim Martin				43.00	
Steve Milsheid				43.00	
Bill Moore				43.00	
Carl Richards				43.00	
David Ross				43.00	
John Sharps				43.00	
Tom Shea				43.00	
Rick Terrell				43.00	
Ken Wyniors				43.00	
Bill Brown				43.00	
Lee Brunton				43.00	
Fred Bryan				43.00	
Jim Hibbons				43.00	
Dick LaGree				43.00	
Ed Schaub				43.00	
SMC and Retired Officer Total	8605.38		9,297.34		399,570.58
Grand Total			14,639.59		629,502.37

REDACTED

DISTRIBUTION PERCENTAGE CALCULATIONS

Participant	Individual Ratings		% of Possible Individual Ratings	% Favorable Weighted 70%	% Indiv Weighted 30%	Distribution Percentage
	1995	1997				
John Hayes	50	48	80.687%	80.000%	29.640%	100.000%
Steve Kuchin	45	48	87.513%	80.000%	29.748%	100.000%
Carl Koopel	47	48	96.133%	80.000%	28.840%	100.000%
David Willig	47	45	90.000%	80.000%	27.800%	100.000%
Norman Jackson	49.5	47	97.067%	80.000%	29.170%	100.000%
Ann Clark						
Jerry Covington						
Bill Ellison						
Tom Graham						
Richard Hudson						
Jim Martin						
Steve Milsheid						
Bill Moore						
Carl Richards						
David Ross						
John Sharps						
Tom Shea						
Rick Terrell						
Ken Wyniors						
Bill Brown						
Lee Brunton						
Fred Bryan						
Jim Hibbons						
Dick LaGree						
Ed Schaub						

REDACTED

LONG TERM FINANCIAL CRITERIA CALCULATIONS

Financial Criteria Distribution Percentage			
	<u>Distribution Percentage</u>	<u>Weight</u>	<u>Weighted Percent</u>
EPS Measure	161.461%	35%	56.511%
Stock Price Measure	112.943%	35%	<u>39.530%</u>
Calculated Financial Criteria Percentage			96.042%
Maximum Financial Criteria Percentage			80.000%

Earning Per Share (EPS) Distribution Percentage			
<u>Year</u>	<u>Budgeted</u>	<u>Actual</u>	<u>Actual / Budgeted</u>
1995	2.80	2.71	
1996	2.52	2.60	
1997	<u>2.52</u>	<u>7.51</u>	
EPS Distribution Percentage	7.94	12.82	161.461%

Stock Appreciation Distribution Percentage			
<u>Year</u>	<u>12/31/94</u>	<u>12/31/97</u>	<u>% Change</u>
Western Resources, Inc.	28.63	43.00	50.192%
S&P Electric	66.66	91.49	37.249%
Difference in Growth			12.943%
Stock Price Appreciation Percentage			112.943%

SECTION IV
RESOLUTIONS

	<u>Page</u>
• Executive Council Short Term Incentive, and Long Term Incentive	IV-1
• Short Term Incentive, and Long Term Incentive Awards, other than Executive Council	IV-2

EXECUTIVE COUNCIL INCENTIVE

RESOLVED, that said members of the executive council shall receive compensation pursuant to the Western Resources, Inc. Short Term Incentive Plan as presented at the meeting; and further

RESOLVED, that pursuant to Section 6 of the Long Term Incentive Plan, the Executive Council shall receive shares of the Company's common stock as presented at the meeting in exchange for the performance shares granted to such participants for the 1995-1997 incentive period.

SHORT TERM INCENTIVE AWARDS,
LONG TERM INCENTIVE SHARE AWARDS,
OTHER THAN EXECUTIVE COUNCIL

RESOLVED, that eligible employees, other than those who are members of the Executive Council, shall receive compensation pursuant to the Western Resources, Inc. Short Term Incentive Plan as presented at the meeting.

RESOLVED, that pursuant to Section 6 of the Long Term Incentive Plan, eligible employees, other than those who are members of the Executive Council, shall receive shares of the Company's common stock as presented at the meeting in exchange for the performance shares granted to such participants for the 1995-1997 incentive period.

SECTION V

PROTECTION ONE TRANSITION AMENDMENT

	<u>Page</u>
Resolution	V

Resolution to:

1. amend the **Award Agreements** entered into in 1996 and 1997 pursuant to the **Western Resources Inc. Long Term Incentive and Share Award Plan** to continue participation for Participants who continue employment with Protection One as an employee or dealer/agent, such that employment at Protection One as an employee or dealer is treated as employment at Western Resources.

2. amend the **Western Resources, Inc./ Kansas Gas and Electric Company Survivor's Benefit Plan (\$5,000 COLI death benefit)** to continue participation for Participants who continue employment with Protection One as an employee or dealer/agent, such that employment at Protection One is treated as employment at Western Resources.

RESOLUTION

PROTECTION ONE TRANSITION PLAN AMENDMENTS

RESOLVED, that the officers of the Company be, and hereby are, authorized to amend, effective upon the acquisition of Protection One, Inc. ("Closing Date"), the Non Qualified Stock Option and Dividend Equivalents Award Agreements ("Award Agreements") entered into in 1996 and 1997, by Western Resources, Inc. and Eligible Employees, pursuant to the 1996 Long Term Incentive and Share Award Plan ("Award Plan") to provide that employment with Protection One, or as an exclusive dealer/agent as a result of such acquisition will not be deemed a "Termination" as that term is used in the Award Plan and the Award Agreements entered in accordance therewith; and further

RESOLVED, that the officers of the Company be, and hereby are, authorized to amend, effective the Closing Date, the Western Resources, Inc./Kansas Gas and Electric Survivor's Benefit Plan ("Benefit Plan"), to provide that employment with Protection One as an employee or exclusive dealer/agent, shall be deemed employment with Western Resources, Inc. for purposes of the Benefit Plan; and further

RESOLVED, such amendments shall be in such form as such officers may approve and that the officers of the Company be, hereby are, authorized and empowered to make such further changes, if any, as may be required in order to maintain the status of such plans and programs as non-qualified plans; and further

RESOLVED, that the officers of the Company be, and hereby are, authorized to take such further actions as they may deem necessary or appropriate to carry out the foregoing resolutions.

SECTION VI

1996 LONG TERM INCENTIVE AND SHARE AWARD PLAN (1997 Stock Option and Dividend Equivalent Grant)

	<u>Page</u>
• Resolution	VI
<p>Resolution, that Stock Options and Dividend Equivalents may be granted to employees of Network Multi-Family Security Corporation who are in positions deemed equivalent to the Western Resources Pay Grades of C and above. The grants will have the following features:</p>	
•	Stock Options with accelerated vesting contingent on achieving a share price of 120 percent of Fair Market Value at the date of grant (minimum vesting period three years).
•	Dividend equivalents tied to trigger of option and comparative levels of Total Shareholder Return among the Comparator Group.
•	Pro-rated grant values targeted to the 50th percentile for long term incentives in general industry;
•	The Stock Options will be priced at the closing price of the Company's Common Stock on November 19, 1997.

LONG TERM INCENTIVE AND SHARE AWARD PLAN

RESOLVED, that the officers of the Company be, and hereby are, authorized to grant stock options and dividend equivalents for certain employees of Network Multi-Family as presented at the meeting; and further

RESOLVED, that the officers of the Company be, and hereby are, authorized to take such actions as they may deem necessary or appropriate to carry out the foregoing resolution.

1997 OPTION GRANTS WITH DIVIDEND EQUIVALENTS FOR NETWORK MULTI-FAMILY

TARGET: 50TH PERCENTILE GENERAL INDUSTRY

PHASE-IN OF 100%

Name	Salary Grade	Value as Multiple of Base Salary Midpoint General Industry: Median	Pro-rated Options Recommended
Steve Williams	7	0.62	4,000
Pat McCoplin	10	0.27	1,000
Steve Parker	10	0.27	1,000
Richard Lock	B	0.18	500
Gary Skrehart	B	0.18	500
Chris Wipple	B	0.18	500
Kelly James	C	0.14	250
Allen Powell	C	0.14	250
Total			8,000

* Recommended grant price is 37.1875 (close on 11/19/97)

SECTION VII

SPLIT DOLLAR LIFE INSURANCE PROGRAM

	<u>Page</u>
• Resolution	VII
Resolution to adopt a Split Dollar Life Insurance Program.	

SPLIT DOLLAR LIFE INSURANCE PROGRAM

RESOLVED, that the officers of the Company be, and hereby are, authorized to adopt a Split Dollar Life Insurance Program, upon substantially the terms and provisions presented to this meeting, with such changes thereto as the Chairman of the Board may deem necessary or appropriate; and further

RESOLVED, that the officers of the Company be, and hereby are, authorized to execute and file any applications, documents, instruments and certificates, and to do any and all further acts and things as they may deem necessary or appropriate for the purpose of implementing the program; and further

RESOLVED, that the officers of the Company be, and hereby are, authorized to take such further actions as they may deem necessary or appropriate to carry out the foregoing resolutions.

SECTION VIII
MARKET DATA

S&P Electrics/\$1.5-3.0 Comparator Group
 CEO Compensation as Reported in the 1997 Proxies
 Sort - Alpha

	Company Name	1st Highest Paid	Base	Annual Bonus	Other Annual Comp	TAC	Options/SAH Grants	PV	Restricted Stock Awards	TTIP Payouts	TDC Customers	TAC PPH	TDC CUSTOMER	PER CUSTOMER
1	Allegheny Power System	Alan J. Nola	\$696	360,000	253,750	0	613,750	0	0	111,071	744,871	0.452	0.518	0.518
2	American Electric Power Company	E. Lynn Draper, Jr.	720,000	281,664	0	1,001,664	0	0	0	675,903	1,677,567	0.314	0.576	0.576
3	Baltimore Gas & Electric	Christian H. Polidaster	563,000	212,500	0	770,000	0	0	0	181,500	961,500	0.715	0.881	0.881
4	Boston Edison	Thomas J. May	483,625	324,750	0	788,375	0	0	0	0	788,375	1.193	1.193	1.193
5	Caroline Power & Light	Shawwood H. Smith	662,000	400,000	51,817	1,113,817	0	0	30,578	0	1,144,395	1.077	1.077	1.077
6	Central Energy Corp.	Robert J. Farng	360,048	0	0	360,048	40,000	176,000	265,625	0	801,673	1.040	1.040	1.040
7	Central & South West	E. R. Brooks	657,692	374,354	22,267	1,054,313	0	0	417,688	0	1,472,001	0.316	0.771	0.771
8	ChEnergy Corp	James E. Rogers	625,070	607,518	3,697	1,236,235	0	0	0	497,847	1,729,087	0.636	0.889	0.889
9	CMS Energy Corp.	William T. McCormick, Jr.	780,000	700,000	0	1,480,000	50,000	510,417	0	439,291	2,429,708	0.912	1.275	1.275
10	Columbia Gas	O. G. Richard III	778,135	710,000	0	1,488,135	160,000	3,308,287	2,215,384	0	7,099,776	0.964	1.583	1.583
11	Consolidated Edison of NY, Inc	Eugene R. McDrain	721,887	422,603	117,513	1,161,843	70,000	0	0	0	1,161,843	2.904	4.447	4.447
12	Detroit Edison	John E. Lobbia	636,539	0	0	636,539	0	0	0	0	636,539	0.300	0.300	0.300
13	Dominion Resources, Inc	Thos. E. Capus	668,075	345,538	0	1,013,613	0	0	706,875	86,569	723,100	0.318	0.361	0.361
14	DPL Inc.	Peter H. Foster	597,000	358,000	0	955,000	0	0	904,000	177,348	1,472,836	0.524	0.738	0.738
15	DQE	D.O. Marshall & S/O	289,488	101,367	68,284	459,137	56,250	552,659	141,250	0	1,153,046	2.021	4.103	4.103
16	Duke Power	W. H. Givigi	695,000	218,975	56,760	970,695	0	0	0	180,123	1,158,808	0.547	0.853	0.853
17	Edison Int'l (formerly SCE/CP)	John E. Bryton	750,000	787,500	104,028	1,641,528	182,000	1,765,144	0	0	3,406,672	0.394	0.818	0.818
18	Enova (formerly San Diego Gas & Elec T. A. Page	John E. Page	550,010	428,000	14,076	993,008	107,660	802,984	0	315,605	2,111,655	0.668	1.045	1.045
19	ENSERCH	Edwin Luperquer	600,000	330,000	3,000	933,000	50,000	252,083	558,800	1,009,208	2,751,691	0.548	0.548	0.548
20	Energy	James B. Chiodo	672,581	498,000	0	1,170,581	0	0	0	505,252	1,675,833	0.970	1.318	1.318
21	FPL Group, Inc.	Janice L. Buzanau	860,000	681,000	11,399	1,532,399	0	0	0	800,706	2,342,605	0.743	0.743	0.743
22	General Public Utilities Corp.	James R. Leva	585,000	445,000	2,510	1,032,510	0	0	0	81,978	1,114,488	5.241	5.637	5.637
23	Houston Industries, Inc.	Don D. Jordan	962,792	1,050,000	13,300	2,025,592	27,905	277,318	0	767,440	3,020,410	1.348	2.007	2.007
24	Houston Power	Larry D. Heab	493,709	69,267	15,973	579,949	22,080	210,167	60,267	0	866,383	1.019	1.510	1.510
25	Illinois	William J. Calouskas	500,413	151,203	0	733,616	0	0	0	0	733,616	0.717	0.717	0.717
26	Long Island Lighting Company	A. R. Glancy III	575,000	520,000	0	1,095,000	0	0	0	1,014,000	3,070,000	0.642	0.927	0.927
27	MCH Corp.	John W. Rowe	571,600	287,096	9,081	811,509	0	0	370,200	0	1,204,871	0.916	0.916	0.916
28	New England Electric System	Wesley W. von Schuck	536,798	216,099	0	752,397	0	0	0	0	752,397	0.300	0.300	0.300
29	New York State E&G	W. E. Davis	462,351	0	0	462,351	0	0	0	0	462,351	1.540	1.540	1.540
30	Niagara Mohawk Power Corporation	T. I. Fisher	476,346	266,750	2,620	745,716	90,000	210,000	360,000	0	1,062,351	1.540	1.540	1.540
31	NICOR, Inc.	Gary L. Neale	460,000	236,624	5,161	701,785	34,000	320,167	0	0	1,031,952	0.642	0.642	0.642
32	NIPSCO	T. Milton Hines, Jr.	104,577	725,000	12,588	912,145	20,000	252,067	602,233	141,885	1,707,778	0.703	0.703	0.703
33	Norain Energy	James J. Howard	622,000	401,000	7,610	1,030,610	80,000	413,333	0	567,188	1,571,010	0.554	0.554	0.554
34	Northern States Power	W. R. Holland	516,658	213,197	630	730,485	15,264	259,170	478,940	0	2,145,396	1.310	1.310	1.310
35	Ohio Edison	S. E. Moore	337,708	146,072	0	483,780	0	0	101,291	0	585,071	0.851	1.160	1.160
36	Oklahoma Gas & Electric Company	Willis D. Wood, Jr.	641,000	635,000	0	1,276,000	0	0	0	0	1,276,000	0.715	0.715	0.715
37	Pacific Enterprises	Stanley T. Skinner	660,000	0	18,595	678,595	55,200	498,800	0	0	1,177,800	0.326	0.326	0.326
38	Pacific Gas and Electric	Fredrick W. Buchanan	500,000	406,750	0	1,076,750	80,000	351,333	408,410	0	1,515,169	1.181	1.181	1.181
39	PG&E Corp	Joseph F. Pappalardo, Jr.	528,006	295,480	0	813,486	50,000	470,031	0	0	1,284,517	0.554	0.554	0.554
40	PECO Energy	Richard Snell	515,000	373,375	0	888,375	4,250	44,540	26,274	0	929,679	1.417	1.417	1.417
41	Pinnacle West	Edward F. Michiel	600,000	261,340	115,061	979,201	0	0	0	0	979,201	1.450	1.450	1.450
42	Polonac Electric Power Company	E. James Feiland	712,261	225,411	0	937,672	6,500	66,896	0	168,004	1,112,672	0.499	0.499	0.499
43	Public Service Enterprise Group	Delwin D. Stock	450,070	256,820	0	706,840	30,270	353,876	0	87,658	1,143,374	1.017	1.017	1.017

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S&P Electrics/1.5-3.0 Comparitor Group
 CEO Compensation as reported in the 1997 Profiles
 Son - Alpha

Rank	Company Name	1st Highest Paid	Base \$	Annual Bonus \$	Other Annual Comp \$	TAC \$	Options/SAR Grants # Shares	PV \$	Restricted Stock Awards \$	LTIIP Payouts \$	TDC \$	1996 Electric Customers	TAC PER CUSTOMER	TDC PER CUSTOMER
45	SCANA	L. M. Giesselle	483,952	274,320	50,998	809,270	0	0	0	285,408	1,094,678	480,568	1,684	2,278
46	Sonal, Inc.	Ronald L. Kuehn, Jr.	716,500	800,000	2,154,978	3,691,478	82,500	1,410,000	748,800	0	5,870,718	NA		
47	Southern Company	A. W. Danberg	782,409	118,534	6,833	907,776	154,610	1,185,343	0	770,216	2,863,335	3,572,000	0.754	0.802
48	TECO Energy	Timothy I. Guzzie	526,250	480,000	0	1,006,250	0	0	491,150	0	1,497,400	495,198	2,032	3,024
49	Texas Utilities Company	J. S. Farrington	752,813	157,782	0	910,595	0	0	315,563	0	1,228,158	2,851,888	0.319	0.430
50	Unicom	James J. O'Connor	844,926	528,079	0	1,373,005	65,000	557,500	0	324,956	2,250,481	3,381,809	0.406	0.665
51	Union Electric	C. W. Mueller	441,000	185,000	0	606,000	17,700	253,700	0	0	859,710	1,170,769	0.536	0.761
52	UnitCorp United	Richard C. Green, Jr.	618,957	0	15,473	633,480	141,400	1,307,950	796,069	0	2,737,439	344,886	1.837	7.937
53	Valero Energy	William E. Greehey	497,337	670,739	0	1,168,076	5,000	47,188	1,545,362	375,000	3,080,626	NA		
54	Williams Companies	Keith E. Bailey	675,000	275,000	0	950,000	75,001	835,428	875,358	0	2,460,784	NA		
55	Wisconsin Energy Corp.	Richard A. Abdoo	560,000	308,472	1,895	875,475	38,000	338,593	0	0	1,215,010	950,780	0.021	1.278
	AVERAGE		594,622	334,864	53,021	1,002,507	32,748	328,303	217,773	158,119	1,738,784	1,267,494	0.915	1.412
	25th Percentile		508,169	214,648		739,666								
	50th Percentile		597,000	306,472		937,672								
	75th Percentile		685,000	483,375		1,104,409								
	Western Resources (with KCPL)	John E. Hayer, Jr.	465,000	184,878	25,016	654,906	25,000	243,750	0	25,177	923,833	1,030,823	0.635	0.886
	Percentile Ranking		17.8%	20.0%		18.0%					18.0%	45.0%	40.0%	49.0%

Number of Electric Customers from "Electric World, Directory of Electric Power Producers" 1997 Edition

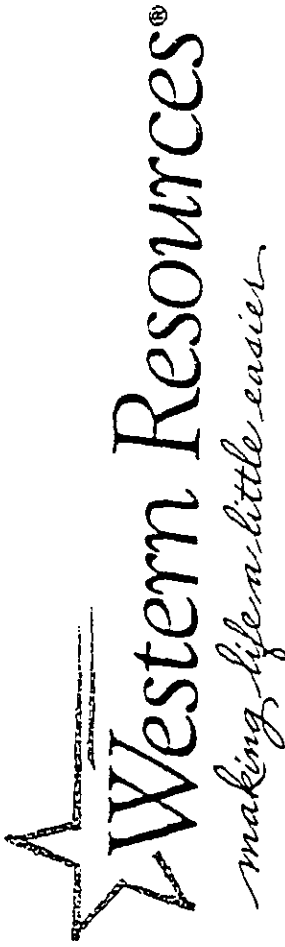
WESTERN RESOURCES, INC.

COMPARITOR GROUP - 1998

1. ADT Limited
2. Alltel
3. Avon
4. Baltimore Gas and Electric
5. Browning-Ferris
6. Cincinnati Bell Inc
7. CMS Energy
8. ConAgra
9. Corning
10. Donnelley (R.R.) & Sons
11. DPL
12. DQE
13. Enron
14. Florida Progress
15. FPL Group
16. Gannett
17. General Public Utilities
18. Honeywell Inc
19. Illinova
20. Masco
21. McGraw Hill
22. Nipsco Industries
23. N.E. Electric System
24. Ohio Edison
25. Pacific Enterprises
26. Phillips Petroleum
27. Pinnacle West
28. Pitney Bowes
29. Pittston
30. Potomac Electric
31. Public Service (CO)
32. SCANA Corp
33. TECO Energy
34. Union Electric
35. Westinghouse Electric Corp
36. Williams Companies Inc

WESTERN RESOURCES
TOP 5 POSITIONS - 1997 PROXY ANALYSIS SUMMARY

POSITION 1	Assets	Salary	Incentive	% of Salary	Total Current Cash	Total Direct Comp
75th Percentile	\$8,186.0	\$812,500	\$799,800	98%	\$1,547,653	\$3,489,420
Mean	6,522	672,836	\$500,814	86%	1,248,147	3,959,640
50th Percentile	5,700	625,500	\$476,250	76%	1,001,875	1,955,900
25th Percentile	4,241	525,938	\$251,771	48%	774,418	1,135,487
Western Resources, Inc.	6,630	465,000	\$164,870	35%	629,870	898,797
Percentile Rank	58.0%	9.0%	14.0%		9.0%	7.0%
POSITION 2						
75th Percentile	\$8,186.0	\$556,731	\$450,705	81%	\$1,048,705	\$2,342,554
Mean	6,522	434,676	\$334,456	77%	760,440	1,630,193
50th Percentile	5,700	401,709	\$238,000	59%	619,625	1,042,780
25th Percentile	4,241	323,750	\$110,375	37%	479,157	670,110
Western Resources, Inc.	6,630	425,000	\$148,860	35%	573,860	817,610
Percentile Rank	58.0%	55.0%	28.0%		44.0%	37.0%
POSITION 3						
75th Percentile	\$8,106.0	\$427,003	\$312,110	73%	\$709,556	\$1,582,404
Mean	6,522	359,399	\$231,053	64%	601,707	1,411,311
50th Percentile	5,700	313,425	\$161,126	51%	496,250	807,080
25th Percentile	4,241	235,003	\$97,250	41%	326,000	521,204
Western Resources, Inc.	6,630	267,004	\$112,407	42%	379,491	503,364
Percentile Rank	58.0%	34.0%	28.0%		32.0%	17.0%
POSITION 4						
75th Percentile	\$8,106.0	\$350,450	\$240,703	67%	\$566,402	\$1,381,063
Mean	6,522	300,009	\$105,611	62%	\$402,966	1,046,732
50th Percentile	5,700	292,207	\$166,000	57%	\$430,450	636,124
25th Percentile	4,241	221,795	\$93,793	30%	\$319,590	459,920
Western Resources, Inc.	6,630	174,167	\$81,112	47%	\$256,279	346,617
Percentile Rank	58.0%	3.0%	23.0%		12.0%	10.0%
POSITION 5						
75th Percentile	\$8,106.0	\$341,167	\$223,206	65%	\$542,655	\$1,062,034
Mean	6,522	284,265	\$187,579	66%	487,303	812,663
50th Percentile	5,700	268,000	\$148,563	55%	410,075	614,914
25th Percentile	4,241	209,534	\$75,775	36%	291,742	360,739
Western Resources, Inc.	6,630	163,177	\$63,431	39%	227,146	289,135
Percentile Rank	58.0%	8.0%	10.0%		8.0%	9.0%



Western Resources
Short-Term Incentive
Plan

Board of Directors

January 29, 1998

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- Tab A - Background of short-term incentive plan
- Tab B - Earnings analysis
- Tab C - Projected short-term incentives at \$7.51/share
- Tab D - D&T review letter
- Tab E - 1996 bonuses
- Tab F - Compensation comparisons - comparator group
- Tab G - Proxy statement/Proxy language
- Tab H - Split Dollar Life Insurance Program



v

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Background

- In early 1996, a detailed review was conducted by Western Resources and Towers Perrin of the Western Resources incentive programs. The stated objectives for the incentive programs were:
 - ✓ Link incentive opportunity to performance as measured by shareholder value.
 - ✓ Be competitive with the changing environment
- The review concluded that lower incentive award levels and payouts were a factor in Western Resources overall lower total direct compensation as compared to other companies.
- As a result of this analysis, the following changes were made to our long-term and short-term incentive programs.
 - ✓ Stock option plan was adopted to be phased-in over a 3-year period.
 - ✓ The short-term incentive plan was revised to increase target awards.
 - ✓ The overall philosophy was to link incentive opportunity to company performance.



