

Exhibit No.: 40
Issue: Line Loss Study; Lake Road Steam
Allocators; FAC; OSS and Purchase Power
Recording, Income Eligible Program
Witness: Tim M. Rush
Type of Exhibit: Surrebuttal Testimony
Sponsoring Party: KCP&L Greater Missouri Operations Company
Case No.: ER-2016-0156
Date Testimony Prepared: September 2, 2016

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MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2016-0156

Missouri Public
Service Commission

SURREBUTTAL TESTIMONY

OF

TIM M. RUSH

ON BEHALF OF

KCP&L GREATER MISSOURI OPERATIONS COMPANY

**Kansas City, Missouri
September 2016**

SURREBUTTAL TESTIMONY

OF

TIM M. RUSH

Case No. ER-2016-0156

1 **Q: Are you the same Tim M. Rush who pre-filed direct and rebuttal testimony in this**
2 **matter on behalf of KCP&L Greater Missouri Operations Company (“GMO” or**
3 **the “Company”)?**

4 **A: Yes.**

5 **Q: What is the purpose of your surrebuttal testimony?**

6 **A: I will respond to the rebuttal testimonies of:**

7 I.) Mr. Alan Bax on behalf of the Staff of the Missouri Public Service Commission
8 (“Staff”) as it relates to the line loss study,

9 II.) Mr. Charles Poston on behalf of Staff as it relates to Lake Road steam allocators,

10 III.) Mr. Matthew Barnes on behalf of Staff and Ms. Lena Mantle on behalf of Office
11 of Public Counsel (“OPC”) as they relate to FAC issues,

12 IV.) Mr. Charles Hyneman on behalf of OPC as it relates to OSS and purchasing
13 power recording issues and,

14 V.) Dr. Geoffrey Marke on behalf of OPC as it relates to Income Eligible Program.

15 Note that the surrebuttal testimony of GMO witness Darrin Ives addresses rebuttal
16 testimony offered by certain Staff witnesses (including Mark Oligschlaeger, Keith
17 Majors and Karen Lyons) related to regulatory lag and forward-looking rate
18 treatment (i.e., forecasted expenses, trackers, etc.).

1 **I. LINE LOSS STUDY**

2 **Q: Have you read the Rebuttal Testimony of Alan Bax regarding the line loss study and**
3 **his recommendation to utilize the prior line loss study from the last rate case?**

4 **A:** Yes. Mr. Bax has concerns with the current line loss study filed as a part of this case
5 because of his opinion that there is an inconsistency with the line loss study that was filed
6 in the last rate case. Specifically, it is the losses between the two rate jurisdictions that
7 Mr. Bax identifies as the difference between the two studies that concerns him. GMO
8 has proposed in this case to consolidate the two rate jurisdictions into one. By
9 consolidating the two rate jurisdictions, I believe the overall outcome of consolidated
10 losses results in very little difference from the prior study and the issue is not sufficiently
11 material to warrant disruption of the consolidation of the MPS and L&P rate districts. I
12 recommend that as a result of the consolidated rate proposal, that the consolidated losses
13 from the loss study filed in this case be used in deriving the FAC rate and other rate
14 elements which use losses.

15 **II. LAKE ROAD STEAM ALLOCATORS**

16 **Q. Staff witness Charles Poston presents rebuttal testimony on the issue of the Lake**
17 **Road Steam Allocators, opposing the Company's proposed allocation method. Why**
18 **does Mr. Poston oppose the allocation method for Lake Road electric and steam**
19 **jurisdictions?**

20 **A.** Mr. Poston first argues that the changes proposed by GMO will lead to an increase in
21 costs allocated to electric customers without a mechanism in place to apply the
22 corresponding decrease in the costs allocated to industrial steam customers.

