

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

In the Matter of the Application of Great Plains)
Energy Incorporated for Approval of its Merger) File No. EM-2018-0012
with Westar Energy, Inc.)

**MOTION TO INTERVENE OF
KANSAS ELECTRIC POWER COOPERATIVE, INC.**

Pursuant to 4 CSR 240-2.075 of this Commission’s Rules of Practice and Procedure and the *Order Directing Notice And Setting Intervention Date And Procedural Conference*, issued on September 6, 2017,¹ the Kansas Electric Power Cooperative, Inc. (“KEPCo”) moves to intervene as a party to this proceeding concerning the Application of Great Plains Energy Incorporated (“GPE”) for approval of its merger with Westar Energy, Inc. (“Westar”), as filed on August 31, 2017.² In support of its Motion, KEPCo states as follows:

I. COMMUNICATIONS AND SERVICE

Service in this proceeding should be made upon, and communications should be directed to, the following:

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¹ *In the Matter of the Application of Great Plains Energy Incorporated for Approval of its Merger with Westar Energy, Inc.*, File No. EM-2018-0012, Order Directing Notice And Setting Intervention Date And Scheduling Procedural Conference, issued September 6, 2017 (“September 6 Order”).

² File No. EM-2018-0012, Application for Approval of Merger, Request for Variance from 4 CSR 240-20.015, and Motion for Expedited Treatment, filed August 31, 2017 (“GPE Application”).

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II. BACKGROUND

The background of this proceeding is set forth in detail in the GPE Application and will not be repeated in its entirety here. In relevant part, GPE and Westar entered into an initial transaction by which GPE would acquire 100% of Westar's stock and become the parent company of Westar ("Initial Transaction"). GPE filed an application for approval of the Initial Transaction at the Kansas Corporation Commission ("KCC") on June 28, 2016 and at this Commission on February 23, 2017 in File No. EM-2017-0226.³ KEPCo intervened in and participated in both the Kansas and Missouri proceedings to consider the Initial Transaction.⁴

On April 19, 2017, the KCC denied the Initial Transaction.⁵ In Missouri, the Commission granted a motion to suspend the briefing schedule in File No. EM-2017-0226 due to the KCC's denial.⁶ On May 4, 2017, GPE and Westar filed a Petition for Reconsideration of the KCC's order, which was also denied by the KCC.⁷ GPE and Westar subsequently negotiated a new transaction, by which the companies will merge in a stock-for-stock merger of equals ("New

³ *In the Matter of the Joint Application of Great Plains Energy Incorporated, Kansas City Power & Light Company and Westar Energy, Inc. for Approval of the Acquisition of Westar Energy, Inc. by Great Plains Energy Incorporated*, KCC Docket No. 16-KCPE-593-ACQ, Joint Application, filed June 28, 2016; *In the Matter for the Application of Great Plains Energy Incorporated for Approval of its Acquisition of Westar Energy, Inc.*, File No. EM-2017-0226, Application for Approval of Transaction, Motion to Consolidate Proceedings and Schedule Procedural Conference, and Motion for Expedited Treatment, filed February 23, 2017.

⁴ KCC Docket No. 16-KCPE-592-ACQ, Order Granting Intervention to Kansas Electric Power Cooperative, Inc. and the Kansas Power Pool, issued August 2, 2016; File No. EM-2017-0226, Order Granting Applications to Intervene, issued March 8, 2017.

⁵ KCC Docket No. 16-KCPE-593-ACQ, Order, issued April 19, 2017.

⁶ File No. EM-2017-0226, Order Granting Motion to Suspend Briefing Schedule, issued April 20, 2017.

⁷ KCC Docket No. 16-KCPE-593-ACQ, Joint Applicants' Petition for Reconsideration, filed May 4, 2017; KCC Docket No. 16-KCPE-593-ACQ, Order Denying Joint Applicants' Petition for Reconsideration, issued May 23, 2017.

Transaction”).⁸ The New Transaction mooted GPE’s prior application in File No. EM-2017-0226, and this Commission granted GPE’s motion to dismiss.⁹

Westar is the largest Kansas electric utility and with its utility subsidiary, Kansas Gas and Electric Company, generates, transports, distributes and sells electric service to the public in Kansas and is subject to the jurisdiction, supervision and control of the KCC under Chapter 66 of the Kansas Statutes Annotated. Under the proposed New Transaction, Westar and GPE will merge through formation of a new holding company and the exchange of stock by shareholders of both Westar and GPE.¹⁰ As explained in detail below, KEPCo’s financial well-being is inextricably tied to that of Westar and to that of GPE’s subsidiary, Kansas City Power & Light Company (“KCP&L”).

