

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

In the Matter of Kansas City Power & Light)
Company's Filing for Approval of Demand-side)
Programs and for Authority to Establish a) File No. EO-2014-0095
Demand-Side Programs Investment Mechanism)

**NON-UNANIMOUS STIPULATION AND AGREEMENT RESOLVING
MEEIA CYCLE 1 TRANSITION PERIOD**

COME NOW Missouri Public Service Commission Staff ("Staff") and Kansas City Power & Light Company ("KCP&L" or "Company") (together, the "Signatories") and present this Non-Unanimous Stipulation and Agreement ("Stipulation") to the Missouri Public Service Commission ("Commission") for the Commission's approval. The Signatories enter into this Stipulation for the purpose of providing a transition from the Missouri Energy Efficiency Investment Act ("MEEIA") Cycle 1 demand-side programs to MEEIA Cycle 2 in reliance that a Stipulation to implement Cycle 2 demand-side programs has been filed that includes uncontested provisions for program cost recovery and a demand-side investment mechanism ("DSIM"). Further the Signatories reasonably expect tariff sheets implementing Cycle 2 program cost recovery and DSIM will be approved by the Commission to be effective on or about April 1, 2016. In support thereof the Signatories respectfully state as follows:

I. BACKGROUND

1. On January 7, 2014, KCP&L filed in Case No. EO-2014-0095 an application ("Application") under MEEIA and the Commission's MEEIA rules, along with its direct testimony, requesting Commission approval of demand-side programs and for authority to establish a DSIM. The Commission approved a Non-Unanimous Stipulation and Agreement establishing Cycle 1 MEEIA programs by Order issue date June 5, 2014.

2. Due to the revised procedural schedule recently ordered in File No. EO-2015-0240, the Company's Cycle 2 MEEIA programs will not become effective on January 1, 2016. Therefore, the Company respectfully requests the extension of certain of its MEEIA Cycle 1 programs so that no gap exists in the availability of certain key MEEIA programs. The Company will not be soliciting new participants, but simply managing and maintaining those programs during this "bridge" period. This Stipulation reflects the Signatories agreement concerning the transition plan for certain Cycle 1 programs before MEEIA Cycle 2 programs begin.

3. In order to extend certain MEEIA Cycle 1 programs beyond the currently approved termination of Cycle 1, the Signatories request a variance from 4 CSR 240-3.163(A) and 4 CSR 240-20.093(2), to the extent described in the Specific Terms and Conditions provided below.

4. In reliance on the reasonable expectation that tariff sheets implementing Cycle 2 program cost recovery and DSIM will be approved by the Commission to be effective on or about April 1, 2016, the Signatories recommend the Commission approve the modifications described in the Specific Terms and Conditions provided below, pursuant to 4 CSR 240-20.094(4).

II. SPECIFIC TERMS AND CONDITIONS

A. Transition Plan for Energy Reports, Analyzers, and Programmable Thermostat Programs

5. Pursuant to 4 CSR 240-20.094(4), the Company has filed, and the Signatories agree to, revised tariffs for the programs listed below:

- Home Energy Report;
- Income Eligible Home Energy Report;
- Programmable Thermostat;
- Home Energy Analyzer; and
- Business Energy Analyzer.

6. These tariff sheets bear an issue date of December 11, 2015 with an effective date thirty days later. The Company is requesting expedited treatment so that these tariffs can go into effect on January 1, 2016.

7. Recovery of all Cycle 1 program costs for the above listed programs will be achieved through the Cycle 1 DSIM subject to prudence review for Cycle 1 DSIM costs.

B. Transition Plan for Business Energy Efficiency Rebates - Custom Program

8. The Business Energy Efficiency Rebates - Custom program allows customers to submit projects and then proceed to make energy efficiency improvements based on approved plan. During the work with parties on the MEEIA Cycle 2 plan, a plan was developed to address concluding the Business Energy Efficiency Rebates - Custom program for Cycle 1. The parties agree that that the plan for the Business Energy Efficiency Rebates - Custom program should be as follows. The last day to submit an application for the Cycle 1 Business Energy Efficiency Rebate – Custom program is December 15, 2015. The last day for approval of an application for the Cycle 1 Business Energy Efficiency Rebate – Custom program is January 31, 2016. The last day for completion of customer projects and submission of complete paperwork by customers is June 30, 2016. The final payment by KCP&L of rebates for all Cycle 1 projects is July 31, 2016.

