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Missouri Public Service Commission

June 18, 1999

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General Counsel

Mr. Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102

RE: Case No.EC-99-553 - Kansas City Power & Light Company

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and fourteen (14) conformed copies of a **PROPOSED PROCEDURAL SCHEDULE**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Lera L. Shemwell Assistant General Counsel (573) 751-7431 (573) 751-9285 (Fax)

LLS/wf Enclosure cc: Counsel of Record FILED JUN 1 8 1999

Missouri Public Service Commission

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

GST Steel Company,

v.

Complainant. Kansas City Power & Light Co.,

Respondent.

Case No. EC-99-553

FILED

JUN 1 8 1999

Missouri Public Service Commission

# JOINT PROPOSED PROCEDURAL SCHEDULE

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COME NOW the Parties to this proceeding, and in compliance with the Commission's June 8, 1999 Order Denying Motion for Immediate Relief, Directing Expedited Response to Complaint, Setting Pre-Hearing Conference and Requiring Filing of Procedural Schedule, submit the following joint proposed procedural schedule. In support of their request that the Commission adopt this procedural schedule the Parties state:

1. On May 11, 1999, GST Steel Company (GST) filed a Petition and Request for Investigation with the Missouri Public Service Commission (Commission) stating that GST purchases power from Kansas City Power & Light (KCP&L) pursuant to a special contract, specifically an Amended and Restated Power Supply Agreement, that was executed on August 12, 1994 and subsequently approved by the Commission.

2. In its filing, GST alleges that it is not receiving the benefit of its bargain in that KCP&L has included unreasonable and imprudently incurred costs in the prices charged to GST. GST alleges that imprudent and improper management by KCP&L will result in significantly higher electricity prices for GST and that repeated power outages due to inadequate maintenance has meant that KCP&L has had to purchase off-system power and that has also resulted in higher electric prices for GST. GST maintains that, as a result, KCP&L has improperly calculated the hourly incremental prices charged to GST under its contract.

3. GST further alleges that KCP&L has failed to perform needed plant and system maintenance, that KCP&L has failed to plan for load growth, and that both of these factors have resulted in increased outages and thus greater reliance on purchased power.

4. On May 18, 1999, KCP&L responded to GST's claims and request for immediate relief by denying, *inter alia*, the allegations contained in paragraphs two and three of this pleading, and stating that GST's charges for electricity are determined by the provisions of the Commission-approved special contract. KCPL alleged that since all contracts approved by the Commission are presumed to be just and reasonable, the special contract at issue is just and reasonable. KCP&L further responded by alleging that under the contract, GST may choose to purchase power under any approved tariff.

5. On May 26, 1999, the Commission issued the standard Protective Order.

6. In its May 11 filing, GST also requested that the Commission use the instant case to investigate the cause of the Hawthorn 5 boiler explosion.

7. Staff responded to GST's request to include the Hawthorn 5 incident investigation in this case with Staff Response to the Petition by GST for an Investigation into the Adequacy of Service Provided by Kansas City Power and Light Company and a Motion to Open Docket, both of which were filed on June 1, 1999. In its June 1 Order, the Commission denied GST's request for immediate relief, refused to conduct its investigation of the boiler explosion at Hawthorn within the context of this case, and granted the Staff's request to open a separate case for the Hawthorn 5 incident investigation.

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8. In the June 1 Order, the Commission ordered a prehearing conference to be held on June 11, to establish, among other things, a proposed procedural schedule.

9. The Commission's June 1 Order instructs the Parties to submit a statement of the issues to be submitted to the Commission for determination. The Parties respectfully suggest that it is still very early in the process for the Parties to agree upon a binding statement of issues. The Parties have listed below a preliminary statement of issues and propose to submit a binding statement of specific questions for Commission determination by October 22, which is six weeks prior to the Proposed Hearing date.

10. By signing this Proposed Procedural Schedule, unless otherwise indicated, no party shall be deemed to have acquiesced in the statements of any other party with respect to any issue. The summary description of the issues as contained herein is solely for the convenience of the Commission and no party is necessarily bound by that description.

#### NON-BINDING STATEMENT OF ISSUES

### KCP&L's Preliminary Statement of Issues

A. Whether the pricing contained in the Special Contract is just and reasonable.

#### **GST's Preliminary Statement of Issues**

- B. Whether KCP&L has a responsibility to maintain and operate its power plants and system in a safe, reliable and economic manner for all customers it serves, regardless of the rate class or terms of service with any individual customer.
- C. Whether the boiler explosion and subsequent shutdown of Hawthorn 5 was caused by KCP&L management's imprudent actions or failure to act.

D. Whether KCP&L has caused its transmission and distribution assets to be reasonably and

prudently maintained and operated.

E. Whether KCP&L has caused its generation assets to be reasonably and prudently maintained and operated such that each generating asset (including, but not limited to Hawthorn) is reasonably available to serve all customers.

11. The Parties have agreed upon the following dates and, therefore, respectfully request that the Commission adopt the following procedural schedule:

#### **PROCEDURAL SCHEDULE**

Complainant GST's Direct Testimony	August 12, 1999
Rebuttal Testimony by all other Parties	October 7, 1999
Prehearing Conference	October 18, 1999
Statement of Issues	October 22, 1999
Surrebuttal or Cross-Surrebuttal all Parties	November 18, 1999
Position Papers	November 29, 1999
Hearing	December 6-14, 1999

WHEREFORE, the parties to this case request that the Commission issue an order adopting the above proposed procedural schedule.

Respectfully submitted,

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# **CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, faxed, or hand-delivered to all parties of record as shown on the attached service list this 18<sup>th</sup> day of June, 1999.

Lera L. Shernwell

Service List For Case No. EC-99-553 June 18, 1999

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