

Exhibit No.:
Issue: Return on Equity; Capital Structure;
Plant Retirements; Rate Case
Expense; One CIS
Allocation/Disallowance; DE
Economic Development Issues;
Company and Case Overview/Policy

Witness: Darrin R. Ives
Type of Exhibit: Surrebuttal Testimony
Sponsoring Party: Kansas City Power & Light Company
and KCP&L Greater Missouri
Operations Company

Case Nos.: ER-2018-0145 and ER-2018-0146
Date Testimony Prepared: September 4, 2018

MISSOURI PUBLIC SERVICE COMMISSION

CASE NOS.: ER-2018-0145 and ER-2018-0146

SURREBUTTAL TESTIMONY

OF

DARRIN R. IVES

ON BEHALF OF

**KANSAS CITY POWER & LIGHT COMPANY and
KCP&L GREATER MISSOURI OPERATIONS COMPANY**

Kansas City, Missouri
September 2018

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SURREBUTTAL TESTIMONY

OF

DARRIN R. IVES

Case Nos. ER-2018-0145 and ER-2018-0146

1 **Q: Please state your name and business address.**

2 A: My name is Darrin R. Ives. My business address is 1200 Main, Kansas City, Missouri
3 64105.

4 **Q: By whom and in what capacity are you employed?**

5 A: I am employed by Kansas City Power & Light Company (“KCP&L”) as Vice President –
6 Regulatory Affairs.

7 **Q: On whose behalf are you testifying?**

8 A: I am testifying on behalf of KCP&L and KCP&L Greater Missouri Operations Company
9 (“GMO”) (collectively, the “Company”).

10 **Q: Are you the same Darrin R. Ives who filed Direct, Supplemental Direct, and**
11 **Rebuttal Testimony in both ER-2018-0145 and ER-2018-0146?**

12 A: Yes, I am.

13 **Q: What is the purpose of your testimony?**

14 A: The purpose of my testimony is to:

15 1) Respond to the rebuttal testimony of Mr. Michael Gorman on behalf of
16 Missouri Energy Consumers Group (“MECG”) regarding return on equity
17 (“ROE”);

18 2) Respond to the rebuttal testimony of Mr. Jeffrey Smith on behalf of
19 Commission Staff regarding goodwill in the GMO capital structure and

1 the rebuttal testimony of Mr. Robert Schallenberg on behalf of the Office
2 of the Public Counsel (“OPC”) regarding short-term debt in the GMO
3 capital structure;

4 3) Respond to the rebuttal testimony of Mr. John Robinett on behalf of OPC
5 recommending that the Commission disallow recovery of depreciation
6 expense and operation and maintenance expense related to KCP&L’s
7 Montrose units 2, 3 and common plant, and GMO’s Sibley units 1, 2 and
8 common plant;

9 4) Respond to the rebuttal testimony of OPC witness Robinett recommending
10 that the Commission order the Company to implement a tracking
11 mechanism in connection with the One CIS project;

12 5) Respond to the rebuttal testimony of Ms. Amanda Conner on behalf of
13 OPC recommending that the Commission disallow recovery of any rate
14 case expense;

15 6) Respond to the rebuttal testimony of Ms. Sarah Lange on behalf of
16 Commission Staff (“Staff”) recommending adoption of mandatory time of
17 use (“TOU”) rates for all residential customers;

18 7) Respond to the rebuttal testimony of Ms. Lena Mantle on behalf of OPC
19 recommending that the Commission order the Company to add verbiage to
20 its customer bills; and

21 8) Respond to the rebuttal testimony on behalf of the Missouri Department of
22 Economic Development – Division of Energy (“DE”) setting forth

1 recommendations relating to the retirement of certain of the Company's
2 generating units.

3 9) Respond to the rebuttal testimony of OPC witness Geoff Marke regarding
4 a study of Time of Use rates.

5 **1. RETURN ON EQUITY**

6 **Q: What is your understanding of MECG's recommendation regarding the**
7 **appropriate ROE that should be used to set rates in these cases?**

8 A: Based on pages 2-3 of MECG witness Gorman's rebuttal testimony, I understand that his
9 9.3% ROE recommendation is based in large part on KCP&L's commitment to
10 recommend a 9.3% ROE in its ongoing Kansas rate case which was made in the context
11 of obtaining Kansas Corporation Commission ("KCC") approval of the recent merger of
12 Great Plains Energy Incorporated and Westar Energy, Inc. Although Company witness
13 Hevert addresses the bulk of MECG witness Gorman's rebuttal testimony, I am very
14 familiar with the KCC merger agreement and the differences between utility regulation in
15 Kansas and Missouri, and will therefore address those aspects of Mr. Gorman's rebuttal
16 testimony.

17 **Q: MECG witness Gorman asserts that the KCC merger agreement places greater risk**
18 **on KCP&L in Kansas that is not present in Missouri. How do you respond?**

19 A: I disagree. This assertion by Mr. Gorman fails to recognize the KCC's more extensive
20 use of riders compared to Missouri. Kansas allows the use of a property tax surcharge, a
21 projected fuel adjustment charge (with true-up), and a transmission delivery charge that
22 covers all transmission costs and revenues, whereas Missouri allows only a historic fuel
23 adjustment clause (limited to 95% of changes in costs) that recovers only a portion of

1 transmission costs and revenues. Whether the Company will elect to use the plant-in-
2 service accounting (“PISA”) provisions of recently passed Missouri SB 564 will only be
3 known after these cases are complete, but PISA will not in any event result in additional
4 cash flow for the Company until after such an election is made and the first rate case after
5 the three-year rate case moratorium of SB 564 is completed.

