

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of Kansas City Power & Light )  
Company’s Request for Authority to Implement ) **Case No. ER-2018-0145**  
A General Rate Increase for Electric Service )

In the Matter of KCP&L Greater Missouri )  
Operations Company’s Request for Authorization to ) **Case No. ER-2018-0146**  
Implement A General Rate Increase for Electric )  
Service )

**NON-UNANIMOUS PARTIAL STIPULATION AND AGREEMENT  
REGARDING CLASS REVENUE SHIFTS**

COME NOW Kansas City Power & Light Company (“KCP&L”), KCP&L Greater Missouri Operations Company (“GMO”) (collectively, the “Company”), the Staff of the Missouri Public Service Commission (“Staff”), the Office of the Public Counsel (“OPC”), Midwest Energy Consumers Group (“MECG”), Missouri Division of Energy (“DE”), Missouri Industrial Energy Consumers (“MIEC”), Missouri Joint Municipal Electric Utility Commission (“MJMEUC”), and Renew Missouri Advocates (“Renew Missouri”) by and through their respective counsel, and for their Non-Unanimous Partial Stipulation and Agreement Regarding Class Revenue Shifts (“Stipulation”), respectfully state as follows to the Missouri Public Service Commission (“Commission”):

**AGREEMENTS**

1. **SETTLEMENT OF SPECIFIC ISSUES**

This Stipulation resolves the following issues on the September 18, 2018 List of Issues filed in this case: Rate Design/Class Cost of Service (III).

2. **CLASS REVENUE SHIFTS**

The Signatories agree to the following:

- a. GMO: Equal percentage decrease of 3.22% to all classes.

- b. KCP&L: The overall revenue decrease will be increased from \$21 million to \$21.1 million<sup>1</sup>.
  - i. LPS and LGS: 2.99% reduction
  - ii. MGS: 2.39% reduction
  - iii. SGS: 4.73% reduction
  - iv. Residential and Lighting: 1.43% reduction

3. **RESIDENTIAL RATE DESIGN**

The Signatories agree to the following:

- a. KCP&L
  - i. Rate design consistent with *Non-Unanimous Partial Stipulation and Agreement Concerning Rate Design Issues*, filed in these dockets on September 25, 2018, except for the Residential General Use summer energy rates where the decrease will be applied to the first and second blocks with the second block adjusted to reflect the same price as the first block. The third block (1,000 kWh and over) will remain at a higher price. The differential for the third block will be \$0.01405 per kWh from the first and second blocks and will not be an increase above the current rate level for the third block.
- b. GMO
  - i. Rate design consistent with *Non-Unanimous Partial Stipulation and Agreement Concerning Rate Design Issues*, filed in these dockets on September 25, 2018, except for the Residential General Use summer

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<sup>1</sup> This \$21.1 million revenue reduction replaces the \$21.0 million revenue reduction set forth in ¶1 of the *Non-Unanimous Partial Stipulation and Agreement* filed in these dockets on September 19, 2018.

energy rates where the overall decrease will be applied to the first and second blocks. The third block (1,000 kWh and over) will reflect a higher price. The differential for the third block will be \$0.01 per kWh from the first and second blocks and will not be an increase above the current rate level for the third block.

4. **CUSTOMER EDUCATION REGARDING RATE DESIGN**

- a. The Company agrees to develop and implement a customer education plan regarding the rate design presented in this Stipulation. In the development of the education plan, the Company will examine and evaluate leading educational processes and practices on customer education of rate designs. The Company's rate design education plan may include various forms of tools, marketing and customer education such as mailings, outbound calling, utilization of their Interactive Voice Response Unit ("IVR"), text messaging, website information, media outlets and outreach through various company partners including community action agencies, senior housing centers and others.
- b. The Company agrees to provide Staff, OPC, and DE with a report detailing its planned rate design education program within the Q2 of 2019. The Company and interested parties may further address the Company's rate design education program within the stakeholder meetings identified in the Time Of Use ("TOU") Non-Unanimous Stipulation and Agreement filed on September 25, 2018 in these cases.
- c. KCP&L and GMO shall be authorized to defer for recovery prudently incurred costs (including marketing, education, evaluation and administration costs) to

develop and implement the above-referenced customer education plan. In their next rate case(s), KCP&L and GMO shall be authorized to recover these prudently incurred costs.

