

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

In the Matter of Kansas City Power & Light            )  
Company’s Notice of Intent to File an                )  
Application for Authority to Establish a Demand-       )  
Side Programs Investment Mechanism                    )

File No. EO-2019-0132

In the Matter of KCP&L Greater Missouri            )  
Operations Company’s Notice of Intent to File an       )  
Application for Authority to Establish a Demand-       )  
Side Programs Investment Mechanism                    )

File No. EO-2019-0133

**KANSAS CITY POWER & LIGHT COMPANY’S  
AND KCP&L GREATER MISSOURI OPERATIONS COMPANY’S  
APPLICATION FOR CLARIFICATION AND/OR REHEARING**

COMES NOW Kansas City Power & Light Company and Greater Missouri Operations<sup>1</sup> (“KCP&L” and “GMO” or collectively, “the Company”), and submits this *Application for Clarification and/or Rehearing* to the Missouri Public Service Commission (“Commission”). In support thereof, the Company respectfully states as follows:

1. On December 11, 2019, the Commission approved the Company’s MEEIA 3 application in its *Report and Order* (“Order”), which states:

The utilization of Pay as You Save [“PAYS”] to fund participation in any MEEIA program shall be recovered under the Pay as You Save tariff and shall not be recovered under any other MEEIA tariff.<sup>2</sup>

2. The Company believes that the intent of the above quoted language is to ensure that individual customers who install energy efficiency improvements (upgrades) through the Company offered PAYS program are the only customers who pay for the improvement (upgrade) plus any direct costs associated with the improvement (upgrade) that will be included and described in the Company’s filed tariff. The Company believes that the intent of the language is

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<sup>1</sup> Effective October 7, 2019, Evergy Metro Inc. d/b/a Evergy Missouri Metro adopted the service territory and tariffs of KCP&L and Evergy Missouri West, Inc. d/b/a Evergy Missouri West adopted the service territory and tariffs of GMO. However, since the above MEEIA cases were filed using the KCP&L and GMO names, those names will be used in this pleading.

<sup>2</sup> See, *Report and Order*, p. 27, Ordered ¶2.f.

meant to clarify that these same program costs are not collected again through the Company's demand side investment mechanism ("DSIM") tariff. In addition, the Company will work with stakeholders to ensure that any savings (kWh or kW) determined through the evaluation of the PAYS program is not double counted with savings from other MEEIA programs at that same customer's premise.

3. The Company intends to utilize the PAYS tariff to recover a fixed charge on the PAYS participating customer's monthly bill that reflects the upfront cost of the energy efficiency improvement (upgrade) and any direct costs associated with the improvement (upgrade). However, in addition to recovering the direct costs of the energy efficiency improvement (upgrade), the Company will need to recover other costs associated with the PAYS program. These other costs include administrative costs (to be capped as a percentage of the total loan cost per Commission order<sup>3</sup>), the throughput disincentive that results from the energy savings of the PAYS improvement (upgrade), as well as any earnings opportunity that is approved by the Commission<sup>4</sup> for the PAYS program.

4. It is the Company's understanding that other utilities that offer a PAYS program have a specific line item on the participating customer's bill and collect the direct costs associated with the participating customer's energy efficiency improvement (upgrade). The Company will define the direct costs that it intends to recover from the participating customer in its PAYS tariff<sup>5</sup>. The Company is diligently developing the PAYS program and tariff; however, it is anticipated that

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<sup>3</sup> See, *Report and Order*, p. 27, Ordered ¶2.e.: The pilot program shall include customer protections by capping administrative costs (including total advertising costs as allocated to the total number of projects) for each individual customer project to a percentage of the total loan costs. Energy audit costs are a separate project Component and will not be included with administrative costs.

<sup>4</sup> See, *Report and Order*, p. 27, Ordered ¶2.d: The pilot program shall have an appropriate earnings opportunity component for the Companies to be agreed upon by the parties.

<sup>5</sup> See, *Report and Order*, p. 26, Ordered ¶2: The Companies and parties shall file within 60 days of the effective date of this order the proposed pilot program.

such direct costs will include the amount of the loan for the improvement (upgrade), associated interest, and/or service charge specific to the PAYS participating customer's premise.

5. The Company recommends that the other costs associated with the PAYS program be recovered through the same Commission approved mechanism that the Company currently uses for its other MEEIA programs. As mentioned above, these costs include administrative program costs, throughput disincentive and earnings opportunity. As with other MEEIA programs, these costs are recovered from *all* customers<sup>6</sup> through the Company's MEEIA DSIM tariff.

6. The Company seeks clarification that it may recover the upfront direct costs of the participating customer's energy efficiency improvements (upgrades) in the PAYS program through a fixed charge per the PAYS tariff, and that the Company recover administrative program costs, throughput disincentive and earnings opportunity from all customers (within the classes for which the program is offered) through its MEEIA DSIM tariff.

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<sup>6</sup> Costs for a program are recovered within the classes for which the program is offered.

**WHEREFORE**, KCP&L and GMO requests the Commission clarify its *Report and Order* or, in the alternative, grant rehearing on the issue discussed above.

Respectfully submitted,

*/s/ Roger W. Steiner*

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**Attorneys for Kansas City Power & Light  
Company and KCP&L Greater Missouri  
Operations Company**

**CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing document has been hand delivered, emailed or mailed, postage prepaid, to all counsel of record in this case on this 31<sup>st</sup> day of December 2019.

*/s/ Roger W. Steiner*

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Counsel for Kansas City Power &  
Light Company and KCP&L Greater  
Missouri Operations Company