III. KEPCO’S INTEREST

KEPCo is a non-profit generation and transmission cooperative with its principal place of business in Topeka, Kansas. KEPCo has 19 rural electric cooperative member systems which together distribute electric power to more than 300,000 rural Kansans.¹¹ KEPCo is responsible for supplying the full power and energy requirements at the designated delivery points of its members.

⁸ GPE Application, at ¶ 11.

⁹ File No. EM-2017-0226, Order Granting Motion to Dismiss, issued July 26, 2017.

¹⁰ GPE Application, at ¶ 11.

¹¹ KEPCo’s 19 distribution cooperative member systems are: Ark Valley Electric Cooperative Association, Inc. (Hutchison, Kansas); Bluestem Electric Cooperative, Inc. (Wamego, Kansas); Brown-Atchison Electric Cooperative Association, Inc. (Horton, Kansas); Butler Rural Electric Cooperative Association, Inc. (El Dorado, Kansas); Caney Valley Electric Cooperative Association, Inc. (Cedar Vale, Kansas); CMS Electric Cooperative, Inc. (Meade, Kansas); DS&O Electric Cooperative, Inc. (Solomon, Kansas); Flint Hills Rural Electric Cooperative Association, Inc. (Council Grove, Kansas); Heartland Rural Electric Cooperative, Inc. (Girard, Kansas); LJEC, Inc. (McLouth, Kansas); Lyon-Coffey Electric Cooperative, Inc. (Burlington, Kansas); Ninnescah Rural Electric Cooperative Association, Inc. (Pratt, Kansas); Prairie Land Electric Cooperative, Inc. (Norton, Kansas); Radiant Electric Cooperative, Inc. (Fredonia, Kansas); Rolling Hills Electric Cooperative, Inc. (Mankato, Kansas); Sedgwick County Electric Cooperative Association, Inc. (Cheney, Kansas); Sumner-Cowley Electric Cooperative Association, Inc. (Wellington, Kansas); Twin Valley Electric Cooperative, Inc. (Altamont, Kansas); and Victory Electric Cooperative Association, Inc. (Dodge City, Kansas).

KEPCo's interests in this matter are the same as its interests in File No. EM-2017-0226, where the Commission found that "KEPCo has an interest in this case that differs from those of the general public that may be adversely affected by a final order in this case" and that "allowing KEPCo to intervene will serve the public interest."¹² KEPCo's interest can be summarized as follows:

- KEPCo is a joint owner with KCP&L, KCP&L Greater Missouri Operations Company ("GMO") and the Missouri Joint Municipal Electric Utility Commission of the Iatan 2 Generating Plant, an 850 MW super-critical, coal-fired power plant located in Platte County, Missouri;
- KEPCo is a joint owner with KCP&L and Westar of the 1,166 MW rated Wolf Creek Generating Station ("Wolf Creek");
- KEPCo is party to a long-term partial requirements contract with Westar under which KEPCo purchases from Westar approximately 40% of its wholesale capacity and energy requirements at rates determined pursuant to a cost-based formula rate that reflects Westar's actual cost of providing service to KEPCo; and
- KEPCo is a transmission-dependent utility, purchasing transmission service, principally over the transmission systems of KCP&L and Westar, under the SPP Open Access Transmission Tariff ("OATT").

KEPCO has an interest which is different from that of the general public and which may be adversely affected by a final order arising from this case because KEPCo's financial well-being is inextricably tied to that of KCP&L and Westar due to: (i) its joint ownership with KCP&L and GMO of the Iatan 2 Generating Plant, (ii) its joint ownership with KCP&L and

¹² File No. EM-2017-0226, Order Granting Applications to Intervene, issued March 8, 2017.

Westar of Wolf Creek, (iii) its dependence upon transmission service over the transmission facilities of KCP&L and Westar, and (iv) its long-term partial requirements contract with Westar. KEPCo's intervention as a party in this proceeding will serve the public interest by creating a more complete record for the Commission's decision in this case.

WHEREFORE, KEPCo respectfully requests that the Commission issue an order granting this Motion to Intervene and that it be made a party hereto with all rights to participate in this matter.

Respectfully Submitted,



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ATTORNEYS FOR KANSAS ELECTRIC POWER COOPERATIVE, INC.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing pleading by email, facsimile or First Class United States Mail to all parties by their attorneys of record as provided by the Secretary of the Commission.



Andrew O. Schulte

Dated: September 25, 2017