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

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In the Matter of the Application of Kansas City Power & Light Company for Approval to Make Certain Changes in its Charges for Electric Service to Begin the Implementation of its Regulatory Plan.

Case No. ER-2006-0314

#### **<u>RESPONSE TO STIPULATION AND AGREEMENT REGARDING</u> CLASS COST-OF-SERVICE AND RATE DESIGN ISSUES**

COMES NOW Trigen-Kansas City Energy Corporation ("Trigen"), by and through the undersigned counsel, and for its Response to Stipulation and Agreement Regarding Class Cost-of-Service and Rate Design Issues respectfully states as follows:

1. On November 9, 2006, Staff filed, on behalf of several parties<sup>1</sup> to this case, a Stipulation and Agreement Regarding Class Cost-of-Service and Rate Design Issues (the "Stipulation"). The Stipulation stated that "The Signatories have reached an agreement ("Agreement") that resolves among them, with the exception of those issues listed under the subheading "Availability of General Service Space-Heating Rate Discounts," all of the Rate Design/Cost-of-Service issues listed under the heading "Class Cost-of-Service and Rate Design," in the List of Issues." (emphasis added) The issues excepted from the Stipulation (the "Excepted Issues") are:

• In this case, should the qualification provision of the existing general service all-electric rate schedules be expanded as proposed by KCPL, and the all-electric winter energy rate increased an additional 5%, to make rate discounts available to existing and future customers who are not all-electric customers? and

<sup>&</sup>lt;sup>1</sup> Trigen was not a signatory party to the Stipulation.

• Should the existing general service all-electric rate schedules and the separately metered space heating provisions of KCPL's standard general service tariffs be (1) eliminated; or (2) restricted to existing customers only until there is a comprehensive class cost of service study and/or cost-effectiveness study which analyzes and supports such tariffs and provisions as well as KCPL's Affordability, Energy Efficiency and Demand Response programs?

2. Furthermore, Appendix A to the Stipulation states that the "general service space heating and all-electric issues (broadening availability, restricting availability to existing customers or totally eliminating the rate schedules) will be litigated." Again, these are the issues listed above as Excepted Issues. Therefore, the Stipulation does not affect the Excepted Issues, nor should it affect in any way the Commission's deliberations on these issues. Although Appendix A provides that general service space heating and all-electric winter rates will be increased by 5 percentage points more than each class' general application rates, this provision of the Stipulation will only come into play if the Commission decides to not eliminate these rates, and does not provide support for the continuation of these rates; if it did, Appendix A would not further provide that the "general service space heating and all-electric issues (broadening availability, restricting availability to existing customers or totally eliminating the rate schedules) will be litigated." For reasons which will be discussed in detail in Trigen's brief to be filed herein on November 17, 2006, Trigen continues to believe that these rates should be eliminated.

3. However, because the Stipulation does not affect the Excepted Issues but, rather, specifically excepts these issues from resolution under the Stipulation and also

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specifically provides that the issues will be litigated (which they were), and since the

Stipulation should not in any way affect the Commission's deliberations on these issues,

Trigen does not oppose the Stipulation and does not request a hearing thereon.

Respectfully submitted,

## /s/ Jeffrey A. Keevil

Jeffrey A. Keevil #33825 STEWART & KEEVIL, L.L.C. 4603 John Garry Drive, Suite 11 Columbia, Missouri 65203 (573) 499-0635 (573) 499-0638 (fax) per594@aol.com Attorney for Trigen-Kansas City Energy Corporation

# **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true copy of the foregoing was sent to counsel for parties of record by depositing same in the U.S. Mail, first class postage prepaid, by hand-delivery, or by electronic mail transmission, this 15th day of November, 2006.

# /s/ Jeffrey A. Keevil