

**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 Rate Increase for Electric    )       File No. ER-2016-0285**  
**Service.    )**

**MECG RESPONSE TO KCPL  
REQUEST TO TAKE OFFICIAL NOTICE**

COMES NOW, the Midwest Energy Consumers’ Group (“MECG”) and for its Response to KCPL’s Request to Take Official Notice respectfully states as follows:

1.       On March 16, 2017, KCPL filed its Request to Take Official Notice. In its Request, KCPL asks that the Commission take official or administrative notice of the “federal funds interest rate increase ordered by the Federal Reserve Board of Governor’s Federal Open Market Committee on March 15, 2017.”

2.       MECG believes that KCPL’s request is incomplete. Specifically, the various return on equity methodologies do not directly rely on the federal funds interest rate. Rather, these methodologies consider bond yields. With this in mind, it would be incomplete to take administrative notice of an alleged increase in the federal funds interest rate without also taking administrative notice of the impact on the Treasury Bond yield. With this in mind, MECG states that it does not object to the Commission taking administrative notice of the increase in the federal funds interest rate so long as the Commission also takes notice of the fact that Treasury Bond yields have not changed. Specifically, as the attached indicates, while the federal funds rate may have increased, there has not been a similar increase in the Treasury Bond yield.

WHEREFORE, MECG respectfully states that it does not object to KCPL’s request to take administrative notice of an alleged increase in the federal fund interest rate

so long as the Commission also takes administrative notice of the fact that the Treasury Bond yield has not changed.

Respectfully submitted,




---

David L. Woodsmall, MBE #40747  
308 E. High Street, Suite 204  
Jefferson City, Missouri 65101  
(573) 636-6006 (telephone)  
(573) 636-6007 (facsimile)  
Internet: [david.woodsmall@woodsmalllaw.com](mailto:david.woodsmall@woodsmalllaw.com)

ATTORNEY FOR THE MIDWEST ENERGY  
CONSUMERS' GROUP

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.



---

David L. Woodsmall

Dated: March 17, 2017

# SNL

## Market Charts

Period: Custom  
Frequency: Daily

Metric: Rate/ Yield (%)

	<i>Last</i>	<i>Change</i>	<i>% Change</i>	<i>As Of</i>
30y US T-Bond	3.14 %	0.03	0.96	3/16/2017

### Rate/ Yield (%) - 3/13/2017 to 3/17/2017 - Daily

<i>Pricing Date</i>	<i>30y US T-Bond</i>
03/13/2017	3.20
03/14/2017	3.17
03/15/2017	3.11 <b>**Rate Increase</b>
03/16/2017	3.14

Copyright ©, Thomson Reuters, 1999-2017. All rights reserved. Use, duplication, or sale of this service or data contained herein, except as described in the S&P Global Market Intelligence Master Subscription Agreement, is strictly prohibited.