

BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

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

**MIDWEST ENERGY USER'S ASSOCIATION, STATEMENT OF POSITION**

COMES NOW Complainant, by its attorneys, and pursuant to the Commission's Order Setting Procedural Schedule dated October 12, 2012, hereby presents the following as its Position Statement:

MEAU'S STATEMENT OF ISSUE: 1

1. 6. RATE Design/Class cost of Service Study:

a. How should the class cost of service studies be relied on for determining shifts in customer class revenue responsibilities that are revenue neutral on an overall company basis?

Response: MEUA supports cost based rates.

2. What methodology should be used to allocate demand-related (fixed) production costs in KCPL's class cost-of-service study?

Response: MEUA recommends consideration of a peak responsibility method that will illustrate that it is the high loads created by summer air conditioning that are the primary driver of capacity costs. A peak responsibility method will also illustrate that loads associated with space heating under any rate schedule do not create demand-related production costs.

3. 6.c. How should any rate increase be allocated among the various customer classes?

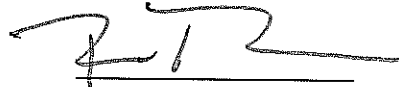
Response: MEUA recommends an adjustment to general service class revenues no higher than the system average increase.

4. 6.d. Should the Commission adopt Staff's proposal to increase by 5% the first energy block rate of the winter All-Electric General Services rates?

Response: MEAU opposes the Staff Proposal.

Dated: October 12, 2012

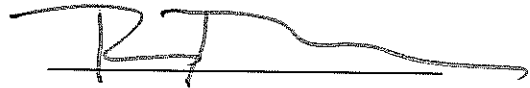
Respectfully submitted,  
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**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing document was served by the Public Service Commission e-service on this 12<sup>th</sup>, day of October 2012 to counsel for parties of record.



What methodology should be used to allocate demand-related (fixed) production costs in KCPL's class cost-of-service study?