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

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In the Matter of the Application of Great Plains Energy Incorporated for Approval of its Merger with Westar Energy, Inc.

File No. EM-2018-0012

#### APPLICANTS' RESPONSE TO OBJECTIONS TO STIPULATION AND AGREEMENT FILED BY RENEW MISSOURI, MECG, OPC, CCM, NRDC, SIERRA CLUB, AND KEPCO

COME NOW Great Plains Energy Incorporated ("GPE"), Kansas City Power & Light Company ("KCP&L), KCP&L Greater Missouri Operations Company ("GMO), and Westar Energy, Inc. ("Westar")(collectively referred to herein as "Applicants"), pursuant to Missouri Public Service Commission ("Commission") Rule 4 CSR 240-2.080, and state the following in response to Renew Missouri's Objection To Stipulation And Agreement ("Renew Missouri Objection"), Missouri Energy Consumers Group's Objection To Stipulation and Agreement "MECG Objection"), Office of the Public Counsel's Objection to Stipulation and Agreement ("OPC Objection"), Consumers Council of Missouri Objection To Stipulation and Agreement ("CCM Objection"), Natural Resource Defense Council's Objection To Stipulation and Agreement ("NRDC Objection"), Sierra Club's Objection to Stipulation and Agreement ("Sierra Club Objection") and Kansas Electric Power Cooperative, Inc.'s Objection to Stipulation and Agreement ("KEPCo Objection"):

1. On January 12, 2018, the Applicants, the Staff of the Commission, Brightergy, LLC, and the Missouri Joint Municipal Electric Utility Commission ("MJMEUC") filed a Stipulation And Agreement ("Stipulation") in this matter which, if approved by the Commission, would resolve all issues related to the Application for Approval of Merger filed in this

proceeding except for the assignment of bill credit amounts to each retail electric customer of KCP&L and GMO. The Stipulation recommended that the Commission find that the merger of GPE and Westar is reasonable and not detrimental to the public interest, subject to certain conditions and commitments included therein. The conditions and commitments are set forth in both the body of the Stipulation and in Exhibit A to the Stipulation, and cover a variety of subjects, including but not limited to, the following eight categories:

- I. <u>General Conditions</u>.
- II. <u>Employee Commitments</u>
- III. <u>Financing Conditions</u>.
- IV. Ratemaking, Accounting and Related Conditions.
- V. Affiliate Transactions and Cost Allocations Manual Conditions
- VI. Quality of Service Conditions
- VII. <u>Reporting and Access to Records Conditions</u>
- VIII. Other Parent Company Conditions

The Stipulation also recommended that the Commission grant the requested variance to 4 CSR 240-20.015 and 4 CSR 240-80.015. ("Affiliated Transaction Rules")

2. On January 19, 2018, Renew Missouri filed its Objection to the Stipulation. Notably, Renew Missouri was the only party to timely file an objection to the Stipulation. In its Objection, Renew Missouri cited the rebuttal testimony of Karl R. Rabago filed by Renew Missouri on January 16, 2018 that included certain additional commitments that Renew Missouri requests be ordered by the Commission. 3. The Applicants respectfully disagree that the additional commitments proposed in the rebuttal testimony filed by Renew Missouri should be adopted by the Commission. As will be discussed in Applicants' surrebuttal testimony scheduled to be filed on February 21, 2018, the commitments proposed by Renew Missouri are designed merely to advance the narrow interests of Renew Missouri and are not required by nor related to compliance with the no-detriment standard applied by the Commission to transactions such as the one proposed in this proceeding.

4. On January 22, 2018, MECG, OPC, CCM, Sierra Club, and KEPCO filed Objections to the Stipulation And Agreement. The deadline for filing objections to the Stipulation was Friday, January 19, 2018. Under 4 CSR 240-2.050(1), the last day of the seven-day period for objecting to the Stipulation – as prescribed by 4 CSR 240-2.115(2)(B) – was Friday, January 19, 2018, a day that was neither a Saturday, a Sunday nor a legal holiday.<sup>1</sup> "Failure to file a timely objection shall constitute a full waiver of that party's right to a hearing." (*Id.*) The untimely MECG Objection, OPC Objection, CCM Objection, NRDC Objection, Sierra Club Objection and KEPCo Objection therefore have no legal effect and should be disregarded by the Commission.

<sup>&</sup>lt;sup>1</sup> 4 CSR 240-2.050(1) states: "(1) In computing any period of time prescribed or allowed by the commission, the day of the act, event, or default shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, Sunday, or legal holiday, in which case the period runs until the end of the next day which is not a Saturday, Sunday, or legal holiday. This rule does not apply when the commission establishes a specific date by which an action must occur, nor does it operate to extend effective dates which are established by statute."

**WHEREFORE**, the Applicants request that the Commission accept this pleading in response to Renew Missouri's, MECG's, OPC's, CCM's, Sierra Club's and KEPCO's Objections To Stipulation And Agreement filed on January 12, 2018.

## **Respectfully submitted**,

Isl Robert J. Hack

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# ATTORNEY FOR WESTAR ENERGY, INC.

# **CERTIFICATE OF SERVICE**

A copy of the foregoing was served upon all counsel of record in these consolidated proceedings by email or U.S. mail, postage prepaid, this 29<sup>th</sup> day of January, 2018.

*[s] Robert J. Hack* Robert J. Hack