

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

In the Matter Veolia Energy	)	
Kansas City Inc.'s Adjustment to	)	<b><u>File No. HO-2017-0211</u></b>
Its PACC Tariff Adjustment Tariff	)	Tracking No. YH-2017-0154

**STAFF RECOMMENDATION TO APPROVE TARIFF**

**COMES NOW** the Staff of the Missouri Public Service Commission, by and through counsel, and for its Recommendation in response to the Commission's Order Directing Filing states as follows:

1. On February 1, 2017, Veolia Energy Kansas City, Inc. ("Veolia") filed tariff sheets (Tracking No. YH-2017-0154) to revise its Production Adjustment Cost Clause ("PACC") rates for steam service. The revised tariff sheets have a proposed effective date of April 1, 2017.

2. On March 3, 2017, Staff filed its recommendation and determined that the revised tariff sheets were in compliance with Veolia's Tariff Sheet Nos. 36 and 37 and the Commission's Report and Order which approved the PACC in Case No. HR-2014-0066.

3. On March 22, 2017, Veolia filed substitute revised tariff sheets and notified the Commission that it had inadvertently omitted 150 Mlbs of steam revenue from its February 1, 2017 filing.

4. As set forth in the attached Memorandum, Staff has reviewed Veolia's substitute revised tariff sheets filed on March 22, 2017, and has determined that they are in compliance with Veolia's Tariff Sheet Nos. 36 and 37 and the Commission's Report and Order which approved the PACC in Case No. HR-2014-0066.

**WHEREFORE**, for the reasons stated above, Staff recommends the Commission approve Veolia's two substitute revised tariff sheets filed on March 22, 2017, under tracking number YH-2017-0154 and bearing effective dates of April 1, 2017.

Respectfully submitted,

**/s/ Jamie S. Myers**

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**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 27<sup>th</sup> day of March, 2017.

**/s/ Jamie S. Myers**

## MEMORANDUM

TO: Missouri Public Service Commission Official Case File  
File No. HO-2017-0211, Tariff Tracking No. YH-2017-0154  
Veolia Energy Kansas City, Inc.

FROM: Joe Roling, Regulatory Economist II

/s/Robin Kliethermes 3/27/2017  
Tariff / Rate Design Manager / Date

/s/ Robert Berlin 3/27/2017  
Staff Counsel Division / Date

SUBJECT: Staff Recommendation to Approve the Substitute Tariff Sheets Filed to Add the Production Adjustment Cost Clause of 2016 to go into effect on April 1, 2017.

DATE: March 27, 2017

On February 1, 2017, Veolia Energy Kansas City, Inc. (“Veolia”) filed with the Commission two (2) tariff sheets for steam service to implement the Production Adjustment Cost Clause (“PACC”) for the twelve (12) months starting April 1, 2017 through March 31, 2018. The adjustment is required by Veolia’s PACC, which the Commission approved in Case No. HR-2014-0066, effective August 1, 2014.

On February 2, 2017, the Commission directed Staff to file a recommendation on the pending tariff no later than March 3, 2017. On March 3, Staff issued its recommendation to approve Veolia's PACC tariffs. On March 22, Veolia filed a revised tariff to account for an error Veolia discovered subsequent to submitting its PACC filing. Veolia inadvertently omitted 150 MLbs of steam revenue from Veolia’s PACC calculation. Also on March 22, Veolia filed a substitute to the revised tariff.

Staff has reviewed the substitute tariff filed on March 22 and concluded that the revised rate of negative (\$0.44636) per MLb is the correct rate resulting from the additional 150 MLbs of steam sales. The revised rate is a change from negative (\$0.44575).

### **Staff Recommendation**

Staff has reviewed the filed substitute tariff sheets and recommends approval of the following tariff sheets to go into effect for service on and after April 1, 2017, the requested effective date:

**P.S.C. MO. No. 1**

2<sup>nd</sup> Revised Sheet No. 36 Cancelling 1<sup>st</sup> Revised Sheet No. 36

2<sup>nd</sup> Revised Sheet No. 37 Cancelling 1<sup>st</sup> Revised Sheet No. 37

Staff has verified that Veolia is not delinquent on any assessment and has filed its Annual Report. Veolia is current on its submission of its Surveillance Monitoring reports as required in 4 CSR 240-20.090(10) and its monthly reports as required by 4 CSR 240-3.161(5). Staff is not aware of any other matter pending before the Commission that affects or is affected by this tariff filing. Staff's recommendation for approval of the PACC change in this case is solely based on the accuracy of Veolia's calculations.

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the Matter of Veolia Energy Kansas City, Inc.'s )  
Adjustment to its PACC Tariff Adjustment Tariff )

Case No. HO-2017-0211

**AFFIDAVIT OF JOSEPH P. ROLING**

STATE OF MISSOURI     )  
  ) ss  
COUNTY OF COLE     )

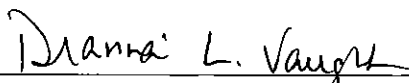
**COMES NOW**, Joseph P. Roling, and on his oath declares that he is of sound mind and lawful age; that he contributed to the attached Staff Recommendation; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

  
\_\_\_\_\_  
Joseph P. Roling

Subscribed and sworn to be this 27<sup>th</sup> day of March, 2017.

DIANNA L. VAUGHT  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Cole County  
My Commission Expires: June 28, 2019  
Commission Number: 15207377

  
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Notary Public