

**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.)

APPLICATION FOR REHEARING

COMES NOW the Midwest Energy Consumers' Group, pursuant to Section 386.500 and 4 CSR 240-2.160, and for its Application for Rehearing respectfully states as follows:

I. INTRODUCTION

1. On May 3, 2017, the Commission issued its Report and Order in this proceeding. Among other things, that Order adopted Staff's flawed Base / Intermediate / Peak ("BIP") methodology for allocating fixed production costs among the various classes. Furthermore, while listed as an issue in this proceeding, the Commission's Order fails to decide the issue of the proper rate design for the Large General Service ("LGS") and Large Power ("LP") rate classes. These two issues are the subject of this Application for Rehearing.

2. Throughout this legislative session, the General Assembly and Governor have been laser-focused on making Missouri receptive to business. In an effort to stimulate the growth of jobs, the General Assembly and Governor have proposed and passed many different pieces of legislation designed to stimulate economic activity in the state. Among these pieces of pro-business legislation passed by the General Assembly are: (1) SB19 creating a worker's right to work; (2) HB339 / 714 providing for significant tort reform; (3) SB66 related to worker's compensation; (4) SB31 concerning damages

for medical expenses; and (5) SB43 concerning unlawful discriminatory practices. Other pro-business pieces of legislation have steadily progressed through the General Assembly and may yet pass prior to the completion of this legislative session on May 12. These include: (1) HB91 regarding paycheck protection; and (2) HB460 / 461 related to civil procedure rules associated with joinder and venue.

3. The Public Service Commission is a part of the Missouri Department of Economic Development (“DED”). As reflected on its webpage, DED is responsible for administering programs designed to “enhance Missouri’s economic growth and to create solid, high-paying jobs.” While the Governor, General Assembly and DED have all been working together to “enhance Missouri’s economic growth”, the Commission, through its adoption of the BIP methodology, has undermined the positive economic growth steps previously taken by the Governor and General Assembly.

4. As this pleading indicates, KCPL’s industrial rates are already uncompetitive when compared to the industrial rates of virtually every other utility operating in the Midwest. As such, the competitiveness of KCPL’s industrial customer base is tenuous. Nevertheless, the Commission¹ has exacerbated this problem by adopting the anti-business BIP production allocator advocated by Staff. In doing so, the Commission has placed Missouri companies at an even greater competitive disadvantage relative to companies operating in the vast majority of other states that utilize the Average & Excess approach for allocating production costs. The ultimate outcome of the Commission’s action is best demonstrated by KCPL’s industrial rates in Kansas where the Kansas Commission has also previously adopted the BIP methodology. There, as a

¹ During deliberations, two commissioners appeared to indicate their preference for the Average & Excess production allocator advocated by MIEC and MECG. Despite this preference, all five commissioners subsequently voted their approval of the Report and Order that adopted the BIP production allocator.

direct result of the BIP methodology, KCPL's industrial rates are now the highest of 84 electric utilities operating in 22 Midwest states.² Not surprisingly, KCPL Kansas has virtually no industrial customers and, as a result of the shrinking industrial base, residential rates are now increasing rapidly. While Kansas has lost its industrial base, Missouri still has a chance to maintain its industrial load and attract new load, but adoption of the BIP methodology cannot be part of that game plan.

II. ADOPTION OF THE BIP PRODUCTION ALLOCATOR

A. KCPL's INDUSTRIAL RATES ARE NOT COMPETITIVE

5. In a recent Empire District Electric rate case, the Commission considered the situation associated with Empire's industrial rates. There, the Commission, noting that Empire's industrial rates were 16% above the national average,³ found that the uncompetitive nature of such industrial rates were harmful to all customers.

Competitive industrial rates are important for the retention and expansion of industries within Empire's service area. If businesses leave Empire's service area, Empire's remaining customers bear the burden of covering the utility's fixed costs with a smaller amount of billing determinants. **This may result in increased rates for all of Empire's remaining customers.**⁴

As a result, the Commission rejected a non-unanimous stipulation and ordered that a greater portion of the revenue increase be allocated to the residential class to begin to address the residential subsidy and start to remedy uncompetitive industrial rates.

