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

In the Matter of the Application of	)	
KCP&L Greater Missouri Operations Company	)	
For Approval of a Special Rate for a Facility	)	File No. EO-2019-0244
Whose Primary Industry is the Production or	)	
Fabrication of Steel in or Around Sedalia, Missouri.	)	

## **MOTION TO REJECT TARIFF**

**COMES NOW**, the Midwest Energy Consumers Group ("MECG"), pursuant to the Commission's December 2, 2019 *Order Directing Staff to File a Recommendation and Establishing Time for Other Responses*, and for its Motion to Reject Tariff respectfully states as follows:

- 1. As the Commission is aware, this docket was created for the purpose of establishing a special rate for Nucor Steel Sedalia, LLC. On November 13, 2019, the Commission issued its Report and Order approving a special contract including a special rate for Evergy Missouri West ("Evergy") to serve Nucor.
- 2. Subsequent to the Commission's Report and Order, on November 27, 2019, Evergy filed a tariff revision seeking Commission approval of Schedule SIL. Under that rate schedule, the Commission would give Evergy authority to offer a special incremental cost-based rate to aluminum smelters, steel mills, and other new customers that have minimum load in excess of 50 MWs.
- 3. MECG asks that the Commission reject the proposed Evergy Schedule SIL. In this case, the parties asked that the Commission utilize the ratemaking authority in Section 393.130, 140 and 150 to provide a special rate to Nucor. Pursuant to that request, the Commission exercised that statutory authority. Now, Evergy asks that the Commission abdicate this statutory ratemaking authority and allow it, as a regulated utility, to set rates for these certain customers.

4. While Section 386.240 authorizes the Commission to delegate certain authority to

"persons employed by it", there is no statutory basis for the Commission to delegate its ratemaking

authority to the regulated utility. Indeed, the request now made by Evergy constitutes the epitome

of the "foxes running the henhouse."

5.

Instead of delegating this ratemaking authority, as Evergy now asks, MECG

suggests that the Commission retain this statutory authority and that Evergy simply be required to

file an application in those situations in which it seeks to offer an incremental cost-based rate to a

customer. Rejecting the tariff in question and requiring Evergy to file an application in such

instances is not burdensome to the regulated utility. As mentioned, the utilization of this

ratemaking authority would only apply in situations where Evergy seeks to offer incremental cost-

based service to an aluminum smelter, steel mill or to a new customer with 50 MWs of load.

Currently, to the best of counsel's understanding, there is only one such customer in Missouri

served by a Missouri regulated utility. Therefore, in the event such a unique customer does appear,

Evergy can easily seek approval for such a special rate by filing an application as it did in this case.

WHEREFORE, MECG respectfully requests that the Commission reject Evergy's proposed

Schedule SIL.

Respectfully submitted,

\_/s/\_David Woodsmall\_

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ATTORNEY FOR THE MIDWEST

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## **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that I have this day served the foregoing pleading by email, facsimile or First Class United States Mail to all parties by their attorneys of record as provided by the Secretary of the Commission.

\_\_\_\_\_/s/\_David Woodsmall\_\_\_\_\_ David L. Woodsmall

Dated: December 9, 2019