9. KCP&L made a tariff filing, on November 12, 2015 to modify tariff sheets in a manner consistent with the agreement set forth in paragraph 8.

10. The MEEIA Cycle 1 Evaluation, Measurement & Verification (“EM&V”) calendar is:

Stipulation and Agreement in File Nos. EO-2012-0009 and EO-2014-0095

Stipulation Paragraph	Process Steps	Program Year Days	Cumulative Days	Date
10.b.i.	Draft EM&V Report Circulated to Stakeholders	120	120	4/30/16
10.b.ii.	Comments and Recommendations on Draft EM&V Report	60	180	6/29/16
10.b.iii.	Meeting to Discuss Comments Prior to Final Draft Report	0	180	6/29/16
10.b.iv.	Final Draft EM&V Report Issued	30	210	7/29/16
10.b.[first]iv.	Still Concerns – Comments on Final Draft Report	20	230	8/18/16
10.b.[first]iv.	Still Concerns – Conference Call to Attempt to Resolve Concerns	10	240	8/28/16
10.b.[first]iv.	Still Concerns – Final EM&V Report Issues	15	255	9/12/16
10.b[second]iv.	File a Change Request	21	276	
10.b[second]iv.	Conference Call on Procedural Schedule	2	278	
10.b[second]iv.	File Responses to Change Request	19	297	
10.b[second]iv.	Evidentiary Hearing Completed Not Later Than	39	336	
10.b[second]iv.	Commission Report and Order Not Later Than	30	366	

(i) The KCP&L Evaluator will include a section in its April 30, 2016 draft EM&V Report which will identify any Business Energy Efficiency Rebate – Custom projects which have been approved for Cycle 1, but which have not been included in the results of the April 30, 2016 draft EM&V Report (“Carryover Project”).

(ii) The KCP&L Evaluator will include a separate section of its July 29, 2016 final draft EM&V Report which will:

- List the Carryover Projects;
- Provide the EM&V results for the Carryover Project for which EM&V is complete and identify each Carryover Project for which EM&V is incomplete (“Incomplete Carryover Project”); and

- State when it expects to have the final EM&V results for Incomplete Carryover Projects.

(iii) Stakeholders can express concerns and provide comments by August 18, 2016 regarding the July 29, 2016 final draft EM&V Report including any concerns and comments regarding Incomplete Carryover Projects.

11. Recovery of all Cycle 1 DSIM costs including all program costs, all throughput disincentive and any performance incentive for Cycle 1 Business Energy Efficiency Rebate – Custom program projects will be achieved through the Cycle 1 DSIM subject to prudence review

for Cycle 1 DSIM costs. As the result of the agreements in this Stipulation, KCP&L shall use its Cycle 1 2015 DSMore files to calculate the Cycle 1 gross benefits to determine the TD-NSB for projects completed under the Business Energy Efficiency Rebate – Custom program between January 1, 2016 and June 30, 2016. These projects will be modeled in DSMore with a completion date of December 31, 2015. The Cycle 1 performance incentive amounts will result from full retrospective EM&V.

12. The Signatories acknowledge that including Business Energy Efficiency Rebate – Custom carryover projects that were approved under Cycle 1 and paid out through July 31, 2016 will increase the KCP&L MEEIA Cycle 1 actual expenditures above the Commission-approved budget. Moreover, additional EM&V costs may be incurred by KCP&L to accommodate these carryover projects, which will also impact the allowable 5% EM&V budget. The Signatories agree that if the additional EM&V costs are less than \$50,000, Commission approval is not needed.

