

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

In the Matter of Kansas City Power & Light Company's Demand Side Investment Mechanism Rider Rate Adjustment and True-Up Required by 4 CSR 240.3.163(8)	)	)	)
	)	)	<b><u>File No. ER-2019-0165</u></b>
	)	)	Tracking No. JE-2019-0108
	)	)	

**STAFF RECOMMENDATION TO APPROVE TARIFF SHEET**

**COMES NOW** Staff of the Missouri Public Service Commission, by and through counsel, and submits its Recommendation to the Missouri Public Service Commission ("Commission") recommending that the Commission issue an order approving tariff sheet Sixth Revised Sheet No. 490<sup>1</sup> ("Tariff Sheet") as filed by Kansas City Power & Light Company ("KCPL" or "Company") on November 30, 2018, bearing an effective date of February 1, 2019. Staff has reviewed the Tariff Sheet and explains its reasons supporting its approval in Staff's Memorandum attached hereto as Appendix A and incorporated herein, further stating as follows:

1. KCPL filed its Tariff Sheet for the purpose of modifying the Company's DSIM ("Demand Side Investment Mechanism") under the Missouri Energy Efficiency Investment Act ("MEEIA") and Commission rules 4 CSR 240-20.093(4) and 4 CSR 240.3.163(8).<sup>2</sup>

2. The DSIM Rider rate change decreases overall revenue collected through rates. This proposed change will decrease residential customers' DSIM Rider rate from \$0.00424 to \$0.00017 per kWh (kilowatt hour) and decrease non-residential customers' rate from \$0.00313 to \$0.00274 per kWh. For a residential customer using 1,000 kWhs,

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<sup>1</sup> Cancelling Fifth Revised Sheet No. 490

<sup>2</sup> Tariff Sheet is filed pursuant to KCPL's Demand Side Investment Mechanism Rider, P.S.C. Mo. No. 7, Tariff Sheet 49D.

this change decreases a bill by \$4.07 per month. For a non-residential customer, this change decreases a bill by \$0.39 for every 1,000 kWhs used.

3. As further explained in detail in its Memorandum, Staff notes that this DSIM filing is based on six months of projected costs and incentives with reconciliations from actual prior periods and any ordered adjustments with interest. In addition, this rate adjustment filing reflects a general reduction in DSIM rates because KCPL's MEEIA Cycle 2 is nearing its expiration on March 31, 2019.

**WHEREFORE**, for the reasons discussed above and further explained in Staff's Memorandum, Staff recommends the Commission issue an order approving the following tariff sheet as filed November 30, 2018, for service on and after February 1, 2019.

P.S.C. MO. No. 7

Sixth Revised Sheet No. 490, Cancelling Fifth Revised Sheet No. 490

Respectfully submitted,

**/s/ Robert S. Berlin**

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**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served electronically on this 31<sup>st</sup> day of December, 2018 to the parties of record as set out on the official Service List maintained by the Data Center of the Missouri Public Service Commission for this case.

**/s/ Robert S. Berlin**

## MEMORANDUM

TO: Missouri Public Service Commission Official Case File  
File No. ER-2019-0165 and Tariff Tracking No. JE-2019-0108  
Kansas City Power & Light Company

FROM: Robin Kliethermes, Rate & Tariff Examination Manager  
Brad Fortson, Regulatory Economist III

/s/ Natelle Dietrich      12/31/18                      /s/ Robert S. Berlin      12/31/18  
Director, Commission Staff / Date                      Staff Counsel Division / Date

SUBJECT: Staff Recommendation to Approve Kansas City Power & Light Company's ("KCPL") Proposed Tariff Sheet to Adjust Demand Side Investment Mechanism ("DSIM") Rider Rate effective February 1, 2019.

DATE: December 31, 2018

### KCPL Filing

On November 30, 2018, KCPL filed with the Commission one (1) tariff sheet bearing an issue date of November 30, 2018, and an effective date of February 1, 2019, proposing to adjust charges related to the Company's DSIM Rider. KCPL's filing also included the Direct Testimony of Tim M. Rush and work papers consisting of electronic worksheets showing its calculation of the proposed rates.

On December 3, 2018, the Commission issued its Order Directing Notice, Establishing Intervention Date, and Directing Filing of Staff Recommendation which directed Staff to file its recommendation no later than December 31, 2018.