- In January, 1997 the stock option plan and the short-term incentive plan were revised.
 - ✓ The stock option phase-in was accelerated to 100% phase-in level.
 - ✓ The short-term incentive targets were increased and the upside limitations were removed.
 - ✓ 60% of companies who have utility services have a short-term plan similar to ours--without a maximum amount.
- In addition to this short-term incentive plan, an "incentive pool" was created in early 1997 for all 650 exempt employees. This incentive pool was designed to payout based on financial performance.
- In the short-term plan, all opportunity to achieve an incentive award above the target is derived from the financial component--which includes EPS and stock appreciation.
- The philosophy was to promote a strong "pay for performance" environment.
- The short-term plan award levels were established as a percentage of base pay:

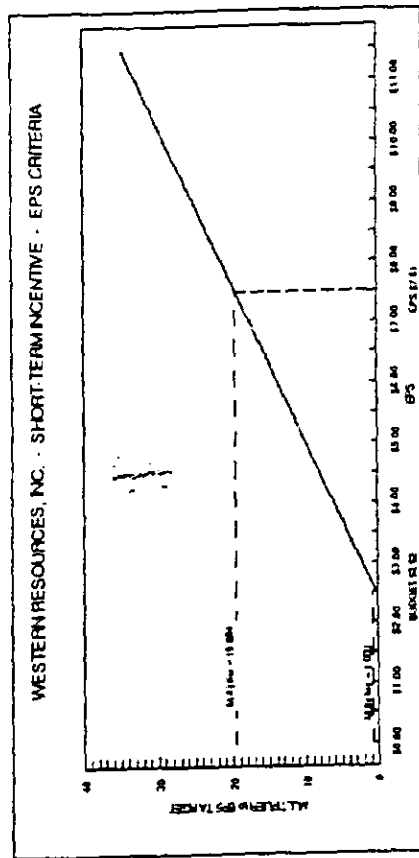
Grade	Target
1,2	60%
3-7	55%
8	40%
9-11	30%
30-33	15%

- 150 key management employees participate in the plan.



- With EPS of \$7.51/share--or \$4.89 over the budget of \$2.62--the EPS payout ratio is based on the relationship of that EPS to the target.

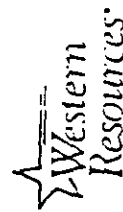
- With a \$7.51 EPS, the multiple to the EPS component is 19.664.



- The stock appreciation component is based upon appreciation in WR stock as compared with the S&P Electric \$1.5 to \$3.0 billion comparator group. Similar to the EPS component, there is no payout if the ratio is equal to or less than 90%, with the targeted incentive being paid out if the appreciation is equal to the appreciation of the comparator group.

- In 1997, Western Resources stock appreciated approximately 48% and the comparator group appreciated approximately 30%.

- The multiple of the stock appreciation component is 2.63.



- The \$7.51 EPS was principally a result of the \$860 million gain on the sale of Tyco shares. The gain was achieved through the company's tender offer for ADT, leading to Tyco's topping bid and ultimate conversion of ADT shares to Tyco shares at a substantial premium.
- In reviewing the projected bonuses, data was received from Towers Perrin, Arthur Andersen Compensation Group, and Deloitte & Touche Performance Management & Compensation Consulting Group.
- According to a survey conducted by Deloitte & Touche of similar bonus awards, the payouts range from a multiple of base salary from .40 to 78.01. In the Western Resources plan, payouts range from .57 to 3.4.
- The aggregate amount to be paid out in accordance with the incentive award plan is \$16.45 million.
 - ✓ Approximately \$10.2 million of this amount would be paid to the top 20 officers. The individual awards in this group would vary from 3.7 to 1.5 times the base salary for this group.
 - ✓ The remaining \$6.25 million would be paid to approximately 130 management employees with no award exceeding an individual's annual salary.
 - ✓ The total amount is less than 2% of the company's 1997 net income.



- Currently, the Western Resources plan calls for payment of the incentive awards to be made annually in cash.
- The following is proposed as an alternative to the immediate payout for members of the Executive Council:
 - ✓ A portion of the short-term incentive will be paid in cash to each EC member.
 - ✓ Residual amount of short-term incentive to be invested in a split dollar life insurance program.
 - ✓ Company recovers entire cost through split dollar program.



• The EPS component is based on the actual EPS compared with budget. There is no payout if the ratio is equal to or less than 90%, with the targeted incentive paid out if the budgeted EPS is achieved.

• The EPS component can exceed the target if the actual EPS exceeds the budgeted EPS. The multiplier of the EPS component is equal to the following:

$$\begin{aligned} \text{Multiplier} &= (\text{Actual EPS} - (0.9 \times \text{budgeted EPS})) / (0.1 \times \text{budgeted EPS}) \\ \text{Multiplier} &= 7.51 - 2.358 \quad \text{or} \quad 5.152 \div .262 = 19.664 \end{aligned}$$

8

1997 EARNINGS RECONCILIATION

Budgeted Earnings				\$2.62
Variations from Budget:	<u>Commodity</u>	<u>La-Cygnette</u>	<u>Total</u>	
<u>Core Electric Operations</u>				
Weather-related electric sales		(0.05)	(0.05)	
Fuel costs due to coal supply limitations		(0.09)	(0.09)	
JEC rotor failure	—	(0.01)	(0.01)	
				(0.15)
<u>Co-Owned Electric Operations</u>				
LaCygne outage (fuel)		(0.03)	(0.03)	
LaCygne outage (O&M)		(0.03)	(0.03)	
WCNOC fuel outage		(0.03)	(0.03)	
WCNOC O&M outage	—	(0.01)	(0.01)	
				(0.15)
<u>Gas Operations</u>				
Weather-related gas sales		(0.07)	(0.07)	
November closing of ONEOK eliminated December gas earnings		(0.10)	(0.10)	
Mid Continent Market Center	0.02		0.02	
• Bad debts	(0.02)		(0.02)	
• Service guarantees-billing	(0.03)	—	(0.03)	
				(0.20)
<u>Wing Operations</u>				
CPI projects did not close until year-end; budgeted to begin closing in February	—	(0.09)	(0.09)	
				(0.09)
<u>Westar Capital</u>				
• Westar Security	(0.44)		(0.44)	
ADT-Proceeds less cost and elimination of equity earnings	7.17		7.17	
Hanover - sold 1/2 of investments; budgeted to sell all	(0.15)	—	(0.15)	
				6.58
<u>Corporate</u>				
Bottom line improvement project (resulted in \$14 million savings)	(0.03)		(0.03)	
Year 2000 project (no history of magnitude and cost of effort)	(0.02)		(0.02)	
Depreciation (slight variation in mix of capital expenditures)	(0.01)		(0.01)	
Interest (lower cash requirements)	0.09		0.09	
General taxes (negotiated lower property tax assessments)	0.05		0.05	
Income taxes (lower effective tax rates)	0.06		0.06	
Shares outstanding (lower cash needs eliminated need for issuance of budgeted new shares)	0.13		0.13	
COLI (budgeted for one actuarial death-did not occur)		(0.12)	(0.12)	
Other (donations and miscellaneous unregulated costs)	(0.01)	—	(0.01)	
				0.14
Total Variations from Budget	<u>6.81</u>	<u>(0.63)</u>	<u>6.13</u>	<u>6.13</u>
<u>Balance Sheet Year-End Adjustments</u>				
Electric rebates			(0.10)	
1987 KGE Wolf Creek phase-in settlement			(0.08)	
Customer attrition/business conversion-security			(0.40)	
Inventory valuation reserve			(0.06)	
FAS 106 charges			(0.08)	
KCPL deferral			(0.50)	
Miscellaneous investments			(0.02)	
				(1.24)
1997 Earnings Estimate			<u>\$7.51</u>	

C

Name	Base Salary	1997 Short-term Entitlement	Cash Payment	Residual Entitlement	Pension Offset	Program Payout to Executive
John Hayes	562,650	2,043,759	387,103	1,656,656	350,902	900,937
David Wittig	514,250	1,864,866	376,431	1,488,435	320,082	1,036,733
Steve Kitchen	327,300	1,089,808	356,430	733,378	187,114	609,732
Carl Koupal	213,000	709,224	355,757	353,467	121,770	451,437
Norm Jackson	210,300	690,981	348,257	342,724	118,323	205,291
John Rosenberg	194,800	645,409	325,753	319,656	110,704	270,898



PROJECTED SHORT TERM INCENTIVE PAYOUTS

Grades	TARGET				PROJECTED PAYOUT			
	Total Target	EPS	Stock Apprec.	Individual/Discret.	Total Actual	EPS	Stock Apprec.	Individual/Discret.
1-2	60%	15.00%	15.00%	30.0%	364.4%	294.962%	39.476%	30.00%
3-7	55%	13.75%	13.75%	27.5%	334.1%	270.382%	36.187%	27.50%
8	40%	10.00%	10.00%	20.0%	243.0%	196.641%	26.318%	20.00%
9-11	30%	6.00%	6.00%	18.0%	151.8%	117.985%	15.791%	18.00%
A-C	15%	2.25%	2.25%	10.5%	60.7%	44.244%	5.921%	10.50%

Assumptions: Per Plan

Actual EPS \$7.51. Budgeted EPS \$2.62.

Stock Appreciation reflects actual 1997 performance relative to the Comparator Group.
Individual/Discretionary paid per Performance Evaluations.

SHORT TERM INCENTIVE PAYOUT PROJECTIONS
BASED ON \$7.31 EPS AND ACTUAL STOCK PERFORMANCE RELATIVE TO THE COMPARATOR GROUP

ALL ELIGIBLE EMPLOYEES

NAME	TITLE	AGE	SALARY	EPS	STOCK	DIV.	DESCR.	INCENTIVE TOTAL		COMPANY
								%	\$	
HAYES JR. JOHN E	CHAIR OF THE BOARD & CEO	1	\$62,850	294.56%	33.48%	17.40%	11.40%	362.24%	2,043,759	WRU
WITTCG, DAVID C	PRESIDENT	2	\$14,250	294.56%	38.48%	17.40%	10.80%	362.64%	1,854,966	WRU
KITCHEN, STEVEN L	EVP CHIEF FINANCIAL OFFICER	4	\$27,300	272.38%	26.13%	15.95%	10.45%	332.97%	1,389,908	WRU
KOUPAL JR, CARL M	EXEC VP & CAO	6	213,000	272.38%	34.13%	15.95%	10.45%	332.97%	779,224	WRU
JACKSON, NORMAN E	EVP - ELECTRIC OPERATIONS	7	210,000	272.38%	38.13%	15.95%	9.30%	328.37%	830,381	WRU
ROSENBERG, JOHN K	EVP GENERAL COUNSEL & SECTY	7	194,500	272.38%	35.13%	14.55%	9.30%	321.32%	845,409	WRU
6	WRU EXECUTIVE COUNCIL TOTAL		2,622,300						7,344,347	
GRENMAN, THOMAS L	VP GENERATION SERVICES									WRU
HAGEN, RICHARD M	EXEC VP SHARED SERVICES									WRU
MOORE, WILLIAM B	COB KGE & ELECTRIC DISTR VP									WRU
WYMORE, KENNETH T	VP CHIEF TRANSITION OFFICER									WRU
COURINGTON, JERRY D	CONTROLLER									WRU
MARTIN, JAMES A	VP FINANCE									WRU
KITCHEN, WAYNE	VP REGULATORY AFFAIRS									WRU
RICKETTS, CARL A	VP LABOR RELATIONS									WRU
SHARPE, RITA A	PRESIDENT - WESTAR ENERGY									WRU
TERRILL, RICHARD D	CORP SECTY & ASSOC GEN COUNSEL									WRU
18	WRU OFFICER TOTAL									
FINNEY, LORI A	EXEC DIR CORPORATE DEVELOPMENT									WRU
HENRY, DOUGLAS J	EXEC DIRECTOR POWER DELIVERY									WRU
LUOWIG, JAMES J	EXEC DIR REGULATORY AFFAIRS									WRU
MCKEE JR, PA W	EXEC DIR HUMAN RESOURCES									WRU
MORGAN, LESLIE D	EXEC DIRECTOR POWER SUPPLY									WRU
MCDRICK, DAVID PHILLIP	ASSOC GEN COUNSEL									WRU
PHILIPS, DAVID R	DIRECTOR COAL PLANTS									WRU
TOLAND, RICHARD E	PRESIDENT - KPL									WRU
WEATHERBY, ROGER K	ASSOC GEN COUNSEL ADMINISTRATION									WRU
ANDERSON, BRUCE E	DIR OF AVIATION SERVICES									WRU
BECK, ANNETTE M	DIR CUSTOMER SERVICE OPERATION									WRU
BREGMAN, MARTIN J	GENERAL ATTORNEY									WRU
COLE, MICHEL PHILIPP	DIR CORP COMMUNICATIONS									WRU
DENNING, THOMAS D	DIR ENGY CNTR TRAIN/RISK MGMT									WRU
DIXON, RICHARD A	EXEC DIR ELECTRIC TRANS SVRVS									WRU
DYMES, WILLIAM E	EXEC DIR ELECT TRANS ENGINEERING									WRU
HOCKETT, JAMES K	DIR PROD SUPPORT & ENVIRO SVRS									WRU
HOOSON, CHARLES D	PLANT DIRECTOR									WRU
HOLT, RONALD W	DIR COMMUNITY & SUPPORT SVRVS									WRU
HUNT, ANITA J	DIRECTOR INTERNAL AUDIT									WRU
JENKINS, PHILIP M	EXEC DIR DISTRIB ENG SER									WRU
STADLER, MICHAEL J	DIRECTOR OF TAXATION									WRU
WISHART, JAMES N	DIR GAS FIRED PLANTS									WRU
MORGAN, PATRICK D	PRES - ELECTRIC DISTR - KGE									WRU
WAGES, LEROY P	ASST CONTROLLER - ACCOUNTING									WRU
AKIN, BRUCE A	DIR CORP DEVEL - REGULATED									WRU
ALDINGER, BECKY	DIR PURCHASING									WRU
ANKENMAN, JACQUELINE A	GENERAL MANAGER									WRU
ASHWORTH, SANDRA S	DIR OF GENERAL ACCOUNTING									WRU
BOZEMAN, RICHARD T	DIR TECHNICAL OPERATIONS									WRU
BROCK, LARRY J	GENERAL MANAGER									WRU
BROUMARD, MICHAEL D	PLANT MANAGER II									WRU
CASE, COLLIER W	DIR BENEFITS & SERVICES									WRU
CHAPMAN, STEVEN J	DIR IT CLIENT SERVICES									WRU
CLAUSSEN, DAVID L	OPERATIONS SUPT J.E.C.									WRU
COLE, CHRIS A	GENERAL MANAGER									WRU
CONRAD, LARRY G	MGR PLANT SYSTEMS ENGINEERING									WRU
CORLEY, DAVID E	MGR TECHNICAL RESOURCES(MS)									WRU
CRAWFORD, MICHAEL C	DIRECTOR CONSTR & MAINT									WRU
DEASON, CAROL E	DIR AD VALOREM TAXES									WRU
DEGENHARDT, RANDOLPH	MGR CUSTOMER & COMMUNITY REL									WRU
EARLS-FRANKLIN, CAROL A	DIR SEC/DIVERSITY & EMPLOYMENT									WRU
FAKLER, ROBERT H	DIR SYSTEM OPERS & DISP SUPPRT									WRU
FALER, MICHAEL D	DIVISION MANAGER II									WRU
FINAN, PATRICK T	DIR FACILITIES MGMT									WRU
FOLEY, WILLIAM F	PLANT MANAGER II									WRU
GOOD, RICHARD	DIR FLEET MANAGEMENT									WRU
GREEN, TOMMY L	ASSISTANT GENERAL ATTORNEY									WRU
GUNZELMAN, LEO J	PLANT MANAGER I									WRU
HARRISON, KELLY B	DIRECTOR REVENUE & FORECASTING									WRU
HILL, CLYDE R	MGR GENERAL OPERATIONS KGE									WRU
JENKINS, DRACY	DIR OF DISTR ENGINEERING									WRU
JONES, MARTIN NEAL	MGR CENTRAL REGION OPERATIONS									WRU
KLOTZBACH JR, MARTIN S	MGR OF SYSTEM PLANNING									WRU
KOCH, ROGER E	DIRECTOR MATERIALS MGT									WRU
KOHLMEIER, STACY M	GENERAL MANAGER									WRU
KONGS, KEVIN L	MGR INCOME TAX									WRU
LEHMAN, EARNEST A	DIR WHOLESALE RATES									WRU
LONG, STEVEN G	DIRECTOR LABOR RELATIONS									WRU
LOYD, PEGGY S	DIR STRATEGY									WRU
MERTZ, LARRY K	MGR BUSINESS DEVELOP - KPL/KGE									WRU
MINDRUP, T A	DIR PUBLIC/WORKFORCE SAFETY									WRU
MITCHELL, LEONARD L	GENERAL MANAGER									WRU
MUELLER, DONALD D	GENERAL MANAGER CUSTOMER SERV									WRU
MUSICK, GREGORY C	DIR COMPENSATION & PERF MGMT									WRU
NEUFELD, DAVID J	PLANT MANAGER II									WRU
OWENS, STEVEN K	MGR TECHNICAL OPERATIONS-NORTH									WRU
PATTY, BILLY J	OPERATIONS MANAGER									WRU
PHILIPS, ALLEN R	MGR SYSTEM DISPATCHING									WRU
POSTLETHWAIT, M J	SYSTEM MAINTENANCE COORDINATOR									WRU
REID, WILLIAM J	DIRECTOR FUELS									WRU
REINERT, DONALD J	MGR TECHNICAL OPERATIONS									WRU
RINEHART, MICHAEL D	MGR BUDGETS									WRU
ROBINSON, RODNEY L	DIR TRANS ENGINEERING									WRU
ROLAND, COLLIE M	MGR WESTERN REGION OPERATIONS									WRU
SCHNEWEIS, DAVID L	MGR TAX RESEARCH & PLANNING									WRU
SCHOWALTER, DEAN L	PLANT MANAGER I									WRU

REDACTED

DATA EFFECTIVE 12/31/97

SHORT TERM INCENTIVE PAYOUT PROJECTIONS
BASED ON \$7.34 EPS AND ACTUAL STOCK PERFORMANCE RELATIVE TO THE COMPARTOR GROUP

ALL ELIGIBLE EMPLOYEES

NAME	TITLE	PG	SALARY	EPS	STOCK	BOND	DISCRE	INCENTIVE TOTAL		COMPANY
								%	\$	
SEIDEL, WILLIAM A	MGR TRANS & DISTR SERVICES									WR:
SOMMA, ANTHONY D	DIR CORP DEVELOP-GAS PROJECTS									WR:
STUCHLIK, THOMAS R	DIR SYSTEM & INTERCONNECT OPER									WR:
SWALLEY, GARRY E	MGR DATA ADMINISTRATION									WR:
TEETER, R R	MANAGER COAL FUELS									WR:
TEMPERO, PRESTON E	MGR PLANT INFORMATION SYSTEMS									WR:
WAGONER, MELVIN D	CHIEF PILOT									WR:
WALKER, DUANE L	MGR INTERCHANGE OPERATIONS									WR:
WILLIAMS, CAROLINE A*	DIR CUSTOMER ACCOUNT SERVICES									WR:
WINNERLING III, WILLIAM J	MGR POWER TECHNOLOGY CENTER									WR:
WRIGHT, GREGORY M	MGR BUSINESS DEVELOPMENT									WR:
YATES, MARK S	MAINT SUPERINTENDENT									WR:
BLEDSoE, DARRELL D	DIR REVENUE ACCTG & ASST									WR:
COOK, E LYNN	DIR CASH MGT & ASST. TREASURER									WR:
EISENBARTH, ELSIE M*	MGR. ABR DEVELOPMENT/PROFITABILITY									WR:
32	WRU NON-OFFICER TOTAL									
108	WESTERN RESOURCES SUB-TOTAL									
CLARK, JAMES T	VP MIS & TELECOMMUNICATIONS									ONECK
ROTH, DAVID E	VP HUMAN RESOURCES									ONECK
ELIASON, WILLIAM G	PRESIDENT - GAS SERVICE CO									ONECK
SHEA, THOMAS E	TREASURER									ONECK
4	ONECK OFFICER TOTALS									
PETERS, J MICHAEL	ASSOC GEN COUNSEL REGULATION									ONECK
SOMMER, JOHN L	PRESIDENT									ONECK
ARNOLD, DAVID D	DIR EASTERN REGION									ONECK
BAILEY, JOHN A*	DIR APPLICATIONS PROGRAMMING									ONECK
FISCHER, LARRY L	REGION DIRECTOR									ONECK
GREEN, ROBERT M	DIRECTOR OF TRAINING									ONECK
OKENPUS, DENNIS J	REGION DIRECTOR									ONECK
TANGEMAN, RICHARD H	ASST VP GAS SUPPLY									ONECK
BARTLING, DONALD W	GENERAL MANAGER									ONECK
BIERY, GALEN E	ASSISTANT GENERAL ATTORNEY									ONECK
CANTRELL, GLENDA R	ASSISTANT GENERAL ATTORNEY									ONECK
CARROLL, MARK A	DIR OPER COMPRESS & STORAGE									ONECK
CLARK, MICHAEL D	CONTROLLER-WESTAR BUSINESS SVS									ONECK
CROUSE, LYNN D	DIR TECHNICAL FIELD SUPPORT									ONECK
DECCOURSEY, JOHN P	ASSISTANT GENERAL ATTORNEY									ONECK
DISKIN, JOSEPH B	MGR DISTRIBUTION OPERATIONS									ONECK
DIXON, BRADLEY D	DIR GAS SUPPLY ADMINISTRATION									ONECK
FALLOM, JAMES M	DIR DISTRIBUTION TECH & COMPL									ONECK
FELTES, DEANNA K	DIR ADMINISTRATIVE SERVICE									ONECK
HARRIS, RICHARD B	OPERATIONS MANAGER									ONECK
JOHNSON, STEVEN C	GENERAL MANAGER									ONECK
KENNEDY, WARREN K	GENERAL MGR WICHITA GAS OPERS									ONECK
KETTLE, ALAN F	MANAGER ENVIRONMENTAL ENG									ONECK
KREADY, RICHARD D	DIR INVESTOR RELATIONS									ONECK
MACHA, GARRY LEE	MGR DESIGN & PROJ ENGINEERING									ONECK
MCCULLLEY, LESLIE D	DIR TECHNICAL SUPPORT									ONECK
OAKES, ROBERT P	REGIONAL MGR SALES & MKT DEV									ONECK
PURCELL, WILLIAM L	GENERAL MANAGER									ONECK
WALKER JR, ALFRED	GENERAL MANAGER									ONECK
WEINMEISTER, RODNEY W	MGR BUSINESS DEVELOP - KPL/KGE									ONECK
WHITLOCK, DON W	DIR FINANCIAL SERVICES									ONECK
WILLER, LARRY G	DIR TRANSPORTATION SERVICES									ONECK
32	ONECK NON-OFFICER TOTAL									
36	ONECK TOTAL									
SHOCKLEY, JOHN DEREK	DIR PROJECT MANAGEMENT									ONSITE
SALZMANN, CHRISTIAN D	MGR PERFORMANCE CONTRACTING									ONSITE
SCHMADERER, MICHAEL A	MGR TECHNICAL SERVICES									ONSITE
HRENCHIR, PHILIP ALAN	MGR INDUSTRIAL PROCESSES									ONSITE
BOWMAN, TIMOTHY N	MGR INDUSTRIAL NATIONAL ACCTS									ONSITE
5	ONSITE TOTAL		402,186					189,627		
149	WESTERN RESOURCES GRAND TOTAL		13,229,021					16,452,123		