6 Moreover, the KCC merger agreement provided KCP&L-KS with assurances
7 from the parties to that case (mainly KCC Staff and the Citizens’ Utility Ratepayer
8 Board) regarding KCP&L’s ongoing Kansas rate case (such as their commitment not to
9 include the impact of identified generating plant retirements occurring after the test
10 year/cut-off date in revenue requirement) that KCP&L did not obtain in Missouri. In
11 addition, in Missouri the rates for the GMO and KCP&L-MO operations must be
12 reviewed by this Commission within four years after these cases conclude so that the
13 Company can maintain its fuel adjustment clause. This means that additional merger
14 savings will be included in the rates of Missouri customers sooner than for KCP&L’s
15 Kansas customers. The five-year general rate case moratorium to which KCP&L agreed
16 in the KCC merger agreement means that once its pending Kansas rate case is resolved
17 later this year, KCP&L’s Kansas rates will not likely be subject to review for a five-year
18 period during which merger savings are expected to ramp up annually. Finally, although
19 KCP&L’s Kansas earnings will be subject to review during the period 2019-2022 (which
20 may result in the provision of earnings-based bill credits to customers), the earnings
21 calculations in the KCC merger agreement allow KCP&L to essentially recoup the
22 guaranteed annual bill credit amounts before additional earnings-based bill credits will be
23 provided.

1 Because of these major differences between Kansas and Missouri, MECG witness
2 Gorman's substantial reliance on the KCC merger agreement for his 9.3% ROE
3 recommendation in these rate case proceedings is misplaced and should be rejected by
4 the Commission.

5 **2. GMO CAPITAL STRUCTURE ISSUES**

6 **Q: Do capital structure issues exist that must be resolved by the Commission?**

7 **A:** Yes, two capital structure issues exist, both of which involve GMO.

8 Staff witness Smith proposes to reduce the equity component of GMO's capital
9 structure used to set rates by a goodwill amount of approximately \$351 million on
10 GMO's books that is substantially attributable to unregulated operations of GMO's
11 predecessor, Aquila, Inc. I will explain why Staff witness Smith's proposed goodwill
12 adjustment is overstated and inappropriate. Company witness Robert Hevert also
13 addresses this issue in his surrebuttal testimony.

14 OPC witness Schallenberg proposes to include short-term debt in GMO's capital
15 structure, and I will explain why this proposal should be rejected by the Commission.

16 **a. Goodwill**

17 **Q:** **What is your understanding of the goodwill adjustment Staff witness Smith**
18 **proposes to reduce the common equity component of GMO's capital structure?**

19 **A:** Based on pages 5-8 of Mr. Smith's rebuttal testimony, I understand that he proposes to
20 reduce the common equity balance in GMO's regulated capital structure by \$351.6
21 million. According to page 7 of his rebuttal testimony, a goodwill amount of \$351.6
22 million is on GMO's balance sheet, and this is the source of the adjustment he proposes

1 to reduce the common equity balance in GMO's capital structure for purposes of setting
2 rates for regulated utility service.

3 **Q: Do you agree with this Staff adjustment?**

4 A: No, the \$351.6 million reduction proposed by Staff is too large. As stated on pages 15-19
5 of my rebuttal testimony, reducing the amount of common equity in GMO's capital
6 structure for goodwill is appropriate, but the proper amount of the adjustment is
7 approximately \$168.97 million. This is the goodwill balance incurred and recorded for
8 the Aquila acquisition as reported in Great Plains Energy Incorporated's consolidated
9 financial statements for 2009, the first Annual Report filed with the SEC after purchase
10 accounting for the acquisition of Aquila was finalized. See Schedule DRI-1 appended to
11 my rebuttal testimony.

12 The \$351.6 million balance recorded in 2013 on the GMO legal entity stand-alone
13 financial statements prepared for the special purpose of a GMO debt issuance does not
14 relate only to GMO's regulated operations. Rather, it is driven substantially by the non-
15 regulated operations of GMO's predecessor that are recorded on the special GMO Parent
16 business unit books. Because the \$351.6 million goodwill balance was recorded years
17 after the acquisition of Aquila by Great Plains Energy Incorporated and because that
18 balance reflects both regulated and non-regulated operations of Aquila, it is inappropriate
19 to reduce GMO's common equity balance by that amount for purposes of setting rates for
20 regulated electric service.

1 **Q: Can you provide additional information on the reason the \$351.6 million adjustment**
2 **proposed by Staff is not appropriate?**

3 A: Yes. As mentioned, as a result of GMO issuing privately placed debt in 2013 (GMO is
4 not an SEC registrant able to issue public debt), GMO is required to prepare special
5 purpose GMO stand-alone financial statements for the benefit of the holders of the
6 privately placed debt. For purposes of these financial statements only, GMO is required
7 to ignore the application of GPE's (now Evergy's) consolidated tax sharing agreement
8 when evaluating the utilization of GMO's non-regulated net operating losses (NOLs).
9 The result of this special purpose view is that GMO stand alone, without the application
10 of the consolidated tax sharing agreement, would not be able to utilize all of its non-
11 regulated NOLs. Therefore, in preparing the special purpose GMO stand-alone financial
12 statements, GMO is required to record a non-cash, accounting only valuation allowance
13 to reflect the assessment of ability for GMO stand alone to utilize the non-regulated
14 NOLs. The non-cash entry at June 30, 2018, increases reported goodwill by \$182.59
15 million, increases the deferred income tax liability by \$29.58 million, and increases
16 retained earnings by \$153.01 million.

17 As an additional indication of the lack of relevance to the purchase accounting
18 goodwill valuation, the impacts to the GMO stand-alone deferred income tax liability and
19 to retained earnings adjusts periodically based upon reassessment of the need for a
20 valuation allowance on the non-regulated NOLs; however, the GMO stand-alone
21 adjustment to goodwill is fixed at the initial level of \$182.59 million. As an example, the
22 initial non-cash entry, if GMO stand-alone financial statements would have been required
23 in 2009, to record the incremental GMO stand-alone financial statement goodwill of

1 \$182.59 million was fully offset by increasing the deferred income tax liability by
2 \$182.59 million with no initial impact on retained earnings (capital structure). As
3 management assessments of GMO's stand-alone ability to utilize the non-regulated NOLs
4 have changed over time based on business activities, the valuation allowance has been
5 adjusted and to the extent no longer needed has been reflected on the GMO stand-alone
6 financial statements as income tax benefits resulting in a non-cash increase to retained
7 earnings.

