

SEP 2 8 2016

Missouri Public Service Commission Exhibit No.: Issue: Witness: Sponsoring Party: Type of Exhibit: Case No.: Date Testimony Prepared: 105 Fuel Adjustment Clause Matthew J. Barnes MoPSC Staff Surrebuttal Testimony ER-2016-0156 September 2, 2016

# **MISSOURI PUBLIC SERVICE COMMISSION**

## **COMMISSION STAFF DIVISION**

WATER & SEWER DEPARTMENT

## SURREBUTTAL TESTIMONY

OF

**MATTHEW J. BARNES** 

# **KCP&L GREATER MISSOURI OPERATIONS COMPANY**

CASE NO. ER-2016-0156

Jefferson City, Missouri September 2016

1	SURREBUTTAL TESTIMONY
2	OF
3	MATTHEW J. BARNES
4	KCP&L GREATER MISSOURI OPERATIONS COMPANY
5	CASE NO. ER-2016-0156
6	Q. Please state your name and business address?
7	A. My name is Matthew J. Barnes and my business address is Missouri Public
8	Service Commission, P.O. Box 360, Jefferson City, MO 65102.
9	Q. Are you the same Matthew J. Barnes that contributed to Staff's Revenue
10	Requirement Cost of Service Report ("COS Report") filed on July 15, 2016, Staff's Rate
11	Design Report filed July 29, 2016, and Rebuttal Testimony filed on August 15, 2016?
12	A. Yes, I am.
13	Q. What is the purpose of your rebuttal testimony?
14	A. The purpose of my rebuttal testimony is to respond to Office of the Public
15	Council witness Lena M. Mantle's rebuttal testimony in which she recommends
16	the Commission not adopt the transmission cost language proposed by Staff in its Rate
17	Design Report <sup>1</sup> .
18	Staff's Proposed Transmission Cost Language in GMO's FAC Tariff
10	Q. On page 12, line 18 through page 13, line 13, Mrs. Mantle recommends the
20	Commission not adopt the transmission cost language proposed by Staff in its Rate Design
21	Report and maintain the transmission cost language as it is in KCP&L Greater Missouri
22	Operations Company ("GMO") Fuel Adjustment Clause tariff Sheet No. 126. Do you agree
23	with her recommendation?

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<sup>&</sup>lt;sup>1</sup> Page 39 of Staff's *Rate Design Report* filed on July 29, 2016.

## Rebuttal Testimony of Matthew J. Barnes

1	A. Not entirely. Staff agrees that the only transmission costs that should be
.2	included in the FAC are transmission costs that are necessary to receive purchased power to
3	serve native load and transmission costs that are necessary to make off-system sales excluding
4	any and all charges related to Southwest Power Pool ("SPP") charges related to GMO's
5	Crossroads generating station. The language that is currently in GMO's FAC tariff Sheet
6	No. 126 was written before the SPP Integrated Market was implemented, which was
7	March 2014. Since then the Commission has issued several Report and Orders <sup>2</sup> addressing
8	the Day Ahead market and the proper transmission costs to be included in FACs. Staff's
9	recommendation to change the transmission cost language in GMO's FAC tariff Sheet
10	No. 126 is consistent with and more accurately reflects the transmission costs the Commission
11	has allowed other utilities to include in their FACs since the Commission first authorized
12	GMO's FAC.

Does this conclude your rebuttal testimony?

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- A. Yes it does.

Q.

<sup>&</sup>lt;sup>2</sup> Kansas City Power & Light Company *Report and Order* in Case No. ER-2014-0370, Ameren Missouri *Report and Order* in File No. ER-2014-0258, and Empire District Electric Company *Report and Order* in Case No. ER-2014-0351.

#### BEFORE THE PUBLIC SERVICE COMMISSION

### **OF THE STATE OF MISSOURI**

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In the Matter of KCP&L Greater Missouri Operations Company's Request for Authority to Implement A General Rate Increase for Electric Service

Case No. ER-2016-0156

#### **AFFIDAVIT OF MATTHEW J. BARNES**

STATE OF MISSOURI ) ) ss. COUNTY OF COLE )

**COMES NOW MATTHEW J. BARNES** and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing Surrebuttal Testimony and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

#### JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 3151 day

of , 2016. lugust

D. SUZIE MANKIN Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: December 12, 2016 Commission Number: 12412070

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