BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

Cost recovery mechanism	In the Matter of KCP&L Greater Missouri Operations Company Request for Authority to Implement Rate Adjustments Required by 4 CSR 240-20.090(8) and the Company's Approved Fuel and Purchased Power Cost Recovery Mechanism	Case No. ER-2019-0413
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RESPONSE TO STAFF RECOMMENDATION

COMES NOW the Office of the Public Counsel ("OPC") and for its *Response to*Staff Recommendation, states as follows:

- 1. KCP&L Greater Missouri Operations Company ("GMO") initiated this proceeding on June 28, 2019, by filing direct testimony and a proposed tariff sheet designed to change the amount it is permitted to collect under its Fuel Adjustment Clause ("FAC").
- 2. Staff filed its *Recommendation* to GMO's filing on July 26, 2019, that recommended the Commission issue an Order indicating that the 1st Revised Sheet No. 127.23 (cancelling 4th Revised Sheet No 127.12, as substituted July 25, 2019) become effective on September 1, 2019, by operation of law.
 - 3. The OPC opposes Staff's recommendation on two grounds.
- 4. First, the OPC opposes Staff's recommendation, and GMO's current substitute tariff sheet, because it includes the cost of auxiliary power GMO uses for steam operations at its Lake Road station. Second, the OPC opposes Staff's

recommendation, and GMO's current substitute tariff sheet, as it has included the cost of removal of coal and propane at the retired Sibley generation facility.¹

- 5. The OPC has laid out the reasoning behind these two objections in greater detail in a *Memorandum* which has been attached to this filing. This *Memorandum* includes the amount the OPC recommends GMO's Actual Net Energy Cost be adjusted by to account for the subject of these two objections.
- 6. The OPC therefore request the Commission reject GMO's substitute tariff sheet filed on July 25, 2019, and order the company to file a new substitute tariff sheet with an adjustment to its Actual Net Energy Cost to account for (1) The cost of auxiliary power GMO used for its steam operations at its Lake Road station, and (2) The cost of the removal of coal and propane at the retired Sibley generation facility. The interest amount included in the FAC tariff sheet should also be modified to account for these reductions in cost.

WHEREFORE, the Office of the Public Counsel respectfully requests the Commission reject GMO's substitute tariff sheet filed on July 25, 2019, and order the company to file a new substitute tariff sheet to account for the adjustments related herein.

Respectfully submitted,

contract may have been imprudent, it is not in violation of GMO's FAC tariff sheets.

¹ The OPC also notes its continuing belief that it was imprudent for GMO to have entered into the Rock Creek and Osborn Wind Projects purchased power agreements ("PPAs") and, consequently, the OPC's belief that GMO should not be permitted to recoup the costs associated with theses PPAs through its FAC. The OPC is not asking the Commission to make an adjustment for the losses GMO incurred in relation to these PPAs at this time, however, because, while the decision to enter into the

OFFICE OF THE PUBLIC COUNSEL

By: /s/ John Clizer
John Clizer (#69043)
Associate Counsel
P.O. Box 2230
Jefferson City, MO 65102
Telephone: (573) 751-5324
Facsimile: (573) 751-5562

E-mail: john.clizer@ded.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that copies of the forgoing have been mail	ed, emailed, or
hand-delivered to all counsel of record this fifth day of Au	ıgust, 2019.

/s/	John Clizer