8 The entry to record an additional \$182.59 million in goodwill on the special
9 purpose GMO stand-alone financial statements should not be reflected as an adjustment
10 to GMO's regulatory capital structure for the following reasons:

- 11 1) The entry to increase goodwill by \$182.59 million initiated in 2013 was
12 well past the GAAP determination of goodwill for the Aquila acquisition,
13 as demonstrated in Schedule DRI-1 appended to my rebuttal testimony;
- 14 2) The initial entry to increase goodwill by \$182.59 million would have
15 increased deferred income tax liability by \$182.59 million with no impact
16 on retained earnings (capital structure);
- 17 3) The 2013 entry to increase goodwill is non-cash only and is not reflective
18 of the difference between the purchase price for Aquila and the net assets
19 acquired;
- 20 4) The 2013 non-cash entry does not reflect the application of GPE's (now
21 Evergy's) consolidated tax sharing agreement, which has consistently
22 been reflected in GMO's ratemaking determinations in proceedings since
23 the acquisition;

1 5) The 2013 non-cash entry is the result of a book entry valuation allowance
2 applied to GMO non-regulated NOLs, which have historically not been
3 reflected in GMO's ratemaking determinations in proceedings since the
4 acquisition.

5 Therefore, Staff's proposal to reduce GMO's common equity balance by \$351.6
6 million for goodwill should be rejected. The Commission should instead reduce GMO's
7 common equity balance by \$168.97 million, as recommended by both the Company and
8 MECG witness Gorman.

9 **b. Short-term Debt**

10 **Q: What is your understanding of OPC witness Schallenberg's proposal regarding the**
11 **inclusion of short-term debt in GMO's capital structure?**

12 A: Based on pages 3-8 of his rebuttal testimony, I understand Mr. Schallenberg proposes to
13 include approximately \$125 million in short-term debt with a rate of 2.38% in GMO's
14 capital structure on the grounds that GMO's balance of construction work in progress
15 ("CWIP") is less than GMO's short-term debt balance.

16 **Q: Do you agree with this OPC position?**

17 A: No. Short-term debt should not be included in the determination of a public utility's
18 capital structure. This is a long-standing practice of the Commission based on sound
19 financial reasons. The Commission has historically indicated that short-term debt will
20 shortly be refinanced into long-term debt which will be part of the capital structure during
21 the time when the new rates are in effect.¹ The balance of short-term debt literally
22 fluctuates on a daily basis and is heavily influenced by operations, seasonality of cash

¹ See *Re: Missouri Public Service*, Case No. ER-90-101, 1990 WL 488941, p. 27 (October 5, 1990).

1 flows, market conditions, working capital needs and special circumstances. Utilities
2 build up a large balance of short-term debt prior to accessing the capital market, where
3 the proceeds from a debt or equity offering would then be used to pay-down short-term
4 debt. Including short-term debt in a utility's capital structure fails to recognize the
5 utility's overall capital structure over the long-run, which is the fair and appropriate
6 mechanism to calculate a utility's allowed rate of return.

7 **Q. Please explain how short-term debt balances can vary over time and exceed CWIP.**

8 A. First, short-term debt balances are extremely seasonal, affected by the timing of cash
9 receipts and disbursements, including those for capital expenditures. Second, financial
10 market practices or convention can affect the size and the timing of bond issuances that
11 would reduce short-term debt. For example, the minimum size for a public bond to be
12 eligible for inclusion in the Bloomberg Barclays US Aggregate Index ("Index Eligible")
13 is now \$300 million. Utilities that only issue Index Eligible bonds are able to secure
14 better pricing terms, given the larger pool of investors who will not invest in bonds with a
15 lower face amount. Third, market conditions and restrictions can substantially influence
16 when a utility determines it should access the capital market. For example, market
17 disruptions due to macro-economic or other events can cause utilities to postpone
18 offerings. Utilities are also restricted when they can enter the capital market based on
19 SEC rules and disclosures, typically called blackout periods, affecting the timing of
20 issuances. Fourth, dividend policy can affect the balance of short-term debt if funds are
21 borrowed to pay dividends.

1 **Q: Are there specific reasons why GMO short-term debt levels have exceeded CWIP?**

2 A: Yes. GMO faces all of the general conditions discussed above such as short-term debt
3 balances being extremely seasonal, as well as being affected by the timing of cash
4 receipts and disbursements, including those for capital expenditures. Second, financial
5 market practices or convention can affect the size and the timing of bond issuances that
6 would reduce short-term debt. In addition, there are several specific drivers for GMO:

- 7 1) Since the application of acquisition accounting in 2008 when Great Plains
8 Energy Incorporated (GMO's former corporate parent, now known as
9 Evergy, Inc.) acquired Aquila (now GMO), GMO's capital structure has
10 been more heavily weighted to equity than management would plan to
11 have in place. This is a result of the effects of acquisition accounting
12 including the fact that after the application of acquisition accounting GMO
13 began post-acquisition accounting with zero retained earnings as required
14 by GAAP. Therefore, GMO was not able to pay its share of dividends to
15 the parent company for a period of time. The result was a continued
16 growth in GMO's equity percentage of capital structure to a high of almost
17 57% in the third quarter of 2014. GMO then paid a total of \$337 million
18 of dividends in 2015, 2016 and 2017 in order to increase the utility's
19 leverage ratio and lower the equity in its capital structure to just under
20 54% in the first quarter of 2017, which benefits customers from a rate
21 making perspective;
- 22 2) The recent completion of the One CIS project has GMO paying common
23 use billings to KCP&L (on whose books the One CIS asset is recorded)

1 for GMO's utilization of One CIS with no recovery yet reflected in
2 GMO's rates for this system. These amounts do not reside in CWIP for
3 GMO but this is a specific example of cash needs that can drive GMO
4 short-term debt levels beyond CWIP balances;

5 3) Certain GMO long-term notes were recently redeemed using short-term
6 debt proceeds. GMO is in the process of evaluating a \$100 million private
7 placement of long-term debt in the near future to address this recent
8 redemption; and

9 4) GMO is expected to receive significant cash funds from an upcoming tax
10 true-up based upon application of Evergy's consolidated tax sharing
11 agreement. This timing of cash receipts has an impact on current short-
12 term debt balances and the tax true-up funds will be available to address
13 GMO short-term debt balances.

14 **Q: What conclusion do you draw from the above discussion?**

15 **A:** The Commission should follow its historical practice of not including any short-term debt
16 balance in GMO's capital structure. There are myriad reasons that GMO's short-term
17 debt is currently in excess of its CWIP balance, all related to the conduct of utility
18 business. This situation will be substantially mitigated in the near future through cash
19 funds to be received due to tax true-ups through the application of the Evergy
20 consolidated tax sharing agreement and an expected \$100 million private placement of
21 long-term debt to address the redemption of certain GMO long-term notes with the
22 proceeds from short-term debt.

