KCP&L GREATER MISSOURI OPERATIONS COMPANY

P.S.C. MO. No. _____1

Original Sheet No. 155

Canceling P.S.C. MO. No.

Revised Sheet No._____ For Missouri Retail Service Area

LIMITED LARGE CUSTOMER ECONOMIC DEVELOPMENT DISCOUNT RIDER Schedule PED

PURPOSE

The purpose of this Limited Large Customer Economic Development Rider (Rider) is to comply with Mo. Rev. Stat. § 393.1640 (2018).

EXPIRATION

This Rider shall expire on December 31, 2023, unless extension is requested by the Company and approved by the Commission. All discounts under this Rider shall expire no later than December 31, 2028. This provision shall control any Contract provisions to the contrary.

AVAILABILITY/ELIGIBILITY

Electric service under this Rider shall be limited to industrial and commercial facilities which are not in the business of selling or providing goods and/or services directly to the general public, and shall be made available if all of the following criteria are met:

- 1. If an otherwise qualifying Customer is receiving any economic development or retention-related discounts as of the date it would otherwise qualify for service under this Rider, the Customer shall agree to relinquish the prior discount concurrently with the date it begins to receive Service under this Rider; otherwise, the Customer shall not be eligible to receive any service under this Rider;
- 2. Electric service under this Rider is not available in conjunction with service provided pursuant to any other Special Contract Service tariff agreements;
- 3. The Customer submits a completed Application prior to public announcement of the growth project for which service under this Rider is sought. Such Application, and an application for service if not already submitted, shall be submitted at least ninety (90) days prior to the date the Customer requests the discounts provided for by this Rider;
- 4. The Customer adds qualifying incremental load with average monthly demand that is reasonably projected to be at least three hundred (300) kilowatts with a load factor of at least fifty-five (55) percent within two (2) years after the date the Application is submitted.
 - a. Qualifying incremental load shall be calculated as additional load net of any associated offsetting load reductions due to the termination of other accounts of the customer or an affiliate of the customer within twelve (12) months prior to the commencement of service to the new load;
 - b. The projected annual Customer load factor shall be determined by the following relationship:

Load Factor = PAE / (PCD x HRS)

where:

PAE = Projected Annual Energy (kWh) HRS = Hours in year (8760) PCD = Projected Customer Peak Demand (kW)

5. Prior to execution of a Contract for Service under this Rider, the Customer shall provide sufficiently detailed information and documentation to enable the Company to determine whether the incremental load is qualified for service under this Rider;

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AVAILABILITY/ELIGIBILITY (continued)

- 6. The Customer shall execute a Contract for Service under this Rider. In the case of a Customer locating a new facility in GMO's service territory or expanding an existing facility in GMO's service territory, the contract will contain a statement that the Customer would not locate new facilities in GMO's service territory or expand its existing facilities in GMO's service territory but for receiving service under this Rider along with other incentives;
- 7. The Customer receives local, regional, or state economic development incentives in conjunction with the incremental load; and
- 8. The Customer is otherwise qualified for service under the Company's LGS, LPS, or LGA rate schedules.

APPLICABILITY

- 1. For facilities of a Customer contracting under this Rider due to expansion, the Company may install metering equipment necessary to measure load subject to this Rider. The Company reserves the right to make the determination of whether such load will be separately metered or Sub-metered. If the Company determines that the nature of the expansion is such that either separate metering or sub-metering is impractical or economically infeasible, the Company will determine, based on historical usage, what portion of the Customer's load in excess of the monthly baseline, if any, qualifies as incremental load eligible for this Rider.
- 2. The Customer's load subject to service under this Rider is the qualifying incremental load. If the demand associated with the qualifying incremental load is not separately metered, the Company's determination of the incremental demand shall control.
- 3. Customer demand existing at the time the customer begins to receive discounted rates under this section shall not constitute incremental demand.
- 4. Service under this Rider shall begin on the date when the meter associated with the qualifying incremental load is permanently set. However, if the permanent meter is set prior to occupancy and operation of the associated facility, the customer will notify Company when operation begins and service of this Rider shall begin at such time as operation begins. If the qualifying incremental load is measured rather than metered, service under this Rider shall begin upon notification to the Company by the Customer when operation begins.
- 5. For Customers with existing facilities at one or more locations in the Company's service area, this Rider shall not be applicable to service provided at any existing delivery point prior to receiving service under this Rider. Failure to comply with this provision may result in termination of service under this Rider.
- 6. Unless terminated pursuant to a Termination provision, service is available under this Rider up to five (5) years. However, an eligible Customer shall also receive a ten (10) percent discount of all base rate components of the bill applied to such qualifying incremental load for one (1) year after the initial discount period ends if the Company determines that the Customer is taking service from an under-utilized circuit. In no event shall a Customer receive a discount for taking service from an under-utilized circuit after December 31, 2028.

