BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of Union Electric Company d/b/a Ameren Missouri's Filing to Implement Regulatory) Changes in Furtherance of Energy Efficiency as) Case No. EO-2012-0142 allowed by MEEIA.

RESPONSE OF KANSAS CITY POWER & LIGHT COMPANY AND KCP&L GREATER MISSOURI OPERATIONS COMPANY TO STAFF'S MOTION FOR COMMISSION DETERMINATIONS ON VARIANCES AND MOTION FOR EXPEDITED TREATMENT

COME NOW Kansas City Power & Light Company ("KCP&L) and KCP&L Greater Missouri Operations Company ("GMO"), pursuant to the Commission's Order Establishing Time To Response To Motion For Variance Determinations issued on February 21, 2012, and hereby submits its Response To Motion For Variance Determination and Motion For Expedited Treatment on filed by the Commission Staff ("Staff") on February 17, 2012. In support hereof, GMO states as follows:

1. On February 17, 2012, the Staff filed its Motion For Commission Variance Determinations And Motion For Expedited Treatment ("Motion") in which the Staff requested the following:

WHEREFORE, Staff moves the Commission to determine as expeditiously as possible, ideally by February 23, 2012, (1) which variances, if any, from Rules 4 CSR 240-3.163, 3.164, 20.093, and 20.094 the Commission must grant Ameren Missouri before the Commission can approve Ameren Missouri's proposed demand-side programs and proposed DSIM; (2) whether Ameren Missouri has shown good cause for the Commission to make decisions on each of those variances; (3) the 120-day decision time frame of Rule 4 CSR 240-20.094(3) does not apply until after the Commission determines whether to grant each of those variances, or, if the Commission finds the time frame does apply, toll it until after it determines whether to grant the variances; (4) and for each required variance for which Ameren Missouri has not shown good cause, (i) order Ameren Missouri to do so expeditiously, (ii) order Staff to file its recommendation on Ameren Missouri's good cause showing within five business days after each is made and, thereafter, (iii) promptly rule on

whether to grant each variance. As stated above, Staff is not suggesting in this motion that the Commission grant Ameren Missouri any of these variances or that the Commission should approve Ameren Missouri's proposed demand-side programs or proposed DSIM. While Ameren Missouri thus far has not presented sufficient good cause to support these variances, requested and unrequested, Ameren Missouri may be able to present additional information to justify the variances not expressly prohibited by the MEEIA. Staff would present its position on the propriety of each variance in its recommendations on Ameren Missouri's good cause showings. (Motion, p. 21)

2. The relief requested by Staff's Motion in this case is very similar to the relief requested in its Motion For Commission Determinations On Variances And Motion For Expedited Treatment filed by Staff on February 10, 2012 in Case No. EO-2012-0009.

3. KCP&L and GMO oppose Staff's motion in this case for the same reasons discussed in the KCP&L Greater Missouri Operations Company's Response To Staff's Motion For Commission Determinations On Variances filed on February 17, 2012 in Case No. EO-2012-0009. The granting of the Staff's Motion at this time will substantially delay the implementation of Ameren's demand-side management ("DSM") programs and the Demand-Side Programs Investment Mechanism ("DSIM") that are the subjects of this proceeding. More importantly, the Commission needs to review Ameren's requests for variances as part of its overall review of the entire Ameren filing.

4. Staff's Motion is not merely "procedural" in nature, since a rejection of the variances proposed by Ameren (and GMO in its case) are likely to determine the "substance" of the case, and resolve the "merits" of the entire filing. As GMO explained in its Response in Case No. EO-2012-0009, if the Commission finds, after evidentiary hearings in the case, that the requests for variances should not be granted or the proposed DSIM does not comport with the Commission's MEEIA rules, then there is a strong possibility that GMO will not be in a position

to implement the DSM programs at the levels of investment proposed in its Application. (GMO assumes that this may be the case for Ameren as well.) It is therefore critical that the Commission carefully review the competent and substantial evidence in the record before it determines the merits of Ameren's and GMO's request for variances. In other words, the requests for variances should be "taken with the case" and not reviewed in a vacuum, since it will be important for the Commission to understand the likely effect of an order denying Ameren's and GMO's request for variances or a finding that the proposed DSIM proposals do not comply with the MEEIA statute and rules. GMO expects that this understanding will be developed as the Commission reviews the evidence in the record of this case and Case No. EO-2012-0009.

WHEREFORE, KCP&L and GMO respectfully request that the Commission deny the Staff's Motion For Commission Determinations On Variances and Motion For Expedited Treatment filed on February 17, 2012 in this proceeding.

Respectfully submitted,

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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 24th day of February, 2012, to all counsel of record.

<u>/s/ James M. Fischer</u> James M. Fischer