1 **Q: Does this change in allocation factors for one jurisdiction and not the other**
2 **jurisdiction happen in other issues in this case?**

3 A: Yes. The parties to this proceeding have developed many allocation factors in this case
4 to assign costs between the Kansas City Power & Light Company (“KCP&L”) and
5 KCP&L Greater Missouri Operations Company, yet these allocation factors may result in
6 shifts between the two utilities, while KCP&L is not receiving the corresponding changes
7 as a result of the allocation factors. I would suspect the shift in allocation factors between
8 the two electric utilities exceeds the shifts that may result in the GMO electric and steam
9 allocations. Even more evidence of this is where KCP&L serves both Missouri and
10 Kansas. While it is one company, the Missouri jurisdiction and Kansas jurisdiction have
11 quite different allocation factors. This issue has been litigated numerous times in both
12 Missouri and Kansas and each Commission has ordered its preferred allocation
13 methodology. As a result, the Company has not been kept whole, even when the two
14 jurisdictions have filed simultaneous cases. Additionally, in the past two GMO cases,
15 only electric cases were filed. In each of these cases, additional costs were allocated to
16 the steam jurisdiction and away from the electric jurisdiction without any matching
17 increase to steam rates.

18 **Q: Is the allocation methodology proposed by GMO appropriate?**

19 A: Yes. Both my direct and rebuttal testimonies have presented sufficient evidence as to the
20 appropriateness of the Company’s proposed allocation methodology.

1 **Q: Is it required that a steam rate case must be in place to change the allocation**
2 **methodology between the two jurisdictions?**

3 A: No. The Steam business consists of 5 customers who are large industrial customers
4 generating overall steam service revenues of approximately \$15 million annually. The
5 current revenues from the GMO electric operation total approximately \$720 million
6 annually. A rate case for the steam business and its potential effect on these customers is
7 a significant risk on the viability of the steam business and its customers.

8 **Q. Mr. Poston indicates that GMO's proposed method for calculating the 900 lb. steam**
9 **demand allocation factor does not properly allocate costs between the electric and**
10 **steam businesses. Do you agree with his statement?**

11 A. No. Mr. Poston argues that GMO's allocation methodology does not properly allocate
12 between the steam and electric utilities because the proposed method uses the lowest
13 historical hourly peak steam loads on the 900 lb. system. Mr. Poston makes that
14 assumption in error, (i.e., it is not appropriate to use these demands) because the 900 lb.
15 allocation factor is based on the summer peak demand correlation between steam and
16 electric purposefully. This is specifically used because that is the time that the electric
17 demand is essential to meet its capacity requirements. The reasoning behind this was
18 presented in my direct testimony.

19 **Q: Does Mr. Poston make other arguments as to why he believes the allocation is not**
20 **proper?**

21 A: Yes. He makes the argument that GMO's allocation methodology uses the electric
22 generation at full capability as part of the allocation, while the system has not operated at
23 that level in recent years. Again, this is by design. The purpose of the plant allocation

1 methodology is to look at capacity levels for the electric business that the Company can
2 use in meeting its capacity requirements with the Southwest Power Pool (“SPP”). The
3 allocation method is not designed on the basis of what the generation has been in the past,
4 but instead on what is needed and expected in the future to ensure its capacity meets SPP
5 requirements.

6 III. FAC

7 **Q: What issues are you addressing pertaining to the FAC in your surrebuttal**
8 **testimony?**

9 **A:** I am responding to the rebuttal testimony of Staff witness Matthew Barnes and OPC
10 witness Lena Mantle.

11 **Q: Would you describe and address the rebuttal testimony of Matthew Barnes?**

12 **A:** Yes. Mr. Barnes essentially repeats Staff’s direct testimony report in support of
13 excluding from the FAC: 1) SPP transmission costs and Midcontinent Independent
14 System Operator (“MISO”) transmission costs related to GMO’s Crossroads generating
15 plant and 2) regulatory commission fees. I have discussed the appropriateness of
16 including these costs in the FAC in both my direct and rebuttal testimonies.

17 **Q: Please summarize the Rebuttal Testimony of Lena M. Mantle as it pertains to the**
18 **FAC.**

19 **A:** Ms. Mantle states that OPC is modifying its recommendation regarding costs to be
20 included in the FAC to include limited transmission costs. Specifically, OPC
21 recommends that transmission costs directly incurred for purchased power and off-system
22 sales be included in GMO’s FAC. She also states that recovery of transmission costs for
23 GMO’s Crossroads Energy Center are imprudent and that the Company should not be

1 allowed to recover any transmission expense for Crossroads in rates or in the FAC. She
2 also opposes the inclusion of SPP scheduling, system control, dispatching services,
3 reliability, planning, standard development costs and NERC fees recorded in FERC
4 accounts 561400 and 561800 in GMO's FAC. Ms. Mantle discusses the definition of
5 purchased power and off-system sales, discusses the implementation of consolidating the
6 MPS and L&P rate districts as well as requesting a change and an addition to the
7 additional FAC reporting requirements requested by Staff in its Revenue Requirement
8 Cost of Service Staff Report.

