

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

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

PUBLIC COUNSEL'S SUR-REPLY TO KCPL

COMES NOW the Office of the Public Counsel ("OPC" or "Public Counsel") and offers its *Sur-reply* to Kansas City Power & Light Company's ("KCPL") May 16, 2017 *Reply* to Public Counsel as follows:

P.S.C. Mo. No. 7 Original Sheet Nos. 50.15 and 50.16

1. In its *Reply*, KCPL tells the Commission that its proposed tariff sheets P.S.C. Mo. No. 7 Original Sheet Nos. 50.15 and 50.16 give the company the discretion to include new schedules, charge types, or revenues if the company determines that cost or revenue "is in the nature of an existing cost or revenue" or "possesses the same characteristics of existing costs and revenues." (Doc. 557, pp. 2-3). This is inconsistent with the FAC statute and the Commission's Report and Order.
2. Section 386.266.4 RSMo gives the Commission the power to "approve, modify, or reject adjustment mechanisms", including the FAC, "only after providing the opportunity for a full hearing in a general rate proceeding, including a general rate proceeding initiated by complaint."
3. In its *Report and Order* the Commission made clear that its decision "does not authorize KCPL to add new types of costs or revenues between rate cases, but **designations** for those costs or revenues may be updated as necessary" (Doc. No. 535, p. 35) (emphasis added).
4. If existing charges and revenues are replaced with a different designation or name, Public Counsel understands the Commission would permit this charge or revenue to continue to

be included in the FAC under the new designation or name. Public Counsel's suggested edits accomplish that purpose.

5. In contrast, the company's proposed language – as asserted in the company's filing – permits KCPL to add costs or revenues that “supplement” existing charge types (Doc. 557, p. 2). Supplementing an existing charge or revenue is not a re-designation; it is adding an additional charge or revenue to the FAC outside of a rate case.

6. The company's proposed language would also permit KCPL to add costs that “possess the same characteristics” of existing costs (Doc. 557, p. 2). This vague and undefined language could be interpreted by KCPL to justify including additional charges in the FAC based on tenuous similarities. Such a broad interpretation risks violating the law and can be avoided by adopting OPC's suggested language.

7. It is clear KCPL believes its language permits adding new charge or revenue types outside of a rate case rather than a re-designation of existing charges or revenues and so the Commission should reject the company's proposed tariff sheets P.S.C. Mo. No. 7 Original Sheet Nos. 50.15 and 50.16.

WHEREFORE, the Office of the Public Counsel submits this *Sur-reply* to KCPL and asks the Commission to reject the company's proposed tariff sheets P.S.C. Mo. No. 7 Original Sheet Nos. 50.15 and 50.16.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all counsel of record this 23rd day of May 2017.

/s/ Tim Opitz
