

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

In the Matter of Kansas City Power & Light Company's Submission of its 2018 Renewable Energy Standard Compliance Report)))))	Case No. EO-2019-0315
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In the Matter of KCP&L Greater Missouri Operations Company's Submission of its 2018 Renewable Energy Standard Compliance Report)))))	Case No. EO-2019-0316
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In the Matter of Kansas City Power & Light Company's Submission of its 2019 Renewable Energy Standard Compliance Plan)))))	Case No. EO-2019-0317
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In the Matter of KCP&L Greater Missouri Operations Company's 2019 Renewable Energy Standard Compliance Plan)))))	Case No. EO-2019-0318
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**UPDATE TO THE COMMENTS OF THE MISSOURI OFFICE OF THE PUBLIC
COUNSEL**

COMES NOW the Office of the Public Counsel (“OPC”) and as an *Update* to the *Comments* previously filed in the above styled cases, states as follows:

1. The Commission issued an *Order Directing Notice and Filing* in each of the above styled cases on April 17, 2019. This *Order* provided that any interested party to any of the four cases was permitted to file comments in said case no later than May 30, 2019.

2. The OPC developed a series of comments in response to the Commission's *Order* that were filed in all four cases on May, 30, 2019. These Comments were set forth in a *Memorandum* prepared by the OPC's Senior Analyst: Ms. Lena Mantle, PE.

3. Since the date on which these comments were filed, the OPC received additional data request responses that have warranted updating several of the numerical values found in the *Memorandum* filed on May 30. Consequently, the OPC has prepared a new *Memorandum* that provides these updated figures. This new *Memorandum* has also been prepared by the OPC's Senior Analyst: Ms. Lena Mantle, PE, and has been attached to this pleading.

4. To be clear, the new *Memorandum* attached to this pleading is meant only to supplement and not to replace the OPC's originally filed comments. Excepting the updated numerical values found in the new *Memorandum*, the OPC reiterates and maintains the arguments raised and positions taken in the previous *Memorandum* it filed on May 30, 2019.

WHEREFORE, the Office of the Public Counsel respectfully submits this *Update* to its previously filed *Comments*.

Respectfully submitted,
OFFICE OF THE PUBLIC
COUNSEL

By: /s/ John Clizer
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CERTIFICATE OF SERVICE

I hereby certify that copies of the forgoing have been mailed, emailed, or hand-delivered to all counsel of record this twelfth day of June, 2019.

/s/ John Clizer

MEMORANDUM

To: Missouri Public Service Commission Official Case Files
Case Nos. EO-2019-00315, EO-2019-0316, EO-2019-0317 & EO-2019-0318

From: Lena M. Mantle, PE, Senior Analyst

Subject: Calculation of Rate Impact of Renewable Resources, Update to May 30, 2019
Memorandum

Date: June 12, 2019

Summary

This memorandum contains updates to information regarding the costs for renewable energy that were incurred by Kansas City Power & Light Company (“KCPL”) and KCP&L Greater Missouri Operations Company (“GMO”) for the calendar year of 2018. The recommendation made by the Office of the Public Counsel (“OPC”) in the previously filed memorandum remains the same. This memorandum is meant only to supplement particular values set forth in the previous memorandum on the basis of OPC having received additional responses to discovery requests since the filing of its previous memorandum.

Additional RES Costs

The OPC’s previous memorandum contained the following paragraph¹ under this heading:

At the time this memorandum was prepared, OPC did not have the costs and revenues of the wind projects for the entire time period that the RES Reports cover – calendar year 2018. However, information for January 2018, through June 2018, for KCPL and January 2018, through May 2018, for GMO was available from data requests in other Commission cases. This information shows the costs of the wind PPAs were [] \$13 million [] greater than the revenues for KCPL’s Missouri retail customers for the first half of 2018 and [] \$9.5 million [] greater than the revenues for GMO’s retail customers for the first five months of 2018. The monthly values are shown on Attachments A and B to this memorandum. These are costs that were included in FAC rates for recovery from both utility’s retail customers. (footnotes omitted)

¹ After filing of the original memorandum, OPC realized that while the lost margin is calculated used data that KCP&L has marked as Confidential, this number itself is not confidential since none of the Confidential data can be extracted from this number itself. The OPC has consequently declassified the information contained in the following excerpt.

