

Exhibit No.:
Issue(s): Revenue Adjustment
Witness: Michael L. Stahlman
Sponsoring Party: MoPSC Staff
Type of Exhibit: Rebuttal Testimony
Case No.: ER-2016-0285
Date Testimony Prepared: March 10, 2017

MISSOURI PUBLIC SERVICE COMMISSION

COMMISSION STAFF DIVISION

TARIFF AND RATE DESIGN UNIT

TRUE-UP REBUTTAL TESTIMONY

OF

MICHAEL L. STAHLMAN

KANSAS CITY POWER & LIGHT COMPANY

CASE NO. ER-2016-0285

Jefferson City, Missouri
March 2017

1 **rebuttal testimony.¹ Were true-up billing determinants developed to reflect KCPL's**
2 **true-up sales revenue including the MEEIA Cycle 1 change in kilowatt hour ("kWh")?**

3 **A.** No. Staff's true-up sales revenue is developed from true-up billing
4 determinants, however, KCPL calculated the value of MEEIA Cycle 1 by using the Margin
5 rates from the tariff and has not actually decreased true-up billing determinants to reflect any
6 change in revenue.

7 **Q. If KCPL had updated billing determinants to reflect the decrease in kWh**
8 **from MEEIA Cycle 1 would the value of the adjustment be different?**

9 **A.** Yes. The margin rates listed in the tariff are calculated using scenarios of
10 changes in kWh, and are not specifically calculated for the exact change in kWh that the
11 MEEIA Cycle 1 annualization resulted in. Also the margin rates are used to value the
12 throughput disincentive and not the annualization.

13 **Q. Mr. Klote also states that he received notification on March 1, 2017 of a**
14 **change from Staff's revenue position provided on February 24, 2017.² Was there a**
15 **change in Staff's revenue calculations from February 24, 2017 to March 1, 2017?**

16 **A.** Yes. Staff provided the Company an EMS run on February 24, 2017, as part
17 of settlement negotiations. Staff identified a formula error while conducting its final review
18 prior to filing on March 1, 2017, and notified KCPL shortly thereafter.

19 **Q. Have there been further changes to Staff's revenue position since filing**
20 **true-up testimony?**

¹ True-up Direct Testimony of Ronald A. Klote, p. 4 ll. 5-8.

² True-up Direct Testimony of Ronald A. Klote, p 9, ll. 1-8.

True-Up Rebuttal Testimony of
Michael L. Stahlman

1 A. Yes. In response to inquiries from KCPL, Staff has made some additional
2 adjustments, the most significant of which affected the Large Power and Large General
3 Service classes.

4 **Q. Will this change the numbers provided in your True-Up Direct**
5 **Testimony?**

6 A. Yes. The tables below incorporate those changes from my true-up direct to
7 Staff's current position.

Table 1			Table 2		
	True-Up Pre-MEEIA Cycle 2	Change from ER-2014-0370 True-Up Direct		Cycle 2 Adjustment	True-Up Post MEEIA Cycle 2 Adjustment
Residential	2,582,959,915	(49,646,318)	Residential	(12,250,320)	2,570,709,595
Small GS	423,987,280	6,401,414	Small GS	(3,757,780)	420,229,500
Medium GS	1,187,679,674	73,937,197	Medium GS	(4,548,725)	1,183,130,949
Large GS	2,183,968,130	(13,142,371)	Large GS	(9,311,088)	2,174,657,042
Large Power	1,978,273,335	(134,110,919)	Large Power	(26,500)	1,978,246,835
Lighting	85,125,176	(861,375)	Lighting	-	85,125,176

8
9
10 Table 1 reflects the changes in kWh from the level of true-up kWh from KCPL's last
11 rate case ER-2014-0370 to this case prior to making an adjustment for MEEIA Cycle 2 kWh.

12 Table 2 reflects the change kWh due to MEEIA Cycle 2 per class and the resulting kWh per
13 class.

14 **Q. Will this change also alter numbers provided by other Staff witnesses?**

15 A. Yes. These numbers serve as an input to Staff's fuel model and jurisdictional
16 energy allocation factors. Staff witness Alan Bax addresses the updated energy allocation
17 factor in is true-rebuttal testimony and Staff witness Ashley Sarver addresses changes in the
18 FAC base factor due to these changes.

19 **Q. Does that conclude your testimony?**

20 A. Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Kansas City Power & Light)
Company's Request for Authority to) Case No. ER-2016-0285
Implement A General Rate Increase for)
Electric Service)

AFFIDAVIT OF MICHAEL L. STAHLMAN

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW MICHAEL L. STAHLMAN, and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing True-Up Rebuttal Testimony; and that the same is true and correct according to his best knowledge and belief.

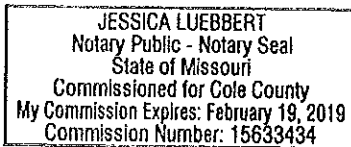
Further the Affiant sayeth not.

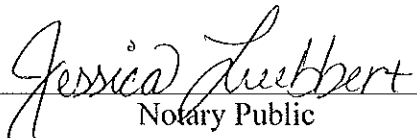


MICHAEL L. STAHLMAN

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 10th day of March, 2017.





Notary Public