

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

In the Matter of Kansas City Power & Light Company's)
Request for Authority to Implement A General) Case No. ER-2016-0285
Rate Increase for Electric Service)

**KANSAS CITY POWER & LIGHT COMPANY'S REPLY
TO THE OFFICE OF PUBLIC COUNSEL'S RESPONSE AND OBJECTION TO
CERTAIN COMPLIANCE TARIFF SHEETS**

COMES NOW Kansas City Power & Light Company ("KCP&L") and responds to the Office of Public Counsel's ("OPC") May 15, 2017 *Response and Objection to Certain Compliance Tariff Sheets* ("Response and Objection") in this docket as follows:

I. PROCEDURAL BACKGROUND

1. On May 3, 2017 the Missouri Public Service Commission ("Commission") issued its *Report and Order* ("Order") in this docket.

2. On May 9, 2017, KCP&L filed its compliance tariffs ("Tariffs") pursuant to the Commission's Order.

3. On May 15, 2017, OPC filed its Response and Objection, requesting that the Commission reject various compliance tariffs filed by KCP&L. As discussed below, the Company is in agreement with two of OPC's suggested changes but opposes OPC's modifications to the FAC tariff.

II. REPLY TO OPC'S RESPONSE AND OBJECTION

A. P.S.C. Mo. No. 7 Original Sheet Nos. 50.15 and 50.16

4. OPC's recommended revisions to tariff sheet Nos. 50.15 and 50.16, should be rejected because they are not consistent with the Commission's Report and Order and are not consistent with similar FAC tariff sheets of KCP&L Greater Missouri Operations Company (Sheets 127.5, 127.6, 127.7) or Ameren Missouri (Sheets 74.5, 74.6). At page 35 of the Report

and Order, the Commission stated that the current practice of allowing KCP&L to add cost and revenue types to its FAC between rate cases according to its current FAC tariff should be continued. Tariff sheets 50.15 and 50.16 allow the Company to include a new Southwest Power Pool (“SPP”) schedule, charge type or revenue in its FAC filings if the new schedule, charge type or revenue possesses the same characteristics of existing costs and revenues. In its compliance tariffs, KCP&L did not change its existing tariff sheets which allows the addition of cost and revenue types, including new charge types and new schedules. Sheet 50.15 Paragraph B of the existing tariff requires the Company to notify the Commission that the new schedule or charge type is not a new cost or revenue and identify the preexisting schedule or charge types which the new schedule or charge type replaces or supplements. This filing ensures that the new schedule, charge type or revenue is an existing cost or revenue, even though SPP may identify it as “new”. The Commission’s Report and Order was clear that the current process, as outlined in KCP&L’s existing tariffs, should continue.

5. While the Report and Order does state that KCP&L cannot add new types of costs or revenues between rate cases, this prohibition does not cover SPP’s inclusion of a new schedule, charge type or revenue which replaces or supplements an existing schedule or charge type. This type of addition is permitted under the Company’s existing tariffs and the Report and Order specifically found that the current practice of adding cost and revenue types to the FAC between rate cases should continue. OPC’s proposed language would prohibit the Company from adding a new schedule or charge type simply because SPP calls it a “new” schedule or charge type.

6. OPC’s suggested edits to the tariff sheet 50.15 (paragraph A) also go beyond the Report and Order as they eliminate the Company’s ability to include a new schedule, charge type or revenue if the Company believes that the new schedule, charge type or revenue is in the nature

of an existing cost or revenue. The Report and Order did not restrict the ability of KCP&L to make such inclusions under the tariff and OPC's modifications are not supported by the Report and Order.

7. Counsel for the Commission's Staff indicated to undersigned counsel on May 16, 2017 that OPC's edits to tariff sheets 50.15 and 50.16 are unnecessary.

B. P.S.C. Mo. No. 7 First Revised Sheet No. 50.5

8. On May 16, 2017, the Company filed a substitute tariff sheet which relabeled section "A" as section "E".

C. P.S.C. Mo. No. 2 Eighth Revised Sheet No. 1.14

9. On May 16, 2017, the Company filed a substitute tariff sheet that incorporates OPC's suggested language.

WHEREFORE, KCP&L respectfully requests that the Commission consider its response to OPC's Response and Objection, reject OPC's recommendation regarding Sheet Nos. 50.15 and 50.16 and approve the Company's compliance tariffs to become effective on May 28, 2017, the operation of law date in this case.

Respectfully submitted,

/s/ Roger W. Steiner

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**Attorneys for
Kansas City Power & Light 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, this 16th day of May, 2017, to all counsel of record.

/s/ Roger W. Steiner

Roger W. Steiner

**Attorney for
Kansas City Power & Light Company**