### Change in KCPL's DSIM Rates

Per 4 CSR 240-20.093(4) and 4 CSR 240-3.163(8), KCPL is required to make semi-annual adjustments of DSIM rates to reflect the amount of revenue that has been over/under collected.

The current MEEIA mechanism rate per class of customer is collected through a line item on current bills and is based on six months of projected costs and incentives with reconciliations from actual prior periods and any ordered adjustments with interest. Among other things, this adjustment is generally reducing the DSIM rates because KCPL's MEEIA Cycle 2 is set to expire on March 31, 2019.

Listed below are the current MEEIA rates and the new MEEIA rates for the proposed DSIM Rider. The proposed DSIM Rider rate changes are applicable to all non-lighting kWh of energy supplied to customers under the Company's retail rate schedules, excluding kWh of energy supplied to "opt-out" customers.

<b>Rate Class</b>	<b>Current MEEIA Rate/kWh</b>	<b>Proposed MEEIA Rate/kWh</b>
Residential Service	\$0.00424	\$0.00017
Non-Residential Service	\$0.00313	\$0.00274

The proposed change will decrease residential customers' DSIM Rider rate from \$0.00424 to \$0.00017 per kWh and decrease non-residential customers' rate from \$0.00313 to \$0.00274 per kWh. For a residential customer using 1,000 kilowatt-hours (kWh), this would mean a decrease of \$4.07 per month. For a non-residential customer, this would mean a decrease of \$0.39 for every 1,000 kWhs used.

Staff's recommendation to approve this Sixth Revised Sheet No.49O does not constitute a review of the prudence of KCPL's actions in relation to its DSIM Rider

**Staff Recommendation**

The Commission Staff's Tariff/Rate Design Unit has reviewed the filed tariff sheet and recommends the Commission issue an order approving the following tariff sheet, as filed on November 30, 2018, for service on and after February 1, 2019, the requested effective date.

P.S.C. MO. No. 7

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Sixth Revised Sheet No. 49O, Cancelling Fifth Revised Sheet No. 49O

Staff has verified that KCPL is not delinquent on any assessment and has filed its Annual Report. KCPL is current on its submission of its Quarterly Surveillance Monitoring reports as required in 4 CSR 240-20.090(10). Staff is not aware of any other matter before the Commission that affects or is affected by this filing. Staff's recommendation for approval of the DSIM Rider rate changes in this case are solely based on the accuracy of KCPL's calculations and is not indicative of prudence.

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In the Matter of Kansas City Power & Light )  
Company's Demand Side Investment ) File No. ER-2019-0165  
Mechanism Rider Rate Adjustment and )  
True-Up Required by 4 CSR 240.3.163(8) )

**AFFIDAVIT OF BRAD J. FORTSON**

STATE OF MISSOURI )  
 ) ss.  
COUNTY OF COLE )

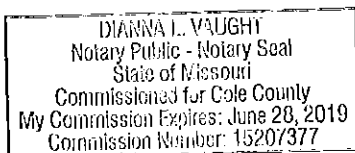
**COMES NOW** BRAD J. FORTSON and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Staff Recommendation to Approve Tariff Sheet*; and that the same is true and correct according to his best knowledge and belief.

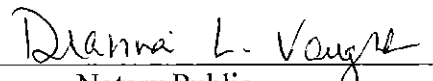
Further the Affiant sayeth not.

  
\_\_\_\_\_  
BRAD J. FORTSON

**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 31st day of December, 2018.



  
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Notary Public

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Mechanism Rider Rate Adjustment and         )  
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**AFFIDAVIT OF ROBIN KLIETHERMES**

STATE OF MISSOURI     )  
   )     ss.  
COUNTY OF COLE     )

COMES NOW ROBIN KLIETHERMES and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation to Approve Tariff Sheet*; and that the same is true and correct according to her best knowledge and belief.

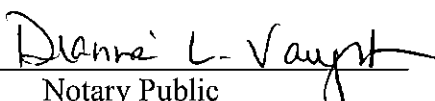
Further the Affiant sayeth not.

  
\_\_\_\_\_  
ROBIN KLIETHERMES

**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 31st day of December, 2018.

DIANNA L. VAUGHT Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: June 28, 2019 Commission Number: 15207377
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Notary Public