REDACTED

*DENOTES THAT THE EMPLOYEE'S INCENTIVE IS PRORATED EITHER DUE TO A MID-YEAR PROMOTION, DEMOTION, OR RETIREMENT.
 KENT WEATHERBY 25% (3 MOS.)
 PHIL JENKINS 33.3% (4 MOS.)
 BILL DYKES 33.3% (4 MOS.)
 MARTIN KLOTZBACK 8.3% (1 MO.)
 ELSIE EISENBARTH 16.7% (2 MOS.)
 STEVE OWENS 41.7% (5 MOS.)
 ALLEN PHELPS 18.7% (2 MOS.)
 M.J. POSTLETHWAIT 54.2% (6.5 MOS.)
 DAVID SCHNEWEIS 16.2% (2 MOS.)
 CAROLINE WILLIAMS 8.3% (1 MO.)
 JOHN BAILEY 91.7% (11 MOS.)
 WAYNE KITCHEN 10 MOS. AS AN EXEMPT PARTICIPANT AND 2 MOS. AS AN OFFICER

D

Deloitte & Touche LLP



January 8, 1998

Suite 2300
353 Clay Street
Houston, Texas 77002-4196

Telephone: (713) 756-2000
Facsimile: (713) 756-2001

Mr. Carl Koupal
Executive Vice President
Western Resources, Inc.
818 S. Kansas Avenue
PO Box 889
Topeka, Kansas 66601

Dear Mr. Koupal:

Deloitte & Touche LLP ("Deloitte & Touche") was retained by Western Resources, Inc. ("Western Resources" or the "Company") to review the cash bonuses to be awarded per the Company's Short-Term Incentive Plan for the 1997 fiscal year. This letter, together with the exhibits contained herein, details our review of the competitiveness of the plan and the reasonableness of the payouts associated with the plan, as well as recommendations in regards to alternative vehicles for the bonus award payouts.

BACKGROUND

Western Resources (NYSE:WR) is a full-service, diversified security and energy company with total assets of almost \$7 billion, including security company holdings of \$1 billion and more than 935,000 security customers in 48 states. Its utilities, KPL and KGE, operating in Kansas, provide electric service to approximately 650,000 customers and electric service to approximately 600,000 customers. Through its subsidiaries, Westar Energy, Westar Capital, and The Wing Group, a full range of energy and energy-related products and services are developed and marketed in the continental U.S., and offshore.

During fiscal 1997, the Company expanded into non-regulated businesses primarily the monitored security business, began utilizing electric power marketing to prepare for the deregulation of the electric utility industry, and sold all of its Tyco common shares for which the Company recorded a record material gain on the sale. Each of the above led to record results including dramatic increases over prior years in financial categories such as net income, book value per share, and operating revenues.

In January 1997, the Western Resource, Inc. Short-Term Incentive Plan ("the Plan") was revised to more closely link and reward employees based on the short-term objectives of the Company. Thirty to fifty percent, depending upon the organizational level of the employee, of the participant's annual incentive targeted percentage is linked to Company financial performance, or more specifically, earnings per share and stock price appreciation. Without knowledge of the

Deloitte Touche
Tohmatsu
International

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tremendous growth ahead for the Company, targets were determined for these two financial categories. These targets were significantly over-achieved which has lead to bonus awards of, for some participants, over 300% of the targeted payout percentage.

APPROACH

Our approach in completing this review was to:

- Speak with Carl Koupal to gain an understanding of the incentive plan and the payouts to be made in February 1998.
- Gather relevant Company background information.
- Review the competitiveness of the incentive plan's provisions.
- Review data on other significant one-time performance bonus awards in comparable circumstances.
- Research alternative payout vehicles.
- Discuss the tax implications associated with the alternative payout vehicles with key Deloitte & Touche personnel.
- Prepare a letter report documenting our findings and recommendations.

ANALYSIS AND CONCLUSIONS

Incentive Plan Review

Deloitte & Touche reviewed the Plan to determine the competitiveness of the Plan's provisions including eligibility, the means for determining payouts, and the level of payout. Our review is based on both findings from The American Compensation Association's (ACA) Compensation in Higher Performing Companies and our experience in the design of short-term incentive plans. The ACA study details the differences in compensation practices of higher-, middle-, and lower-performing companies representing a broad range of industries, categorized by total shareholder return. Exhibit A displays the total shareholder return ranges for each of the categories.

Western Resources' Plan allows for executives, officers, select exempt employees in pay grades 30 and above, and others who the Board of Directors or the Plan's administering committee deem eligible, to participate. According to the ACA study, nearly all corporate executives are participants in an annual incentive plan, but differences exist in the use of incentives for

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nonexecutives. Higher-performing companies tend to extend their incentive plans further down into the organization, whereby approximately 81% of companies have programs in which non-executives participate. On average, 30% more of higher-performing companies extend eligibility past the executive group than do middle- to lower-performing companies.

The Plan utilizes three sets of criteria to determine an individual's incentive: company performance on financial criteria, achievement level on individual objectives, and discretionary judgment on managerial effectiveness. Our research indicates that using financial results to determine annual incentives is the most prevalent performance measure. The three most widely used performance measures include net income, earnings per share, and return on equity, which are used independently or in conjunction with each other. Western Resources utilizes both earnings per share and stock price appreciation to make up the company financial performance portion of the award. The use of earnings per share is utilized by almost half of the companies reviewed by the ACA study and ranks as the second most commonly utilized measure.

Targeted payout percentages as a percent of base salary are determined in the Plan based on salary grade. Utilizing published survey data on targeted annual incentive award opportunities from The ECS Industry Report on Top and Middle Management, we established a competitive annual incentive target for each salary grade. The competitive percentages were determined utilizing the average salary level for each of the five tiers in Western Resources' Plan. The following table represents Western Resources' incentive targets and the market competitive target levels. One must bear in mind that "target" payouts correspond with the achievement of target performance. Performance in excess of target, yields corresponding rewards. Once again, this is in alignment with ACA's findings thus:

Grade	Western Resource Target	Market Competitive Target
1,2	60%	58.6%
3-7	55%	48.2%
8	40%	36.4%
9-11	30%	30.1%
30-33	15%	22.9%

Because the earnings per share goal was enormously exceeded by the Company, large bonus payouts will be made under the incentive plan. Payouts as a percent of base will range between 330% of base salary for the top tier down through 40% of base salary for the bottom tier. Since some shareholders may view these payments skeptically due to the absolute amounts involved, analysis was performed on the occurrence of large bonus payments in relation to company performance by other organizations. The table in Exhibit B represents one-time bonus awards as a multiple of base salary for executives in similar significant situations. This data aids in substantiating the reasonableness of the Western Resources' payouts. There is ample precedent to paying significant one-time performance based bonuses to executives for helping their companies

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Mr. Carl Koupal
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achieve financial success, and would not be uncompetitive for Western Resources to do the same. This analysis, coupled with ACA's study and our own experience in the execution of such plans all point to a reasonably designed program.

Incentive Plan Conclusion

Based on our analysis, the Western Resources, Inc. Short-Term Incentive Plan is competitive with the market. The eligibility under the Plan is consistent with those practices of higher-performing companies, and we would recommend that Western Resources continue to incent employees through the exempt levels to meet annual corporate objectives. In addition, the formula driven incentive payout calculations which are derived from corporate, individual, and discretionary performance is also competitive with the practices of higher-performing companies. The financial performance criteria including earnings per share and stock price appreciation are consistently used in the marketplace and provide good and easy to track measures of corporate performance. These measures also ensure that the shareholder is being compensated prior to awards being paid out to employees. Finally, the targeted payout awards are consistent with the targeted levels of award in peer companies. For all but one grouping, the targets are slightly below market. We recommend that Western Resources continue to utilize the established targets.

Because the Company outperformed the financial goals determined as performance measures under the Plan, large payouts will be made. Although these payouts are larger than typical annual incentive awards, they are not uncommon when companies significantly exceed targeted goals. In addition, many companies make much larger awards than those proposed by Western Resources. As a multiple of base salary, the significant one-time bonus awards range from .40 to 78.01, and Western Resources' payouts range from approximately .57 to 3.4. Based on these findings, we determined the payouts proposed under the Plan are reasonable.

CONCLUSION

Based on our review of the Western Resources' Plan and the competitive analysis performed, Deloitte & Touche believes the Plan is well designed. You and your Board should be commended for being in alignment with top-performing companies and their focus on performance based incentives. The Plan was designed to reward excellent performance and that is what is occurring for fiscal 1997. In addition, we believe the payouts for 1997 are reasonable in light of the performance levels achieved over the past year. The employees of Western Resources created significant value for the shareholders and are sharing in the gains made from the Company's success.

* * *

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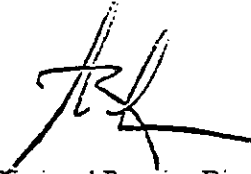


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Mr. Carl Koupal
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We appreciate the opportunity to be of assistance to Western Resources. If you have any questions regarding the analysis and recommendations above, you can reach me at (713) 756-2110 or Cara Lyons at (713) 756-2134.

Very truly yours,



Brent Longnecker, National Practice Director
Performance Management and Compensation Consulting

cc: Cara Lyons, Deloitte & Touche LLP

**Deloitte &
Touche LLP**



WS030621

Exhibit A

American Compensation Association's Compensation in Higher Performing Companies
Company Performance Defined

*Performance is categorized by Total Shareholder Return (TSR) as per
the proxy performance graph for a hypothetical \$100 investment*

Performance Group	TSR	Median TSR
Higher-performing companies	Greater than \$280	\$415
Middle-performing companies	Between \$148 and \$280	\$209
Lower-performing companies	Less than \$148	\$98



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1996 COMPENSATION DATA

COMPANY NAME	LAST NAME	FIRST NAME	TITLE	SALARY	BONUS
GREEN TREE FINANCIAL CORP	Coss	Lawrence	chmn. & CEO	433,808	102,015,158
CONSECO INC	Hilbert	Stephen	chmn., pres. & CEO	250,000	13,576,436
BEAR STEARNS COMPANIES INC	Greenberg	Alan	chmn.	200,000	13,039,500
BANKERS TRUST NEW YORK CORP	Virtue	James	sr. v-p	250,000	11,553,300
SALOMON INC	Myojin	Shigoru	vice-chmn.	520,000	10,030,000
MARSH & MCLENNAN COS	Laaser	Lawrence	pres. Putnam Investments	870,000	9,500,000
SCHWAB (CHARLES) CORP	Schwab	Charles	chmn. & CEO	800,004	9,387,225
DEAR STEARNS COMPANIES INC	Cayne	James	pres. & CEO	200,000	8,972,750
SALOMON INC	Maughan	Doryck	exec. v-p; chmn. & CEO-sub.	825,000	8,505,000
BANKERS TRUST NEW YORK CORP	Newman	Frank	chmn., pres. & CEO	825,000	8,009,500
HEALTHSOUTH CORP	Sciushy	Richard	chmn. & CEO	3,300,295	8,000,000
DISNEY (WALT) COMPANY	Eisner	Michael	chmn. & CEO	750,000	7,900,000
BANKERS TRUST NEW YORK CORP	do Balmann	Yves	chmn. & CEO	287,500	6,028,400
BANKERS TRUST NEW YORK CORP	Doherty	R.	sr. v-p	287,500	6,028,400
BANKERS TRUST NEW YORK CORP	Schwartz	Alan	sr. v-p	200,000	6,603,668
MERRILL LYNCH & CO	Tully	Daniel	exec. v-p	700,000	6,501,320
SCHWAB (CHARLES) CORP	Poltruck	David	chmn. & CEO	695,004	6,436,225
PAINE WEBBER GROUP	Marron	Donald	pres. & COO	800,000	6,212,500
MORG STAN DEAN WTR DSCVR&CO	Mack	John	chmn. & CEO	550,000	5,771,875
MORG STAN DEAN WTR DSCVR&CO	Flahar	Richard	pres. & managing director	575,000	5,750,250
FREEMT MCMOR COP&GLD -CL B	Moffett	James	chmn. & managing director	1,069,444	5,725,000
KING WORLD PRODUCTIONS INC	King	Roger	chmn. & CEO	1,100,000	5,627,000
KING WORLD PRODUCTIONS INC	King	Michael	pres. & CEO	1,100,000	5,521,875
MORG STAN DEAN WTR DSCVR&CO	Karches	Peter	managing director	450,000	5,201,056
MERRILL LYNCH & CO	Kornarsky	David	pres. & COO	500,000	5,082,500
PAINE WEBBER GROUP	Grano, Jr.	Joseph	pres. PWI	450,000	5,053,708
TRAVELERS GROUP INC	Weih	Senford	chmn. & CEO	1,025,000	5,000,000
COMPUTER ASSOCIATES INTL INC	Wang	Charles	chmn. & CEO	200,000	4,805,375
BEAR STEARNS COMPANIES INC	Tarnopol	Michael	exec. v-p	903,846	4,760,417
CHASE MANHATTAN CORP	Shiplay	Walter	chmn. & CEO	250,000	4,714,040
CONSECO INC	Cuneo	Ngalte	exec. v-p-com. dev.	250,000	4,714,040
CONSECO INC	Gongaware	Donald	exec. v-p & COO	250,000	4,714,040
CONSECO INC	inlow	Lawrence	exec. v-p & gen. couns.	250,000	4,714,040
CONSECO INC	Dick	Rollin	exec. v-p & CFO	250,000	4,500,000
CHRYSLER CORP	Eaton	Robert	chmn. & CEO	1,437,500	4,438,378
ALEX BROWN INC	Krongard	A.	chmn. & CEO	200,000	4,360,100
BANKERS TRUST NEW YORK CORP	Daniel	Richard	exec. v-p, CFO & controller.	320,000	

1996 COMPENSATION DATA

COMPANY NAME	LAST NAME	FIRST NAME	TITLE	SALARY	BONUS
CHASE MANHATTAN CORP	Labrecque	Thomas	pres. & COO	888,024	4,322,917
BANK OF NEW YORK CO INC	Bacot	J.	chmn. & CEO	1,050,000	4,203,750
MERRILL LYNCH & CO	Allison, Jr.	Herbert	exec. v-p	400,000	4,200,000
MERRILL LYNCH & CO	Steffens	John	exec. v-p	400,000	4,200,000
BEAR STEARNS COMPANIES INC	Spector	Warren	exec. v-p	200,000	4,194,750
ALEX BROWN INC	Shalluck III	Mayo	pres. & COO	200,000	4,135,735
STANHOME INC	Freedman	Eugene	exec. v-p; CEO-sub.	475,000	4,030,500
TIME WARNER INC	Levin	Gerald	chmn. & CEO	1,050,000	4,000,000
GENERAL ELECTRIC CO	Weich, Jr.	John	chmn. & CEO	2,300,000	4,000,000
XEROX CORP	Allaire	Paul	chmn. & CEO	958,333	3,964,800
TRW INC	Gorman	Joseph	chmn. & CEO	1,074,500	3,902,000
GTECH HOLDINGS CORP	Sjowden	Guy	chmn. & CEO	458,337	3,885,810
GTECH HOLDINGS CORP	Markowicz	Victor	vice-chmn.	458,337	3,885,810
BORLAND INTERNATIONAL	Yocum	Delbert	pres. & CEO	110,780	3,884,184
TRAVELERS GROUP INC	Dimon	James	pres. & COO	650,000	3,845,843
IBP INC	Peterson	Robert	chmn. & CEO	1,000,000	3,710,608
MORG STAN DEAN WTRR DSCVR&CO	Walker	Sir David	managing director	426,745	3,505,159
COCA-COLA CO	Goizueta	Roberto	chmn. & CEO	1,713,333	3,500,000
MORG STAN DEAN WTRR DSCVR&CO	Biggs	Baron	managing director	450,000	3,400,825
TRAVELERS GROUP INC	Black	Steven	vice-chmn. & COO	225,000	3,378,785
INTL BUSINESS MACHINES CORP	Gersiner, Jr.	Louis	chmn. & CEO	1,500,000	3,270,000
TOSCO CORP	O'Malley	Thomas	chmn., pres. & CEO	600,000	3,257,331
COMPUTER ASSOCIATES INTL INC	Kumar	Sanjay	pres. & COO	900,000	3,250,000
SALOMON INC	Haselline	John	managing director	250,000	3,250,000
MANPOWER INC/MI	Fromatath	Mitchell	chmn., pres. & CEO	860,000	3,211,174
DEAN WITTER DISCOVER & CO	Purcell	Philip	chmn. & CEO	750,000	3,200,000
DAYTON HUDSON CORP	Ulrich	Robert	chmn. & CEO	1,027,874	3,169,885
AMERICAN INTERNATIONAL GROUP	Greenberg	Maurice	chmn. & CEO	1,000,000	3,150,000
MERRILL LYNCH & CO	Kinnney	Jerome	exec. v-p	400,000	3,100,000
NATIONSBANK CORP	McColl, Jr.	Hugh	CEO	900,000	3,100,000
CHASE MANHATTAN CORP	Miller	Edward	sr. vice-chmn.	740,385	3,052,013
PAINE WEBBER GROUP	Baum	Steven	exec. v-p, director-PWI	500,000	3,037,500
NATIONAL SEMICONDUCTOR CORP	Pond	Kirk	pres. & CEO-Fairchild Sunicon	424,131	3,000,000
COMPAQ COMPUTER CORP	Pfeiffer	Eckhard	pres. & CEO	1,250,000	3,000,000
MBNA CORP	Lerner	Alfred	chmn. & CEO	1,515,000	3,000,000
MBNA CORP	Cawley	Charles	pres.; chmn. & CEO-bank	1,515,000	3,000,000
U S ROBOTICS CORP	Cowell	Casey	chmn., pres. & CEO	520,000	2,910,000

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COMPANY NAME	LAST NAME	FIRST NAME	TITLE	SALARY	BONUS
COUNTRYWIDE CREDIT IND INC	Mozilo	Angelo	v-chmn. & exec. v p	1,212,973	2,805,548
COUNTRYWIDE CREDIT IND INC	Loeb	David	chmn. & pres.	1,214,770	2,805,549
CHASE MANHATTAN CORP	Harrison, Jr.	William	vice-chmn.	840,385	2,805,417
ALLIEDSIGNAL INC	Dossidy	Lawrence	chmn. & CEO	2,000,000	2,800,000
CHRYSLER CORP	Lutz	Robert	pres. & COO	956,250	2,800,000
BANKAMERICA INC	Covlier	D.	chmn. & CEO	791,667	2,750,000
SUNAMERICA INC	Fowler	Michael	v-p	200,000	2,720,348
TRAVELERS PPTY CAS CP -CL A	Lipp	Robert	chmn., pres. & CEO	600,000	2,685,022
TRAVELERS GROUP INC	Lipp	Robert	vice-chmn.	900,000	2,685,022
LEGG MASON INC	Mason	Raymond	chmn., pres. & CEO	240,000	2,680,000
U S SURGICAL CORP	Hirsch	Leon	chmn. & CEO	1,077,335	2,646,432
MORGAN (J P) & CO	Warner III	Douglas	chmn.	800,000	2,633,500
CIGNA CORP	Taylor	Wilson	chmn. & CEO	917,900	2,600,000
INTEL CORP	Grovo	Aldrew	pres. & CEO	425,000	2,576,300
CVS CORP	Ryan	Thomas	v-chmn. & COO; pres. & CEO-a	597,500	2,658,000
BANK OF NEW YORK CO INC	Royal	Thomas	pres.; pres. & COO-Bank of NY	650,000	2,620,000
FORD MOTOR CO	Trotman	Alexander	chmn., pres. & CEO	1,918,687	2,500,000
INTEGRATED HEALTH SVCS INC	Eikins	Robert	chmn. & CEO	750,000	2,500,000
SBC COMMUNICATIONS INC	Whitacre, Jr.	Edward	chmn. & CEO	900,000	2,500,000
OMNICARE INC	Gomundar	Joni	pres.	539,007	2,400,978
TRINITY INDUSTRIES	Wallace	W.	chmn. & CEO	1,000,000	2,495,430
FOUNDATION HEALTH CORP	Crowley	Daniel	pres. & CEO	782,500	2,475,000
FREIGHT MCMOR COP&GLD -CL B	Adkinson	Richard	exec. v-p	307,727	2,433,000
GRIFFON CORP	Dinu	Harvey	chmn. & CEO	682,000	2,366,000
DEAN WITTER DISCOVER & CO	Higgins	James	pres. Dean Witter fin. & e-v-p	400,000	2,350,000
PAINE WEBBER GROUP	Sutton	Mark	exec. v-p, director-PWI	250,000	2,350,000
WORLD COM INC/GA -CL A	Ebberts	Bernard	pres. & CEO	935,000	2,337,500
DEAN WITTER DISCOVER & CO	DeMartini	Richard	pres. Dean Witter cap & e-v-p.	415,000	2,335,000
APPLE COMPUTER INC	Amelio	Gilbert	chmn. & CEO	655,061	2,334,000
SUNAMERICA INC	Broad	Eli	pres. & CEO	800,000	2,332,320
OMNICARE INC	Hutton	Edward	chmn.	1,031,105	2,326,125
ALEX BROWN INC	Richtlin	W.	man. dir. Alex Brown & Sons	200,000	2,319,851
GRIFFON CORP	Balaban	Robert	pres.	657,000	2,309,000
PFIZER INC	Steere, Jr.	William	chmn. & CEO	1,180,000	2,300,000
EQUITABLE COS INC	Melone	Joseph	CEO	682,777	2,280,250
SPRINT CORP	Esrey	William	chmn. & CEO	987,500	2,269,000
ITT CORPORATION	Araskog	Rand	chmn. & CEO	2,000,000	2,269,000

