

MEMORANDUM

TO: Official Case File - Case No. HM-90-4 Kansas City Power & Light Company
Case No. HA-90-5 Trigen-Kansas City District Energy Corporation

FROM: Michael W. Straub, Rate and Tariff Examiner
Electric Rate Department

DATE: March 28, 1990

SUBJECT: Staff Recommendation in Case Nos. HM-90-4 and HA-90-5

REVIEWED BY Edward J. Hanger 3-29-90 Man. Gen. Coun. 3/29/90
Director of Utilities/Date General Counsel/Date

On December 29, 1989, the Commission granted conditional authority for Trigen-Kansas City District Energy Corporation to acquire and operate the steam heat distribution system of KCPL. The conditions were that all existing permits, licenses, franchises, easements, certification and approvals required for Trigen's ownership and operation for the steam system be obtained. Plus the legally binding transfer of KCPL's rights to 5,955 tons of sulphur dioxin emissions credits banked with the Missouri Department of Natural Resources be transferred to Trigen. The Commission also required Trigen to file, for Commission approval, tariffs governing the proposed operation.

On February 7, 1990 Trigen filed their proposed tariffs to become effective on a date to be determined upon consummation of the transaction. Kansas City Power & Light Company and Trigen-Kansas City District Energy Corporation have filed with this Commission letters dated March 28, 1990 informing the Commission all necessary permits, licenses, franchises, easements, certification and approvals have been obtained and they wish to have Kansas City Power & Light Company's certificate of public convenience and necessity respecting public utility steam service be revoked and their tariffs be cancelled as of the date of closing. Trigen has requested they be issued a certificate of public convenience and approval of their proposed tariffs for steam service.

Staff has reviewed Trigen's proposed tariffs and finds they comply with the Commission order, including the modifications Trigen agreed to make during the course of the hearing. Staff recommends the tariffs become effective for service rendered on and after March 30, 1990. Staff has no objection to cancelling Kansas City Power & Light Company's tariffs on March 30, 1990. Also staff has no objection to the approval of Trigen's certificate of public convenience and the revoking of Kansas City Power & Light Company's certificate of public convenience for the steam heat distribution system.

cc: Public Counsel
Director of Utilities
General Counsel
Chief Hearing Examiner
Kansas Power & Light Gas Service
Trigen-Kansas City District Energy Corporation
Walter J. O'Toole, Jr.
Michael C. Pendergast
William Clark Kelly
Kansas City Power & Light Co.

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