9 **Q: How do you respond to Ms. Mantle's rebuttal testimony regarding the FAC?**

10 A: First I would say that Ms. Mantle's recommendation to exclude certain transmission costs
11 from the SPP is no different than the current GMO FAC tariffs. The Company is
12 requesting inclusion of those transmission costs in its FAC.

13 **Q: Would you describe Ms. Mantle's recommendation for what should be included in
14 an FAC for GMO?**

15 A: Ms. Mantle suggests the following:

16 1. Only the following prudently incurred costs shall be included in GMO's

17 FAC:

- 18 a. Delivered fuel commodity costs including:
- 19 i. Inventory adjustments to the commodities;
- 20 ii. Adjustments to cost due to quality of the commodity; and
- 21 iii. Taxes on fuel commodities;
- 22 b. The cost of transporting the commodity to the generation plants; and
- 23 c. The cost of power purchased to meet its native load.

1 2. These costs would be offset by:

2 a. Off-system sales revenues; and

3 b. Net insurance recoveries, subrogation recoveries, and settlement proceeds
4 related to costs and revenues included in the FAC.

5 3. An incentive mechanism that requires changes in GMO's fuel adjustment rates
6 ("FARs") to account for 90% of the difference between the actual prudently incurred
7 costs net of off-system sales and the net FAC costs included in its base rates. The
8 other 10% would be absorbed or retained by GMO ("90/10 incentive mechanism").

9 **Q: Ms. Mantle discusses her acceptance of the Missouri Court of Appeals decision**
10 **where it determined that the legislature intended the word transportation in Section**
11 **386.266.1 RSMo to encompass "transmission". However, even based upon this**
12 **decision she has interpreted the FAC rules to include only transmission associated**
13 **with purchased power to serve native load and transmission associated with off-**
14 **system sales. Do you agree with this assessment?**

15 **A:** No. I believe that transmission costs should include all transmission costs charged to the
16 company to move its electricity as well as transportation costs associated with fuel
17 purchases. I did exclude the portion related to Crossroads previously disallowed by the
18 Commission in the last rate case.

19 **Q: Does Ms. Mantle go even further in restricting the costs that would be able to flow**
20 **through the FAC?**

21 **A:** Yes, she goes on to suggest that the FAC should exclude costs such as SPP Base Plan
22 Funding costs.

1 **Q: Do you agree with Ms. Mantle's position pertaining to Base Plan Funding?**

2 **A:** No, these are costs attributable to the addition of transmission facilities which allow for
3 the transactions of moving energy amongst the SPP members. Someone in SPP is going
4 to build the transmission facilities. That company will put the total cost into their plant in
5 service. Every SPP member company pays a portion of the cost for the ability to
6 effectively and efficiently move power to their customers by being a member of SPP.
7 These costs are not plant in service costs that GMO is earning a return on. They are
8 transmission expense costs that are charged to the Company to move its product based
9 upon FERC approved SPP tariffs.

10 **Q: Does Ms. Mantle have an issue with how Staff has recommended changing the**
11 **definition of transmission costs in the FAC tariff sheet to the following:**

12 **The following costs reflected in FERC Account 565: 39.82% of SPP**
13 **transmission costs that GMO incurs to transmit electric power it did not**
14 **generate to its own native load and costs to transmit excess electric power it**
15 **is selling to third parties to locations outside of the Southwest Power Pool**
16 **excluding any and all Midcontinent Independent System Operator**
17 **transmission charges related to GMO's Crossroads Generating plant.**

18 **A:** Yes. As discussed above, Ms. Mantle is against including any base plan funding costs. I
19 have already explained why this approach is inappropriate.

20 **Q: What does Ms. Mantle recommend regarding transmission expense related to**
21 **Crossroads?**

22 **A:** She recommends exclusion of all transmission expenses, but in addition, she recommends
23 exclusion of the Crossroads plant.

1 Q: Do you agree with Ms. Mantle's recommended treatment of Crossroads-related
2 transmission expenses and her recommended exclusion of the Crossroads plant?

3 A: No.

4 Q: How is the transmission incurred associated with GMO's Crossroads plant different
5 from the transmission associated with Empire's Plum Point plant.