The OPC subsequently received responses to requests for the missing data outlined in this paragraph. These new responses show that KCPL's Missouri customers paid \$23.6 million in loss margins on KPC&L's wind PPAs for the entire calendar year and that GMO's retail customers paid \$17.5 million. The monthly values are shown on Attachments A and B to this memorandum. As stated in the previous memorandum, these are costs that were included in FAC rates for recovery from both utility's retail customers.

Rate Impact as Calculated in the RES Reports

The OPC's previous memorandum contained the following paragraphs under this heading:

In the KCPL RES report, KCP&L stated the rate impact on retail customers of the cost of KCPL's renewables was 0.104%. However, this did not include the negative margin from the wind PPAs. If the negative margin from the sale of energy from the wind PPAs for just the first half of 2018 is included as a renewables cost, the rate impact is 1.53%. Assuming the first half of 2018 is representative of the second half of 2018, the retail rate impact on KCPL's customers would be approximately 2.96%.

In the GMO RES Report, KCP&L stated the rate impact of the cost of GMO's renewables was 0.343%. Like the KCPL report, the GMO report did not include the negative margin from the wind PPAs. If the negative margin from the sale of energy from the wind PPAs for just the first five months of 2018 is included as a renewable cost, the retail rate impact to GMO's customers is 1.57%. Assuming the first five months was representative of the last seven months of 2018, the retail rate impact would be 3.29%. (footnotes omitted)

Based on the responses to OPC data requests received subsequent to the filing of the original memorandum, the values stated in the above referenced paragraphs can now be updated. If the negative margin from the sale of energy from the wind PPAs (as provided in data request responses from KCP&L) for the entire year is included, the rate impact for KCPL's Missouri customers is 2.64%. Likewise, if the negative margin from the sale of energy from the wind PPAs (as provided in data request responses from KCP&L) for the entire year is included, the rate impact for GMO's Missouri customers is 2.60%.

Conclusion

Outside of the corrected numbers found in this memorandum, OPC reaffirms the arguments made and positions taken in its previous filed memorandum. It is still true that neither the Commission nor the utilities' customers have the information available to them to make intelligent decisions

regarding renewables. The Commission should therefore still require KCP&L to re-file its RES Reports and RES Plans to include the cost resulting from the PPAs entered into by both utilities in the retail rate impact calculation so accurate information is provided in accordance with the Commission's rules.

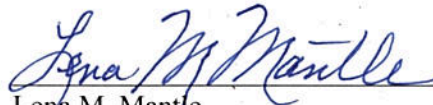
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

AFFIDAVIT OF LENA M. MANTLE

STATE OF MISSOURI)
) SS.
COUNTY OF COLE)

COMES NOW LENA M. MANTLE and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *UPDATE TO THE COMMENTS OF THE MISSOURI OFFICE OF THE PUBLIC COUNSEL*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

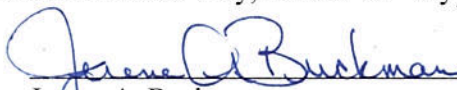

Lena M. Mantle
Senior Analyst

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 12th day June, 2019.



JERENE A. BUCKMAN
My Commission Expires
August 23, 2021
Cole County
Commission #13754037


Jerene A. Buckman
Notary Public

My Commission expires August 23, 2021.

