

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 6th
day of May, 1980.

CASE NO. ER-80-231

In the matter of Missouri Public Service
Company of Kansas City, Missouri for authority
to file interim tariffs increasing rates for
electric service provided to customers in the
Missouri service area of the company.

SUPPLEMENTAL ORDER

On May 1, 1980, the Commission issued its Report and Order in the above-styled matter, the same to become effective on May 12, 1980. The opinion of the Commission issued on the aforementioned date approved a stipulation and agreement executed by all parties who chose to participate in the interim proceeding. The agreement of the parties which was approved by the Commission provided that Missouri Public Service Company of Kansas City, Missouri (Company) was authorized to file revised interim tariffs designed to increase rates for electric service in the amount of \$10,250,000 on an annual basis, exclusive of gross receipts and franchise taxes. The agreement (clause 3) and the Commission's Report and Order (Ordered 1) further provided that such revised interim tariffs would become effective for service rendered on and after the effective date of the Commission's further order accepting Staff's verification that Jeffrey Energy Center Unit No. 2 is fully operational and used for service.

On May 1, 1980, Company caused to be filed its late-filed Exhibit No. 7 declaring that JEC-2 was fully operational and used for service. On May 2, 1980, Commission Staff filed its late-filed Exhibit No. 8 which verified that JEC-2 was fully operational and used for service as of 12:01 AM, May 1, 1980.

Staff verification of the in-service date of JEC-2 was based on five (5) criteria contained in Exhibit No. 4, Schedule RF-1. These five criteria are as follows:

1. A UNIT MUST DEMONSTRATE THAT IT CAN OPERATE AT ITS DESIGN MINIMUM POWER OR ABOVE.

This requirement is fulfilled if any 400 continuous hours of operation result in the satisfying of the following equation.

$$\frac{\text{hours at design minimum power or above}}{400 \text{ hours}} \geq 0.8$$

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2. A UNIT MUST BE ABLE TO OPERATE AT OR ABOVE ITS DESIGN CAPACITY FACTOR FOR A REASONABLE PERIOD OF TIME.

This criterion will be satisfied if:

$$\text{design capacity factor} \leq \frac{\text{energy generated in a continuous 168 hour period (MWhe)}}{\text{name plate rating (MWe) x 168 hours}}$$

If the design capacity factor is not specified it will be assumed to be 0.6 unless the utility can offer evidence justifying a lower value.

Name plate rating is the full-load continuous rating of a generator, prime mover or other electrical equipment under specified conditions as designated by the manufacturer. It is usually indicated on a name plate attached mechanically to the individual machine or device. The name plate rating of a steam electric turbine-generator set is the guaranteed continuous output in kilowatts or kVA and power factor at generator terminals when the turbine is clean and operating under specified exhaust pressure, and with full extraction from all extractions.

3. A UNIT MUST OPERATE AT A CAPACITY EQUAL TO 95% OF ITS NAME PLATE RATING FOR 4 HOURS.
4. A UNIT MUST BE OPERATED SO AS TO SHOW A CLEAR AND OBVIOUS TREND TOWARD THE PREDOMINATE USE OF COAL AS ITS PRIMARY FUEL.

The test period will be 30 days.

5. A UNIT MUST HAVE FINISHED THE STARTUP TEST PROGRAM WITH ALL STARTUP TEST PROCEDURES NECESSARY FOR OPERATION SATISFACTORILY COMPLETED.

The foregoing five criteria are interdependent and all must be satisfied before JEC-2 can be declared fully operational and used for service and thus a proper rate base addition.

Staff late-filed Exhibit No. 8* reflects that JEC-2 was first synchronized to the electric grid on January 27, 1980. Staff criterion No. 1 was satisfied on March 14, 1980. At such date, JEC-2 had operated at or above its design minimum power rating of 300 MWe for 386 hours, resulting in a factor of 0.965. This exceeds Staff's factor of 0.8 for criterion No. 1 to be satisfied.

Staff criterion No. 2 was satisfied on March 22, 1980. At such date, JEC-2 had exceeded its design capacity factor of 0.65 by operating at a level to produce a factor of 0.78.

Staff criterion No. 3 was satisfied on March 20, 1980, by JEC-2 running at a capacity equal to 95 percent of its name plate rating for five hours. This test is satisfied if the unit runs at 95 percent of name plate for four hours. While the

*All further discussion relating to JEC-2 comes from late-filed Exhibit No. 8 unless otherwise indicated.

criterion was satisfied on the above date, Staff's report shows testing on this point through April 29, 1980. On April 28, 1980, the unit ran well in excess of 95 percent of name plate for 15 continuous hours.

Staff criterion No. 4 has been fulfilled since the unit has burned coal consistently since February 27, 1980, as its predominate source of fuel, except for oil usage during startup following the unit's being off line.

Staff's last criterion was satisfied on approximately May 1, 1980. The Staff has inspected, reviewed and evaluated all performance tests required prior to commercial operation; has performed a review of all weekly progress reports beginning October 2, 1976, which describe alignment and startup tests; and performed a site audit on March 20, 1980, while the unit was operating at power levels above the name plate capacity. To operate above name plate requires that all system components be installed and operational.

The Commission, having considered the foregoing, concludes that JEC-2 was fully operational and used for service as of 12:01 AM, May 1, 1980, and should be a proper addition to rate base on and after the effective date of this order.

It is, therefore,

ORDERED: 1. That Jeffrey Energy Center Unit No. 2 be, and it is, hereby declared to be fully operational and used for service as of 12:01 AM, May 1, 1980.

ORDERED: 2. That this order shall become effective on the 12th day of May, 1980.

BY THE COMMISSION

D. Michael Hearst

D. Michael Hearst
Secretary

(S E A L)

Slavin, Chm., McCartney, Fraas,
and Bryant, CC., Concur.
Dority, C., Absent.