6 A: It isn't.

7 Q: Why is the transmission from this plant not considered imprudent?

8 A: Ms. Mantle, as well as Staff, try to justify Plum Point over Crossroads because Plum
9 Point is a baseload plant. It is very obvious both OPC and Staff grasp for straws in trying
10 to justify Plum Point and somehow differentiate the transmission costs from MISO for
11 Plum Point from those associated with Crossroads. Their argument is very illogical.
12 Both plants presented evidence in cost justifying the plants as the least cost option
13 available at the time and the only difference would be Staff supported Plum Point up
14 front in the construction process, while OPC and Staff reviewed the Crossroads
15 ownership in a rate case after the purchase was made. Both are relatively far from the
16 utility (350 miles vs.500 miles). Arguing base load versus peaking facility is simply the
17 method of operations, with both being cost justified. The argument makes little sense.
18 Crossroads-related issues are also addressed in the surrebuttal testimony of GMO
19 witnesses Ed Blunk, John Carlson and Burton Crawford.

1 Q: Ms. Mantle describes how GMO is requesting approval to recover through the FAC
2 certain costs including SPP scheduling, system control, dispatching services,
3 reliability, planning, standard development costs and NERC fees recorded in FERC
4 accounts 561400 and 561800. GMO is also asking that SPP market facilitation,
5 monitoring, and compliance services recorded in FERC account 575700 be included
6 in its FAC. She implies these costs are not appropriate for recovery in the FAC.
7 How do you respond?

8 A: The FERC Uniform System of Accounts clearly describes these costs as transmission
9 costs. They meet all requirements for transmission costs.

10 Q. Ms. Mantle indicates that these transmission expenses are not necessarily costs
11 associated with purchased power or off-system sales. Again, how do you respond?

12 A: These expenses are defined to fit in the accounts they are charged. As a member of SPP,
13 the Company participates in the integrated market. This market is managed by SPP.
14 There is a cost associated with providing the service in connection with the integrated
15 market as well as with the transportation, i.e. the transmission of power for its members.
16 Therefore, in contrast to the support provided by Ms. Mantle on page 11 of her rebuttal
17 testimony discussing the findings in Rate Case ER-2014-0370, these fees are needed for
18 GMO to buy and sell energy to meet the needs of its customers. More importantly, these
19 costs clearly happened prior to the introduction of the SPP IM market. These costs were
20 typically provided for by the utility. Now they come from SPP in an effort to make the
21 market more efficient. While these costs are not fuel, they are essential for the operation
22 of fuel and purchased power and providing electricity to our customers.

1 **Q: How do you address Ms. Mantle's concern about GMO including the FERC**
2 **assessment fees charged to FERC account 928 in its FAC?**

3 A: I have discussed this in my direct and rebuttal testimonies. These types of costs are
4 necessary to transport power to our customers and are therefore should be includable in
5 the FAC.

6 **Q: In Ms. Mantle's Rebuttal Testimony in this case, she states that the explanation of**
7 **costs and revenues that GMO is requesting to be included in its FAC is limited. Is**
8 **this a true statement?**

9 A: No, the explanation of the costs to be included in the FAC, except for the costs discussed
10 above, has remained consistent since the beginning of GMO's FAC. The costs are also
11 consistent with the directives given in the Federal Uniform System of Accounts for fuel
12 and purchased power costs. Ms. Mantle is using this "lack of explanation" as an excuse
13 to whittle away at the costs allowed to flow through the FAC in the hope of rendering it
14 useless.

15 **Q: Ms. Mantle has suggested that limiting the costs and revenues in GMO's FAC**
16 **would reduce uncertainty. Is this a correct statement?**

17 A: No, for a number of reasons. As I indicated in my rebuttal testimony, the picking and
18 choosing of only certain fuel and purchased power costs actually increases the
19 uncertainty by making the process unnecessarily complicated. In addition to this, the
20 Company has continued to add specificity to the FAC tariffs during each rate case since
21 its beginning at the request of Ms. Mantle and others. The level of detail in the tariff is
22 extreme and yet Ms. Mantle continues to claim that the information is incomplete.

1 Q. Ms. Mantle describes OPC's position with regard to the initial implementation of
2 the FAC rate. Would you describe what you understand as OPC's position and how
3 you respond?