KCPL Wind PPA Margins

		Total Costs	Total Revenue Received From SPP	Margin	Jurisdictional Factor	Missouri Retail Margin
January	2018	\$ 10,120,123.45	\$ 4,971,535.52	\$ (5,148,587.93)	0.557938	\$ (2,872,594.02)
February	2018	\$ 8,250,662.22	\$ 3,215,267.58	\$ (5,035,394.64)	0.571463	\$ (2,877,541.70)
March	2018	\$ 10,726,190.05	\$ 4,657,394.55	\$ (6,068,795.50)	0.580587	\$ (3,523,461.31)
April	2018	\$ 10,017,782.81	\$ 5,957,149.90	\$ (4,060,632.91)	0.574198	\$ (2,331,607.06)
May	2018	\$ 7,172,087.04	\$ 4,887,193.36	\$ (2,284,893.68)	0.546511	\$ (1,248,718.92)
June	2018	\$ 9,387,106.25	\$ 6,497,905.04	\$ (2,889,201.21)	0.550519	\$ (1,590,560.98)
July	2018	\$ 4,371,785.63	\$ 3,397,837.88	\$ (973,947.75)	0.548988	\$ (534,685.26)
August	2018	\$ 7,218,734.18	\$ 4,369,568.96	\$ (2,849,165.22)	0.555301	\$ (1,582,144.35)
September	2018	\$ 7,410,995.42	\$ 4,445,782.77	\$ (2,965,212.65)	0.579657	\$ (1,718,806.05)
October	2018	\$ 7,453,767.96	\$ 4,854,130.75	\$ (2,599,637.21)	0.566527	\$ (1,472,765.04)
November	2018	\$ 8,264,855.45	\$ 6,052,991.11	\$ (2,211,864.34)	0.562422	\$ (1,244,001.57)
December	2018	\$ 9,605,858.77	\$ 5,137,740.54	\$ (4,468,118.23)	0.581052	\$ (2,596,211.01)
Total		\$ 99,999,949.23	\$ 58,444,497.95	\$ (41,555,451.28)		\$ (23,593,097.27)
Other RES costs						\$ 964,407
KCPL's Missouri Retail Revenues						\$ 931,128,044
RES Retail Rate Impact						2.64%

Costs and revenues from GMO response to OPC DR 8003 and 8005 in case no. EO-2019-0315
 Jurisdictional factors from FAC rate change workpapers

GMO Wind PPA Margins

		Total Revenue Received From SPP	Margin	Jurisdictional Factor	Retail Margin
	Total				
January 2018	\$ 4,025,768.51	\$ 2,048,591.72	\$ (1,977,176.79)	0.995376	\$ (1,968,034.62)
February 2018	\$ 3,372,611.26	\$ 1,183,814.91	\$ (2,188,796.35)	0.994754	\$ (2,177,313.60)
March 2018	\$ 4,391,225.48	\$ 1,900,139.41	\$ (2,491,086.07)	0.996849	\$ (2,483,237.81)
April 2018	\$ 3,996,317.46	\$ 2,055,483.31	\$ (1,940,834.15)	0.996620	\$ (1,934,274.42)
May 2018	\$ 2,921,401.44	\$ 1,857,297.20	\$ (1,064,104.24)	0.997093	\$ (1,061,011.19)
June 2018	\$ 3,632,643.53	\$ 2,376,260.07	\$ (1,256,383.46)	0.997062	\$ (1,252,692.34)
July 2018	\$ 2,070,599.44	\$ 1,647,531.68	\$ (423,067.76)	0.996325	\$ (421,512.95)
August 2018	\$ 2,933,131.65	\$ 1,784,259.94	\$ (1,148,871.71)	0.996356	\$ (1,144,684.86)
September 2018	\$ 3,444,489.76	\$ 2,043,692.70	\$ (1,400,797.06)	0.996449	\$ (1,395,823.22)
October 2018	\$ 3,148,074.63	\$ 1,985,808.93	\$ (1,162,265.70)	0.996819	\$ (1,158,568.55)
November 2018	\$ 3,537,344.92	\$ 2,656,765.37	\$ (880,579.55)	0.997405	\$ (878,294.53)
December 2018	\$ 4,266,120.28	\$ 2,561,524.91	\$ (1,704,595.37)	0.996464	\$ (1,698,568.69)
Total	\$ 41,739,728.36	\$ 24,101,170.15	\$ (17,638,558.21)		\$ (17,574,016.78)
			Other RES costs		\$ 2,671,460
			KCPL's Missouri Retail Revenues		\$ 777,917,584
			RES Retail Rate Impact		2.60%

Costs and revenues from GMO response to OPC DR 8003 in case no. EO-2019-0316
 Jurisdictional factors from FAC rate change workpapers for January through November
 Jurisdictional factor for December is average of January through November