1 **Q. Are customers harmed in rates if short-term debt balances exceed CWIP?**

2 A. No. Short-term debt cost is recovered by GMO through the AFUDC mechanism;
3 whereby the utility capitalizes the cost of financing CWIP from borrowings and equity.
4 AFUDC is then added to rate base. If CWIP is lower than the short-term debt balance,
5 then only the cost of borrowing short-term debt will be used in the determination of
6 AFUDC and limited by the amount of CWIP, which will result in lower capitalized
7 AFUDC and a lower addition to rate base. The end result will be a lower revenue
8 requirement, which will benefit customers.

9 **Q. Does GMO use short-term debt balances to permanently finance rate base?**

10 A. No. Short-term debt balances are not incurred for the purpose of permanently financing
11 GMO's rate base. Doing so would violate the general financial principle that long-term
12 debt and equity should be used to finance the long-lived assets of the company's rate
13 base. Management consistently evaluates its utilization of short-term debt while striving
14 to maintain its capital structure in the range of 50% long-term debt and 50% equity.
15 When, and if, short-term debt needs to be refinanced to long-term debt, management
16 takes that action and assesses the most cost-effective approach to the refinancing, which
17 can include waiting until an adequately sized refinancing can be done to provide the
18 lowest available cost to customers.

19 **3. OPC RECOMMENDATION REGARDING PLANNED GENERATING UNIT**
20 **RETIREMENTS**

21 **Q: What is your understanding of OPC's position regarding the planned retirement of**
22 **certain KCP&L and GMO generating units?**

23 A: For clarity, I will summarize my understanding of OPC's position (found on pages 3 - 9
24 of OPC witness Robinett's rebuttal testimony) as follows:

- 1 ▪ Sibley unit 3 (GMO) – OPC opposes retirement, asks the Commission to
2 find retirement of this unit to be imprudent.
- 3 ▪ Sibley units 1, 2 and common plant – OPC recommends disallowance of
4 depreciation expense, O&M expense and retirement costs associated with
5 these facilities; and
- 6 ▪ Montrose units 2, 3 and common plant – OPC recommends disallowance
7 of depreciation expense, O&M expense and retirement costs associated
8 with these facilities.

9 **Q: What is the Company’s response to these recommendations by OPC witness**
10 **Robinett?**

11 **A:** The Company disagrees with these recommendations by Mr. Robinett. Company witness
12 Mr. Burton Crawford addresses the prudence of the planned retirement of Sibley unit 3 in
13 his surrebuttal testimony, pointing out that the retirement of Sibley 3 was evaluated in
14 GMO’s 2017 IRP filing and that when looking at all costs of keeping the plant in service
15 over an extended period of time, the results show significant benefits from retiring the
16 unit. Regarding the rest of the planned generating unit retirements discussed by Mr.
17 Robinett in his rebuttal testimony (GMO’s Sibley units 1, 2 and common plant and
18 KCP&L’s Montrose units 2, 3 and common plant), OPC’s proposal to disallow cost
19 recovery for future events which have not yet occurred violates the known and
20 measurable standard consistently applied by the Commission to determine whether
21 ratemaking adjustments are appropriate for a particular event or cost of service item. I
22 discussed this on pages 2-8 of my rebuttal testimony. OPC’s proposed disallowance of
23 costs related to these planned retirements which have not yet occurred, and if they do

1 occur would be months after the end of the true-up period ordered by the Commission,
2 would also violate the Commission's consistent practice of setting rates on the basis of
3 historical data as of a point in time that maintains an appropriate relationship among rate
4 base, revenues and expenses. This too I discussed on pages 2-8 of my rebuttal testimony.

5 Regarding OPC's recommendation to disallow recovery of retirement costs
6 related to the identified units, because the units have not been retired the Company has
7 not requested inclusion of such costs in rates in these cases and, as such, there is no basis
8 for the Commission to address recovery of retirement costs related to these facilities in
9 these cases. I also discuss the inappropriateness of OPC's recommended disallowance of
10 retirement costs on pages 9-11 of my rebuttal testimony.

11 OPC has provided no basis for the Commission to depart from its consistent
12 practice of basing rates on historical data as of a prescribed time period (test year, update
13 period or true-up date) that ends well before the Commission issues its order in a general
14 rate proceeding. As such, the Company's position, which Staff supports, is that the
15 Commission should reject OPC's recommendation to disallow depreciation expense,
16 O&M expense and retirement costs for the generating units the Company plans to retire.

17 **4. RATE CASE EXPENSE**

18 **Q: What is your understanding of OPC's position regarding rate case expense?**

19 **A:** As described on pages 2-3 of the rebuttal testimony of OPC witness Conner, OPC
20 recommends that the Commission deny recovery of all rate case expense incurred by the
21 Company in these cases on the basis that Staff's direct testimony on revenue requirement
22 shows that neither KCP&L nor GMO needed a rate increase.

1 **Q: How do you respond to this testimony by OPC witness Conner?**

2 A: OPC's position on rate case expense should be rejected because it is overly simplistic and
3 ignores the fact that, regardless of whether the Company obtains a rate increase for either
4 the KCP&L or GMO rate jurisdiction, customers will nevertheless benefit from these
5 cases in other ways. For example, the impact of the federal Tax Cut and Jobs Act of
6 2017 will be reflected in rates on the basis of an all relevant factors analysis much more
7 quickly than if these cases had not been filed. It is likely that certain rate structures, such
8 as time-of-use rates, will become available to customers more quickly than if these cases
9 had not been filed. Simply comparing the revenue requirement ultimately awarded to the
10 revenue requirement originally requested does not recognize the benefits customers
11 obtain from periodic base rate reviews.

12 Consequently, the Commission should reject OPC's proposal to disallow recovery
13 of all rate case expense and include in rates all rate case expense prudently incurred by
14 the Company.