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COMPANY NAME	LAST NAME	FIRST NAME	TITLE	SALARY	BONUS
VIACOM INC -CL B	Dianna	Philippo	deputy chmn., ex. v-p, gen. cnsl.,	1,000,000	2,250,000
VIACOM INC -CL B	Dooley	Thomas	dep. chmn., ex. v-p-fin, sp. dev.	1,000,000	2,250,000
HFS INC	Silverman	Henry	chmn. & CEO	1,501,930	2,250,000
CHRIS-CRAFT INDS	Stegal	Herbert	chmn. & pres.	1,000,041	2,240,000
CHRIS-CRAFT INDS	Thompson	Evan	exec. v-p-pres. television div	1,000,041	2,225,100
ALEX BROWN INC	Brandaleone	Bruce	man. dir.-Alex Brown & Sons	200,000	2,218,988
TRW INC	Hellman	Peter	pres. & COO	546,833	2,208,075
MORGAN (J P) & CO	Vietmaltz	Kurt	vice-chmn.	425,000	2,208,500
MORGAN (J P) & CO	Mendoza	Roberto	vice-chmn.	425,000	2,200,500
RJR NABISCO HLDGS CORP	Goldstone	Steven	chmn. & CEO	800,000	2,200,000
NORWEST CORP	Kovacevich	Richard	pres. & CEO	900,000	2,200,000
SERVICE CORP INTERNATIONAL	Walrip	Robert	chmn. & CEO	844,000	2,170,500
OMNICOM GROUP	Crawford	Bruce	chmn. & CEO	985,000	2,130,000
MONSANTO CO	Shapiro	Robert	chmn. & CEO	800,000	2,120,000
UST INC	Gierler, Jr.	Vincent	chmn., pres. & CEO	815,000	2,108,533
PLY-GEM INDUSTRIES	Silverman	Jeffrey	chmn. & CEO	2,493,795	2,100,000
FLEET FINANCIAL GROUP INC	Murray	Torrence	chmn., pres. & CEO	992,200	2,100,000
RAYMOND JAMES FINANCIAL CORP	Godbold	Francis	pres.; exec. v-p-sub.	173,000	2,080,862
QUICK & REILLY GROUP INC	Quirk, Jr.	Leslie	chmn., CEO & CFO	673,000	2,080,000
FIRST UNION CORP (N C)	Crutchfield	Edward	chmn. & CEO	1,025,000	2,050,000
FREEMPT MCMOR COP&GLD -CL B	Latiolais	Rena	v-chmn.	70,000	2,045,000
CVS CORP	Conaway	Charles	exec vp & CFO; exec vp&CFO-s	307,500	2,037,000
COGNIZANT CORP	Waldeman	Robert	chmn. & CEO	846,833	2,012,500
WELLS FARGO & CO	Hazen	Paul	chmn. & CEO	850,000	2,000,000
UNION PACIFIC CORP	Lewis	Drew	chmn. & CEO	1,000,000	2,000,000
TRIARC COS INC -CL A	Peltz	Nelson	chmn. & CEO	1	2,000,000
HOME DEPOT INC	Marcus	Bernard	chmn., CEO & secy.	600,000	2,000,000
TIME WARNER INC	Parsons	Richard	pres.	800,000	2,000,000
CLEAR CHANNEL COMMUNICATIONS	Mays	L.	chmn. & CEO	601,553	2,000,000
CITICORP	Reed	John	chmn. & CEO	1,466,667	2,000,000
HOME DEPOT INC	Blank	Arthur	pres. & COO	600,000	2,000,000
ROCKWELL INTL CORP	Beall	Donald	chmn. & CEO	907,500	2,000,000
EQUITABLE COS INC	Benson	James	sr. exec. v-p & COO	583,046	2,000,000
ADVANCED MICRO DEVICES	Sanders III	Walter	chmn. & CEO	1,038,461	2,000,000
EASTMAN KODAK CO	Fisher	George	chmn., pres. & CEO	2,000,000	1,986,884
BANK OF NEW YORK CO INC	Chevalier	Samuel	vice-chmn.	597,500	1,983,750
AMERICAN EXPRESS	Golub	Harvey	chmn. & CEO	900,000	1,980,000

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COMPANY NAME	LAST NAME	FIRST NAME	TITLE	SALARY	BONUS
INTEL CORP	Barrett	Craig	exec. v-p & COO	325,000	1,971,800
FREEMPORT MCMORAN INC	Lallouls	Rene	pres. & CEO	630,000	1,855,000
TRAVELERS GROUP INC	Plumari II	Joseph	vice-chmn.	950,000	1,932,518
FRUIT OF THE LOOM INC -CLA	Fahey	William	chmn. & CEO	950,000	1,900,000
SEARS ROEBUCK & CO	Martinez	Arthur	chmn., pres. & CEO	1,100,000	1,880,900
FLEET FINANCIAL GROUP INC	Alford	Joel	chmn.	893,000	1,880,000
DUN & BRADSTREET CORP	Weissman	Robert	chmn. & CEO	720,833	1,887,500
GENERAL ELECTRIC CO	Fresco	Paolo	vice-chmn. & exec. officer	1,183,333	1,875,000
RAYTHEON CO	Picard	Dennis	chmn. & CEO	1,015,002	1,870,000
MBNA CORP	Cochran III	John	exec. v-p, vice-chmn & CMO-ba	888,000	1,865,000
MBNA CORP	Hammonds	Bruce	exec. v-p, vice-chmn & COO-ban	888,000	1,865,000
U S ROBOTICS CORP	McCarthey	John	pres. & COO	387,250	1,068,000
MORGAN (J P) & CO	Patterson	Michael	vice-chmn.	397,917	1,051,000
NATIONSBANK CORP	Lewis	Kenneth	pres.	760,000	1,050,000
ORACLE CORP	Ellison	Lawrence	chmn. & CEO	800,985	1,050,000
BANKBOSTON CORP	Gifford	Charles	CEO	800,000	1,000,000
CHRYSLER CORP	Denomme	Thomas	vice-chmn. & chief admin offr	831,253	1,900,000
KENT ELECTRONICS CORP	Abramson	Morie	chmn., pres. & CEO	380,250	1,707,288
AETNA INC	Compton	Ronald	chmn. & CEO	830,231	1,750,000
GENERAL DYNAMICS CORP	Mellor	James	chmn. & CEO	670,000	1,750,000
CHAMPION INTERNATIONAL CORP	Sigler	Andrew	chmn. & CEO	1,000,000	1,750,000
NATIONSBANK CORP	Hance, Jr.	James	vice-chmn. & CFO	750,000	1,750,000
K MART CORP	Hall	Floyd	chmn., pres. & CEO	1,000,000	1,740,500
DAYTON HUDSON CORP	Woodrow	Kenneth	pres.-Targel	579,600	1,723,072
BANK OF NEW YORK CO INC	Papageorge	Dano	sr. exec. v-p	536,923	1,702,500
LAUDER ESTEE COS INC -CLA	Lauder	Leonard	chmn. & CEO	1,600,000	1,700,700
GILLETTE CO	Zelen	Alfred	chmn. & CEO	1,275,000	1,700,000
BARNETT BANKS INC	Rice	Charles	chmn. & CEO	835,000	1,700,000
SUN MICROSYSTEMS INC	McNoaly	Scott	chmn., pres. & CEO	600,000	1,690,240
SPIRINT CORP	LeMay	Ronald	pres. & COO	700,002	1,684,142
CDI CORP	Garrison	Walker	chmn., pres. & CEO	65,000	1,681,320
COLGATE-PALMOLIVE CO	Murk	Roubon	chmn. & CEO	1,021,000	1,650,302
TOSCO CORP	Allen	Jefferson	exec. v-p & CFO	400,000	1,628,865
TOSCO CORP	Lavhala	Robert	exec. v-p	400,000	1,628,865
TOSCO CORP	Wiggins	Dwight	exec. v-p	400,000	1,628,865
ENRON CORP	Lay	Kenneth	chmn. & CEO	890,000	1,620,884
AON CORP	Ryan	Patrick	chmn., pres. & CEO	957,892	1,620,000

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COMPANY NAME	LAST NAME	FIRST NAME	TITLE	SALARY	BONUS
ALEX BROWN INC	Schwelzer, Jr.	Thomas	man. dir.-Alex Brown & Sons	200,000	1,613,876
TEXTRON INC	Hardymon	James	chmn. & CEO	1,050,000	1,013,019
OMNICOM GROUP	Moyer	Fred	CFO	926,000	1,610,000
UCAR INTERNATIONAL INC	Kress	Robel	chmn., pres. & CEO	525,000	1,606,250
CONAGRA INC	Fletcher	Phillip	chmn. & CEO	900,386	1,608,600
LOCKHEED MARTIN CORP	Augustine	Norman	chmn. & CEO	1,137,600	1,600,000
GENERAL MOTORS CORP	Smith, Jr	John	chmn., pres. & CEO	1,750,000	1,600,000
BANKBOSTON CORP	Meitelles	Henrique	pres. & COO	330,122	1,600,000
QUICK & REILLY GROUP INC	Quick	Thomas	pres. & COO	373,000	1,600,000
MAPCO INC	Barnes	James	chmn., pres. & CEO	705,000	1,590,000
MORGAN (J P) & CO	Mayer, Jr.	John	CFO	327,500	1,576,000
QUICK & REILLY GROUP INC	Quick	Chirlan	v-p; pres-JJC Spec. Corp	373,000	1,575,000
PHILIP MORRIS COS INC	Bibio	Geoffrey	chmn. & CEO	1,250,000	1,502,500
VARIAN ASSOCIATES INC	O'Rourke	J.	chmn. & CEO	700,290	1,656,897
MICRON TECHNOLOGY INC	Appleton	Steven	chmn., pres. & CEO	525,769	1,553,179
GTE CORP	Leo	Charles	chmn. & CEO	975,000	1,553,109
VF CORP	McDonald	Mackey	pres. & CEO	700,000	1,530,800
MICRON TECHNOLOGY INC	Lowrey	Tyler	v-chmn. & COO	525,700	1,631,263
HOUSEHOLD INTERNATIONAL INC	Aldinger	William	chmn. & CEO	700,002	1,525,000
TYCO INTERNATIONAL LTD	Muella	Richard	v-p; pres.-Knutall Co.	450,077	1,521,546
DU PONT (E I) DE NEMOURS	Krool	John	pres. & CEO	900,000	1,500,000
AMERICAN GENERAL CORP	Hook	Harold	chmn.	980,000	1,500,000
CALENERGY INC	Sokol	David	chmn. & CEO	500,000	1,500,000
MUNA CORP	Kaufman	M.	exec.v-p & CFO,v-chmn/CFO-bk	750,500	1,500,000
LAUDER ESTEE COS INC -CI A	Langhammer	Frod	pres. & COO	1,600,000	1,500,000
PRICE (T. ROWE) ASSOCIATES	Roche	George	CFO & managing director	275,000	1,500,000
PRICE (T. ROWE) ASSOCIATES	Riepo	James	managing director	275,000	1,500,000
PRICE (T. ROWE) ASSOCIATES	Tosta	M.	managing director	275,000	1,500,000
ENRON CORP	Collins	George	pres., CEO & man. dir.	325,000	1,500,000
INTERRA FINANCIAL INC	Kinder	Richard	pres. & COO	800,000	1,500,000
QUICK & REILLY GROUP INC	Weiser	Irving	chmn., pres. & CEO;chmn.-DBI&	250,000	1,500,000
COMPUSA INC	Mercutio	Pascal	v-p;chmn.,CEO-US Clearing Cp	373,000	1,500,000
SEITEL INC	Hulpin	James	pres. & CEO	653,079	1,408,003
FRANKLIN RESOURCES INC	Peotman	Herbert	chmn.	124,018	1,480,198
RAYMOND JAMES FINANCIAL CORP	Flanagan	Marlin	sr. v-p & CFO	716,025	1,480,000
SEITEL INC	James	Thomas	chmn. & CEO	212,500	1,460,242
	Friano	Paul	pres. & CEO	141,890	1,457,603

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COMPANY NAME	LAST NAME	FIRST NAME	TITLE	SALARY	BONUS
SEITEL INC	Calvert	Horace	exec. v-p & COO	141,890	1,467,603
U S ROBOTICS CORP	Zakin	Jonathan	exec. v-p	343,000	1,455,000
U S ROBOTICS CORP	Manfro	Ross	sr. v-p & gen. mgr.-nat. sys.	343,000	1,455,000
DAYTON HUDSON CORP	Steinhafel	Gregg	exec. v-p-merchandising-Target	528,712	1,431,026
DANK OF NEW YORK CO INC	Griffith	Alan	vice-chmn.	417,692	1,428,760
TYCO INTERNATIONAL LTD	Mead	Robert	v-p & pres.-lyco flow control	393,750	1,427,042
BLACK & DECKER CORP	Archibald	Nolan	chmn., pres. & CEO	900,000	1,422,000
FIRST UNION CORP (N C)	Georgius	John	vice-chmn.	710,000	1,420,000
SMITHFIELD FOODS INC	Luter III	Joseph	chmn. & CEO	420,000	1,400,070
QUICK & REILLY GROUP INC	Quirk III	Lealle	v-p; pres.-US Clouting corp.	373,000	1,400,000
PPG INDUSTRIES INC	Dunnsny	Jury	chmn. & CEO	601,633	1,400,000
HEINZ (H J) CO	O'Reilly	Anthony	chmn. & CEO	777,041	1,309,678
SCHWAB (CHARLES) CORP	Sulp	Tom	exec. v-p	400,333	1,395,572
ORACLE CORP	Laine	Raymond	pres. & COO	883,334	1,395,000
BRUNSWICK CORP	Linson	Peter	chmn. & CEO	800,000	1,387,093
ANHEUSER-BUSCH COS INC	Busch III	August	chmn., pres. & CEO	1,055,000	1,302,000
BELLSOUTH CORP	Clendenin	John	chmn., pres. & CEO	520,400	1,367,500
WENDY'S INTERNATIONAL INC	Teter	Gordon	chmn., CEO & Pres	880,854	1,364,545
SUNAMERICA INC	Whitrob	Jay	vice-chmn.	375,000	1,360,620
SUNAMERICA INC	Tumbler	Joseph	vice-chmn.	375,000	1,360,520
DATA GENERAL CORP	Skatea	Ronald	pres. & CEO	630,000	1,360,000
TIMES MIRROR COMPANY -SER A	Willos	Mark	chmn., pres. & CEO	798,070	1,350,000
UNITED TECHNOLOGIES CORP	David	George	pres. & CEO	1,025,000	1,350,000
GAP INC	Drexler	Millard	pres. & CEO	1,700,385	1,350,000
NABORS INDUSTRIES	Isanberg	Eugene	chmn. & CEO	325,000	1,350,000
TUPPERWARE CORP	Goitgs	E.	pres. & COO	451,923	1,331,760
COMPUWARE CORP	Karmanos Jr.	Peter	chmn. & CEO	500,000	1,330,000
REPUBLIC NEW YORK CORP	Wainer	Walter	chmn. & CEO	220,760	1,328,937
PROGRESSIVE CORP-OHIO	Lowls	Polar	chmn., pres. & CEO	880,000	1,320,840
IKW INC	Hannemann	T.	exec. v-p & gen. mgr-space	337,500	1,310,400
FREERT MCMOR COP&GLD -CL B	Goodyear	Charles	sr. v-p	150,000	1,311,000
REPUBLIC NEW YORK CORP	Schlein	Dav	v-chmn.; pres.-Republic bank	200,000	1,310,000
DELL COMPUTER CORP	Dell	Michael	chmn. & CEO	688,461	1,304,910
SAIRA LEE CORP	Bryan	John	chmn. & CEO	928,200	1,303,378
U S BANCORP/DE	Grundhofer	John	chmn., pres. & CEO	620,000	1,302,000
MERCK & CO	Gilmarlin	Raymond	chmn., pres. & CEO	1,000,000	1,300,000
WARNER-LAMBERT CO	Goodes	Melvin	chmn. & CEO	892,750	1,300,000

1996 COMPENSATION DATA

COMPANY NAME	LAST NAME	FIRST NAME	TITLE	SALARY	BONUS
WARNACO GROUP INC -CL A	Wachner	Linda	chmn., pres. & CEO	2,549,918	1,300,000
TJX COMPANIES INC	Caimarata	Bernard	pres. & CEO	1,200,000	1,300,000
PEPSICO INC	Enrico	Roger	chmn. & CEO	880,500	1,300,000
PEPSICO INC	Calloway	D.	chmn. & CEO	825,000	1,300,000
CASE CORP	Rosso	Jean-Pierre	chmn., pres. & CEO	700,000	1,213,333
INTEL CORP	Gill	Frank	exec. v-p. gen mgr-comm grp	265,000	1,275,500
APPLE COMPUTER INC	Anderson, Jr.	Fred	exec. v-p & CFO	252,126	1,275,000
EL PASO NATURAL GAS CO	Wise	William	chmn., pres. & CEO	0	1,275,000
LYONDELL PETROCHEMICAL	Gower	Don	chmn. & CEO	714,000	1,270,142
CHUOB CORP	O'Hare	Dean	chmn. & CEO	837,732	1,268,287
XEROX CORP	Romeril	Barry	exec. v-p	436,841	1,268,118
SUPERIOR INDUSTRIES INTL	Borick	Louis	chmn. & pres.	894,194	1,265,000
TENET HEALTHCARE CORP	Burjakow	Jeffrey	chmn. & CEO	882,250	1,262,847
XEROX CORP	Buehler	William	exec. v-p	413,333	1,257,187
DEERE & CO	Bechter	Hans	chmn. & CEO	884,891	1,255,001
FIRST UNION CORP (N C)	Hodnett	Byron	CEO-FUNB-FL	428,000	1,255,000
MIRAGE RESORTS INC	Wynn	Stephen	chmn., pres. & CEO	2,502,507	1,250,000
BANC ONE CORP	McCoy	John	chmn. & CEO	885,000	1,250,000
AT&T CORP	Allen	Robert	chmn. & CEO	1,186,333	1,250,000
GREEN TREE FINANCIAL CORP	Potts	Robert	pres. & COO	383,018	1,250,000
EXXON CORP	Raymond	Leo	chmn. & CEO	1,550,000	1,250,000
TRW INC	Kulcely	Il.	exec. v-p, human res. & comm.	343,750	1,242,500
TRW INC	Coyle	Martin	exec. v-p, gen. couns. & secy.	345,000	1,242,500
FLEETWOOD ENTERPRISES	Crean	John	chmn. & CEO	111,000	1,241,188
SERVICE CORP INTERNATIONAL	Heiligbrodt	L.	pres. & COO	586,000	1,238,400
AMERICAN HOME PRODUCTS CORP	Stafford	John	chmn., pres. & CEO	1,230,000	1,230,000
FEDERAL NATL MORTGAGE ASSN	Johnson	James	chmn. & CEO	840,000	1,228,789
LOCKHEED MARTIN CORP	Lanza	Frank	exec. v-p	710,850	1,229,673
PITNEY BOWES INC	Harvey	George	chmn.	878,800	1,225,000
AMERICAN BANKNOTE CORP	Weissman	Morris	chmn. & CEO	750,000	1,217,000
LATTICE SEMICONDUCTOR CORP	Tsul	Cyrus	pres. & CEO	482,876	1,215,092
LIZ CLAIBORNE INC	Charron	Paul	chmn. & CEO	894,200	1,208,000
INTEL CORP	Paiker	Garhard	exec. v-p. gen mgr-tech grp	250,000	1,207,400
BELL ATLANTIC CORP	Smith	Raymond	chmn. & CEO	905,400	1,200,000
WELLS FARGO & CO	Zuendl	William	pres.	600,000	1,200,000
USX-U S STEEL GROUP	Usher	Thomas	chmn. & CEO-USX Corp.	833,333	1,200,000
USX-MARATHON GROUP	Usher	Thomas	chmn. & CEO-USX Corp.	833,333	1,200,000