4 A: Yes. As I understand OPC's position, they believe that when consolidated rates take
5 effect December 22, 2016, that GMO should continue separate FAC's for L&P and MPS
6 until the balances of all FAC costs are either returned or recovered from customers in
7 those rate jurisdictions. Under OPC's proposal, this could take well over two years to
8 complete. This means essentially that we would need somehow to retain the identity of
9 the two rate jurisdictions well into 2018. OPC's basic argument for this is that Section
10 386.266(2) RSMo states that the FAC should "accurately and appropriately remedy any
11 over- or under-collections." Ms. Mantle and OPC have essentially carried this beyond its
12 meaning to an extreme. The intent of this provision is to neither over or under collect
13 through the FAC.

14 Q: Do you agree with this position?

15 A: No. The consolidation process that the Company has taken on and which no party is
16 currently opposing reflects exactly what it states, "consolidation". The company is
17 consolidating all plants, costs, revenues, etc. into one consolidated basis. The Company
18 has amortization balances, regulatory assets and liabilities, and all kinds of things that are
19 specifically identified as either L&P or MPS rate jurisdictions. They will be consolidated
20 into one rate jurisdiction with intent to "accurately and appropriately address the overall
21 rates for GMO, not L&P and MPS. It is not appropriate to take one component of the
22 rates, i.e. the FAC, and make it a separately identified element of the rate treatment.

1 **Q: Are there any complexities with the consolidated rate design and applying Ms.**
2 **Mantles recommendation that while we implement consolidated rates, we continue**
3 **to maintain two separate FAC's for the next two years after implementation?**

4 **A:** Yes. From a Software development and billing perspective, this adds another level of
5 complexity that was not at all contemplated in the original plan for consolidation. The
6 folks who have been working on the rate design for the consolidated rates have not
7 addressed this issue at all, and it will expand the complexity of the rate implementation.
8 It will also require the Company to retain separate rate jurisdictions, customer
9 identification, and territory identification for the next two years. By that I mean, while
10 we may have the same base rates, the Company will need to maintain existing and
11 identify new accounts to the previous L&P and MPS jurisdictions.

12 **Q: What is the estimated impact on a typical customer's bill to implement Ms. Mantle's**
13 **recommendation?**

14 **A:** Under the Company's proposed consolidation of the FAC beginning with the
15 implementation of rates, the FAC would be a negative \$0.00226 per kWh. L&P would
16 be negative \$0.00255 per kWh and MPS would be negative \$0.00216 per kWh. For a
17 monthly usage of 1,000 kWh's, L&P would see \$0.29 less per month and MPS would see
18 \$0.10 more per month. This is a relatively small amount that will likely cause confusion
19 for the following two years after implementation.

1 Q: Ms. Mantle indicates that the Company has not provided a detailed
2 recommendation on how the FAC consolidation will work. Can you describe the
3 method by which you are recommending the FAC be treated?

4 A: Yes. I have attached as Schedule TMR-13 a layout of the timeline for FAC's. This
5 graphical representation essentially shows the six month accumulation of costs that ends
6 in May and November of each year. After the costs are captured in the accumulation
7 period, an FAC filing is made by the Company which occurs 30 days following the last
8 day of the accumulation period. The implementation date is 60 days after filing, or
9 March 1st and September 1st, 90 days after the end of the accumulation period. The
10 recovery of the FAC is for the following twelve months. It is the Company's proposal
11 that several things will happen with the FAC on 12/22/2016, the date rates take effect.

12 First - the Base rate for the FAC will be rebased to reflect the fuel and purchased
13 power costs, including transportation for the rate case.

14 Second - the existing FAC will be consolidated into one GMO rate based on a
15 weighting of the kWh energy, reflecting the primary and secondary voltage rates.

16 Third - as rates will go into effect for sales on and after 12/22/2016, the
17 implementation of rates will be prorated using the actual L&P and MPS jurisdictional
18 rates, as well as the L&P and MPS FAC rates for rates prior to 12/22/2016 and the new
19 consolidated rates and the consolidated FAC for usage on 12/22/2016 and after.

1 **Q: What will happen with the FAC that will be filed on December 30 for the**
2 **accumulation of FAC costs ending November 30, 2016?**

3 A: The FAC rate will be filed using the same consolidated basis approach, where the FAC is
4 weighted by energy to derive a consolidated FAC, but it will retain the separate base
5 amounts in the initial calculation.