6. Today the Commission finds itself in a similar situation. Specifically, as with Empire's industrial rates two years ago, KCPL's industrial rates are almost 17% above the national average industrial rate. As the EEI Rates Report for Winter 2016

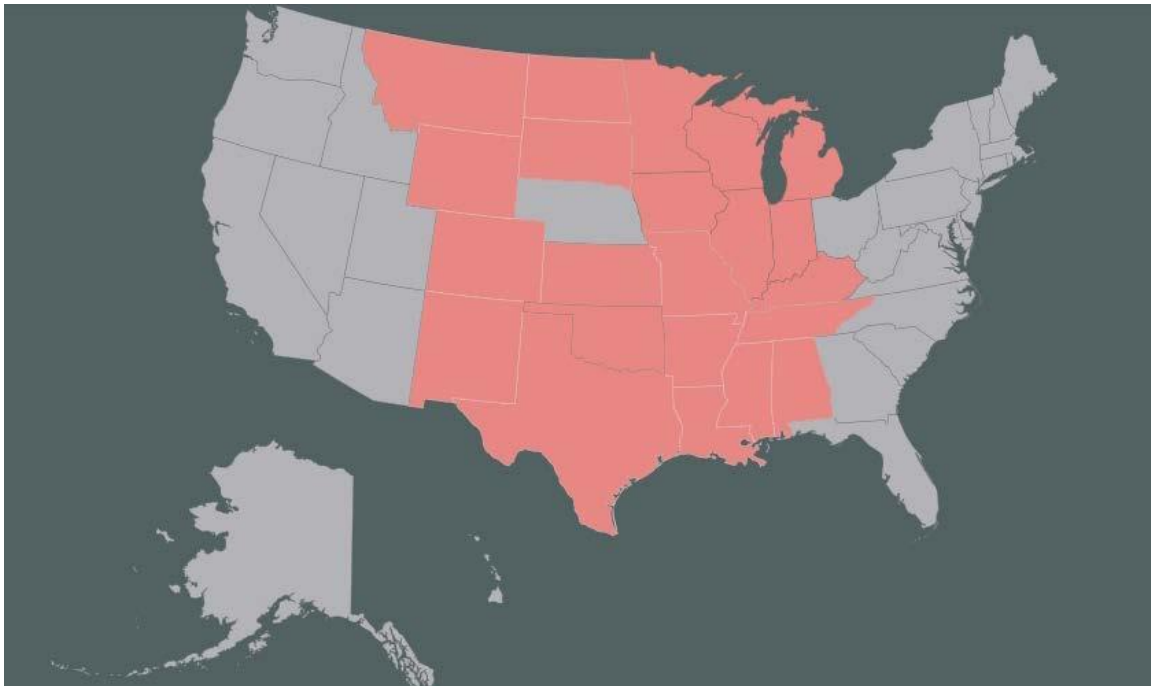
² Strangely, the Kansas Commission has only used the BIP methodology for setting rates for KCPL. In Westar cases, the Kansas Commission continues to use the more widely favored Average & Excess approach. Not surprisingly, Westar's industrial rates are significantly lower.

³ See, *Report and Order*, Case No. ER-2014-0351, issued June 24, 2015, at page 16.

⁴ *Id.* at page 17 (emphasis added).

indicates,⁵ the national average industrial rate is 6.80 ¢ / kWh. Meanwhile, KCPL's industrial rate in Missouri is 16.76% higher at 7.94 ¢ / kWh. The interesting part is that KCPL's residential rate is only 5.41% above the national average residential rate. Thus, at first blush, the EEI data would tend to indicate the existence of a residential subsidy.⁶

7. The problem with the uncompetitive nature of KCPL's industrial rate in Missouri goes much deeper. Not only is KCPL's industrial rate in Missouri higher than the national average industrial rate, it is higher than the industrial rate of virtually every other electric utility operating in the Midwest. The attached map shows the identity of 22 states in the Midwest. According to the EEI Rates Report, these states are provided electric service by 84 electric utilities.



