

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

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

In the Matter of Kansas City Power & Light)
Company's Request for Authority to) File No. ER-2018-0145
Implement a General Rate Increase for)
Electric Service)

In the Matter of KCP&L Greater Missouri)
Operations Company's Request for)
Authority to Implement a General Rate) File No. ER-2018-0146
Increase for Electric Service)

**Kansas City Power & Light Company and KCP&L Greater Missouri Operations
Company's Response To Order Directing Filing**

Kansas City Power & Light Company ("KCP&L") and KCP&L Greater Missouri Operations Company ("GMO") (collectively, "KCP&L" or "the Company") hereby submits their Response to the Order Directing Filing issued on August 30, 2018:.

1. On August 30, 2018, the Commission issued its *Order Directing Filing* which directed that the parties to KCP&L's 2016 rate case (Case No. ER-2016-0285) file a pleading no later than September 7, 2018, advising the Commission how to proceed to consider the remand of the 2016 rate case by the Western District of the Missouri Court of Appeals in WD 80911 on the electric vehicle charging stations issue (Remand Issue).

2. On September 4, 2018, the Company filed the surrebuttal testimony of Tim M. Rush in Case Nos. ER-2018-0145 and ER-2018-0146 which recommends that the Commission address the Remand Issue in the context of the pending 2018 KCP&L and GMO rates cases. (Rush Surrebuttal, pp. 4-8).

3. As explained by Mr. Rush, the Court's opinion is now final. The Court reversed the Commission's decision that EV charging stations do not constitute "electric plant" under Missouri statutes. These rate cases present the most efficient opportunity to resolve EV charging station issues on remand from the Court.

4. The Company proposes the following approach for resolving the Remand Issue:

- For KCP&L, the revenue requirement request related to EV charging stations is \$869,927 in the true-up through June 2018. This is a reduction from KCP&L's original request in this case which is attributable to the fact that the revenue requirement ordered by the Commission in Case No. ER-2016-0285 would have been \$387,727 (or \$1,062 per day) lower if EV charging stations had been included in revenue requirement. KCP&L calculated this revised revenue requirement request for EV charging stations by deriving the total of the lower revenue requirement for the period the rates from Case ER-2016-0285 will be in effect (June 8, 2017 – December 28, 2018, or 569 days): \$604,429. Pursuant to section 386.520(2) RSMo., this over-recovery needs to reflect interest at the higher of the prime bank lending rate minus two percentage points or zero. The prime bank lending rate is currently 5%, so including interest at a rate of 3% produces a total over-recovery during the rate effective period of \$630,458. KCP&L then divided that figure by four and reduced its original EV charging station revenue requirement request in this case by that amount (\$157,614), assuming that rates set in this case will be effective for approximately four years.

- For GMO, the revenue requirement request related to EV charging stations is about \$843,846.

- These amounts are reflected in the true-up revenue requirement sponsored by Company witness Ronald Klote in his true-up direct testimony. (Klote True-Up Direct, p. 11).

5. While other parties may have alternative substantive proposals related to the revenue requirement and the regulatory treatment of the EV charging station, the following parties have authorized the Company to state that they do not oppose the Remand Issue being addressed in the pending KCP&L and GMO rate cases: Staff, DED-DE, MECG, MIEC, MJMEUC and Dogwood.

WHEREFORE, the Company respectfully requests that the Commission and stakeholders consider the foregoing Response to the Order Directing Filing.

Respectfully submitted,

Robert J. Hack

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

Karl Zobrist MBN 28325
Dentons US LLP
4520 Main Street, Suite 1100
Kansas City, MO 64111
(816) 460-2400 (Phone)
(816) 531-7545 (Fax)
karl.zobrist@dentons.com

James M. Fischer, MBN 27543
Phone: (573) 636-6758 ext. 1
E-mail: jfischerpc@aol.com
Fischer & Dority, P.C.
101 Madison—Suite 400
Jefferson City, Missouri 65101
Fax : (573) 636-0383

Attorneys for Kansas City Power & Light Company
and KCP&L Greater Missouri Operations 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 7th day of September, 2018 to all counsel of record in this case.

/s/ James M. Fischer

Attorney for Kansas City Power & Light Company
and KCP&L Greater Missouri Operations Company