15 **Q: Do you have any further information to provide in response to the rebuttal
16 testimony of OPC witness Conner on rate case expense?**

17 A: Yes. It is important to remember that many costs incurred by the Company as rate case
18 expense are a direct result of Commission mandates. Examples of such Commission
19 mandates include, but are not limited to, line loss studies necessitated by the
20 Commission's fuel adjustment clause rule and rate design studies undertaken by the
21 Company in compliance with previous Commission orders. Clearly the Company should
22 be permitted a reasonable opportunity to recover the costs of all such Commission
23 mandates.

1 It is also important to remember that if rate case expense is normalized over a
2 multi-year period, under-recovery will occur if a subsequent rate case is completed before
3 the conclusion of that normalization period. In recent years, the Company has typically
4 filed rate cases before the completion of such normalization periods, resulting in failure
5 to recover the amounts determined by the Commission to be recoverable.

6 **5. OPC ONE CIS TRACKER RECOMMENDATION**

7 **Q: What is your understanding of OPC's position regarding allocation of the One CIS**
8 **Solution Project among KCP&L and GMO's operations?**

9 **A:** According to page 13 of Mr. Robinett's rebuttal testimony, OPC now supports allocation
10 of the One CIS Solution Project among the rate jurisdictions of KCP&L (Missouri and
11 Kansas) and GMO (Missouri). Therefore, OPC no longer proposes allocating costs of the
12 One CIS Solution Project to Westar.

13 **Q: What is your response to this aspect of OPC's position regarding allocation of the**
14 **One CIS Solution Project among the rate jurisdictions of KCP&L and GMO?**

15 **A:** The Company agrees with OPC that the cost of the One CIS Solution Project should be
16 borne ratably across the KCP&L and GMO rate jurisdictions and, further, that allocation
17 of One CIS Solution Project costs to Westar is inappropriate.

18 However, the Company does not agree with OPC witness Robinett's
19 recommendation (on pages 13-14 of his rebuttal testimony) that the Commission order "a
20 tracker related to the expenses and future allocations of the One CIS system."

1 Q: Why does the Company oppose OPC's tracker recommendation related to One
2 CIS?

3 A: OPC has offered no valid basis for the Commission to adopt a tracker for One CIS.
4 While it is intended that the billing system deployed for KCP&L and GMO pursuant to
5 the One CIS Solution Project will be deployed for Westar in the future, it is not presently
6 known when that will occur or at what cost, although the cost will undoubtedly be
7 substantial and incremental to the costs borne to date to deploy the One CIS for KCP&L
8 and GMO. As Company witness Archibald stated in his rebuttal testimony, the One CIS
9 Solution Project was based on the needs and business processes of KCP&L and GMO,
10 and not those of Westar. Further, the One CIS Solution Project was sized to meet the
11 needs of KCP&L and GMO now and into the foreseeable future, and was not sized to
12 meet the needs of Westar. OPC's One CIS tracker recommendation is inconsistent with
13 this Commission's practice of using historical data to set rates and OPC has not even
14 attempted to demonstrate that the One CIS Solution Project meets the criteria
15 traditionally used by the Commission to determine whether tracking and deferral of costs
16 would be appropriate. In summary, it would be incredibly premature to address
17 utilization of One CIS by Westar and would also be inappropriate to evaluate this one
18 step of system integration in isolation at any point in time. Therefore, the Commission
19 should reject this OPC proposal.

1 **6. STAFF'S RECOMMENDATION TO IMPLEMENT TIME DIFFERENTIATED²**
2 **RATES ON A MANDATORY BASIS FOR ALL RESIDENTIAL AMI**
3 **CUSTOMERS**

4 **Q: What is your understanding of Staff's position regarding implementation of Time**
5 **Differentiated rates?**

6 A: Based on Staff witness Lange's rate design rebuttal testimony (pp. 27-31), I understand
7 that Staff's primary recommendation is that the Commission should order the adoption of
8 Time differentiated rates on a mandatory basis for all of KCP&L's and GMO's
9 residential customers with AMI meters. Ms. Lange opines that this Staff
10 recommendation, meets the regulatory objective of "gradualism", but that if a more
11 gradual approach is desired, she offers two alternatives.

12 **Q: Do you agree that Staff's recommendation that Time differentiated rates should be**
13 **adopted on a mandatory basis for all residential AMI customers meets the**
14 **regulatory objective of "gradualism"?**

15 A: No. I am aware of only four instances across the country where time-differentiated rates
16 have been adopted for all of a utility's residential customers on a mandatory basis. Each
17 of those utilities has a residential customer base of less than 15,000 customers³. Those
18 utilities are clearly not analogous to KCP&L and GMO whose residential customer base
19 in Missouri exceeds 500,000 in the aggregate.

20 The Arizona Corporation Commission first ordered Arizona Public Service
21 ("APS") to create experimental rates in 1988. With more than half of its 1.2 million
22 customers currently on TOU rates, APS has more TOU customers than any utility in the

³ KCP&L – Greater Missouri Operations Time of Use Rate Study; Burns & McDonnell

1 country.⁴ The approach taken by APS is clearly much more incremental, or gradual, than
2 that recommended by the Staff for KCP&L and GMO in these cases.

3 In addition, the California Public Utilities Commission, which has been studying
4 TOU rates for an extended period of time, issued orders in 2015 directing the three
5 largest California electric utilities to implement TOU rates for all residential customers
6 by 2019.⁵ Staff's proposal in these cases to implement mandatory TOU rates for all of
7 KCP&L's and GMO's residential AMI customers would result in a considerably more
8 abrupt implementation process for the Company's customers in Missouri than has
9 occurred in California, a state with a well-earned reputation of being at the vanguard on
10 initiatives such as these.

11 Staff's proposal to implement Time differentiated rates for all the Company's
12 residential AMI customers on a mandatory basis is inconsistent with regulatory practices
13 across the country and that reason alone is sufficient to warrant its rejection by the
14 Commission. In his surrebuttal testimony, Company witness Caisley also addresses
15 Staff's recommendation to implement Time differentiated rates on a mandatory basis for
16 all of the Company's residential AMI customers.