1996 COMPENSATION DATA

COMPANY NAME	LAST NAME	FIRST NAME	TITLE	SALARY	BONUS
INTERPUBLIC GROUP OF COS	Geler, Jr.	Philip	chmn. & CEO	965,000	1,200,000
HARCOURT GENERAL INC	Tam, Jr.	Robert	pres. & CEO	1,600,000	1,200,000
WORLD COLOR PRESS INC	Burton	Robert	chmn., pres. & CEO	640,000	1,200,000
COCA-COLA CO	Ivester	M.	pres. & COO	726,000	1,200,000
REPUBLIC NEW YORK CORP	Saal	Elias	v-chmn.; v-chmn.-Republic Ban	200,000	1,200,000
CYPRUS AMAX MINERALS CO	Ward	Milton	chmn., pres. & CEO	700,000	1,200,000
CHRYSLER CORP	Velado	Gary	exec. v-p & CFO	512,500	1,200,000
PRICE (T. ROWE) ASSOCIATES	Kennedy	James	managing director	250,000	1,200,000
PRAXAIR INC	Lichtenhan	H.	chmn. & CEO	800,300	1,200,000
CHEVRON CORP	Darr	Kenneth	chmn. & CEO	1,154,000	1,200,000
EQUITABLE COS INC	McCaffrey	William	exec. v-p & chf. admin. offr.	428,813	1,200,000
NORTHROP GRUMMAN CORP	Kresa	Kent	chmn., pres. & CEO	835,000	1,200,000
NATIONSBANK CORP	Vandiver, Jr.	F.	pres.-global finance	476,000	1,200,000
NATIONSBANK CORP	Figge II	Fredric	chmn.-corporate risk policy	829,000	1,200,000
EQUITABLE COS INC	de St. Paer	Jerry	sr. exec. v-p & CFO	391,255	1,103,000
EDWARDS (A G) INC	Edwards III	Benjamin	chmn., pres. & CEO	401,830	1,100,021
SCHERING-PLOUGH	Luciano	Robert	chmn.	1,178,400	1,170,500
SPRINT CORP	Forsee	Gary	pres.-long distance div.	412,748	1,177,808
SEAGRAM CO LTD	Bronfman, Jr.	Edgar	pres. & CEO	416,675	1,175,000
STATE STREET CORP	Lopardo	Nicholas	exec. v-p	487,000	1,171,313
U S ROBOTICS CORP	Saedman	Michael	v-p & gen. mgr.-personal comm.	280,000	1,184,000
BRISTOL MYERS SQUIBB	Hornbield, Jr.	Charles	chmn., pres. & CEO	1,181,000	1,161,000
CAMPBELL SOUP CO	Johnson	David	chmn., pres. & CEO	987,500	1,100,000
AVNET INC	MacIz	Leon	chmn. & CEO	1,000,000	1,100,000
LIMITED INC	Trust	Martin	pres. & CEO-Mast Industries	703,040	1,155,700
ARMSTRONG WORLD INDS INC	Lorch	George	chmn. & CEO	622,500	1,154,738
LILLY (ELI) & CO	Tobias	Randall	chmn. & CEO	1,100,000	1,152,111
NORTHERN TELECOM LTD	Montly	Juan	v-chmn. & CEO	707,500	1,151,150
CATERPILLAR INC	Filos	Donald	chmn. & CEO	1,150,000	1,160,000
MARK IV INDUSTRIES INC	Alfiero	Sail	chmn. & CEO	750,000	1,150,000
GENERAL ELECTRIC CO	Ople	John	vice-chmn. & exec. offcor	875,000	1,150,000
PNC BANK CORP	O'Brien	Thomas	chmn. & CEO	950,000	1,150,000
OMNICOM GROUP	Wron	John	pres.	825,000	1,150,000
TOLL BROTHERS INC	Toil	Robert	chmn. & CEO	829,432	1,148,038
TOLL BROTHERS INC	Toil	Bruce	pres., COO & sacy.	829,432	1,148,038
TOSCO CORP	McClave	Wilkes	sr. v-p & gen. couns.	340,000	1,139,966
AFLAC INC	Amos	Purd	chmn.	1,150,841	1,135,785

1996 COMPENSATION DATA

COMPANY NAME	LAST NAME	FIRST NAME	TITLE	SALARY	BONUS
OAKWOOD HOMES	St. George	Nicholas	pres. & CEO		1,133,787
XEROX CORP	Rand	Addison	exec. v-p	450,000	
HALLIBURTON CO	Chonoy	Richard	chmn., pres. & CEO	430,033	1,128,119
INTERSTATE BAKERIES CP	Sullivan	Charles	chmn. & CEO	1,000,000	1,125,000
DEAN WITTER DISCOVER & CO	Schnelder	Thomas	exec v-p & CFO	615,385	1,120,000
SCHWAB (CHARLES) CORP	McCarthy	Timothy	exec. v-p	335,000	1,115,000
ANADARKO PETROLEUM CORP	Allison, Jr.	Robert	chmn., pres. & CEO	343,761	1,111,405
KING WORLD PRODUCTIONS INC	Palley	Stephen	exec. v-p & COO	925,000	1,110,000
PHILLIPS PETROLEUM CO	Allen	W.	chmn. & CEO	500,000	1,108,000
DISNEY (WALT) COMPANY	Litvack	Sanford	sr. exec. v-p & chlet-corp ops	850,000	1,105,000
LEGG MASON INC	Brinkley	James	sr. exec. v-p	650,000	1,100,000
USF&G CORP	Blake Jr.	Norman	pres. & CEO	210,000	1,100,000
U S WEST - CONSOLIDATED	McCormick	Richard	chmn., pres. & CEO	858,815	1,100,000
LEGG MASON INC	Himefarb	Richard	sr. exec. v-p	780,000	1,100,000
SCHLUMBERGER LTD	Baird	D.	chmn. & CEO	1,100,000	1,100,000
BANKAMERICA CORP	Peterson	T.	vice-chmn.	600,000	1,100,000
EQUITABLE CO'S INC	Tulin	Stanley	exec. v-p	225,547	1,100,000
CHAMPION INTERNATIONAL CORP	Holst	L.	pres. & COO	825,000	1,100,000
EMERSON ELECTRIC CO	Knigt	Charles	chmn., pres. & CEO	800,000	1,100,000
FLEETWOOD ENTERPRISES	Kunnier	Glen	pres. & COO	88,000	1,080,040
DAYTON HUDSON CORP	Pellegrino	John	exec. v-p-marketing-Target	474,141	1,080,012
NIKE INC -CL B	Knigt	Philip	chmn. & CEO	1,032,500	1,084,125
MELLON BANK CORP	Cahouel	Frank	chmn., pres. & CEO	928,887	1,080,000
AVERY DENNISON CORP	Miller	Charine	chmn. & CEO	708,667	1,080,000
COMERICA INC	Miller	Eugene	chmn. & CEO	675,000	1,080,000
SCHERING-PLOUGH	Kogan	Richard	pres. & CEO	800,000	1,080,000
OXFORD HEALTH PLANS INC	Wiggins	Stephen	chmn. & CEO	600,000	1,075,457
PROVIDENT COS INC	Chandler	J.	chmn., pres. & CEO	880,538	1,076,157
DAYTON HUDSON CORP	Gilpin	Larry	exec. v-p-relations-Target	465,400	1,075,000
UNION PACIFIC CORP	Davidson	Richard	pres. & COO; chmn. & CEO-UP	700,000	1,075,000
RALSTON PURINA CO	Stritz	William	chmn., pres. & CEO	1,000,000	1,070,100
INTEL CORP	Vadasz	Leslie	sr. v-p-corp bus devlp.	245,000	1,064,000
COMPWARE CORP	Nathan	Joseph	pres. & COO	400,000	1,063,400
NYNEX CORP	Seldenberg	Ivan	chmn. & CEO	895,000	1,060,004
LEXMARK INTL GRP INC -CL A	Mann	Marvin	chmn. & CEO	670,833	1,057,808
PIONEER HI-BRED INTERNATIONAL	Johnson	Charles	pres. & CEO	630,000	1,056,100
PROVIDIAN FINANCIAL CORP	Balley II	Irving	chmn. & CEO	837,010	

1996 COMPENSATION DATA

COMPANY NAME	LAST NAME	FIRST NAME	TITLE	SALARY	BONUS
ABBOTT LABORATORIES	Burnham	Duane	chmn. & CEO	846,923	1,035,000
PEPSICO INC	Reinmund	Sloven	chmn. & CEO-Frilo-Lay Co.	715,709	1,053,005
MCKESSON CORP	Seelenfreund	Alan	chmn. & CEO	655,000	1,050,000
UNION CARBIDE CORP	Joyce	William	chmn., pres. & CEO	737,500	1,050,000
INGERSOLL-RAND CO	Perella	James	chmn., pres. & CEO	738,333	1,050,000
HOUSTON INDUSTRIES INC	Jordan	Don	chmn. & CEO	962,292	1,050,000
GENERAL ELECTRIC CO	Dammerman	Dennis	sr. v-p-finance	850,000	1,050,000
FREMONT GENERAL CORP	McIntyre	James	chmn. & CEO	710,800	1,050,000
BANKAMERICA CORP	O'Neill	Michael	vice-chmn.	441,666	1,050,000
FORD MOTOR CO	Hagenlocker	Edward	vice-chmn.	750,333	1,050,000
BANKAMERICA CORP	Murray	M.	vice-chmn.	508,200	1,050,000
FIRST UNION CORP (N C)	Terraciano	Anthony	pres.	1,000,000	1,050,000
NORWEST CORP	Billar	Leslie	exec. v-p	405,000	1,040,250
REPUBLIC NEW YORK CORP	Dwek	Cyril	v-chmn., v-chmn.-Republic Bank	250,000	1,046,000
PIPER JAFFRAY COS INC	Piper	Addison	chmn. & CEO	235,000	1,045,000
AFLAC INC	Amos	Daniel	pres. & CEO	1,050,903	1,044,218
CNF TRANSPORTATION INC	Moffitt	Donald	chmn., pres. & CEO	870,020	1,041,804
RJR NABISCO HLDGS CORP	Hierper	Charles	chmn.	208,333	1,041,607
GTE CORP	Fosler	Kent	pres.	784,000	1,041,300
LOUISIANA-PACIFIC CORP	Swynn	Mark	chmn. & CEO	800,000	1,040,000
CARNIVAL CORP	Atison	M.	chmn. & CEO	178,000	1,035,000
NORWEST CORP	Murray	Kenneth	exec. v-p	451,667	1,036,000
DYNATECH CORP	Roto	John	chmn., pres. & CEO	458,260	1,032,185
DELL COMPUTER CORP	Topler	Morton	vice-chmn.	544,278	1,031,822
XEROX CORP	Dugan	Allan	sr. v-p	340,167	1,029,540
TECH DATA CORP	Raymund	Sloven	chmn. & CEO	500,000	1,025,000
FREEMONT MCMURAN INC	Moffell	James	chmn.	180,550	1,025,000
EATON CORP	Hardis	Stephen	chmn. & CEO	721,880	1,023,925
TUPPERWARE CORP	Batta	Warren	chmn. & CEO	359,300	1,020,600
DU PONT (E I) DE NEMOURS	Dunham	Archie	exec. v-p	600,000	1,020,000
GAP INC	Wilson	John	exec. v-p	188,000	1,008,750
AMERITECH CORP	Notabaert	Richard	chmn., pres. & CEO	950,000	1,006,200
GREAT ATLANTIC & PAC TEA CO	Wood	James	chmn. & CEO	1,160,500	1,005,910
PIPER JAFFRAY COS INC	Huber	Druca	man. dir.; dir.-equity cap mkt	180,500	1,005,000
RAYMOND JAMES FINANCIAL CORP	Franke	Thomas	pres. & COO-sub.	109,250	1,004,524
JOHNSON & JOHNSON	Larsen	Ralph	chmn. & CEO	1,070,000	1,001,000
NORWEST CORP	Saktad	Daniel	exec. v-p	431,667	1,001,250

1996 COMPENSATION DATA

COMPANY NAME	LAST NAME	FIRST NAME	TITLE	SALARY	BONUS
RAYMOND JAMES FINANCIAL CORP	Greene	M.	pres.-sub.	208,500	1,000,402
VALASSIS COMMUNICATIONS INC	Brandon	David	pres. & CEO	1,000,012	1,000,012
CALLAWAY GOLF CO	Dye	Donald	pres. & CEO	845,090	1,000,000
MATTEL INC	Stain	Bruce	pres.-Matell Worldwide	231,318	1,000,000
LEGG MASON INC	Cashman, Jr.	Edmund	sr. exec. v-p	200,000	1,000,000
LEGG MASON INC	Cutley, Jr.	John	vice-chmn. & chief admn offr	210,000	1,000,000
LEGG MASON INC	Taber III	Edward	sr. exec. v-p	210,000	1,000,000
WORLDCOM INC/GA -CL A	Crowe	James	CEO-MFS Communications	488,823	1,000,000
WITCO CORP	Cook	E.	chmn., pres. & CEO	441,070	1,000,000
CVS CORP	Goldstein	Stanley	chmn. & CEO	1,050,000	1,000,000
WESTINGHOUSE ELECTRIC CORP	Jordan	Michael	chmn. & CEO	1,000,000	1,000,000
WESTINGHOUSE ELECTRIC CORP	Lund	Peter	pres. & CEO-CBS Inc.	1,694,231	1,000,000
VISHAY INSTRTECHNOLOGY	Zandman	Felix	chmn., pres. & CEO	860,000	1,000,000
TYCO INTERNATIONAL LTD	Kozlowski	L.	chmn. & CEO	1,000,000	1,000,000
TRIARC COS INC -CL A	May	Peter	pres. & COO	1	1,000,000
TIME WARNER INC	Turner	R.	v-chmn	236,240	1,000,000
TIME WARNER INC	Hajla	Peter	exec. v-p & gen. couns.	825,000	1,000,000
SHAW INDUSTRIES INC	Shaw	Robert	chmn. & CEO	1,000,000	1,000,000
CHRYSLER CORP	Pawley	Dennis	exec. v-p-manufacturing	460,003	1,000,000
BANKAMERICA CORP	Stein	Marlin	vice-chmn.	554,167	1,000,000
AMRESO INC	Lutz, Jr.	Robert	chmn. & CEO	850,010	1,000,000
FIRST CHICAGO NBD CORP	Istock	Vernon	pres. & CEO	774,410	1,000,000
ELECTRONIC DATA SYSTEMS CORP	Alberthal Jr.	Loftar	chmn. & CEO	733,333	1,000,000
NATIONAL SEMICONDUCTOR CORP	Holla	Brian	chmn., pres. & CEO	632,500	1,000,000
AETNA INC	Huher	Richard	v-chmn.-strategy & financu	532,005	1,000,000

S&P Electrics/\$1.5-3.0 Comparitor Group
 CEO Compensation as reported in the 1997 Proxies
 Sort: Alpha

	Company Name	1st Highest Paid	Base \$	Annual Bonus \$	Other Annual Comp \$	TAC \$	Options/SAR Grants	Restricted Stock Awards \$	LTIIP Payouts \$	TDC \$	1998 Electric Customers	TAC PER CUSTOMER	TDC PER CUSTOMER	
1	Allegheny Power System	Alan J. Noia	360,000	253,750	0	613,750	0	0	131,071	744,821	1,348,217	0.452	0.548	
2	American Electric Power Company	E. Lynn Draper, Jr.	720,000	201,664	0	1,001,664	0	0	676,003	1,677,567	2,912,183	0.344	0.578	
3	Baltimore Gas & Electric	Christian H. Pondexter	567,300	212,500	0	779,800	0	0	181,500	661,300	1,980,970	0.715	0.881	
4	Boston Edison	Thomas J. May	463,825	324,750	0	788,375	0	0	0	780,375	600,095	1.183	1.193	
5	Carolina Power & Light	Shelwood H. Smith	862,000	400,000	61,817	1,113,817	0	30,578	0	1,144,395	1,077,039	1.034	1.063	
6	Centelco Energy Corp.	Rubert J. Failing	360,048	0	0	300,048	40,000	170,000	265,825	0	801,673	1,040,000	0.346	0.771
7	Central & South West	E. R. Brooks	657,692	374,354	22,287	1,054,313	0	417,688	0	1,472,001	1,656,605	0.636	0.888	
8	CINergy Corp.	James E. Rogas	825,020	607,518	3,697	1,236,235	0	0	492,847	1,729,082	1,356,643	0.912	1.275	
9	CMB Energy Corp.	William T. McCormick, Jr.	780,000	700,000	0	1,480,000	50,000	510,417	0	439,281	2,420,708	0.964	1.583	
10	Columbia Gas	O. G. Richard III	778,125	710,000	0	1,488,125	160,000	3,396,287	0	0	NA	0.300	0.388	
11	Consolidated Edison of NY, Inc.	Eugene R. McGrath	721,607	422,663	17,513	1,181,843	70,000	2,216,384	0	7,099,776	2,004,447	0.318	0.361	
12	Detroit Edison	John E. Lobbia	636,539	0	0	636,539	0	0	86,569	723,108	2,001,510	0.624	0.706	
13	Dominion Resources, Inc	Thos. E. Capps	600,075	345,538	0	1,013,613	0	286,075	122,348	1,422,936	1,933,000	2.021	4.103	
14	DPL Inc.	Peter H. Fortier	597,000	358,000	0	955,000	0	984,000	0	1,039,000	472,525	0.702	1.900	
15	DOE	D.D. Marshall	289,486	101,367	80,204	459,137	56,250	552,659	0	1,153,046	679,527	0.647	0.651	
16	Duke Power	W. H. Grigg	695,000	218,926	68,760	970,685	0	0	188,123	1,158,808	1,774,360	0.547	0.818	
17	Edison Int'l (formerly SCE Corp)	John E. Blyson	760,000	787,500	104,078	1,641,628	162,800	1,705,144	0	3,406,672	4,165,541	0.394	0.818	
18	Enova (formerly San Diego Gas & Elct. A. Page	D. W. Biegler	550,010	429,000	14,076	993,085	107,660	802,984	0	315,695	2,111,655	1,144,307	0.860	1.845
19	ENSERCH	D. W. Biegler	600,000	330,000	3,600	933,600	60,000	252,083	1,009,208	2,751,601	NA	0.649	0.649	
20	Energy	Edwin Luperberger	735,577	448,794	123,601	1,307,972	10,000	97,917	0	1,405,889	2,385,507	0.820	0.818	
21	Florida Progress Corp.	Jack B. Critchfield	672,581	498,000	0	1,170,581	0	0	505,262	1,675,833	1,271,704	0.920	1.318	
22	FPL Group, Inc.	James L. Broadhead	860,000	681,000	11,300	1,552,300	0	0	980,206	2,642,605	3,422,192	0.454	0.743	
23	General Public Utilities Corp.	James H. Leva	585,000	445,000	2,510	1,032,510	0	0	81,970	1,114,488	197,000	5.241	5.657	
24	Houston Energy	Don D. Jordan	962,292	1,050,000	13,300	2,025,592	27,886	227,378	0	767,440	3,020,410	1,504,029	1.346	2.007
25	Illnova	Larry D. Haab	493,709	69,267	16,973	678,949	22,204	219,167	80,287	0	868,393	551,812	1.049	1.670
26	Long Island Lighting Company	William J. Calacalinos	880,413	153,203	0	733,616	0	0	1,884,000	3,079,000	1,023,300	0.717	0.717	
27	MCN Corp	A. R. Glancy III	515,000	620,000	0	1,095,000	0	0	0	1,294,877	1,700,108	0.647	0.927	
28	New England Electric System	John W. Howe	637,600	287,866	0,023	834,589	0	370,288	0	757,397	804,066	0.936	0.936	
29	New York State E&G	Wesley W. von Schack	516,798	216,098	0	752,397	0	360,000	0	1,062,351	1,640,746	0.300	0.660	
30	Niagara Mohawk Power Corporation	W. E. Davis	462,351	0	0	462,351	90,000	240,000	0	141,895	1,201,778	NA	0.300	
31	NICOR, Inc.	I. L. Fisher	476,348	266,760	2,870	745,716	34,000	370,167	0	567,188	1,321,040	403,693	1.730	3.760
32	NIPSCO	Gary L. Neale	460,000	230,024	6,161	701,785	20,000	252,087	0	197,685	2,145,395	NA	0.051	
33	Norram Energy	T. Milton Hones, Jr.	194,577	725,000	12,568	932,145	80,000	413,311	607,233	1,429,928	4,387,054	0.154	0.326	
34	Northern States Power	James J. Howard	822,000	401,000	7,810	1,030,810	16,204	259,170	0	1,760,770	1,211,740	0.991	0.847	
35	Ohio Edison	W. R. Holland	516,658	213,197	630	730,485	0	0	52,009	797,544	936,196	0.716	0.864	
36	Oklahoma Gas & Electric Company	S. E. Mrohn	347,708	146,972	0	494,780	0	101,201	0	545,071	870,950	0.154	0.326	
37	Pacific Enterprises	Wilts B. Wood, Jr.	641,000	635,000	16,665	1,276,000	66,200	406,800	0	1,772,600	NA	0.154	0.326	
38	Pacific Gas and Electric	Stanley T. Skinner	660,000	0	0	660,000	80,000	763,333	0	1,575,159	1,356,970	0.793	1.161	
39	PacifiCorp	Fredrick W. Duckman	690,000	486,750	0	1,076,750	0	408,410	0	1,284,719	1,467,305	0.554	0.076	
40	PECO Energy	Joseph F. Parquell, Jr.	285,480	375,376	0	880,376	60,000	470,833	0	850,639	663,207	1.949	1.447	
41	Pinnacle West	Richard Snaff	516,000	263,340	115,481	976,201	4,260	44,840	26,724	0	979,201	875,540	1.450	1.450
42	Potomac Electric Power Company	Edward F. Mitchell	600,000	263,340	0	863,340	0	0	0	1,172,852	1,680,612	0.400	0.624	
43	Public Service Enterprise Group	E. James Feiland	712,261	225,411	0	937,672	6,500	66,898	168,084	1,172,852	1,680,612	0.400	0.624	
44	Public Service of Colorado	Delwin D. Hoek	450,020	268,920	0	706,840	30,220	353,478	192,658	1,143,324	1,092,048	0.847	1.047	

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S&P Electrics/\$1.5-3.0 Comparitor Group

CEO Compensation as reported in the 1997 Proxies
Sot - Alpha

	Company Name	1st Highest Paid	Base \$	Annual Bonus \$	Other Annual Comp \$	TAC \$	Options/SAL Grants	Restricted Stock Awards \$	LTP Payout \$	TDC \$	1998 Electric Customers	TAC PER CUSTOMER	TDC PER CUSTOMER
46	SCANA	L. M. Giesselle	483,952	274,320	91,998	809,270	0	0	285,400	1,094,878	480,568	1.684	2,278
47	Sonal, Inc.	Ronald L. Kuehn, Jr.	735,500	900,000	2,154,978	3,691,478	82,500	1,430,000	0	5,870,278	NA	0.284	0.802
48	Southern Company	A. W. Dahlberg	782,408	118,534	6,833	907,776	154,610	1,185,343	770,218	2,883,335	3,572,000	2.032	3.024
49	TECO Energy	Timothy L. Guzzie	526,250	480,000	0	1,008,250	0	0	0	1,497,400	465,190	0.319	0.430
50	Texas Utilities Company	J. S. Farlington	752,813	157,782	0	910,595	0	0	0	1,228,188	2,951,800	0.406	0.665
51	Unicom	James J. O'Connor	844,928	528,078	0	1,373,005	65,000	552,500	324,956	2,250,481	3,381,809	0.538	0.781
52	Unicom Electric	Richard C. Green, Jr.	441,000	165,000	0	606,000	17,700	253,700	0	859,780	1,130,209	1.837	7.937
53	UniaCorp United	C. W. Mueller	618,057	0	15,423	633,480	141,400	1,307,950	0	3,080,628	344,886	0.921	1.278
54	Valero Energy	William E. Gieshey	497,337	870,739	0	1,368,076	5,000	42,188	325,000	2,737,439	NA	0.815	1.432
55	Williams Companies	Keith E. Bailey	875,000	275,000	0	1,150,000	75,001	835,428	0	2,400,284	NA	0.465	0.722
56	Wisconsin Energy Corp.	Richard A. Abdo	584,622	308,472	0	893,094	38,000	338,593	0	1,215,018	950,780	1.017	1.467
	AVERAGE			354,864	53,021	1,004,597	32,748	320,303	198,119	1,738,784	1,287,494	0.635	0.806
	26th Percentile		506,159	214,648		739,868				1,078,616	487,983		48.0%
	50th Percentile		697,000	308,472		937,072				1,405,888	1,080,970		48.0%
	76th Percentile		885,000	483,376		1,104,408				2,128,528	1,568,076		48.0%
	Western Resources (with KCPL) Percentile Ranking	John E. Hayes, Jr.	485,000	154,870	26,036	664,006	25,000	242,750	25,177	822,833	1,030,873	0.635	0.806
			17.0%	20.0%		18.0%				18.0%	46.0%	40.0%	48.0%