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INCENTIVE PROVISIONS

- 1. Bills for separately metered (or measured) service to existing Customers, pursuant to the provisions of this Rider, will be calculated independently of any other service rendered to the Customer at the same or other locations.
- 2. The discount shall be a percentage applied to only the base rate components of the bill. The charges or credits arising from any rate adjustment mechanism shall be billed or applied to Customers taking service under this Rider in the same manner as otherwise applicable. All other billing, operational and related provisions of the otherwise applicable rate schedules shall remain in effect.
- 3. The percentage applicable to each year of service under this Rider shall be set out in the Contract and shall not be modified during the operation of the Contract, except as provided in paragraph 6 of the Applicability section of this Rider. As contracted, the average of the annual discount percentages applicable to years one (1) through five (5) shall equal forty (40) percent and shall not be less than thirty (30) percent nor more than fifty (50) percent in any year prior to the sixth year, if applicable.
- 4. In establishing the contracted percentages, the cents per kilowatt-hour realization resulting from application of the discounted rate as calculated shall be higher than the Company's variable cost to serve such accounts in aggregate and the discounted rate also shall make a positive contribution to fixed costs associated with such service. To reasonably ensure the sufficiency of such revenues, the Company shall utilize the analysis of the Company's incremental cost of service as set forth in Sheet No. 123.6 within Schedule EDR.
- 5. If in a subsequent general rate proceeding the Commission determines that application of such discounted rate is not adequate to cover the variable cost to serve such accounts and provide a positive contribution to fixed costs, then the Commission shall order modification of the contracted percentages to the extent necessary to do so.

TERMINATION

Failure of the Customer to meet any of the availability and applicability criteria of this Rider used to qualify the Customer for acceptance on the Rider shall result in termination of service under this Rider. Failure to meet and maintain compliance with each of the items contained in this Rider shall result in termination of service under this Rider. Company shall review and verify compliance with the Rider and the Contract on a semi-annual basis. Company shall verify and retain documentation of each of the following items:

- 1. Electric service is limited to industrial and commercial facilities that are not in the business of selling or providing goods and/or services directly to the general public;
- 2. The local, regional, or state economic development incentives relied upon to initially qualify for service under this Rider have been received, retained, and the Customer has met all conditions upon the incentive receipt and retention.
- 3. The Customer's qualifying incremental demand is at least three-hundred (300) kW and the customer must maintain a load factor of fifty-five (55) percent or greater in years three (3) through five (5) of the service under this Rider.

FILING REQUIREMENTS

- 1. Service under this Rider shall be evidenced by a Contract between the Customer and the Company. Within thirty (30) days of executing said Contract, the Contract shall be submitted along with documentation supporting the qualification of the Customer and the Company's review of qualification to EFIS as a Non-Case-Related Submission.
- 2. Company shall file in File No. EO-2019-0045 under affidavit the results of all semi-annual reviews required under the Termination section of this Rider. Such filing shall include a Public and a Confidential version including copies of all Contracts executed since its last annual review filing. All documentation relied upon by the Company for its conclusion that compliance has been maintained, or that there is basis for termination of service under this Rider, shall be included.
- 3. Company shall annually, for each Customer taking service under this Rider, update the revenue sufficiency calculation prescribed under Incentive Provisions paragraph 4 to reflect actual historical usage, revised projections, and updated inputs to the calculation set forth in Sheet No. 123.6 within Schedule EDR.