Note: Electricity in Nebraska is not provided by investor-owned utilities. Instead, electricity is provided by a state governmental entity known as the Nebraska Public Power District. For this reason, Nebraska electric rates are not regulated.

⁵ The Winter 2016 Rates Report reflects rates in effect as of December 31, 2016.

⁶ If no subsidies existed, one would expect that residential, commercial and industrial rates would all gravitate towards a common point. That situation does not exist with KCPL rates. While KCPL's overall rates are 6.31% above the national average, its residential rate is 5.41% above the national average and the industrial rate is 16.76% above the national average.

The following table shows the industrial rates, as reflected in the EEI Rates Report, for the 84 electric utilities operating in these 22 Midwest states.

MIDWEST INDUSTRIAL RATES

Utility	State	Rate	Utility	State	Rate
Kansas City Power & Light	Kansas	9.65	Montana Dakota Utilities	Wyoming	6.79
Northwestern Wisc. Elect.	Wisconsin	9.24	Minnesota Power	Minnesota	6.77
Black Hills Power	Colorado	9.03	Otter Tail Power	Minnesota	6.71
Unisource Electric	Arizona	8.91	Louisville Gas & Electric	Kentucky	6.69
Northwestern Energy	Montana	8.66	Superior Water, Light & Power	Wisconsin	6.66
Montana Dakota Utilities	S. Dakota	8.65	Southwestern Electric Power	Louisiana	6.66
El Paso Electric	N.Mexico	8.55	AEP Kentucky	Kentucky	6.65
Montana Dakota Utilities	N.Dakota	8.45	Pacificcorp	Wyoming	6.62
Arizona Public Service	Arizona	8.37	Duke Energy Kentucky	Kentucky	6.61
Black Hills Power	Wyoming	8.33	Otter Tail Power	S. Dakota	6.59
Indianapolis Power & Light	Indiana	8.28	Wisconsin Public Service	Michigan	6.55
Tucson Electric	Arizona	8.28	DTE Electric	Michigan	6.54
Wisconsin Electric	Wisconsin	8.26	Entergy Arkansas	Arkansas	6.50
Empire District Electric	Missouri	8.19	Northwestern Energy	S. Dakota	6.39
Indiana Michigan Power	Michigan	8.15	Public Service Company	Colorado	6.38
Consumers Energy	Michigan	8.13	Mississippi Power	Mississippi	6.36
Westar Energy - KPL	Kansas	8.11	Indiana Michigan Power	Indiana	6.36
Empire District Electric	Kansas	7.99	Alabama Power	Alabama	6.35
WP&L	Wisconsin	7.96	GMO - MPS	Missouri	6.28
Kansas City Power & Light	Missouri	7.94	Ameren Missouri	Missouri	6.24
Black Hills Power	S.Dakota	7.91	Kentucky Utilities	Kentucky	6.13
El Paso Electric	Texas	7.88	Wisconsin Public Service	Wisconsin	6.00
Northern State Power	Minnesota	7.74	Southwestern Electric Power	Texas	5.99
Northern State Power	S.Dakota	7.71	Montana Dakota Utilities	Montana	5.82
Northern States Power	Wisconsin	7.59	Upper Peninsula Power	Michigan	5.80
Madison Gas & Electric	Wisconsin	7.55	Southwestern Electric Power	Arkansas	5.80
CLECO Power	Louisiana	7.35	Wisconsin Electric	Michigan	5.76
South. Indiana Gas & Electric	Indiana	7.33	AEP Kingsport Power	Tennessee	5.73
Entergy New Orleans	Louisiana	7.30	MidAmerican Energy	Illinois	5.52
Empire District Electric	Oklahoma	7.26	OG&E Electric	Arkansas	5.52
Otter Tail Power	N.Dakota	7.22	Entergy Mississippi	Mississippi	5.37
Northern State Power	N.Dakota	7.18	Public Service Company	N. Mexico	5.29
Westar Energy - KGE	Kansas	7.17	Commonwealth Edison	Illinois	5.28
Interstate Power & Light	Minnesota	7.12	MidAmerican Energy	Iowa	5.14
Cheyenne Light, Fuel & Power	Wyoming	7.00	OG&E Electric	Oklahoma	5.10
Empire District Electric	Arkansas	6.99	MidAmerican Energy	S. Dakota	4.98
Black Hills Power	Montana	6.96	Southwestern Public Service	N. Mexico	4.79
Northern States Power	Michigan	6.92	Entergy Texas	Texas	4.77
GMO - L&P	Missouri	6.90	Entergy Louisiana	Louisiana	4.75
Duke Energy Indiana	Indiana	6.89	Entergy Gulf States	Louisiana	4.65
Interstate Power & Light	Iowa	6.84	Southwestern Public Service	Texas	4.32
Northern Indiana Public Serv.	Indiana	6.80	Public Service Company	Oklahoma	3.99

