BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of the Application of KCP&L Greater Missouri Operations Company For Approval of a Special Rate for a Facility Whose Primary Industry is the Production or Fabrication of Steel in or Around Sedalia, Missouri.

File No. EO-2019-0244

MECG STATEMENT OF POSITION

COMES NOW, the Midwest Energy Consumers Group ("MECG"), and for its Statement of Position respectfully submits as follows:

<u>Issue 1</u>: Must the proposed special incremental load tariff and Nucor special contract be approved pursuant to Section 393.355, RSMo? If not, under what statutory authority is the Commission approving the terms of the SIL tariff and the Nucor special contract?

<u>Position</u>: Yes. The Commission lacks the authority to approve the terms of the special contract outside of the authority granted by Section 393.355. The proposed special contract does not comply with Section 393.355. Specifically, contrary to the terms of Section 393.355.3, the settlement does not include a tracker mechanism to ensure that GMO's net margin is "neither increased nor decreased." Absent the tracker mechanism, the settlement does not comply with the provisions of Section 393.355 and the special contract must be rejected. That said, however, MECG does not object to a special contract, including the rates contained in the settlement, <u>if</u> that special contract fully complies with Section 393.355.

<u>Issue 2</u>: Should the Commission approve the SIL tariff proposed by GMO and the special contract rate proposed for Nucor subject to the customer protections and monitoring and reporting requirements by Staff, Nucor and GMO?

<u>Position</u>: No. The Commission lacks statutory authority to approve the special contract absent compliance with the provisions of Section 393.355 including the mandated net margin tracker required by Section 393.355.3.

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Respectfully submitted,

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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.

<u>/s/_David Woodsmall</u> David L. Woodsmall

Dated: October 15, 2019