17 **Q: Are you aware of other reasons that would justify rejection of Staff's**
18 **recommendation to implement Time differentiated rates on a mandatory basis for**
19 **all residential AMI customers?**

20 **A:** Yes. Because billing determinant information (i.e., kWh sales units) by hour of the day is
21 not available for the test year, the revenue impact of Staff's proposal to the Company

⁴ Can Arizona's Success with Time-of-Use Rates Be Replicated in California?; Robert D Levin; Center for Research in Regulated Industries 2014 Western Conference, 2014

⁵ Residential Rate Reform R. 12-06-013.

1 cannot be determined with a reasonable degree of reliability. Similarly, this lack of
2 billing determinant information by hour of the day also means that bill impacts at the
3 individual customer level resulting from adoption of Staff's recommendation cannot be
4 known for certain. Implementing mandatory Time differentiated rates for all residential
5 AMI customers in the absence of such fundamental information is unreasonable, in my
6 opinion, and this too is a sufficient reason to reject Staff's recommendation.

7 **Q: Do you have any other concerns with this Staff proposal?**

8 A: Yes, linking mandatory participation in Time differentiated rates to the presence of an
9 AMI meter at a residential premise may inadvertently provoke customer resistance to the
10 installation of AMI meters. Presently, AMI meter penetration is at approximately 98%
11 for KCP&L's Missouri operations and somewhat less than 60% for GMO. There has
12 been some customer opposition to AMI meter installation in the Company's service
13 territory, but I would not characterize the level of such activity as substantial. I am
14 concerned that adoption of Staff's proposal could motivate customers to opt-out of AMI
15 to avoid the mandatory Time differentiated rate.

16 **A: What is your response to the two alternatives Staff witness Lange proposes as a**
17 **more gradual approach than Staff's proposal to implement mandatory Time**
18 **differentiated rates for all residential AMI customers?**

19 Q: Both of Staff's alternative proposals would add substantial amounts of detailed
20 information to the bills of all of the Company's residential AMI customers. Setting aside
21 the question of whether the Company can implement such a bill presentation within the
22 time permitted, providing all residential customers with this volume of information on
23 their bills each month is very likely to result in substantial customer confusion. The

1 result of that customer confusion would almost certainly be an increase in the volume of
2 calls to our customer contact center. Whether the Company's customer service
3 representatives could adequately address questions customers raise about all of that new
4 billing information is an open question. Although I am confident that the Company's
5 customer service representatives could become sufficiently informed to respond to such
6 questions appropriately over time, neither of the Staff's alternative proposals appears to
7 recognize the time and education efforts (for both customers and employees) that would
8 be necessary to implement either of those proposal in a reasonable way. Bottom line,
9 neither of Staff's alternative proposals regarding Time differentiated rate implementation
10 for the Company's residential customers should be adopted.

11 **Q: In response to Staff's alternative residential Time differentiated rate proposals, is**
12 **the Company prepared at this time to modify its TOU rate proposal?**

13 A: Yes. The Company recognizes and shares the desire of Staff (and that of other parties) to
14 move toward TOU pricing for KCP&L and GMO's residential customers. The
15 Company's original proposal to do so in these cases represented a good faith effort to
16 meet that objective in a way that I believe would facilitate broader adoption of TOU rates
17 for residential customers over time. Nevertheless, in response to the rebuttal testimony of
18 Staff witness Lange (and the concerns expressed by other parties in rebuttal testimony),
19 the Company proposes to modify its original proposal in the following respects:

- 20 ▪ Expand participation in the three residential pilot rates from 1,000
21 residential AMI customers each (per utility) to 1,500 residential AMI
22 customers each (per utility);

- 1 ▪ Implement these pilot rates in October 2019 outside the Company's
2 MEEIA cycle 3 filings provided the Commission authorizes deferral of
3 program costs (including EM&V costs) and lost revenues associated with
4 these pilots for consideration in future general rate proceedings;
- 5 ▪ The Company will not seek recovery of the earnings opportunity in
6 connection with implementing these pilot rates; and
- 7 ▪ The Company will, commencing in October 2019, include on-peak and
8 off-peak kWh usage information on the bills of all residential AMI
9 customers, using the on-peak and off-peak hours identified in the
10 Company's original proposal. Schedule DRI-3 is an example of how the
11 Company currently expects to present this on-peak and off-peak energy
12 usage information on customer bills.

13 Except for the above modifications, the details of the Company's proposed pilot TOU
14 rates remain the same. In addition, I think it's important to note here that the Company
15 will undertake the customer education efforts mentioned in the direct testimony of
16 Company witness Ms. Kimberly Winslow in connection with these expanded pilots.

17 **Q: Please describe the benefits of the Company's modified proposal to implement TOU**
18 **pilot rates for residential customers.**

19 **A: The benefits of the Company's modified proposal are numerous and include but are not**
20 **limited to the following:**

- 21 ▪ Because implementation is not contingent on the Company's MEEIA
22 Cycle 3 filings, the Commission and the parties can be certain that
23 implementation will occur;

- 1 ▪ Expanded participation will provide more data to facilitate better
2 understanding of customer behavior to use in crafting even more effective
3 rate proposals in the future;
- 4 ▪ Voluntary customer participation on an opt-in basis ensures that customers
5 who participate will do so willingly;
- 6 ▪ Providing on-peak and off-peak kWh usage information on the bills of all
7 residential AMI customers is a meaningful first step in the significant
8 customer education process that is customarily used by utilities across the
9 country when implementing TOU rates and should also make the
10 availability of these pilot rates more visible to customers and resulting in
11 higher levels of customer participation than would otherwise be the case.

12 I believe that moving AMI residential customers to TOU rates is likely to be in the long-
13 term best interest of the Company as well as its customers, but to optimize the likelihood
14 of success it is imperative to educate customers on the rationale for TOU rates and make
15 the move to TOU rates in a thoughtful manner that mitigates adverse impacts to
16 customers. The Company’s modified proposal meets these objectives and should be
17 adopted by the Commission.

18 **7. OPC CUSTOMER BILL RECOMMENDATIONS**

19 **Q: Please describe the customer bill recommendations made by OPC witness Lena**
20 **Mantle in her rebuttal testimony.**

21 **A: On pages 3-6 of her rebuttal testimony, Ms. Mantle recommends that the Commission**
22 **order the Company to include additional language regarding the Fuel Adjustment Charge**
23 **(“FAC”), the Demand Side Investment Mechanism (“DSIM”), the Renewable Energy**

1 Source Rate Adjustment Mechanism (“RESRAM”) and non-utility charges. In addition,
2 OPC witness Mantle also recommends that the Commission order the Company to
3 include a bill insert every twelve months that explains the FAC, DSIM and RESRAM.