Number of Electric Customers from "Electric World, Directory of Electric Power Producers" 1997 Edition

REGIONAL UTILITIES

CEO Compensation as reported in the 1997 Proxies
 Sort - Total Compensation Per Customer

Rank	Company Name	1st Highest Paid	Base	Annual Bonus	Other Annual Comp	TAC	# Shares	Options/SAH Grants	PV	Restricted Stock Awards	LTP Payouts	TDC	1996 Utility Customers	TAC PER CUSTOMER	TDC PER CUSTOMER	
1	UniCorp United	Richard C. Green, Jr	518,057	0	15,423	633,480	141,400	1,307,850	0	796,009	0	2,737,439	1,701,000	0.371	1.610	
2	IES Industries	Lee Liu	380,000	175,000	2,578	557,578	0	0	0	178,845	0	734,223	495,000	1.128	1.483	
3	Interstate Power - Iowa	Wayne H. Stoppelmoor	310,000	0	0	310,000	0	0	0	0	0	310,000	211,800	1.464	1.464	
4	Kansas City Power & Light	A. Duce Jennings	415,000	11,785	0	488,785	13,750	120,026	0	0	0	690,821	430,800	1.132	1.411	
5	Chowp, Inc.	Robert O. Viale	382,544	0	0	382,544	0	0	0	0	84,500	447,044	381,000	1.143	1.143	
6	LaCrosse Gas Company	Robert C. Javides	488,687	0	129,640	618,327	0	0	0	0	0	618,327	389,000	1.048	1.048	
7	Northern States Power	James J. Howard	827,000	401,000	7,610	1,030,610	15,264	259,170	0	478,940	0	1,768,720	1,800,000	0.573	0.893	
8	Central & South West	E. R. Brooks	657,892	374,354	22,287	1,054,533	0	0	0	417,668	0	1,472,901	1,661,000	0.635	0.868	
9	Oklahoma Gas & Electric Company	S. E. Moore	337,708	148,072	0	483,780	0	0	0	101,291	0	585,071	688,705	0.722	0.874	
10	Illinois	Larry D. Haab	483,709	89,207	15,973	578,949	22,000	218,167	0	69,207	0	806,393	1,032,126	0.561	0.839	
11	Western Resources	John E. Hayes, Jr	485,000	184,870	75,038	654,908	25,000	243,750	0	0	25,177	923,833	1,751,228	0.521	0.735	
12	Union Electric	C. W. Mueller	441,000	165,000	0	606,000	17,700	253,700	0	0	0	859,700	1,200,000	0.505	0.716	
13	Public Service of Colorado	Delwin D. Hock	450,020	256,820	0	706,840	30,270	353,876	0	0	82,856	1,143,324	2,107,360	0.316	0.544	
14	MidAmerican Energy (IDIL G&E)	Russell E. Christensen	475,000	0	0	475,000	0	0	0	0	0	475,000	1,350,000	0.381	0.380	
AVERAGE			408,743	130,298	15,809	617,850	19,952	188,889	0	145,703	12,310	987,582	1,058,301	0.739	1.008	
25th Percentile			390,838	0	0	484,534	0	0	0	0	0	590,509	510,500	0.509	0.761	
50th Percentile			457,510	108,934	0	592,475	0	0	0	0	0	796,062	1,118,063	0.674	0.934	
75th Percentile			491,849	172,500	0	649,550	0	0	0	0	0	1,088,451	1,559,807	1.029	1.344	
Western Resources (with KCPL) Percentile Ranking			465,000	164,870	25,038	654,908	25,000	243,750	0	145,703	0	25,177	923,833	1,751,228	0.415	0.698
			54.0%	82.0%		77.0%						89.0%	46.0%	56.0%	47.0%	

01/09/98 (Includes estimated value of Stock Options)

COMPARATOR GROUP (18 Company)
WESTERN RESOURCES, INC.

1996 COMPENSATION DETAIL - 1997 PROXY ANALYSIS

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Company	Proxy Position	Market Cap	Revenue	Assets	Name	Position	Salary	Bonus	Restricted Stock	# of Stock Options	Percent Value of Stock Options	Other Payout	Total Comp
Washington Electric Corp	2	17,749	16,206.0	16,750.0	G.M. Clark	President	660,912	\$600,000	\$0	246,818	\$1,344,085	\$0	\$2,151,997
Enron	2	18,870	9,189.0	13,239.0	Richard D. Kender	Pres and CFO	360,000	\$1,500,000	\$0	51,315	2,653,310	\$5,130,170	\$1,041,174
PRG Petroleum	2	10,071	6,016.8	12,719.3	Fred J. Evanson	President	\$540,000	\$600,000	\$0	0	0	\$1,077,871	\$1,077,871
Canada	2	10,827.4	32,871.0	11,976.0	J.J. Mulvey	President/CFO	\$584,687	\$131,340	\$0	65,105	\$758,375	\$22,098	\$1,407,618
Winn-Dixie Stores Inc	2	17,173.1	3,804.7	10,494.8	O. Lochmann	President/CFO - Retail Products	\$550,085	\$0	\$550,000	13,310	177,465	\$350,300	\$1,479,152
General P&S Utilities	2	1,002.3	3,243.1	18,857.9	Fred D. Hater	President, Interstate Nat Gas Pipelines	\$385,000	\$153,876	\$70,333	30,801	\$633,428	\$0	\$1,099,537
Okla Edison	2	3,247.1	17,485.8	18,821.9	Fl Peterburg	Pres & CEO	\$248,938	\$66,756	\$0	0	\$0	\$14,881	\$305,575
Baltimore Gas and Electric	2	3,825.0	3,934.8	18,147.0	Edward A. Crooks	Pres, COO & CFO	\$403,400	\$551,400	\$0	30,800	205,250	\$14,881	\$1,019,930
CEM Energy	2	3,011.9	3,890.0	18,147.0	Victor J. Fyng	Pres, COO, Head - non utility subdts	\$550,000	\$120,000	\$0	30,800	205,250	\$14,881	\$1,019,930
Flower Power	2	8,061.3	3,554.8	7,441.8	Michael J. Carroll	Pres, COO, Vice Chairman	\$527,700	\$120,000	\$0	30,800	205,250	\$14,881	\$1,019,930
Blountville Parks	2	5,272.1	5,278.3	7,600.8	Norman A. Myers	Vice Chairman	\$500,000	\$120,000	\$0	30,800	205,250	\$14,881	\$1,019,930
Blountville West	2	2,668.2	3,869.8	16,571.1	William J. Post	VP and SVP	\$375,000	\$120,000	\$0	30,800	205,250	\$14,881	\$1,019,930
Polaris Electric	2	2,322.8	2,010.3	19,919.8	ILL Davis	VP	\$185,100	\$300,000	\$100,000	17,000	118,160	\$0	\$1,019,930
Urban Electric	2	17,740.9	17,260.4	19,919.8	U.E. Wendt	VP	\$185,100	\$300,000	\$100,000	17,000	118,160	\$0	\$1,019,930
Genell	2	17,492.3	4,066.7	16,018.0	Drill McCordinals	VP, CFO	\$272,000	\$800,000	\$0	0	\$0	\$59,015	\$881,015
Alltel	2	35,359.2	3,192.4	6,181.9	Scott T. Ford	VP	\$272,000	\$800,000	\$0	0	\$0	\$59,015	\$881,015
Florida Progress	2	2,707.8	3,055.6	6,181.9	Richard Kerpan	VP	\$272,000	\$800,000	\$0	0	\$0	\$59,015	\$881,015
Imvona	2	8,740.7	3,841.4	5,091.8	PAUL Leno	VP	\$272,000	\$800,000	\$0	0	\$0	\$59,015	\$881,015
Longwell Inc	2	8,920.4	7,311.8	5,491.3	VP, Minors Power	VP	\$272,000	\$800,000	\$0	0	\$0	\$59,015	\$881,015
Pacific Enterprises	2	2,004.8	3,317.0	5,253.0	R.D. Farnam	President/CFO	\$233,450	\$19,747	\$0	15,000	\$2,851,197	\$0	\$2,994,697
W.E. Electric System	2	2,788.9	2,271.7	5,253.0	A.U. Ibration	President/CFO	\$233,450	\$19,747	\$0	15,000	\$2,851,197	\$0	\$2,994,697
Unanuey (RAI) & Sons	2	3,389	5,999.0	5,491.3	S.J. Baumgartner	VP	\$233,450	\$19,747	\$0	15,000	\$2,851,197	\$0	\$2,994,697
Public Service (CO)	2	2,523.1	7,771.4	5,491.3	W.H. Brunner	VP/Assistant President	\$233,450	\$19,747	\$0	15,000	\$2,851,197	\$0	\$2,994,697
SCANA Corp	2	1,188.9	1,321.0	4,531.4	W.D. Unnerman	President/CEO	\$233,450	\$19,747	\$0	15,000	\$2,851,197	\$0	\$2,994,697
DOE	2	1,188.9	1,321.0	4,531.4	W.D. Unnerman	President/CEO	\$233,450	\$19,747	\$0	15,000	\$2,851,197	\$0	\$2,994,697
Corning	2	1,188.9	1,321.0	4,531.4	W.D. Unnerman	President/CEO	\$233,450	\$19,747	\$0	15,000	\$2,851,197	\$0	\$2,994,697
Repco Industries	2	1,188.9	1,321.0	4,531.4	W.D. Unnerman	President/CEO	\$233,450	\$19,747	\$0	15,000	\$2,851,197	\$0	\$2,994,697
Mesa	2	1,188.9	1,321.0	4,531.4	W.D. Unnerman	President/CEO	\$233,450	\$19,747	\$0	15,000	\$2,851,197	\$0	\$2,994,697
TECO Energy	2	1,188.9	1,321.0	4,531.4	W.D. Unnerman	President/CEO	\$233,450	\$19,747	\$0	15,000	\$2,851,197	\$0	\$2,994,697
EPH	2	1,188.9	1,321.0	4,531.4	W.D. Unnerman	President/CEO	\$233,450	\$19,747	\$0	15,000	\$2,851,197	\$0	\$2,994,697
McGraw Hill	2	1,188.9	1,321.0	4,531.4	W.D. Unnerman	President/CEO	\$233,450	\$19,747	\$0	15,000	\$2,851,197	\$0	\$2,994,697
ADT Limited	2	1,188.9	1,321.0	4,531.4	W.D. Unnerman	President/CEO	\$233,450	\$19,747	\$0	15,000	\$2,851,197	\$0	\$2,994,697
Avon	2	1,188.9	1,321.0	4,531.4	W.D. Unnerman	President/CEO	\$233,450	\$19,747	\$0	15,000	\$2,851,197	\$0	\$2,994,697
Financial Ball Inc	2	1,188.9	1,321.0	4,531.4	W.D. Unnerman	President/CEO	\$233,450	\$19,747	\$0	15,000	\$2,851,197	\$0	\$2,994,697
Prinston	2	1,188.9	1,321.0	4,531.4	W.D. Unnerman	President/CEO	\$233,450	\$19,747	\$0	15,000	\$2,851,197	\$0	\$2,994,697
Western Resources	2	15,248.2	85,123.8	16,621.6	U.T. Whitton	President	\$334,878	\$334,400	\$148,389	43,413	\$1,019,930	\$719,503	\$1,019,930
23rd Bancorp	2	11,925.0	12,049.9	16,621.6	U.T. Whitton	President	\$334,878	\$334,400	\$148,389	43,413	\$1,019,930	\$719,503	\$1,019,930
50th Bancorp	2	11,925.0	12,049.9	16,621.6	U.T. Whitton	President	\$334,878	\$334,400	\$148,389	43,413	\$1,019,930	\$719,503	\$1,019,930
25th Bancorp	2	11,925.0	12,049.9	16,621.6	U.T. Whitton	President	\$334,878	\$334,400	\$148,389	43,413	\$1,019,930	\$719,503	\$1,019,930
Paradise Banking of WVI	2	4.0%	29.0%	58.0%			55.0%	28.0%					31.0%

COMPARATOR GROUP (36 Company)
WESTERN RESOURCES, INC.

1996 COMPENSATION DETAIL - 1997 PROXY ANALYSIS

1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Company	Proxy Position #	Market Cap	Revenue	Assets	Name	Position	Salary	Items	Total Current Cash	Restricted Stock	# of Stock Options	Percent Value of Stock Options	Other Payoff	Total Comp.
Washington Electric Corp	3	17,449	10,290	110,720	P. A. Lund	Pres & CEO, CEO	\$1,000,000	\$1,000,000	\$2,894,231	10	0	10	0	\$2,894,231
Enron	3	19,020	10,189	113,318	Richard K. Stalling	CEO & CEO, CEO	\$1,000,000	\$1,000,000	\$1,223,333	35,920,885	0	10	0	\$1,223,333
PLP Group	3	18,071	10,000	12,119	William P. Chiles	VP, Chief	\$360,000	\$170,100	\$510,100	0	0	0	\$148,955	\$659,055
Prisma Petroleum	3	11,023	11,023	11,023	C. J. Brown	VP, Chief	\$445,250	\$179,447	\$624,697	0	0	0	\$148,955	\$773,652
Converg	3	13,345	12,871	11,196	A. J. Brown	VP, Chief	\$310,250	\$136,000	\$446,250	1,000,000	11,891	0	\$100,000	\$1,551,385
Western Companies Inc	3	17,123	12,857	10,484	Michael R. Payne	President/COO, Grocery	\$331,533	\$120,000	\$451,533	158,288	10,000	0	\$635,438	\$1,993,708
General Public Utilities	3	17,003	12,807	19,468	James J. Jones	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$101,449	\$552,982
Ohio Edison	3	13,421	12,465	18,023	Anthony J. Alexander	VP, Chief	\$116,600	\$118,000	\$234,600	0	0	0	\$17,000	\$251,600
BankOne Gas and Electric	3	13,620	12,814	18,316	George C. Reed	VP, Chief	\$490,000	\$198,130	\$688,130	0	0	0	\$17,000	\$705,130
CHS Energy	3	12,010	13,850	18,113	Michael G. Harris	VP, Chief	\$110,000	\$110,000	\$220,000	0	0	0	\$17,000	\$237,000
Plowshares	3	18,063	13,354	17,414	Mark C. Wasth	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
Stromberg Carls	3	10,071	10,779	11,540	John A. Walker	VP, Chief	\$485,000	\$180,000	\$665,000	0	0	0	\$17,000	\$842,000
Protonic West	3	12,663	11,660	18,981	John J. Wilson	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
Polk Electric	3	12,663	12,103	18,981	John J. Wilson	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
Union Electric	3	13,740	12,260	18,170	R. O. Priddy	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
Tennant	3	12,492	12,007	18,503	D. L. Watson	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
Florida Programs	3	15,352	13,182	18,185	Lynn L. O'Neil	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
Nonferrous Inc	3	12,070	10,658	15,781	Joseph H. Richardson	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
Alcoa	3	17,407	13,041	15,609	Kerry J. Albrecht	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
Monrovia	3	15,274	13,116	15,493	R. J. Deane	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
Pacific Enterprises	3	12,601	12,717	15,259	W. J. Wilbert	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
N.E. Electric System	3	12,408	12,217	14,810	Jeffrey D. Trahan	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
Donway RTR & Sons	3	17,551	12,174	14,572	C. A. Francis	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
SCANA Corp	3	17,118	12,531	14,534	Mark Edward	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
SOE	3	17,197	12,202	14,456	D. L. Green	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
Serena	3	19,315	12,681	14,321	Morgan E. Gully	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
Westco Industries	3	12,318	11,723	13,959	J. Markey	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
TECO	3	15,078	14,470	17,788	Frank H. Hestley	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
UPCO Energy	3	12,010	11,282	13,560	K. S. Swenson	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
UCR Corp	3	12,010	11,282	13,560	S. F. Kozar	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
AOI Limited	3	1,000	1,000	1,000	Robert J. Bahasi	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
Chesapeake	3	1,000	1,000	1,000	Thomas G. Leary	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
Chatham Bar Inc	3	1,000	1,000	1,000	CA. Reed	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
Phillips	3	1,000	1,000	1,000	John C. Henry	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
	30	15,242	14,123	18,515	F. J. Lemmon	VP, Chief & Admin	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
Western Resources	3	11,925	12,019	18,973	S. L. Kilgus	VP, Chief	\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
35th Precipitation	3	12,705	11,703	14,241			\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
South Carolina	3	13,119	11,721	15,200			\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
7th Precipitation	3	12,277	11,178	14,105			\$331,533	\$120,000	\$451,533	0	0	0	\$17,000	\$568,533
Percentile Ranking of WRI		4.0%	29.0%	58.0%			31.0%	29.0%	32.0%				11.4%	17.0%

COMPARATOR GROUP (36 Company)
WESTERN RESOURCES, INC.
1996 COMPENSATION DETAIL - 1997 PROXY ANALYSIS

1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Company	Proxy Position #	Market Cap	Revenue	Assets	Name	Function	Salary	Bonus	Total Current Cash	Restricted Stock	# of Stock Options	Present Value of Stock Options	Other Payout	Total Comp
Westinghouse Electric Corp	4	\$1,716.9	\$4,385.9	\$4,320.0	G. Reynolds	VP/COO	\$21,470	\$750,000	\$1,171,010	10	550,000	\$1,272,233	\$0	\$4,399,000
Enron	4	\$9,328.0	\$2,113.0	\$2,410.0	Donald P. Sengel	VP & COO, Enrich	\$405,000	\$470,000	\$875,000	10	56,875	\$1,244,493	\$0	\$2,069,493
FPL Group	4	\$4,000.0	\$5,016.8	\$2,473.0	Michael W. Tacke	CEO	\$300,000	\$141,800	\$441,800	10	0	\$0	\$160,927	\$509,727
Phillips Petroleum	4	\$10,923.0	\$3,217.0	\$1,983.0	L. Morris	SVP, CFO	\$350,000	\$243,495	\$593,495	10	21,210	\$787,772	\$0	\$1,013,865
ConAgra	4	\$13,122.0	\$4,219.0	\$1,983.0	C. Munn	President/COO, Trading & Process	\$369,741	\$170,000	\$539,741	10	0	\$0	\$297,000	\$3,591,050
Williams Companies, Inc	4	\$1,123.0	\$2,813.0	\$0.000	Shirley C. Gungor	SVP, Corp Dev & Planning	\$307,750	\$183,412	\$491,162	10	30,000	\$118,307	\$0	\$1,273,466
General Public Utilities	4	\$1,263.0	\$2,004.7	\$9,057.0	Bruce L. Levy	Pres. GRU Int, GPU Power, GPE Electric	\$333,333	\$197,000	\$530,333	10	0	\$0	\$47,292	\$440,767
Onix Edison	4	\$1,263.0	\$2,004.7	\$9,057.0	Robert J. McWhorter	SVP	\$219,178	\$50,000	\$269,178	10	0	\$0	\$24,136	\$278,035
Baltimore Gas and Electric	4	\$2,823.0	\$2,950.0	\$0.000	Alan M. Wajsbol	SVP & CFO	\$115,100	\$170,000	\$285,100	10	0	\$0	\$180,000	\$616,100
CMS Energy	4	\$2,823.0	\$2,950.0	\$0.000	Carol F. St. Mark	President & CEO, PR Business Services	\$45,593	\$184,820	\$230,413	10	16,000	\$63,331	\$174,897	\$727,647
Power Swaps	4	\$2,823.0	\$2,950.0	\$0.000	J. Gregory Muldoon	VP & CFO	\$133,300	\$360,000	\$493,300	10	10,000	\$63,958	\$56,000	\$1,151,058
Dow Chemical	4	\$2,823.0	\$2,950.0	\$0.000	Nancy E. Fisher	VP & Treasurer	\$185,400	\$175,000	\$360,400	10	175,000	\$1,780,147	\$0	\$2,101,847
Exxon Electric	4	\$2,823.0	\$2,950.0	\$0.000	D.R. Wigan	SVP & CFO	\$130,810	\$175,000	\$305,810	10	4,250	\$4,840	\$0	\$320,650
Avon	4	\$2,823.0	\$2,950.0	\$0.000	D.F. Schell	SVP	\$22,478	\$84,350	\$106,828	10	0	\$0	\$21,063	\$127,891
Altria	4	\$2,823.0	\$2,950.0	\$0.000	E.L. Walker	Pres. Broadcast	\$250,000	\$11,000	\$261,000	10	0	\$0	\$0	\$261,000
Florida Progress	4	\$2,823.0	\$2,950.0	\$0.000	Francis X. Franz	SVP, Enrichment/Gen. Counsel	\$185,000	\$200,000	\$385,000	10	25,000	\$81,065	\$0	\$1,813,465
Illinois	4	\$2,823.0	\$2,950.0	\$0.000	Jeffrey R. Henricks	SVP & CFO	\$199,172	\$199,172	\$398,344	10	20,000	\$210,813	\$0	\$609,157
Enbridge Inc	4	\$2,823.0	\$2,950.0	\$0.000	John O. Cook	VP/General Counsel	\$111,760	\$200,000	\$311,760	10	0	\$0	\$0	\$511,760
Pacific Enterprises	4	\$2,823.0	\$2,950.0	\$0.000	E.D. Grayton	SVP & CFO, PE	\$212,700	\$200,000	\$412,700	10	0	\$0	\$0	\$612,700
N.E. Electric System	4	\$2,823.0	\$2,950.0	\$0.000	Richard P. Sargent	SVP	\$196,472	\$118,263	\$314,735	10	0	\$0	\$0	\$414,735
Genex (R.R.) & Sons	4	\$2,823.0	\$2,950.0	\$0.000	W.E. Tyne	VP/General Counsel	\$300,000	\$200,000	\$500,000	10	0	\$0	\$0	\$700,000
Public Service (CO)	4	\$2,823.0	\$2,950.0	\$0.000	P.T. Smith	VP & Gen Counsel	\$368,000	\$110,174	\$478,174	10	15,000	\$133,000	\$0	\$621,174
SCANA Corp	4	\$2,823.0	\$2,950.0	\$0.000	A.H. Gibbs	VP/Gen Counsel	\$225,842	\$300,000	\$525,842	10	0	\$0	\$0	\$825,842
DGE	4	\$2,823.0	\$2,950.0	\$0.000	V.A. Ropus	VP & Gen Counsel	\$187,765	\$175,000	\$362,765	10	0	\$0	\$0	\$462,765
Century	4	\$2,823.0	\$2,950.0	\$0.000	John W. Lucas	VP/Gen Counsel	\$175,000	\$200,000	\$375,000	10	0	\$0	\$0	\$575,000
Mexico Industries	4	\$2,823.0	\$2,950.0	\$0.000	Richard D. Meisinger	VP/Finance	\$497,000	\$235,000	\$732,000	10	0	\$0	\$0	\$932,000
Masco	4	\$2,823.0	\$2,950.0	\$0.000	W. Yund	VP/COO - Energy Services	\$248,500	\$215,000	\$463,500	10	0	\$0	\$0	\$663,500
TECO Energy	4	\$2,823.0	\$2,950.0	\$0.000	Richard G. Meisinger	SVP, Gen Counsel	\$248,500	\$215,000	\$463,500	10	0	\$0	\$0	\$663,500
DPL	4	\$2,823.0	\$2,950.0	\$0.000	W. Yund	VP & Gen Counsel	\$248,500	\$215,000	\$463,500	10	0	\$0	\$0	\$663,500
McGraw Hill	4	\$2,823.0	\$2,950.0	\$0.000	W. Yund	VP & Gen Counsel	\$248,500	\$215,000	\$463,500	10	0	\$0	\$0	\$663,500
ADT Limited	4	\$2,823.0	\$2,950.0	\$0.000	W. Yund	VP & Gen Counsel	\$248,500	\$215,000	\$463,500	10	0	\$0	\$0	\$663,500
Avon	4	\$2,823.0	\$2,950.0	\$0.000	W. Yund	VP & Gen Counsel	\$248,500	\$215,000	\$463,500	10	0	\$0	\$0	\$663,500
Cheniere Gas Inc	4	\$2,823.0	\$2,950.0	\$0.000	W. Yund	VP & Gen Counsel	\$248,500	\$215,000	\$463,500	10	0	\$0	\$0	\$663,500
Pittman	4	\$2,823.0	\$2,950.0	\$0.000	W. Yund	VP & Gen Counsel	\$248,500	\$215,000	\$463,500	10	0	\$0	\$0	\$663,500
Western Resources	4	\$1,995.0	\$7,049.0	\$0,627.5	Carl M. Koppert	VP & CAO	\$174,187	\$82,112	\$256,299	10	0	\$0	\$0	\$338,411
230 Parcentia	4	\$2,700.0	\$1,300.0	\$1,241.0			\$271,195	\$83,261	\$354,456	10	0	\$0	\$0	\$437,717
50th Parcentia	4	\$3,016.0	\$2,931.0	\$1,700.0			\$292,797	\$108,450	\$401,247	10	0	\$0	\$0	\$509,747
75th Parcentia	4	\$1,279.0	\$4,174.0	\$1,188.0			\$378,359	\$240,103	\$618,462	10	0	\$0	\$0	\$858,565
Parcentia Holding of NYU	36	4.0%	29.0%	58.0%			3.0%	23.0%	17.0%					10.0%

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April 25, 1997

Dear Shareholder:

I am pleased to present to you this year's Notice of Annual Meeting and Proxy Statement detailed on the following pages. The Annual Meeting will be held on May 29, 1997 at the Maner Conference Center in Topeka, Kansas. I want to extend my thanks for your continued interest in the Company and urge you to participate through your vote.