Note: fully bundled electric rates for Ameren Illinois were not available in the EEI Rates Report.

As reflected in the EEI Rates Report, as of December 31, 2016, KCPL's industrial rate in Missouri was the 20th highest of 84 Midwest electric utilities. Given the 3.89% increase authorized in this case, as applied equally to all customer classes, KCPL's industrial rate will increase to 8.25 cents / kWh which will rank 14th highest of the 84 electric utilities. Given this, it is indisputable that KCPL's industrial electric rate is not competitive with neighboring states.

The problematic part of this situation is that an energy-intensive industrial customer will inevitably consider the affordability of electric rates when it makes decisions regarding the expansion or relocation of plants. KCPL's industrial electric rate places the KCPL service area at a significant competitive disadvantage relative to a utility service area with a lower industrial rate. As such, the Governor and General Assembly's efforts to stimulate job growth in the KCPL service area, and more broadly in the state of Missouri, are undermined by uncompetitive industrial electric rates.

B. STAFF'S BIP METHODOLOGY EXACERBATES KCPL'S UNCOMPETITIVE INDUSTRIAL RATES

8. In this case, the Commission had the opportunity to contribute to the efforts of the Governor, the Department of Economic Development, and the General Assembly and seek to stimulate job growth in the KCPL service area by eliminating at least some of the subsidy that businesses provide to residential customers. Specifically, the Commission was faced with choosing between the widely-accepted Average & Excess methodology for allocating fixed production costs or the BIP methodology advanced by Staff.

9. As indicated, the EEI data tends to indicate that a residential subsidy exists in KCPL's current rates. Specifically, while KCPL's residential rate is only 5.41% above

the national average residential rate, KCPL’s industrial rate is 16.76% above the national average industrial rate.

10. The existence of a residential subsidy is supported by the Brubaker study that relies on the Average & Excess production allocator.⁷ That class cost of service study shows the need for the following revenue neutral shifts:

	MIEC ⁸
	Average & Excess
Residential	+14.8%
Small G.S.	-7.7%
Medium G.S.	-6.2%
Large G.S.	-10.4%
Large Power	-7.4%
Lighting	-12.4%

11. On the other hand, Staff’s class cost of service study, which relies upon the flawed BIP production allocator, conflicts with the EEI data. Contrary to the EEI data, the Staff class cost of service study not only finds that a residential subsidy does not exist, the study actually concludes that residential rates should be decreased and industrial rates should be increased.

	Staff ⁹
	BIP
Residential	-0.49%
Small G.S.	-5.01%
Medium G.S.	-5.18%
Large G.S.	-0.64%
Large Power	+7.45%
Lighting	-5.54%

⁷ The conclusions reached by the class cost of service study that relies upon the Average & Excess production allocator is supported by class cost of service studies that rely upon the 4 Coincident Demand production allocator. While the A&E methodology quantifies the residential subsidy at 14.8%, the 4 CP methodology quantifies the subsidy at 18.6%. Even the Peak & Average approach, supported by the residential advocate Public Counsel, quantifies the residential subsidy at 9.2%. Only the BIP reaches a different conclusion. For this reason, the BIP has been repeatedly called an “outlier”. See, MECG Initial Brief, pages 48-50.

