

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

In the Matter of KCP&L Greater Missouri Operations)
Company’s Request for Authority to Implement a) File No. ER-2016-0156
General Rate Increase for Electric Service)

Response of the Public Counsel to the Commission’s February 25, 2016 Order

COMES NOW the Office of the Public Counsel, by and through undersigned counsel, and for its *Response of the Public Counsel to the Commission’s February 25, 2016 Order* states as follows:

1. On February 25, 2016, the Commission issued its *Order* directing any party to respond to its inquiry regarding resolution of the pending rate case in ten months as opposed to the historical eleven months typically been granted under RSMo. §393.150. In compliance with that *Order*, the Office of the Public Counsel (“OPC”) provides this response.

2. As the Commission correctly points out in its *Order*, an eleven-month period for deciding this action is proscribed by §393.150. However, this is a maximum period of time and the Commission has discretion to shorten that period. However, as described more completely below, OPC asserts shortening the time in this case would be detrimental and prejudicial to ratepayers. Shortening the rate case time to ten months would limit this office’s ability, as well as other potential and currently unknown parties’ ability, to fully provide a complete response to the plethora of issues confronting the Commission by Kansas City Power and Light Greater Missouri Operations’ (“Company”) direct case filing.

3. No party, including the Company itself, has asked for a shortened rate case timeline. OPC strongly believes this is an improper case to test the idea of an expedited rate case timeline. Should the Commission feel changes are necessary to the rate case timeline, a workshop should be convened where all interested stakeholders can participate. Creating a precedent of ordering

an expedited timeline through a single utility rate case without input from these parties will have an impact long past this one matter. The proposed procedural schedule as advanced by the Company in its *Application* is a workable and appropriate schedule that the office could meet. OPC would request the Commission adopt the proposed procedural schedule as set forth in the Company's *Application*.

4. As requested by the Commission *Order* the issues OPC identified as concerns with shortening this timeline as request include:

- a. In the Company's direct case filing in ER-2016-0156, the Company suggested a historical test year ending June 30, 2015 with a thirteen-month true-up period ending July 30, 2016. (*GMO Application* page 3-4). That thirteen-month true-up period requires additional adjustments and changes to known and measureable events in addition to the audit and review of the twelve-month historical test year. Such a true-up review requires additional time and resources that are already stretched beyond capacity due to the number of cases currently pending before the Commission.
- b. The Company's *Application* actually suggests three rate cases in one filing with the three tariffs proposed for the purpose of class cost of service. The first tariff focuses on the MPS jurisdiction, the second on L&P jurisdiction, and lastly on consolidating the first two jurisdictions. The examination and time involved with providing a response to three class costs of service is insurmountable even with the historical eleven-month period to review. Taking away a month from the process would be detrimental to OPC in providing alternate proposals for the Commission to consider. OPC's inability to do this would prejudice and disenfranchise vulnerable ratepayers.
- c. The Company's *Application* and direct testimony propose novel, first impression

issues such as CIP/Cybersecurity expenses, 100% of transmission and revenue expenses, and other long-distance transmission costs flowing through the fuel adjustment clause (FAC). *Application* pg. 4. The Company has also proposed using forecasted expenses and has proposed three different ratemaking alternatives for the Commission to consider for inclusion in its revenue requirement. The FAC is a concerning issue for the OPC and, as a single-issue ratemaking adjustment impacting customer bills between rate cases, decisions made in haste could have long-term impacts for customers. As much time as permissible under the law is required to properly evaluate and audit these issues.

- d. The loss of a month would reduce time for rebuttal and surrebuttal testimony as well as shorten time for Commission deliberations. These areas would be the likely place for time reduction in a rate case timeline as the Company, dependant on its response to data requests and other discovery requests from the parties, controls most of the upfront time in preparing direct testimony. This, too, disadvantages OPC in developing a thoughtful response and thus depriving the Commission in a thorough evaluation.
- e. Currently, there are only two parties represented before the Commission: Staff and OPC. In the last rate case, the Commission permitted seventeen other intervenors. While OPC is currently unaware of any potential intervenors, we must be mindful unknown third parties do not have the ability to consent or oppose this request. A reasonable assumption is other parties will be involved and the Commission must consider the impact to their ability to address this matter in making the decision to shorten this rate case.

5. With these issues in mind, and the fact that no party to the case is currently requesting expedited treatment, OPC would request that the Commission not use this case as a test case for shortening the timeline for review and decision.

WHEREFORE, the Office of the Public Counsel submits this *Response* and requests the Commission adopt the proposed procedural schedule as advanced by the Company in its *Application* and grant a full eleven months for review and determination of the pending rate case.

Respectfully submitted,

/s/ Cydney D. Mayfield
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Certificate of Service

The undersigned hereby certifies that a true and correct copy of the foregoing has been served, by hand delivery, electronic mail, or First Class United States Mail, postage prepaid, to all parties of record on the Service List maintained for this case by the Data Center of the Missouri Public Service Commission, **on this 29th Day of February, 2016.**

/s/ Cydney D. Mayfield