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

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In the Matter of a Working Case to Consider Mechanisms to Encourage Infrastructure Efficiency

Case No. EW-2016-0041

## RESPONSE OF KANSAS CITY POWER & LIGHT COMPANY AND KCP&L GREATER MISSOURI OPERATIONS COMPANY TO STAFF QUESTIONS

Kansas City Power & Light Company ("KCP&L") and KCP&L Greater Missouri

Operations Company ("GMO") (collectively, "KCP&L/GMO") hereby submits responses to the

questions attached to Staff's Request for Party Submissions filed on November 18, 2015.

## **General Comments**

- 1. KCP&L offers the following responses to the Staff questions.
  - 1. Participating investor-owned utilities
    - a. Identify any highly confidential materials provided in response to Data Requests filed in this case

RESPONSE: Please see KCP&L/GMO filing of November 20, 2015.

- *Please submit proposals for identifying underutilized infrastructure RESPONSE:* Please see KCP&L/GMO filing to be made no later than December 8, 2015.
- c. Based on its proposed criteria or definitions of underutilized infrastructure, designate geographically or by equipment underutilized infrastructure. (May contain highly confidential or critical system information.) *RESPONSE:* Please see KCP&L/GMO filing to be made no later than December 8, 2015.

- 2. Please respond to discussion points by Chairman Hall regarding:
  - a. Bifurcated line extension tariffs between service provided in areas with preexisting excess capacity and areas requiring additional infrastructure development, and;

RESPONSE: KCP&L/GMO perceive that the primary concern is with underutilized infrastructure and making certain that processes do not exacerbate the amount of under-utilized infrastructure. For KCP&L/GMO, existing line extension tariffs and processes incorporate features that recognize, by design, the benefit of utilizing existing infrastructure. The current line extension processes require the customer to pay for all extension costs beyond a modest standard extension and those not covered by some portion of revenues expected to be received from the extension. With this design, customers utilizing higher amounts of existing infrastructure will be charged a lower amount for their extension than customers requiring more new infrastructure. Additionally, most line extensions are generally lateral additions from the existing distribution grid and are designed to specifically serve the customers requesting the extensions. As a result, the facilities are matched to the expected utilization. Subject to the information to be filed in response to item 1.c., above, KCP&L/GMO believe the current line extension tariffs and associated processes are appropriate and do not need to be changed at this time.

b. Providing incentives, without utility discretion and based on customer eligibility criteria, comparable to those in existing Urban Core Development and Economic Redevelopment Riders to new customers entering applicable designated area. (Staff would also appreciate any discussion of applicable definitions for new customers in this context.)

**RESPONSE**: Concerning KCP&L/GMO, recognition of existing infrastructure or specific incentives tied to geographic areas with underutilized facilities are already part of the Economic Development Rider ("EDR") and Urban Core Development Rider ("UCD"), respectively. KCP&L/GMO believe the existing EDR/UCD tariff provisions are subject to a minimal but appropriate level of utility discretion and, more specifically, if a customer would have undertaken expansion efforts without the aid of an EDR/UCD-based incentive, then providing an "incentive" to such a customer would serve no necessary purpose. KCP&L/GMO believe these mechanisms or other similar, specific measures are best suited to provide the desired utilization incentives desired. The provisions included in the EDR and UCD tariffs, directly incent Customer choice concerning infrastructure and leaves the line extension processes true to its intended purpose.

WHEREFORE, KCP&L/GMO respectfully request that the Commission consider the foregoing response.

Respectfully submitted

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