6 **Q: Ms. Mantle has reflected an additional reporting request beyond the Staff's**
7 **additional reporting requests addressed in their initial report. Do you have an issue**
8 **with the added reporting requirements?**

9 A: One of Ms. Mantle's recommendations is to add OPC to the notifications Staff has
10 requested. The Company has no issue with this. Staff also recommended
11 communications pertaining to the hedging program. It is premised on the Company
12 ceasing its hedge program as recommended by both Staff and OPC. It is GMO's position
13 that the hedge program continue and as a result, no communication would be necessary.
14 However, if the Commission ordered the Company to cease hedging, then GMO would
15 not have an issue as presented by Staff. OPC's recommendation is extremely
16 burdensome, as well as micro-managing GMO's hedging program. The Company
17 disagrees with OPC's proposal on reporting.

18 **Q: Are there any other reporting recommendations by OPC?**

19 A: Yes. OPC recommends the Commission order GMO to include in its monthly FAC
20 submission, the FAC cost or revenue by FERC major and minor account for that month,
21 and the twelve months ending that month. This is simply another layer of complexity to
22 reporting and is something that Staff has not requested. GMO does not believe this is
23 necessary for monthly reporting.

1 **IV. OSS AND PURCHASED POWER RECORDING**

2 **Q: Have you read the rebuttal testimony of OPC witness Charles Hyneman as it**
3 **pertains to Schedule TMR-5 and the FERC Uniform System of Accounts (USOA)?**

4 **A: Yes. He essentially provides information regarding the USOA and implementation of**
5 **FERC Order 668 and requests the Commission to order GMO to follow these accounting**
6 **rules.**

7 **Q: Does GMO follow these accounting rules today?**

8 **A: Yes.**

9 **Q: GMO follows both the USOA and FERC Order 668 rules?**

10 **A: Yes. Both.**

11 **Q: Could you please describe what is included in the HC Schedule TMR-5?**

12 **A: Yes. The HC Schedule TMR-5 referenced by Mr. Hyneman is a schedule that displays**
13 **the financial analysis behind the Fuel Adjustment Clause (FAC) base rate calculation.**

14 **Q: Are the netting entries mentioned by Mr. Hyneman and discussed in FERC Order**
15 **668 included in schedule TMR-5?**

16 **A: No. Schedule TMR-5 simply contains a rate calculation. It is not subject to GAAP or**
17 **FERC accounting rules.**

18 **Q: Is schedule TMR-5 used for financial reporting purposes or rate making purposes?**

19 **A: Schedule TMR-5 is only used for rate making purposes. As part of these proceedings,**
20 **OPC may present a different FAC base rate calculation method if it chooses.**

1 **V. INCOME ELIGIBLE PROGRAM**

2 **Proposed Income-Eligible Pilot**

3 **Q. Have you read the rebuttal testimony of OPC witness Dr. Geoffrey Mark as it**
4 **pertains to the Proposed Income Eligible Pilot?**

5 A. Yes. He essentially rebuts the proposal offered by Staff witness Sarah L. Kliethermes
6 regarding her possible scope for an income-eligible customer charge subsidy in the GMO
7 service territory. As I understand it, she bases her scope for consideration on previous
8 Commission inquiries in both The Empire District Electric (ER-2016-0023) and
9 Missouri American Water (WR-2015-0301) Rate Cases. Dr. Marke does not support the
10 program for GMO, primarily because the players for such a proposal are not participating
11 in the proceeding and implementing such a plan needs to be well laid out because of the
12 many potential problems that could occur.

13 **Q: Do you agree with Dr. Marke's recommendation that no action take place in this**
14 **proceeding for a Pilot Income Eligible Program?**

15 A: Yes. The Company has a number of programs specifically designed for customers whose
16 income level is below a threshold amount. Some of those programs include the
17 Economic Relief Pilot Program, Dollar Aide, Income Eligible Weatherization Program,
18 as well as an eligible program for multi-families under the MEEIA program portfolio.