⁸ Exhibit 853, Schedule MEB-COS-5.

⁹ Exhibit 202, Staff Rate Design Report, page 4.

12. The BIP methodology reaches this illogical result because it allocates the cost of all units deemed to be “baseload” generation on the basis of class energy usage. In this way, the methodology fails to recognize the contribution that these “baseload” units make towards meeting system peak demand requirements.¹⁰ By focusing entirely on energy production, and failing to consider the contribution made by “baseload” units towards meeting peak demand, the BIP methodology is inherently detrimental to high load factor classes (i.e., the large commercial and industrial classes) that utilize a greater number of kilowatt hours for each kilowatt of demand required, and thus use the electric grid efficiently. Make no mistake, at time of system peak, these baseload units are generating, many times at full capacity. Thus, these units provide value towards demand. This value towards meeting peak demand, however, is lost when the BIP allocates the cost of those plants based entirely off of energy usage.

13. The flaws inherent in the Staff’s BIP methodology may be lessened if every state were using the BIP approach to allocate fixed production costs. That is to say, the adoption of the BIP methodology would not place Missouri at a competitive disadvantage to other states if every other state was also using this same flawed approach. As the evidence indicates, however, the vast majority of states have rejected the BIP methodology in favor of the Average & Excess approach.¹¹ Thus, when Missouri utilizes

¹⁰ See, MECG Initial Brief, pages 53-55; MIEC Initial Brief, pages 7-10; DOE Initial Brief, page 15. Numerous utilities have expressly rejected the BIP methodology because it fails to recognize that, while providing energy, baseload units also provide significant value towards meeting peak demand. See, footnote 145 of MECG Initial Brief.

¹¹ The widespread acceptance of the Average & Excess approach was thoroughly documented, with citations to dozens of state utility commission decisions, at pages 72-77 of the MECG Initial Brief.

the flawed BIP production allocator, while all other states are using the Average & Excess approach, Missouri industrial rates suffer relative to these other states.¹²

14. The bottom line, by adopting Staff's BIP fixed production cost allocator, the Commission has exacerbated the uncompetitive nature of KCPL's Missouri industrial rate. Faced with the opportunity to support the Governor and General Assembly's pro-business efforts and address the uncompetitive nature of KCPL's industrial rate, the Commission could have adopted the widely-adopted Average & Excess methodology and addressed the significant residential subsidy. Instead, the Commission adopted the BIP approach and, with one fell swoop of the pen, covered up the existence of the residential subsidy. More troubling, Staff will inevitably rely upon this Commission decision to deny the existence of residential subsidies in the rates of Ameren, Empire and KCP&L-GMO as well. Ultimately, the business environment in Missouri has taken a major step backwards as a result of the Commission's decision.¹³

C. THE LOGICAL RESULT OF THE ADOPTION THE BIP METHODOLOGY IS REFLECTED IN KCPL'S SITUATION IN KANSAS

15. The ultimate implication of the Commission's decision is best reflected by the EEI data. As demonstrated, in the previous table, KCPL's industrial rate in Kansas is

¹² Interestingly, the Commission repeatedly sought guidance from other states when it came to establishing an appropriate return on equity. (See, Report and Order, paragraphs 36, 37 and 40). Despite being faced with countless citations demonstrating that virtually all other vertically integrated states are using the Average & Excess methodology for allocating fixed production costs, the Commission did not rely on the guidance of these other states. (non-vertically integrated states do not face the issue of allocating production costs).

¹³ One must necessarily wonder, given the Commission's adoption of the BIP production allocator, how the New Madrid smelter will ever be able to reopen. In previous Ameren cases, the Commission utilized the Average & Excess production allocator. Even when using this methodology, Noranda claimed that the resulting electric rate was too high to allow it to compete in the global market for aluminum. The use of the BIP production allocator in the Ameren service area will necessarily cause the cost-based retail rate for electricity delivered to the smelter to be even higher. Therefore, if the smelter were to open again, the existence of cost-based rates that rely upon the faulty BIP methodology will necessitate a subsidy much larger than that which would exist if rates were based upon the widely-accepted Average & Excess methodology.

