

# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of )  
Kansas City Power & Light Company's ) File No. ER-2012-0174  
Request for Authority to Implement ) Tracking No. YE-2012-0404  
A General Rate Increase for Electric Service )

and

In the Matter of )  
KCP&L Greater Missouri Operations Company's ) File No. ER-2012-0175<sup>1</sup>  
Request for Authority to Implement ) Tracking No. YE-2012-0405  
General Rate Increase for Electric Service )

## ORDER OF CLARIFICATION

Issue Date: January 11, 2013

Effective Date: January 11, 2013

The Missouri Public Service Commission is clarifying the Report and Order in response to the Midwest Energy Consumers' Group's ("MECG") *Motion for Clarification* ("MECG's motion")<sup>2</sup> and *Staff's Motion for Clarification* ("Staff's Motion").<sup>3</sup> The origin of each motion lies in the *Non-Unanimous Stipulation and Agreement Regarding Class Cost of Service / Rate Design*.<sup>4</sup> The Office of the Public Counsel ("OPC") objected to a portion of the *Non-Unanimous Stipulation and Agreement Regarding Class Cost of Service / Rate Design*. That objection reduced the *Non-Unanimous Stipulation and Agreement Regarding Class Cost of Service / Rate Design* to a mere joint position statement not binding on any signatory ("rate design statement").<sup>5</sup>

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<sup>1</sup> Staff filed its motion under both file numbers so the Commission will issue this order under both file numbers.

<sup>2</sup> Filed on January 10, 2013

<sup>3</sup> Filed on January 11, 2013

<sup>4</sup> Filed on October 29, 2012, in File No. ER-2012-0174.

<sup>5</sup> 4 CSR 240-2.115(2)(D).

## A. MECG's Motion

MECG seeks clarification of the *Report and Order* as to Issue I.6.e of the parties' issues list:<sup>6</sup>

Should the Commission adopt Mr. Brubaker's LGS / LP rate design methodology?

Issue I.6.e is the addressed in portions of the rate design statement address ("I.6.e position").<sup>7</sup> No party objected to the I.6.e position. The Commission received responses to the motion from Staff,<sup>8</sup> the Office of the Public Counsel ("OPC"),<sup>9</sup> and Kansas City Power & Light Company,<sup>10</sup> and Missouri Energy Users Association-Kansas City,<sup>11</sup> all of which make no objection to the I.6.e position and no objection to the motion. Therefore, no hearing<sup>12</sup> and no separately stated findings of fact<sup>13</sup> were or are necessary.

The preponderance<sup>14</sup> of substantial and competent evidence, and reasonable inferences from that evidence,<sup>15</sup> weigh in favor of the I.6.e statement. Specifically, Mr. Brubaker testified on behalf of the large industrial customers who will be most affected by the rate design for the LGS and LP classes. He proposes to maintain the energy charges for the high load factor block at their current levels, increase the middle blocks by three quarters of the average percentage increase, and to collect

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<sup>6</sup> Filed on October 11 2012.

<sup>7</sup> Filed on October 29, 2012, in File No. ER-2012-0174.

<sup>8</sup> *Response to MECG's Motion for Clarification*, filed on January 11, 2013.

<sup>9</sup> *Response to Motion for Clarification and Motion for Expedited Treatment*, filed on January 10, 2013.

<sup>10</sup> *Kansas City Power & Light Company's Response To MECG'S Motion For Clarification And Motion For Expedited Treatment, And To Public Counsel's Response To MECG's Motion For Clarification*, filed on January 11, 2013.

<sup>11</sup> *Response to MECG'S Motion for Clarification MEUA-KC*, filed on January 11, 2013.

<sup>12</sup> *State ex rel. Rex Deffenderfer Ent., Inc. v. Public Serv. Comm'n*, 776 S.W.2d 494, 496 (Mo. App., W.D. 1989).

<sup>13</sup> Section 536.090, RSMo 2000.

<sup>14</sup> *State Board of Nursing v. Berry*, 32 S.W.3d 638, 641 (Mo. App., W.D. 2000).

<sup>15</sup> *Farnham v. Boone*, 431 S.W.2d 154 (Mo. 1968).

the balance of the revenue requirement for the tariff by applying a uniform percentage increase to the remaining charges in the tariff. The Commission finds Mr. Brubaker's testimony on this matter to be credible and persuasive and unopposed. The Commission independently finds and concludes that the terms proposed in the I.6.e statement support safe and adequate service at just and reasonable rates.

Therefore, the Commission will adopt the rate design he proposes for the LGS and LP classes nunc pro tunc.

#### B. Staff's Motion

Staff's motion asks the Commission to rule on Staff's proposal to increase certain rates. The part at issue addresses the winter first energy block of the all-electric rate schedules for Small General Service ("SGS"), Medium General Service ("MGS"), and Large General Service ("LGS"). No ruling on that proposal appears in the *Report and Order*. In its brief, Staff sought a ruling on SGS and MGS, and referred to the rate design statement on LGS. But in Staff's motion, Staff correctly notes that the rate design statement is not binding, so Staff refers to its earlier position on LGS. The Commission intended to grant that proposal on page 39 of the *Report and Order*. The discussion on that page shows where it addressed the RESB and RESC shows that to be true. Therefore the Commission corrects the *Report and Order* nunc pro tunc.

#### **THE COMMISSION ORDERS THAT:**

1. The *Report and Order* is clarified nunc pro tunc as set forth in the body of this order.

2. This order is effective immediately upon issuance.

**BY THE COMMISSION**

( S E A L )



Shelley Brueggemann  
Acting Secretary

Daniel Jordan, Senior Regulatory Law Judge,  
by delegation of authority pursuant  
to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,  
on this 11<sup>th</sup> day of January, 2013.