The vote on proposals relating to the merger of KCPL with and into the Company will not be held at this Annual Meeting but at a Special Meeting of Shareholders later this year.

Please read the material in this Proxy Statement carefully before voting. It is important that your shares be represented at the meeting whether or not you are able to attend. By promptly filling out and returning the enclosed proxy, you will ensure that your votes are counted. Your cooperation is appreciated.

Sincerely,

A handwritten signature in cursive script, appearing to read "John E. Hayes, Jr.", written in black ink.

JOHN E. HAYES, JR.
*Chairman of the Board
and Chief Executive Officer*

WESTERN RESOURCES, INC.
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
To Be Held May 29, 1997

You are invited, as a shareholder of Western Resources, Inc. (the Company), to be present either in person or by proxy at the Annual Shareholders' Meeting, which will be held in the Maner Conference Centre (Kansas Expocentre) located at the southeast corner of Seventeenth and Western, Topeka, Kansas, on Thursday, May 29, 1997, commencing at eleven o'clock in the morning, including any adjournments, postponements, continuations or reschedulings thereof, for the following purposes:

1. To elect four directors to Class I of the Company's Board of Directors to serve a term of three years;
2. To transact such other business as may properly come before the meeting.

Common and Preferred Shareholders of record at the close of business on April 18, 1997, will be entitled to vote at the meeting.

It is important that your shares be represented at this meeting. We urge you to exercise your right to vote by promptly marking, dating, signing and returning the enclosed proxy card. No postage is necessary if mailed in the United States. The prompt return of your proxy will save the Company the additional expense of further requests to ensure the presence of a quorum.

By Order of the Board of Directors,



RICHARD D. TERRILL
Secretary

Topeka, Kansas
April 25, 1997

PROXY STATEMENT GENERAL INFORMATION

Mailing Address of Principal
Executive Offices of the Company

818 Kansas Avenue
Topeka, Kansas 66612

Approximate Mailing Date
of Proxy Material

April 25, 1997

The enclosed proxy is solicited by the Board of Directors of the Company for use at the Annual Meeting of Shareholders to be held on Thursday, May 29, 1997, including any adjournments, postponements, continuations or reschedulings thereof, for the purposes set forth in the above notice of meeting. Proxies are revocable at any time before voted. Such right of revocation is not limited or subject to compliance with any formal procedure.

The cost of the solicitation of proxies will be borne by the Company. In addition, to the use of the mails, proxies may be solicited personally, or by telephone or electronic media by regular employees of the Company. The Company has engaged the services of Georgeson & Company, Inc., a proxy solicitation firm, to aid in the solicitation of proxies for which the Company will pay an estimated fee up to \$20,000 for its services, plus reimbursement of reasonable out-of-pocket expenses. In addition, the Company will reimburse brokers and other custodians, nominees or fiduciaries for their expenses in forwarding proxy material to security owners and obtaining their proxies.

Common and Preferred Shareholders of record at the close of business on April 18, 1997, are entitled to vote on matters to come before the meeting. On that date there were outstanding and entitled to vote 65,017,778 shares of Common Stock, par value \$5 per share; 138,576 shares of Preferred Stock, 4½% Series, par value \$100 per share; 60,000 shares of Preferred Stock, 4¼% Series, par value \$100 per share; and 50,000 shares of Preferred Stock, 5% Series, par value \$100 per share.

CUMULATIVE VOTING RIGHTS

Each share of Common and Preferred Stock entitles the holder of record at the close of business on the record date of the meeting to one vote. In voting for the election of directors, cumulative voting is permitted and record holders are entitled to as many votes as shall equal the number of shares of stock held, multiplied by the number of directors to be elected. Such votes may be cast all for a single candidate or the votes may be distributed among the candidates, as the shareholder may see fit if present to vote in person, or as the proxyholder elects, if voting by proxy. Any shares not voted (whether by abstention, broker non-votes or otherwise) have no impact in the election of directors except to the extent the failure to vote for an individual results in another individual receiving a larger proportion of the total votes.

Instructions to holders of Common Stock who are participants in the Company's Direct Stock Purchase Plan. All shares of Common Stock credited to a shareholder's account in the Plan will be voted in accordance with the specifications indicated on the form of proxy sent to the shareholder if the form of proxy is returned in a timely manner.

SHAREHOLDER PROPOSALS

The 1998 Annual Meeting of Shareholders is scheduled to be held on May 5, 1998. Specific proposals of shareholders intended to be presented at that meeting must comply with the requirements of the Securities Exchange Act of 1934, the Company's Articles of Incorporation, as amended, and be received by the Company's Corporate Secretary for inclusion in its 1998 proxy materials by December 26, 1997. If the date of the Annual Meeting is changed by more than 30 days, shareholders will be advised promptly of such change and of the new date for submission of proposals.

I. ELECTION OF DIRECTORS

The Board of Directors of the Company is divided into three classes (Class I, Class II, and Class III). At each Annual Meeting of Shareholders, the directors constituting one class are elected for a three-year term. The Company's By-Laws provide for the classification of directors into three classes, which shall be as nearly equal in number as possible, and no class shall include fewer than two directors. In accordance with the Restated Articles of Incorporation of the Company, the Board of Directors has set the number of directors at thirteen.

Messrs. John C. Dicus, John E. Hayes, Jr., Russell W. Meyer, Jr. and Louis W. Smith have been nominated for election as directors at the Annual Meeting of Shareholders as Class I directors. All nominees were elected by shareholders of the Company at the Annual Meeting of Shareholders in 1994.

Unless otherwise instructed, proxies received in response to this solicitation will be voted in favor of the election of the persons nominated by the Board of Directors and named in the following tabulation to be directors of the Company until their successors are elected and qualify. To be elected, each nominee must be approved by a majority of the votes cast for such nominee. While it is not expected that any of the nominees will be unable to qualify or accept office, if for any reason one or more are unable to do so, the proxies will be voted for substitute nominees selected by the Board of Directors of the Company. The nominees for directors are as follows:

Nominees (Class I)—Term Expiring in 2000

Director (age), year first became a director

John C. Dicus (63), 1990

Chairman of the Board and Chief Executive Officer, Capitol Federal Savings and Loan Association, Topeka, Kansas; Director, Security Benefit Life Insurance Company; Director, Columbian National Title Company; Trustee, The Menninger Foundation; Trustee, Stormont-Vail Regional Medical Center; Trustee, The Kansas University Endowment Association.



John E. Hayes, Jr. (59), 1989

Chairman of the Board and Chief Executive Officer of Western Resources, Inc.; Director, Security Benefit Life Insurance Company; Director, CommNet Cellular, Inc.; Director, T-NETIX, Inc.; Trustee, Rockhurst College; Trustee, The Menninger Foundation; Trustee, Midwest Research Institute.



Russell W. Meyer, Jr. (64), 1992

Chairman and Chief Executive Officer, Cessna Aircraft Company, Wichita, Kansas; Director, NationsBank Corporation; Trustee, Wake Forest University.



Director (age), year first became a director

Louis W. Smith (54), 1991

President and Chief Operating Officer, Ewing Marion Kauffman Foundation (since July 1995) and prior to that President, Allied Signal Aerospace Company, Kansas City Division, Kansas City, Missouri; Director, Commerce Bank of Kansas City; Director, Ewing Marion Kauffman Foundation; Director, Kansas City Royals Baseball Corporation; Director, Payless Cashways, Inc.; Trustee, University of Missouri-Rolla; Trustee, Rockhurst College.



Other Directors

(Class II)—Term Expiring in 1998

David H. Hughes (68), 1988

Retired Vice Chairman, Hallmark Cards, Inc., Kansas City, Missouri; Director, Hall Family Foundations; Director, Midwest Research Institute; Director, Yellow Corporation; Trustee, St. Luke's Hospital Foundation; Trustee, Children's Mercy Hospital; Trustee, Princeton Theological Seminary; Trustee, Linda Hall Library.



John H. Robinson (70), 1991

Chairman Emeritus (since December 1992) and prior to that Chairman, Black & Veatch, Kansas City, Missouri; Director, St. Luke's Hospital; Director, Automobile Club of Missouri; Director, The Greater Kansas City Community Foundation & Affiliated Trusts; Director, Midwest Research Institute; Trustee, University of Missouri-Kansas City.



Susan M. Stanton (48), 1995

President and Chief Operating Officer (since November 1993) and prior to that Senior Vice President, Merchandising and Marketing, Payless Cashways, Inc., Kansas City, Missouri; Director, Greater Kansas City Chamber of Commerce; Director, Payless Cashways, Inc.; Trustee, Rockhurst College.



Kenneth J. Wagon (58), 1987

President, Capital Enterprises, Inc., Wichita, Kansas; Director, Vanguard Airlines, Inc.; Director, Cerebral Palsy Research Foundation; Director, T-NETIX, Inc.; Director, University of Kansas School of Business; Director, Greater Wichita Community Foundation; Director, Optimed Technologies, Inc.; Trustee, The Kansas University Endowment Association.



(Class III)—Term Expiring in 1999

Director (age), year first became a director

Frank J. Becker (61), 1992

President, Becker Investments, Inc., Lawrence, Kansas (since January 1993) and prior to that personal investments; Director, Great-West Life & Annuity Insurance Co.; Director, Douglas County Bank; Director, OTR Express; Trustee, Kansas University Endowment Association.



Gene A. Budig (57), 1987

President, The American League of Professional Baseball Clubs, New York, New York (since July 1994) and prior to that Chancellor, University of Kansas; Director, Harry S. Truman Library Institute; Director, Ewing Marion Kauffman Foundation; Director, American College Testing; Director, Major League Baseball Hall of Fame.



C. Q. Chandler (70), 1992

Chairman of the Board, INTRUST Financial Corporation, Wichita, Kansas; Director, Fidelity State Bank & Trust Co.; Director, First Newton Bankshares; Director, Kansas Crippled Children's Society; Vice President and Director, First Bank of Newton; Trustee, Kansas State University Foundation.



Thomas R. Clevenger (62), 1975

Investments, Wichita, Kansas; Director, Security Benefit Life Insurance Company; Trustee and Vice Chairman, The Menninger Foundation; Trustee, Midwest Research Institute.



David C. Wittig (41), 1996

President (since March 1996), Executive Vice President, Corporate Development (May 1995 to March 1996) of Western Resources, Inc.; and prior to that Managing Director, Mergers and Acquisitions, Salomon Brothers Inc; Director, OMX, Inc.



BENEFICIAL OWNERSHIP OF VOTING SECURITIES

Western Resources knows of no beneficial owner of more than 5% of any class of the outstanding Western Resources Voting Stock as of April 18, 1997.

The following information is furnished with respect to each of the director nominees, each of the other current directors, each of the named executive officers, and all current directors and executive officers of Western Resources as a group as to ownership of shares of Western Resources Common Stock as of April 18, 1997.

<u>Name of Beneficial Owner</u>	<u>Amount and Nature of Beneficial Ownership(1)</u>
Frank J. Becker	11,333 shares(2)(3)
Gene A. Budig	1,129 shares
C.Q. Chandler	1,755 shares(3)
Thomas R. Clevenger	1,733 shares
John C. Dicus	2,333 shares(4)
John E. Hayes, Jr.	26,029 shares
David H. Hughes	839 shares
Steven L. Kitchen	7,441 shares
Carl M. Koupal	1,879 shares
Russell W. Meyer, Jr.	3,382 shares(3)
John H. Robinson	1,833 shares
John K. Rosenberg	3,259 shares
Louis W. Smith	3,333 shares
Susan M. Stanton	1,633 shares(5)
Kenneth J. Wagnon	2,885 shares
David C. Wittig	40,860 shares
All directors and executive officers as a group	124,675 shares

- (1) Each individual and the group owns less than one percent of the outstanding shares of Western Resources Common Stock. No director or executive officer owns any equity securities of Western Resources other than Western Resources Common Stock. Includes beneficially owned shares held in employee savings plans and shares deferred under the Long Term Incentive and Share Award Plan.
- (2) Includes 1,000 shares of Western Resources Common Stock held in trust, of which Mr. Becker is a co-trustee with voting and investment power.
- (3) Does not include stock held in trust by NationsBank Corporation, of which Mr. Meyer is a director; INTRUST Financial Corporation, of which Mr. Chandler is a director; and Douglas County Bank, of which Mr. Becker is a director.
- (4) Includes 500 shares of Western Resources Common Stock held by Mr. Dicus' spouse, not subject to his voting or investment power.
- (5) Includes 800 shares of Western Resources Common Stock held in trust, of which Ms. Stanton is a co-trustee with voting and investment power.

Based solely on Western Resources' review of the copies of reports filed under Section 16(a) of the Exchange Act and written representations that no other reports were required, Western Resources believes that, during the fiscal year ended December 31, 1996, all filing requirements applicable to its executive officers, directors and owners of more than ten percent of Western Resources Common Stock were complied with.

INFORMATION CONCERNING THE BOARD OF DIRECTORS

During 1996, the Western Resources Board met twenty times. Each director attended at least 75% of the total number of board and committee meetings held while he or she served as a director or member of a committee. Members of the Western Resources Board serve on the Audit and Finance, Human Resources, Nominating and Corporate Public Policy Committees.

The Audit and Finance Committee is currently composed of Mr. Chandler, Chairman, Mr. Becker, Dr. Budig and Mr. Clevenger. This committee reviews internal and independent audits and strategic financial programs. It also recommends the independent auditor for approval by the Western Resources Board. This Committee held four meetings during 1996.

The Human Resources Committee, currently composed of Mr. Dicus, Chairman, Mr. Meyer, Mr. Robinson, Ms. Stanton, Mr. Smith and Mr. Wagnon, reviews the performance of corporate officers and changes in officer compensation and benefits. This committee held six meetings during 1996.

The Nominating Committee, currently composed of Mr. Hughes, Chairman, Dr. Budig, Mr. Clevenger, Mr. Meyer, Mr. Smith and Mr. Wagnon, recommends nominees for election to the Western Resources Board, including nominees recommended by shareowners if submitted in writing to this committee, in care of Western Resources. This committee held one meeting in 1996.

The Corporate Public Policy Committee is currently composed of Mr. Becker, Chairman, Mr. Robinson, Mr. Chandler, Mr. Dicus and Mr. Hughes. This committee reviews major strategic programs of Western Resources relating to community relations, marketing, customer relations, corporate contributions and other public affairs issues. This committee held three meetings during 1996.

Outside Directors' Compensation. Each director who is not also an employee of Western Resources receives \$5,000 quarterly (\$5,000 of which is paid in Western Resources Common Stock annually) in retainer fees. The fee paid for attendance at each board meeting is \$850 and \$500 for each meeting held by telephone conference. The fee paid for attendance at each committee meeting other than a meeting of the Audit and Finance Committee is \$750, unless the committee meeting is held on the same day as a regular board meeting, in which case the committee meeting attendance fee is \$500. The fee paid for attendance at each Audit and Finance Committee meeting is \$850, unless the committee meeting is held on the same day as a regular board meeting, in which case the committee meeting attendance fee is \$600.

Pursuant to Western Resources' Outside Directors' Deferred Compensation Plan (the "Plan"), an outside director of Western Resources may elect to defer all, part or none of his or her retainer and/or meeting fees. The Plan is a voluntary participation plan. The Plan is administered by the Human Resources Committee of the Western Resources Board or by such other committee as may be appointed by the Western Resources Board from time to time.

COMPENSATION OF EXECUTIVE OFFICERS

The following table sets forth the compensation of the named executive officers for the last three completed fiscal years of Western Resources:

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Annual Compensation			Long-Term Compensation		
		Salary \$	Bonus \$(1)	Other Annual Compensation \$(2)	LTP Payouts \$(3)	Securities Underlying Options/SARs #	All Other Compensation \$(4)
John E. Hayes, Jr. Chairman of the Board and Chief Executive Officer	1996	465,000	164,870	25,036	25,177	25,000	17,449
	1995	460,833	102,481	18,230	44,169	N.A.	11,073
	1994	436,667	112,684	12,990	47,563	N.A.	5,151
David C. Wittig(5) President	1996	425,000	148,860	8,432	N.A.	25,000	867,449
	1995	283,826	53,190	1,090	N.A.	N.A.	12,830
	1994	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Steven L. Kitchen Executive Vice President and Chief Financial Officer	1996	267,084	112,407	10,027	11,748	11,500	16,933
	1995	234,700	46,483	17,999	19,178	N.A.	10,548
	1994	202,683	45,359	9,492	20,299	N.A.	4,941
Carl M. Koupal, Jr. Executive Vice President and Chief Administrative Officer	1996	174,167	82,112	3,460	7,464	8,500	16,385
	1995	152,833	29,787	4,287	13,217	N.A.	10,406
	1994	131,150	28,981	2,397	9,211	N.A.	4,842
John K. Rosenberg Executive Vice President and General Counsel	1996	163,717	63,431	3,996	8,362	5,500	16,359
	1995	159,216	26,438	12,451	15,071	N.A.	10,385
	1994	153,000	31,010	6,973	16,298	N.A.	4,832

- (1) The amounts reported represent payments under Western Resources' Short-Term Incentive Plan. Payments are made only if certain financial and individual performance goals of Western Resources are achieved. Mr. Hayes and Mr. Wittig received lump sum payments of \$18,600 and \$17,000, respectively, in lieu of base salary merit increases in 1996.
- (2) The amounts reported for 1996 represent dividend equivalents received under the Long-Term Incentive Plan in the amounts of \$5,909, \$2,016, \$2,828, \$1,812 and \$2,050, respectively; payments for the benefit of each named executive officer for federal and state taxes associated with personal benefits in the amounts of \$7,271, \$4,524, \$2,524, \$861 and \$1,643, respectively; and interest (excess of the applicable federal long-term interest rate) on deferred compensation for the year in the amounts of \$11,856, \$1,892, \$4,575, \$787 and \$303, respectively.
- (3) The amounts reported for 1996 represent the cash equivalent for common stock issued pursuant to the Long-Term Incentive Program for the 1994-1996 incentive period. Each individual received shares in the amount of 315, 0, 381, 242 and 271, respectively for the stated period.
- (4) The amounts reported for 1996 represent Western Resources' contributions for each of the named individuals under Western Resources' savings plan, a defined contribution plan, in the amount of \$4,750 each, a car allowance in the amounts of \$11,997, \$11,997, \$11,549, \$11,223 and \$11,223, respectively, and premiums paid on term life insurance policies in the amounts of \$652, \$652, \$581, \$378 and \$357, respectively. With respect to Mr. Wittig, \$825,000 represents amounts paid to or on behalf of Mr. Wittig under the Company's executive relocation plan. In addition, \$25,000 represents the cost to the Company of providing supplemental benefits to reimburse Mr. Wittig for lost benefits from Mr. Wittig's prior employer and to attract Mr. Wittig to the Company.
- (5) Mr. Wittig commenced his employment with Western Resources on May 2, 1995.

OPTIONS GRANTED IN LAST FISCAL YEAR

Name	Individual Grants				
	Options Granted (#)	% of Total Options Granted to Employees in Fiscal Year	Exercise or Base Price (\$/sh)	Expiration Date	Grant Date Present Value (\$'11)
John E. Hayes, Jr.	25,000	12.2%	\$29.25	July 17, 2006	81,500
David C. Wittig	25,000	12.2%	\$29.25	July 17, 2006	81,500
Steven L. Kitchen	11,500	5.6%	\$29.25	July 17, 2006	37,490
Carl M. Koupal, Jr.	8,500	4.1%	\$29.25	July 17, 2006	27,710
John K. Rosenberg	5,500	2.7%	\$29.25	July 17, 2006	17,930

(1) The grant date valuation was calculated using the Black-Scholes option pricing model, and assumptions called for by paragraph 19 and Appendix B of FAS 123. This calculation does not necessarily follow the same method and assumptions that Western Resources uses in valuing long-term incentives for other purposes. Please refer to the Human Resource Committee Report for a description of the Long Term Incentive and Share Award Plan.