III. GENERAL PROVISIONS

13. This Stipulation is being entered into for the purpose of disposing of the issues that are specifically addressed herein. In presenting this Stipulation, none of the Signatories shall be deemed to have approved, accepted, agreed, consented or acquiesced to any ratemaking principle or procedural principle, including, without limitation, any method of cost or revenue determination or cost allocation or revenue related methodology, and none of the Signatories shall be prejudiced or bound in any manner by the terms of this Stipulation (whether it is approved or not) in this or any other proceeding, other than a proceeding limited to enforce the terms of this Stipulation, except as otherwise expressly specified herein. Without limiting the foregoing, it is agreed that this Stipulation does not serve as a precedent for future MEEIA plans and does not preclude a party from arguing whether the Plan has or does not have an impact on KCP&L/GMO's business risk in any pending or future proceeding.

14. This Stipulation has resulted from extensive negotiations, and the terms hereof are interdependent. If the Commission does not unconditionally approve this Stipulation, or approves it with modifications or conditions to which a party objects, this Stipulation shall be void, and no signatory shall be bound by any of its provisions.

15. If the Commission does not unconditionally approve this Stipulation without modification, or approves it with modifications or conditions to which a party objects, and notwithstanding its provision that it shall become void, neither this Stipulation, nor any matters associated with its consideration by the Commission, shall be considered or argued to be a waiver of the rights that any Signatory has for a decision in accordance with Section 536.080 RSMo 2000 or Article V, Section 18 of the Missouri Constitution, and the Signatories shall retain all procedural and due process rights as fully as though this Stipulation had not been presented for approval, and any suggestions or memoranda, testimony or exhibits that have been offered or received in support of this Stipulation shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any further purpose whatsoever.

16. If the Commission unconditionally accepts the specific terms of this Stipulation without modification, the Signatories waive, with respect to the issues resolved herein: their respective rights (1) to call, examine and cross-examine witnesses pursuant to Section 536.070(2), RSMo 2000; (2) their respective rights to present oral argument and/or written briefs pursuant to Section 536.080.1, RSMo 2000; (3) their respective rights to seek rehearing pursuant to Section 386.500, RSMo 2000; and, (4) their respective rights to judicial review pursuant to Section 386.510, RSMo Supp. 2012. These waivers apply only to a Commission order respecting this Stipulation issued in this above-captioned proceeding, and do not apply to any matters raised in any prior or subsequent Commission proceeding, or any matters not explicitly

addressed by this Stipulation.

17. This Stipulation contains the entire agreement of the Signatories concerning the issues addressed herein.

18. This Stipulation does not constitute a contract with the Commission. Acceptance of this Stipulation by the Commission shall not be deemed as constituting an agreement on the part of the Commission to forego the use of any discovery, investigative or other power which the Commission presently has. Thus, nothing in this Stipulation is intended to impinge or restrict in any manner the exercise by the Commission of any statutory right, including the right to access information, or any statutory obligation.

/s/ Roger W. Steiner

Robert J. Hack, MBN 36496
Phone: (816) 556-2791
E-mail: rob.hack@kcpl.com
Roger W. Steiner, MBN 39586
Phone: (816) 556-2314
E-mail: roger.steiner@kcpl.com
Kansas City Power & Light Company
1200 Main – 16th Floor
Kansas City, Missouri 64105
Fax: (816) 556-2787

James M. Fischer, MBE #27543
Fischer & Dority, P.C.
101 Madison Street, Suite 400
Jefferson City, MO 65101
(573) 636-6758
(573) 636-0383 (Fax)
jfischerpc@aol.com

Attorneys for Kansas City Power & Light
Company

Respectfully submitted,

/s/ Robert S. Berlin

Robert S. Berlin, MBE #51709
Deputy Counsel
Phone (573) 526-7779
Marcella L. Mueth, MBE #66098
Assistant Staff Counsel
Phone (573) 751-4140
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102
Phone (573) 526-7779
Facsimile (573) 751-9285
bob.berlin@psc.mo.gov
Marcella.mueth@psc.mo.gov

Attorneys for Missouri Public Service
Commission

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been hand-delivered, transmitted by e-mail, or mailed, First Class, postage prepaid, this 11th day of December, 2015, to counsel for all parties on the Commission's service list in this case.

/s/ Roger W. Steiner

Roger W. Steiner