the highest of the 84 electric utilities operating in the 22 Midwest states. Recognizing that KCPL relies upon the same generating units to serve both Kansas and Missouri, and that fixed and variable production costs are simply allocated between the states, the only significant basis to explain the discrepancy between the Missouri (7.94 cents / kWh) and Kansas (9.65 cents / kWh) industrial rates is the production allocator utilized by the state commissions in setting retail rates. Interestingly, while Kansas has adopted the BIP production allocator¹⁴ and suffers from the highest industrial rates in the Midwest, Missouri has heretofore refused to adopt a methodology that is so decidedly punitive to high load factor industrial customers. Not surprisingly, given its uncompetitive industrial rate, KCPL has virtually no industrial customers in Kansas. After the Kansas Commission adopted the BIP methodology in 2010, KCPL moved to eliminate its Large Power rate schedule in 2012. At the time, KCPL only had 3 customers taking service off of the Kansas LP rate schedule.¹⁵ It is unquestionable that the BIP production allocator will have the same effect on industrial rates in Missouri and may result in the same elimination of industrial customers as experienced in Kansas.

D. UNCOMPETITIVE INDUSTRIAL RATES ARE ALSO HARMFUL TO RESIDENTIAL CUSTOMERS

16. Residential advocates may argue, and some commissioners may believe, that the adoption of the BIP production allocator will be beneficial to residential customers. Such a view is decidedly short-sighted. As the Commission has previously

¹⁴ See, *Order Addressing Prudence; Approving Application, in Part; and Ruling on Pending Requests*, Kansas Corporation Commission Docket No. 10-KCPE-415-RTS, issued November 22, 2010, page 117 (“The Commission finds Normand's use of the BIP method in his CCOS Study for allocation of production plant is preferable to Staffs average-and-peak approach.”); *Order on KCPL's Application for Rate Change*, Kansas Corporation Commission Docket No. 12-KCPE-764-RTS, issued December 13, 2012, pages 24-25; *Order on KCPL's Application for a Rate Change*, Kansas Corporation Commission Docket No. 15-KCPE-116-RTS, issued September 10, 2015.

¹⁵ See, *Application*, Kansas Corporation Commission Docket No. 12-KCPE-764-RTS, filed April 20, 2012, Section 2.

recognized, a healthy industrial electric load is beneficial to all customers. Specifically, the presence of such industrial customers results in a large base over which to spread utility fixed costs.

Competitive industrial rates are important for the retention and expansion of industries within Empire's service area. If businesses leave Empire's service area, Empire's remaining customers bear the burden of covering the utility's fixed costs with a smaller amount of billing determinants. This may result in increased rates for all of Empire's remaining customers.¹⁶

Again the Commission, when considering the potential closure of the New Madrid smelter, justified the decision to provide a significant rate reduction on the basis that it would be more harmful to other customers to lose this industrial load.

Right now, Noranda pays a large portion of Ameren Missouri's fixed costs, costs that will not go away just because Noranda no longer buys electricity. If Noranda closes its smelter, those costs will still be there, but then all Ameren Missouri's other customers will have to pick up the bill for those fixed costs. Thus, Ameren Missouri's other customers will benefit from retaining Noranda's load for Ameren Missouri.¹⁷

Clearly then, as previous Commissions have understood, the decision to favor residential customers over industrial customers is short-sighted. Similarly, any decision to adopt the BIP methodology simply because it favors residential customers is also short-sighted. The BIP methodology will cause the KCPL Missouri industrial rate to regress towards its Kansas industrial rate – which is the highest in the nation. Faced with these uncompetitive rates, some industrial customers will either close or relocate. Either way, the KCPL customer base loses the associated billing determinants over which to spread fixed costs. Therefore, residential rates will also increase.¹⁸ The disconcerting

¹⁶ *Report and Order*, Case No. ER-2014-0351, issued June 24, 2015, at page 16.

¹⁷ *Report and Order*, Case No. ER-2014-0258, issued April 29, 2015, page 132.