Annualized stock volatility:	0.1412
Time of exercise (option term):	9.7 Years
Risk-Free interest rate:	6.45%
Stock price at grant:	\$29.25
Exercise price:	Market at Vesting
Average dividend yield:	6.33%
Vesting restrictions:	8.7 Years

AGGREGATED OPTION EXERCISES IN LAST FISCAL YEAR AND FISCAL YEAR-END OPTION VALUES

Name	Shares Acquired on Exercise (#)	Value Realized (\$)	Number of Securities Underlying Unexercised Options at Fiscal Year-End (#)		Value of Unexercised In-the-Money Options at Fiscal Year-End (\$)	
			Exercisable	Unexercisable	Exercisable	Unexercisable
John E. Hayes, Jr.	0	0	0	25,000	0	0
David C. Wittig	0	0	0	25,000	0	0
Steven L. Kitchen	0	0	0	11,500	0	0
Carl M. Koupal, Jr.	0	0	0	8,500	0	0
John K. Rosenberg	0	0	0	5,500	0	0

COMPENSATION PLANS

Retirement Plans

The Company maintains a qualified non-contributory defined benefit pension plan and a non-qualified supplemental retirement plan for certain management employees of the Company, including executive officers, selected by the Board's Human Resources Committee.

The following table sets forth the estimated annual benefits payable upon specified remuneration based on age 65 as of January 1, 1997 to the named executive officers. The amounts presented do not take into account any reduction for joint and survivorship payments.

Annual Pension Benefit From Qualified and Non-Qualified Plans

<u>Average Applicable Pay</u>	<u>Pension Benefit</u>
\$150,000	\$ 92,550
200,000	123,400
250,000	154,250
300,000	185,100
350,000	215,950
400,000	246,800
450,000	277,650
500,000	308,500
550,000	339,350
600,000	370,200

The supplemental retirement plan provides a retirement benefit at or after age 65, or upon disability prior to age 65, in an amount equal to 61.7% of final three-year average cash compensation, reduced by existing Company pension benefits (but not social security benefits), such amount to be paid to the employee or his designated beneficiaries for the employee's life with a 15-year term certain. The percentage of final three-year average compensation to be paid, before reduction for Company pension benefits, is 50% for a 50 year old, increasing to 61.7% for a 65 year old. An employee retiring at or after age 50, but before age 65, may receive a reduced benefit, payable in the same form. The supplemental plan vests 10% per year after five years of service until fully vested with 15 years of service or at age 65. Payments are reduced by 5% per year if commenced prior to age 60, but no earlier than age 50. The supplemental plan also pays a death benefit if death occurs before retirement, equal to 50% (or the vested retirement benefit percentage, whichever is higher) of the employee's previous 36 month average cash compensation to his or her beneficiary for 180 months following his death. All of the individuals listed in the compensation table are covered by the qualified and supplemental retirement plans. In the event of a change in control of the Company, participants may be deemed to be 65 years of age as of the date of such change in control for purposes of vesting and benefits.

Benefits payable from the qualified pension plan are limited by provisions of the Internal Revenue Code. The non-qualified supplemental retirement plan provides for the payment of retirement benefits calculated in accordance with the qualified pension plan which would otherwise be limited.

The years of service as of January 1, 1997 for the persons named in the cash compensation table are as follows: Mr. Hayes, 7 years; Mr. Wittig, 2 years; Mr. Kitchen, 33 years; Mr. Koupal, 4 years; and Mr. Rosenberg, 17 years.

In accordance with the supplemental retirement plan, Mr. Hayes will receive a retirement benefit equal to 60% of his average annual compensation during the 36 months immediately preceding his retirement if he remains an employee of the Company until age 61.

Change in Control Agreements

The Company has entered into change in control agreements with its executive officers to ensure their continued service and dedication to the Company and their objectivity in considering on behalf of the Company any transaction which would result in a change in control of the Company. Under the agreements, during the twelve-month period after a change in control, the executive officer would be entitled to receive a lump-sum cash payment and certain insurance benefits if such officer's employment were terminated by the Company other than for cause or upon death, disability, or retirement; or by such executive officer for good reason (as defined therein).

Upon such termination, the Company must make a lump-sum cash payment to the executive officer, in addition to any other compensation to which the officer is entitled, of (i) two (three in the case of certain executive officers) times such officer's base salary, (ii) two (three in the case of certain executive officers) times the average of the bonuses paid to such executive officer for the last three fiscal years, and (iii) the actuarial equivalent of the excess of the executive officer's accrued pension benefits, computed as if the executive officer had two (three in the case of certain executive officers) additional years of benefit accrual service, over the executive officer's vested accrued pension benefits. In addition, the Company must offer health, disability and life insurance coverage to the executive officer and his or her dependents on the same terms and conditions that existed immediately prior to the termination for two (three in the case of certain executive officers) years, or, if earlier, until such executive officer is covered by equivalent benefits.

HUMAN RESOURCES COMMITTEE REPORT

The Company's executive compensation programs are administered by the Human Resources Committee of the Board of Directors (Committee), which is composed of six non-employee directors. The Committee reviews and approves all issues pertaining to executive compensation. The objective of the Company's three compensation programs (base salary, short-term incentive, and long-term incentive) is to provide compensation which enables the Company to attract, motivate and retain talented and dedicated executives, foster a team orientation toward the achievement of business objectives, and directly link the success of the Company's executives with that of the Company's shareholders.

The Company extends participation in its long- and short-term incentive programs to certain key employees in addition to executive officers based on the potential to contribute to increasing shareholder value.

Base Salary Compensation

A base salary range is established for each executive position to reflect the potential contribution of each position to the achievement of the Company's business objectives and to be competitive with the base salaries paid for comparable positions in the national market by energy companies, with emphasis on natural gas and electric utilities with annual total revenues comparable to those of the Company. Some, but not all, of such companies are included in the Standard & Poor's Electric Companies Index. The Company utilizes industry information for compensation purposes. Not all companies comprising such index participate in making available such industry information. In addition, the Company considers information of other companies with which the Committee believes it competes for executives, and is therefore relevant, but is not part of such information. The mid-point for each base salary range is intended to approximate the average base salary for the relevant position

in the national market. Industry surveys by national industry associations are the primary source of this market information. The Committee has also utilized the services of an independent compensation consultant to provide national market data for executive positions and to evaluate the appropriateness of the Company's executive compensation and benefit programs. The Committee intends to structure the Company's compensation plans such that they comply with and will be deductible under Section 162(m) (which disallows the deduction of compensation in excess of \$1,000,000 except for incentive payments based upon performance goals) of the Internal Revenue Code.

Within the established base salary ranges, actual base salary is determined by the Company's financial performance in relation to attainment of budgeted earnings-per-share goals and total return to shareholders, and a subjective assessment of each executive's achievement of individual objectives and managerial effectiveness. The Committee annually reviews the performance of the Chairman and Executive Officers. The Committee, after consideration of the financial performance of the Company, and such other subjective factors as the Committee deems appropriate for the period being reviewed, establishes the base compensation of such officers.

In reviewing the annual achievement of each executive and setting the new base annual salary levels for 1996, the Committee considered each individual's contribution toward meeting the Board-approved budgeted financial plan for the previous year, total return to shareholders and earnings per share, compliance with the Company's capital financial plan, the construction budget, and the operation and maintenance budgets and the individual's management effectiveness.

Annual Incentive Compensation

All executive officers are eligible for annual incentive compensation.

The primary form of short-term incentive compensation is the Company's Short-Term Incentive Plan for employees, selected by the Committee, including the executive officers listed in the table, who have an opportunity to directly and substantially contribute to the Company's achievement of short-term objectives. Short-term incentives are structured so that potential compensation is comparable with short-term compensation granted to comparable positions in the national market. Short-term incentives are targeted to approximate the median in the national market. Some, but not all, of such companies are included in the Standard and Poor's Electric Companies Index.

Mr. Hayes is eligible for an annual short-term incentive target of 43% of base salary with a maximum of up to 51% of base salary. Other executive officers are eligible for annual short-term incentive targets ranging from 33% to 43% of base salary with a maximum of 46% to 51% of base salary. Thirty percent of the annual incentive is tied to the attainment of individual goals and 20% is based on management skill. The balance is based upon the Company's achievement of financial goals established annually by the Committee.

Changes in annual incentive compensation to the named individuals in 1996 compared to 1995 resulted from increased incentive targets, an individual's relative attainment of his or her goals, and the Company's partial achievement of its financial goals in 1996. In addition, special one time payments were made to Messrs. Kitchen, Koupal and Rosenberg in connection with the Company's efforts to acquire Kansas City Power & Light Company.

Long-Term Incentives

Long-term incentive compensation is offered to employees who are in positions which can affect the long-term success of the Company, through the formation and execution of the Company's business strategies. The Long-Term Incentive and Share Award Plan is the principal method for long-term incentive compensation, and compensation thereunder takes the form of stock options. The purposes of long-term incentive compensation are to: (1) focus key employees' efforts on performance

which will increase the value of the Company to its shareholders; (2) align the interests of management with those of the shareholders; (3) provide a competitive long-term incentive opportunity; and (4) provide a retention incentive for key employees.

All executive officers and other key employees are eligible for stock options under the Long-Term Incentive and Share Award Plan. Under the Plan, at the beginning of each incentive period, stock option grants are provided to such participants and in such amounts as the Committee deems appropriate. The number of options varies on the basis of pay grade. The level of total compensation for similar executive positions in comparable companies was used as a reference in establishing the level of incentive stock options for Company executives.

The Long Term Incentive and Share Award Plan has been established to advance the interests of the Company and its shareholders by providing a means to attract, retain, and motivate key employees and directors upon whose judgment, initiative and effort the continued success, growth and development of the Company is dependent. The use of a stock option approach as a significant component of executive compensation creates a strong and direct linkage between the financial outcomes of the executive and the shareholders.

Current options vest and become exercisable on the earlier of the ninth anniversary of the grant or the date the share price remains at or above 120% of the exercise price for 30 consecutive trading days (but not earlier than three years from the date of grant). Current awards also provide a grant of dividend equivalents for each option granted. The value of a single dividend equivalent is equal to a percentage of accumulated dividends that would have been paid or payable on a share from the earlier of the fifth anniversary of the grant date or the first day of the calendar quarter that coincides or immediately precedes the vesting date discussed above. The percentage distribution is based on the Company's total shareholder return relative to a comparator group of companies selected by the Human Resources Committee at the time of grant. In the event of a change of control, stock options and dividend equivalents may accelerate and vest.

The 1996 Long-Term Incentive and Share Award Plan replaced an earlier Long-Term Incentive Program. Existing awards under this earlier plan remain in effect. Under that Plan, at the beginning of each incentive period performance shares were added to each participant's account. The number of performance shares equaled the number of shares of common stock having a market value at the date credited to each participant's account equal to 10% of the participant's base annual compensation for the first year of the incentive period. The level of performance shares, 10% of base annual compensation, is established by the Plan. Based upon an individual's and the Company's performance the ultimate grant of shares by the Committee may not exceed 110% of the performance shares for the relevant period. Participants also receive cash equivalent to dividends for comparable shares of common stock for each quarter of the three-year incentive period, whether or not the performance shares are ultimately earned by the participant.

Chief Executive Officer

Mr. Hayes has been the Chief Executive Officer of the Company since October 1989. Mr. Hayes' base salary and his annual short-term incentive compensation are established annually in January. In recommending the base salary to be effective March 1, 1996, while not utilizing any specific performance formula and without ranking the relative importance of each factor, the Committee took into account relevant salary information in the national market and the Committee's subjective evaluation of Mr. Hayes' overall management effectiveness and achievement of individual goals. Factors considered included his continuing leadership and contribution to strategic direction, management of change in an increasingly competitive industry, control of operation and maintenance

expenses, management of unregulated operations, the overall profitability of the Company and increased Company productivity. Mr. Hayes' base salary did not change in 1996. Mr. Hayes received a lump sum payment of \$18,600 in lieu of a base salary merit increase.

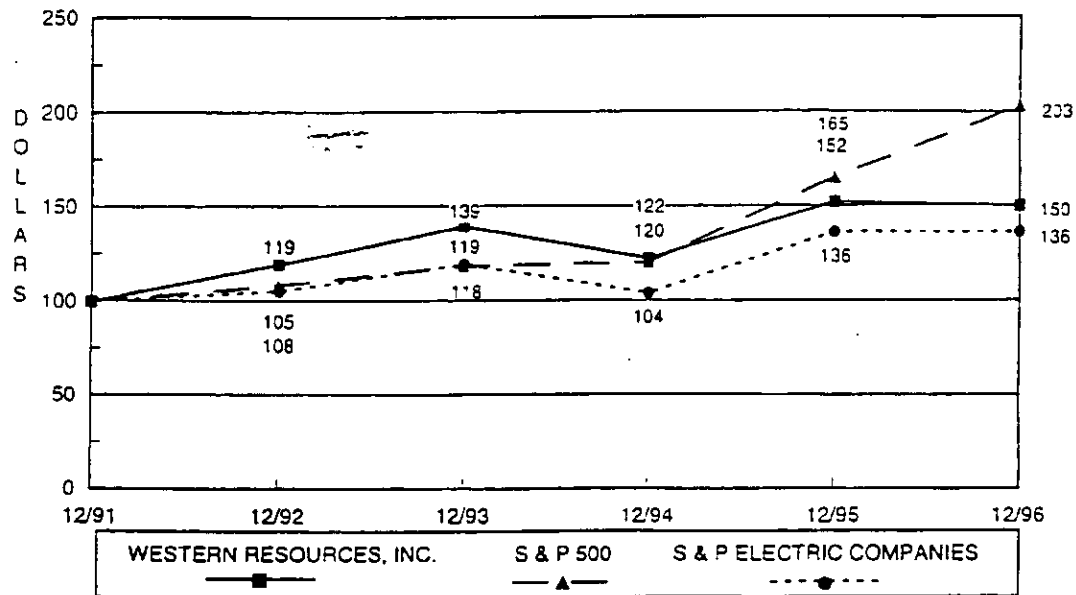
With respect to Mr. Hayes' 1996 short-term incentive compensation, the Committee took into account the above performance achievements, the Company's relative achievement of its financial goals, and Mr. Hayes' total compensation as compared to the national market.

Mr. Hayes' long-term incentive compensation for 1996 represents the cash equivalent of performance shares earned under the program. Based upon meeting the financial goals of the Company and the relative achievement of individual goals for 1994-1996 incentive period, Mr. Hayes received 815 shares of the Company's common stock, representing 64% of the performance shares granted to him in 1994. Under the 1996 Long-Term Incentive and Share Award Plan, Mr. Hayes was granted 25,000 stock options and dividend equivalents.

Western Resources, Inc. Human Resources
Committee
John C. Dicus, Louis W. Smith
 Chairman *Susan M. Stanton*
Russell W. Meyer, Jr. Kenneth J. Wagnon
John H. Robinson.

Performance Graph

Shown below is a line-graph presentation comparing the Company's cumulative, five-year total returns on an indexed basis* with the Standard & Poor's 500 stock index and Standard & Poor's Electric Companies Index.



* Assumes \$100 invested on December 31, 1991. Total return assumes reinvestment of dividends.

2. OTHER BUSINESS

The Board of Directors does not know of any other matters to come before the meeting. If, however, any other matters properly come before the meeting, it is the intentions of the persons named in the enclosed proxy to vote the same in accordance with their judgment on such other matters.

INDEPENDENT PUBLIC ACCOUNTANTS

Arthur Andersen LLP has acted as the Company's independent auditors since 1953, and has been recommended by the Audit and Finance Committee, approved by the Board of Directors and engaged by the Company as the Company's and its wholly-owned subsidiaries' independent public accountants for 1997. Representatives of Arthur Andersen LLP will be in attendance at the shareholders' meeting, will be available to respond to appropriate questions from shareholders and will be permitted to make a statement at the meeting if they desire to do so.

ANNUAL REPORT TO THE SHAREHOLDERS

The Annual Report of the Company for the year ended December 31, 1996, was mailed to shareholders on March 11, 1997. The Report contains financial statements audited by Arthur Andersen LLP, independent public accountants.

Whether or not you expect to be present at the 1997 Annual Meeting, you are requested to date, sign, and return the enclosed proxy card. Your prompt response will be much appreciated.

By Order of the Board of Directors,



Richard D. Terrill
Secretary

Topeka, Kansas
April 25, 1997

COMPENSATION OF EXECUTIVE OFFICERS

The following table sets forth the compensation of the named executive officers for the last three completed fiscal years of Western Resources:

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary \$	Bonus \$(1)	Other Annual Compensation \$(2)	LTIP Payments \$(3)	Securities Underlying Options/SARs	Other Compensation \$(4)
John E. Hayes, Jr. Chairman of the Board and Chief Executive Officer	1997						
	1996	465,000	164,870	25,036	25,177	25,000	17,449
	1995	460,933	102,481	18,230	44,169	N.A.	11,073
David C. Wittig (5) President	1997						
	1996	425,000	148,860	3,432	N.A.	25,000	867,449
	1995	283,826	53,190	1,090	N.A.	N.A.	12,930
Steven L. Kitchen Executive Vice President and Chief Financial Officer	1997						
	1996	267,084	112,407	10,027	11,748	11,500	16,933
	1995	234,700	46,483	17,999	19,173	N.A.	10,548
Carl M. Koupal, Jr. Executive Vice President and Chief Administrative Officer	1997						
	1996	174,167	82,112	3,460	7,464	8,500	16,385
	1995	152,833	29,787	4,287	13,217	N.A.	10,406
John K. Rosenberg Executive Vice President and General Counsel	1997						
	1996	163,717	63,431	3,996	3,763	5,500	16,359
	1995	159,216	26,438	12,451	15,071	N.A.	10,385

- (1) The amounts reported represent payments under Western Resources' Short-Term Incentive Plan. Payments are made only if certain financial and individual performance goals of Western Resources are achieved.
- (2) The amounts reported for 1997 represent dividend equivalents received under the Long-Term Incentive Plan in the amounts of \$ _____, _____, _____, _____ and _____, respectively; payments for the benefit of each named executive officer for federal and state taxes associated with personal benefits in the amounts of \$ _____, \$ _____, \$ _____, \$ _____ and \$ _____, respectively; and interest (excess of the applicable federal long-term interest rate) on deferred compensation for the year in the amounts of \$ _____, \$ _____, \$ _____, \$ _____ and \$ _____, respectively.
- (3) The amounts reported for 1997 represent the cash equivalent for common stock issued pursuant to the Long-Term Incentive Program for the 1995-1997 incentive period. Each individual received shares in the amount of \$ _____, \$ _____, \$ _____, \$ _____ and \$ _____, respectively for the stated period.
- (4) The amounts reported for 1997 represent Western Resources' contributions for each of the named individuals under Western Resources' savings plan, a defined contribution plan, in the amount of \$ _____ each, a car allowance in the amounts of \$ _____, \$ _____, \$ _____, \$ _____ and \$ _____, respectively, premiums paid on term life insurance policies in the amounts of \$ _____, \$ _____, \$ _____, \$ _____ and \$ _____, respectively, and the current dollar value of the premiums paid by the Company under its split dollar life insurance program in the amounts of \$ _____, \$ _____, \$ _____, \$ _____ and \$ _____, respectively. In addition, \$25,000 represents the cost to the Company of providing supplemental benefits to reimburse Mr. Wittig for lost benefits from Mr. Wittig's prior employer and to attract Mr. Wittig to the Company.
- (5) Mr. Wittig commenced his employment with Western Resources on May 2, 1995.

Annual Incentive Compensation

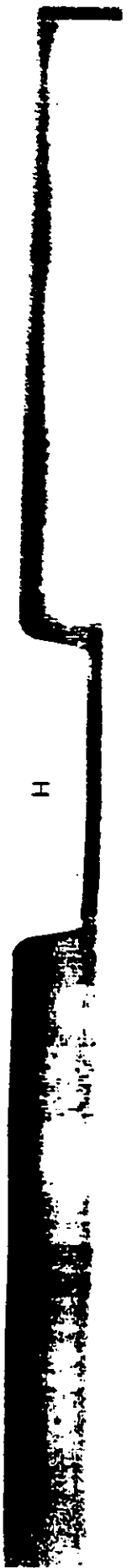
All executive officers are eligible for annual incentive compensation.

The primary form of short-term incentive compensation is the Company's Short-Term Incentive Plan for employees, selected by the Committee, including the executive officers listed in the table, who have an opportunity to directly and substantially contribute to the Company's achievement of short-term objectives. Short-term incentives are structured so that potential compensation is comparable with short-term compensation granted to comparable positions in the national market. Some, but not all, of such companies are included in the Standard and Poor's Electric Companies Index.

Mr. Hayes is eligible for an annual short-term incentive target of 60% of base salary. Other executive officers are eligible for annual short-term incentive targets ranging from 55% to 60% of base salary. Thirty percent of the annual incentive is tied to the attainment of individual goals and 20% is based on management skill. The balance is based upon the Company's achievement of financial goals established annually by the Committee. Awards in excess of the target percentages may be payable if the financial goals are exceeded.

Changes in annual incentive compensation to the named individuals in 1997 compared to 1996 resulted from increased incentive targets, an individual's relative attainment of his or her goals, and the Company materially exceeding its financial goals in 1997.

The Company established a split dollar life insurance program for the benefit of certain of its officers, including executive officers, in recognition of the agreement of the affected individuals as to the amount of the annual incentive compensation that would be paid to them for 1997. Under the split dollar life insurance program, the Company pays the premiums under a life insurance policy on the insured's life and, upon termination of the policy or the insured's death, all premiums paid by the Company are first required to be repaid to the Company. The Company retains an equity interest in the death benefit and cash value of the policy to secure this repayment obligation. In making the 1997 short-term incentive awards to the executive officers, including the Chief Executive Officer, the benefits being provided to them under the split dollar insurance program were taken into account.



I

Split Dollar Life Insurance Program

- Executive purchases individual life insurance policy.
- Western Resources pays the premium on his behalf in the form of a loan to the executive.
- The executive assigns a collateral interest in the policy to Western Resources as security for the premium loan.
- In the future, the executive may make tax-free loans against the cash value of his policy.
- Simultaneous with the above loans, Western Resources will make premium payments on behalf of the executive in amounts equal to the loan amounts made by the executive.
- At the death of the executive, Western Resources will receive a tax-free death benefit equal to the cumulative premiums (loans) made on behalf of the executive, and the executive's beneficiary receives the balance.
- The value of the premiums paid by the company on behalf of the executive will be reported as "other compensation" in the proxy statement. The value reported in the proxy is expected to be approximately \$20,000 per year for each executive, plus any additional premium payments to cover loans under the policy.



- Under the company's executive salary continuation plan, an employee's 3-years' final average earnings are used to determine the amount to be paid under the plan.
- Final average earnings include -- base salary plus short-term incentive.
- With the 1997 short-term payouts, certain officers may be incented to retire at age 55 or do not receive the benefit under the plan.
- The "pension offset" is designed to recognize for those officers the benefit of the enhanced short-term payout of 1997.