4 **Q: Does the Company agree that the customer bill recommendations of Ms. Mantle**
5 **should be ordered by the Commission?**

6 A: No, subject to one exception that I will explain below. Ms. Mantle has not alleged that
7 the Company is violating any Commission requirements regarding customer bills. In
8 fact, as explained by Company witness Charles Caisley in his surrebuttal testimony, the
9 Company periodically includes substantial information in its customers’ bills regarding
10 the FAC, DSIM, RESRAM and other matters to meet Commission requirements. To the
11 extent that OPC believes the current Commission requirements are not sufficient, this
12 Company-specific rate case is not the appropriate forum to propose or adopt changes to
13 those requirements.

14 **Q: What is the exception you mentioned above?**

15 A: The Company has no objection to including a bill insert every twelve months that
16 explains the FAC, DSIM and RESRAM.

17 **8. DE RECOMMENDATIONS RELATED TO GENERATING UNIT**
18 **RETIREMENTS**

19 **Q: How do you respond to the rebuttal testimony of DE witness Mr. Martin Hyman**
20 **related to the planned retirement of certain generating units.**

21 A: In the Stipulation and Agreement approved by the Commission in Case No. EM-2018-
22 0012, the Company has committed that there will be no involuntary severance as a result
23 of the retirement of these generating facilities. The Company stands by that commitment

1 and, in fact, has offered its employees who are active members of IBEW local 412 the
2 opportunity to participate in a voluntary employee exit program, subject to a cap of 90
3 participants. After the retirement of these plants (which has not yet occurred), employees
4 previously working at these facilities who want to continue working for the Company
5 will have jobs at other work locations. Although the Company appreciates and shares
6 DE's interest in the economic well-being of the communities in which the Company
7 operates, the Company is unable at this time to make any further commitments regarding
8 the rebuttal testimony of DE witness Hyman related to the Company's planned
9 generating unit retirements.

10 **9. ER-2016-0156 TOU Rate Study**

11 **Q: OPC witness Marke expresses concern in his rate design rebuttal testimony that the**
12 **Company has not worked with the parties to develop TOU rates and did not seek**
13 **input for the TOU study conducted pursuant to the GMO rate case stipulation.**
14 **What was the Company's plan for involving the parties in the development of TOU**
15 **rates?**

16 **A:** The Company had interest in TOU rate designs and viewed the TOU study, required
17 under the terms of the Stipulation in File No. ER-2016-0156, as the first step toward a
18 viable TOU option for our customers. With the first step, we decided to conduct an
19 internal assessment and set our expectation before involving others.

20 **Q: How did the Company approach the TOU study?**

21 **A:** The Company retained the services of Burns & McDonnell ("BMcD") to lead the study,
22 bringing their expertise and resources to the effort. The BMcD work included obtaining
23 input from Company teams, performing qualitative evaluations, utilizing load research

1 and cost of service data to prepare rate design alternatives, evaluating possible impacts,
2 and recommending an implementation plan. The implementation plan set out the pilot
3 structures and included the recommendation that the pilots be implemented through the
4 MEEIA constructs. For our part, this recommendation provided a clear, next step for the
5 TOU rate development.

6 I would also point out that the BMcD TOU study effort also leveraged the
7 Company's potential study, completed for the Integrated Resource Planning effort, where
8 OPC and other parties provided input.

9 **Q: Would implementation through MEEIA be a natural place to involve external**
10 **parties?**

11 A: Yes, it would. The Company assumed that all parties, including OPC, would have the
12 opportunity during the MEEIA process to provide input in defining the TOU pilot
13 programs, as the parties have historically done with all MEEIA programs.

14 **Q: If MEEIA implementation was the next step, why did the Company propose the**
15 **pilots in this rate case?**

16 A: The explanation was originally offered in the direct testimony of Tim Rush, but to restate
17 it here, the primary reason is these three rate pilot programs effect revenues. The
18 Company believes new rates are best addressed as a rate design issue, within a rate case
19 while revenues will flow through the recovery mechanism in the Company's next
20 MEEIA program portfolio. As a result, rates would be approved in this case, but not be
21 implemented or used until the next MEEIA program cycle, and after review and
22 modification resulting from the involvement of other parties.

1 Q: Does that conclude your testimony?

2 A: Yes, it does.

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE 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)

Case No. ER-2018-0145

In the Matter of KCP&L Greater Missouri)
Operations Company’s Request for Authority to)
Implement A General Rate Increase for Electric)
Service)

Case No. ER-2018-0146

AFFIDAVIT OF DARRIN R. IVES

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

Darrin R. Ives, being first duly sworn on his oath, states:

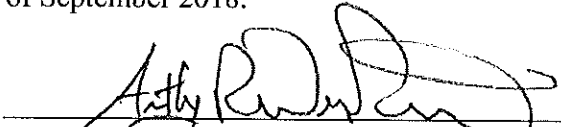
1. My name is Darrin R. Ives. I work in Kansas City, Missouri, and I am employed by Kansas City Power & Light Company as Vice President – Regulatory Affairs.

2. Attached hereto and made a part hereof for all purposes is my Surrebuttal Testimony on behalf of Kansas City Power & Light Company and KCP&L Greater Missouri Operations Company consisting of twenty-eight (28) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.

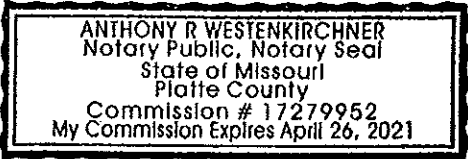
3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.


Darrin R. Ives

Subscribed and sworn before me this 4th day of September 2018.


Notary Public

My commission expires: 4/26/2021





For billing and service information : 816-471-5275 (816-471-KCPL)
or toll-free : 1-888-471-5275 (1-888-471-KCPL)
For emergencies or lights out : 1-888-544-4852 (1-888-LIGHT-KC)

Customer Name : ██████████
Account Number : ██████████

Page 1 of 4
Billing Date: 08/16/2018

MESSAGE BOARD

KCP&L's Budget Billing option allows you to make consistent monthly bill payments. For more information, visit www.kcpl.com/budgetbilling.