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 KCP&L Greater Missouri Operations)
Company's Request for Authority to Implement) Case No. ER-2016-0156
A General Rate Increase for Electric Service)

AFFIDAVIT OF TIM M. RUSH

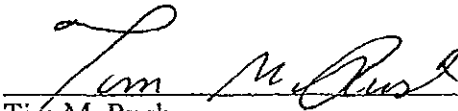
STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

Tim M. Rush, being first duly sworn on his oath, states:

1. My name is Tim M. Rush. I work in Kansas City, Missouri, and I am employed by Kansas City Power & Light Company as Director, Regulatory Affairs.

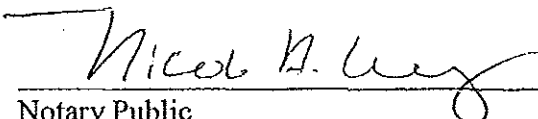
2. Attached hereto and made a part hereof for all purposes is my Surrebuttal Testimony on behalf of KCP&L Greater Missouri Operations Company consisting of seventeen (17) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.

3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.



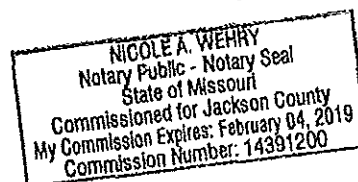
Tim M. Rush

Subscribed and sworn before me this 2nd ^{September} day of August, 2016.



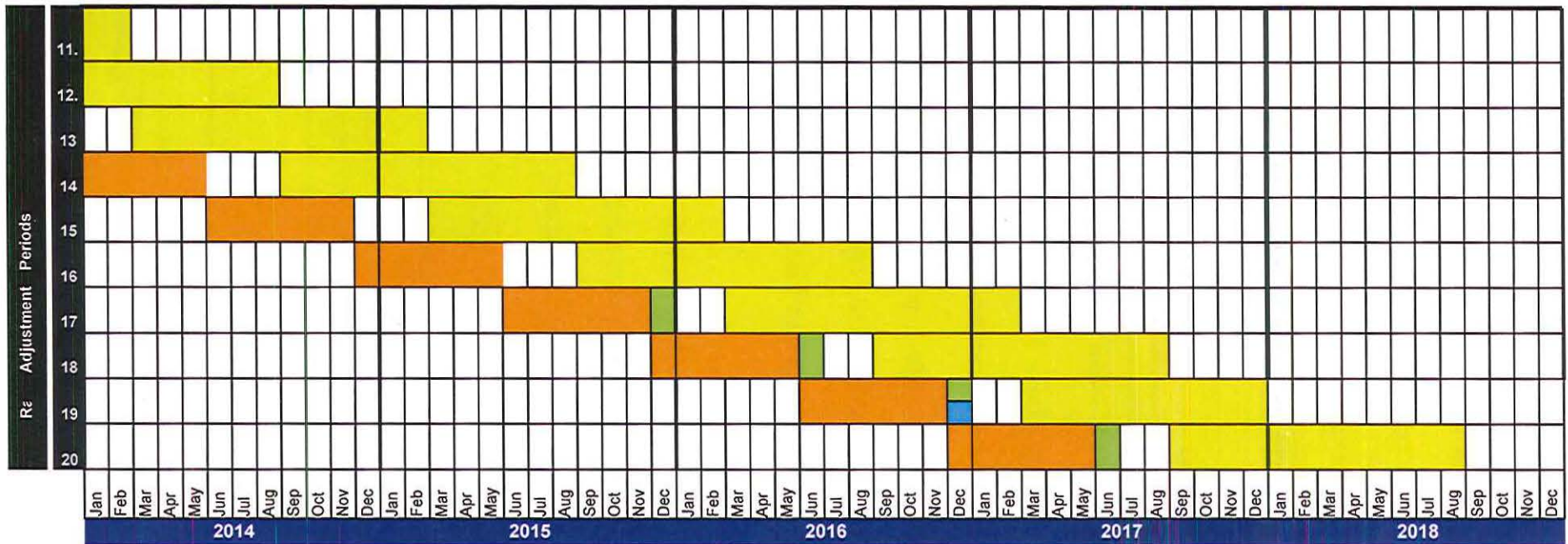
Notary Public

My commission expires: Feb. 4, 2019



ER-2016-0156

Fuel Adjustment Clause (FAC) Timeline



- FAC Accumulation Periods: June - November; December - May
- FAC Recovery Periods: March - February; September - August
- ER-2016-0156 - GMO Rates Effective December 22, 2016
- FAC Section 7 Filing Date is 60 days prior to rate implementation (December 31 & June 30)