¹⁸ Indeed, prior to adopting the BIP, Kansas residential rates were 22.6% below the national average. Now, just seven years later, Kansas residential rates are 1.62% above the national average. (EEI Rates Report for Winter 2009 and Winter 2010).

part is that, once lost, it is very difficult, if not impossible, to get industrial customers to return.

III. LARGE POWER / LARGE GENERAL SERVICE RATE DESIGN

17. In the List of Issues that was submitted on January 31, 2017, there was an issue denominated as follows: XXI(F): How should any increase to Rates LGS and LPS be distributed?

18. Based upon the disputed nature of this issue, MECG devoted seven pages of its Initial Brief supporting the Brubaker proposal to recover more of any rate increase allocated to the LGS and LP rate classes through the demand charge and less through the energy charges.¹⁹ MECG noted that the Brubaker rate design proposal serves to address, in part, the significant intra-class subsidy in the LGS and LP rate classes. This subsidy works to the benefit of low load factor LGS / LP customers and to the detriment of high load factor LGS / LP customers. In addition, MECG pointed out that this proposal had been adopted by the Commission in numerous recent cases including: (1) KCPL Case Nos. ER-2010-0355; ER-2012-0174; ER-2014-0370; (2) Empire Case No. ER-2016-0023 and (3) Ameren Case No. ER-2016-0179. Given this, MECG posits that Brubaker's LGS / LP rate design proposal is "based upon solid ratemaking theory and movement towards cost of service based rates for the LGS and LPS rate schedules should be continued in this case."

19. Despite listing this issue in its Report and Order, the Commission never actually decided the LGS / LP rate design issue. As such, there is an outstanding issue awaiting resolution.

¹⁹ MECG Initial Brief, pages 80-86.

20. Since the time it issued its decision, other information has become available that demands the adoption of the Brubaker LGS / LP rate design proposal. Specifically, KCPL has submitted its Fuel Adjustment Clause compliance tariffs. That tariff sets forth a base level of fuel of 1.542 ¢ / kWh.²⁰ As Mr. Brubaker pointed out, since the tailblock in the LGS rate schedule is 3.5 ¢ / kWh to 4.3 ¢ / kWh,²¹ it is more than twice the base level of fuel. Similarly, the tailblock in the LP rate schedule at 2.4¢/kWh to 2.6¢/kWh is well above the base cost of fuel. Given that they are significantly above the cost of fuel, the LGS / LP energy blocks obviously collect a significant amount of fixed costs.

21. Brubaker's proposal to lessen this intra-class subsidy and collect a larger amount through the demand charge would further another Commission policy. Specifically, by adopting the Brubaker LGS / LP rate design proposal, the LGS / LP demand charges would increase. Interestingly, at paragraph 15, the Commission expressed an interest in demand response rates because they "promote customer control of usage and shift or reduce peak demand." By adopting the Brubaker proposal and increasing the demand charge in the LGS and LP rate classes, the Commission is sending signals to customers to "shift or reduce peak demand." As such, Brubaker's proposal is beneficial.

22. Given that it failed to address this issue, MECG requests that the Commission reconsider its Report and Order and issue a decision on the LGS / LP rate design proposal that is consistent with the proposal advanced by MIEC witness Brubaker.

²⁰ See, Tariff Revision YE-2017-0235, sheet number 50.20, submitted May 9, 2017.

²¹ Exhibit 853, Brubaker Direct, page 28. Similarly, the tailblock in the LP rate schedule at 2.4¢/kWh to 2.6¢/kWh is well above the base cost of fuel.

IV. CONCLUSION

23. In light of the arguments raised herein, as well as those contained in its Initial Brief, MECG asks that the Commission: (1) reconsider its decision adopting the Staff's BIP methodology for allocating fixed production costs among the various customer classes and (2) issue its decision supplementing the Report and Order in order to adopt Brubaker's proposal to collect a larger amount of the LGS / LP rate increase through demand charges.

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

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.

A handwritten signature in black ink, appearing to read "David L. Woodsmall". The signature is written in a cursive style with a large initial "D".

David L. Woodsmall

Dated: May 12, 2017