

STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 20th day of July, 2017.

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)

<u>File No. ER-2017-0316</u> Tariff No. JE-2017-0252

ORDER APPROVING DEMAND SIDE INVESTMENT MECHANISM RIDER RATE ADJUSTMENT

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Issue Date: July 20, 2017

Effective Date: August 1, 2017

On June 1, 2017, Kansas City Power & Light Company ("KCPL") filed an application under the Missouri Energy Efficiency Investment Act ("MEEIA") to adjust its Demand Side Investment Mechanism ("DSIM") rider and submitted a tariff sheet with an effective date of August 1, 2017, to implement the proposed adjustments. The tariff sheet was subsequently substituted on June 23 and June 28, 2017. The Missouri Department of Economic Development -- Division of Energy was the only party that filed a notice of its intention to participate in this matter under Commission Rule 4 CSR 240-3.163(9)(A).

Commission rules require KCPL to make semi-annual adjustments of its DSIM rates to reflect the amount of revenue that have been over or under-collected.¹ The proposed DSIM rates are designed to collect approximately \$19.9 million over the period of August 1, 2017 through January 31, 2018. KCPL's requested adjustment would result in an increase in the DSIM Rider rate of a typical residential customer using 1,000 kWh by

¹ Commission Rules 4 CSR 240-20.093(4) and 4 CSR 240-3.163(8).

\$1.52 per month and an increase in the DSIM Rider rate for non-residential customers of \$0.69 for every 1,000 kWh used.

The Commission's Staff filed a recommendation regarding KCPL's DSIM rider tariff on June 30, 2016, advising the Commission to approve the tariff sheet submitted by KCPL. Staff explains that this DSIM filing: (1) continues to include the earned performance incentive award that is the result of evaluation, measurement, and verification for KCPL's MEEIA program performance in Cycle 1, (2) includes a correction regarding certain energy efficiency measure installation reporting in past DSIM rate calculations, (3) includes a correction regarding the reporting used to normalize billing determinants in KCPL's rate case ER-2016-0285, (4) corrects errors in calculating the DSIM rate calculation that was implemented in ER-2017-0167 and Tariff Tracking No. JE-2017-0111 which took effect February 1, 2017 and remains in effect at this time, and (5) includes a "rebasing adjustment" as permitted on Tariff Sheet 49K which reduces the amount collected for throughput disincentive. No other party filed a response or objection to the Staff recommendation.

The Commission's rule regarding adjustment of DSIM rates between general rate proceedings states that if the proposed adjustments are in accordance with the rule, Section 393.1075, RSMo, and the previously-approved DSIM, the Commission shall issue an order approving the tariff sheets, and the adjustments shall take effect sixty days after the tariff sheets were filed.² The Commission has reviewed KCPL's tariff filings and Staff's verified recommendation and memorandum, and finds that the proposed tariff sheet implementing the DSIM rate adjustment is in compliance with KCPL's existing DSIM tariffs

² Commission Rule 4 CSR 240-20.093(4).

and with all applicable statutes and regulations. Therefore, the Commission will approve KCPL's proposed tariff.

THE COMMISSION ORDERS THAT:

1. Kansas City Power & Light Company's tariff filing, assigned Tariff Tracking No. JE-2017-0252, as substituted, is approved to be effective August 1, 2017, as an interim rate adjustment, subject to prudence review. The tariff sheet approved is:

P.S.C. MO. No. 7

3rd Revised Sheet No. 490, Canceling 2nd Revised Sheet No. 490

2. This order shall become effective on August 1, 2017.

3. This file shall close on August 2, 2017.



BY THE COMMISSION

Morris L Woodryf

Morris L. Woodruff Secretary

Hall, Chm., Stoll, Kenney, Rupp, and Coleman, CC., concur.

Bushmann, Senior Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 20th day of July 2017.

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Morris L. Woodruf Secretary

MISSOURI PUBLIC SERVICE COMMISSION July 20, 2017

File/Case No. ER-2017-0316

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Missouri Public Service Commission Staff Counsel Department 200 Madison Street, Suite 800 P.O. Box 360 Jefferson City, MO 65102 staffcounselservice@psc.mo.gov

Hampton Williams 200 Madison Street, Suite 650 P.O. Box 2230 Jefferson City, MO 65102 .gov opcservice@ded.mo.gov

> Missouri Division of Energy Michael B Lanahan 301 W. High Street Jefferson City, MO 65102 michael.lanahan@ded.mo.gov

Office of the Public Counsel

National Housing Trust Legal Department 910 E. Broadway, Ste. 205 Columbia, MO 65201-4829

Union Electric Company Legal Department 1901 Chouteau Avenue P.O. Box 66149, Mail Code 1310 St. Louis, MO 63166-6149 AmerenMOService@ameren.com Brightergy, LLC Legal Department 1712 Main Street, 3rd Floor Kansas City, MO 64108

Missouri Industrial Energy Consumers (MIEC) Legal Department 211 N. Broadway, Suite 3600 St. Louis, MO 63102

Natural Resources Defense Council Legal Department 20 North Wacker Drive, Suite 1600 Chicago, IL 60606

United for Missouri Legal Department P.O. Box 2193 Jefferson City, MO 65102

Kansas City Power & Light Company Roger W Steiner 1200 Main Street, 19th Floor P.O. Box 418679 Kansas City, MO 64105-9679 roger.steiner@kcpl.com

Missouri Public Service Commission Bob Berlin 200 Madison Street, Suite 800 P.O. Box 360 Jefferson City, MO 65102 bob.berlin@psc.mo.gov

Renew Missouri Legal Department 1200 Rogers St., Suite B Columbia, MO 65201

West Side Housing Organization Legal Department 919 West 24th Street Kansas City, MO 64108 gortizfisher@westsidehousing.org

Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,

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Morris L. Woodruff Secretary

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.