5. **NON-RESIDENTIAL RATE DESIGN (KCP&L AND GMO)**

The Signatories agree to the following:

a. KCP&L

- i. The LPS and LGS rate design will be an equal percentage decrease applied only to the energy blocks.
- ii. The SGS, MGS, and Lighting rate design will be an equal percentage decrease applied to all rate components.

b. GMO

- i. The LPS and LGS rate design will be an equal percentage decrease applied only to the energy blocks.
- ii. The SGS and MGS rate design will be an equal percentage decrease applied to all rate components.
- iii. Lighting - Consistent with the tariffs and transitional plan approved for GMO Municipal Street Lighting (JE-2017-0203), the transitional rates, represented in Section 2 of Sheet 150, will not be reduced as part of this agreement.

6. **NON-SIGNATORY PARTIES DO NOT OPPOSE STIPULATION**

The Signatories have been authorized to represent that the following parties, who have not executed this Stipulation, do not oppose Commission approval of this Stipulation:

- Advanced Energy Management Alliance (“AEMA”);
- Dogwood Energy, LLC (“Dogwood”);

**GENERAL PROVISIONS**

7. Contingent upon Commission approval of this Stipulation without modification, the Signatories hereby stipulate to the admission into the evidentiary record of the testimony of their witnesses on the issues that are resolved by this Stipulation.

8. This Stipulation is being entered into solely for the purpose of settling the issues/adjustments in this case explicitly set forth above. Unless otherwise explicitly provided herein, none of the Signatories to this Stipulation shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any cost of service methodology or determination, method of cost determination or cost allocation or revenue-related methodology.

9. This Stipulation is a negotiated settlement. Except as specified herein, the Signatories to this Stipulation shall not be prejudiced, bound by, or in any way affected by the terms of this Stipulation: (a) in any future proceeding; (b) in any proceeding currently pending under a separate docket; and/or (c) in this proceeding should the Commission decide not to approve this Stipulation, or in any way condition its approval of same.

10. This Stipulation has resulted from extensive negotiations among the Signatories, and the terms hereof are interdependent. If the Commission does not approve this Stipulation

unconditionally and without modification, then this Stipulation shall be void and no Signatory shall be bound by any of the agreements or provisions hereof.

11. This Stipulation embodies the entirety of the agreements between the Signatories in this case on the issues addressed herein, and may be modified by the Signatories only by a written amendment executed by all of the Signatories.

12. If approved and adopted by the Commission, this Stipulation shall constitute a binding agreement among the Signatories. The Signatories shall cooperate in defending the validity and enforceability of this Stipulation and the operation of this Stipulation according to its terms.

13. If the Commission does not approve this Stipulation without condition or modification, and notwithstanding the provision herein that it shall become void, (1) neither this Stipulation nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any Signatory has for a decision in accordance with RSMo. §536.080 or Article V, Section 18 of the Missouri Constitution, and (2) the Signatories shall retain all procedural and due process rights as fully as though this Stipulation had not been presented for approval, and any suggestions, memoranda, testimony, or exhibits that have been offered or received in support of this Stipulation shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any purpose whatsoever.

14. If the Commission accepts the specific terms of this Stipulation without condition or modification, only as to the issues in these cases explicitly set forth above, the Signatories each waive their respective rights to present oral argument and written briefs pursuant to RSMo.

§536.080.1, their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2, their respective rights to seek rehearing pursuant to §536.500, and their respective rights to judicial review pursuant to §386.510. This waiver applies only to a Commission order approving this Stipulation without condition or modification issued in this proceeding and only to the issues that are resolved hereby. It does not apply to any matters raised in any prior or subsequent Commission proceeding nor any matters not explicitly addressed by this Stipulation.

WHEREFORE, the Signatories respectfully request the Commission to issue an order in this case approving this Stipulation subject to the specific terms and conditions contained therein.

Respectfully submitted,

*/s/ Nicole Mers*

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**ATTORNEYS FOR THE OFFICE OF THE PUBLIC COUNSEL**

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 27<sup>th</sup> day of September, 2018.

*Roger W. Steiner*

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Roger W. Steiner