To join KCP&L's Budget Billing, pay \$32.32 before 09/06/2018. This includes your monthly Budget Billing amount of \$142.00 less your account credit balance of \$109.68.

You live in KCP&L KS service area. Rates and available programs can vary based on your service area. For more information visit www.kcpl.com/ServiceArea.

Starting September 16, the price you pay for electric service will be lower than summer usage pricing. Our cost to provide service decreases in winter. We pass this savings to you. Summer prices return on May 16, 2019.

Our Medical Customer Program identifies homebound customers who don't have a back up system for their electrically powered medical equipment to sustain life. Please visit www.kcpl.com/medical to learn more.

Effective July 1, the factor for the Transmission Delivery Charge (TDC) on your bill will change. For more information about this charge and other billing details, visit www.kcpl.com/understandmybill.

Account Summary

Previously Billed.....	\$243.52
Utility	\$243.52
Payment Received 07/19/2018 - Thank you.....	-\$500.00
Current Charges (details on back)	\$146.80
Utility	\$146.80
Credit Balance	-\$109.68

Please return this portion with your payment. Thank you

Customer Name : ██████████
Account Number : ██████████
Billing Date : 08/16/2018

NO PAYMENT DUE

Amount Enclosed : \$ _____

CHECK HERE
to indicate address or phone
changes on back of stub

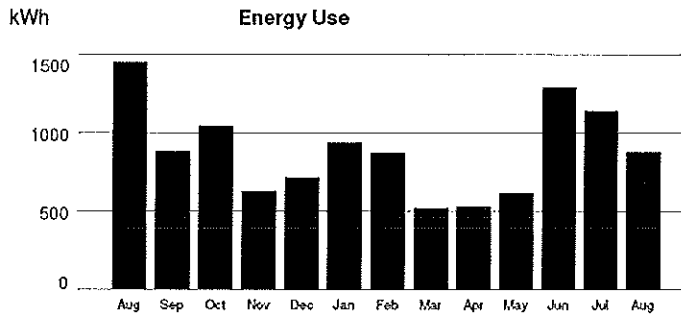


KCP&L
PO BOX 219330
KANSAS CITY MO 64121-9330

00025861346540000000000000000009061808

Customer Name : XXXXXXXXXX
 Account Number : XXXXXXXXXX

KCP&L KS Res Time of Day - 2TE1A



Comparative Usage Information

Period	kWh	Days	kWh / day	Avg Temp
Current	880	29	30.3	78°
Previous	1,140	28	40.7	82°
Last Year	1,451	30	48.4	78°

Billing Details - service from 07/17/2018 to 08/15/2018

Customer Chg	\$20.00
Energy Chg On Pk Sum 237.0000 kWh at \$0.17621 per kWh	\$41.76
Energy Chg Off Pk Sum 643.0000 kWh at \$0.0737 per kWh	\$47.39
ECA Chg 07-18-2018-07-31-2018 for 424.8276 kWh at \$0.02071 per kWh	\$8.80
ECA Chg 08-01-2018-08-15-2018 for 455.1724 kWh at \$0.01996 per kWh	\$9.09
EER Chg 07-18-2018-08-15-2018 for 880.0000 kWh at \$0.00 per kWh	\$0.00
PTS Chg 07-18-2018-08-15-2018 for 880.0000 kWh at \$0.00098 per kWh	\$0.86
TDC Chg 07-18-2018-08-15-2018 for 880.0000 kWh at \$0.00913 per kWh	\$8.03
Subtotal	\$135.93
Lenexa Franchise Fee	\$6.80
Johnson County Sales Tax @ 1.475%	\$2.11
Lenexa City Sales Tax @ 1.375%	\$1.96
Current Charges	\$146.80

Contact Information Change Form

Account Number : 2586134654

Your current telephone listing on file simplifies outage and emergency reporting.

(913) 484-3336 Change to : () _____

Mailing Address changes only. For service address changes call 816-471-5275 or toll-free 1-888-471-5275.

Mailing Address Line 1: _____

Mailing Address Line 2: _____

City: _____ State: _____ ZIP: _____

E-mail Address (optional): _____

Schedule DRI-3

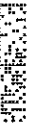
Page 2 of 6

Please print changes in blue or black ink and don't forget to mark the box on the front.

Customer Name : ██████████
Account Number : ██████████

(Continued)

Meter	Start Read Date	End Read Date	Days	End Read (-)	Start Read (=)	Read Difference (x)	Meter Multiplier (=)	kWh Used
██████████ Off-Peak Summer	07/17	08/15	29	19,078.0000	18,435.0000	643.0000	1.0000	643.0000
██████████ On-Peak Summer	07/17	08/15	29	6,444.0000	6,207.0000	237.0000	1.0000	237.0000
██████████ Off-Peak Winter	07/17	08/15	29	32,657.0000	32,657.0000	0.0000	1.0000	0.0000



*





For billing and service information : 816-221-2323
 or toll-free : 1-800-585-4248
 For emergencies or lights out : 1-888-544-4852 (1-888-LIGHT-KC)

Customer Name : [REDACTED]
 Account Number : [REDACTED]

Page 1 of 2
 Billing Date: 07/02/2018

MESSAGE BOARD

Would you like a consistent monthly bill? KCP&L's Budget Billing option allows you to make consistent monthly bill payments. For more information, visit www.kcpl.com/budgetbilling.

To join KCP&L Budget Billing, pay \$1580.00 before 07/23/2018.

You live in KCP&L Greater Missouri Operations - GMO. KCP&L has three different service areas. Rates and available programs can vary based on your service area. For more information visit www.kcpl.com/ServiceArea.

Beat the heat. If you don't have air conditioning, go to places such as a mall or a movie theater during the warmest part of the day for relief from the heat. Visit www.kcpl.com/summer for more heat related safety tips.

Never touch or attempt to pick up a fallen power line. Always assume any downed power line is energized, and stay at least 10 feet away from it. If you see a downed power line, call KCP&L immediately at 1 888 LIGHT KC (1 888 544 4852).

Account Summary

For service from 05/31/2018 to 06/30/2018

Previously Billed.....	\$1,948.33
Utility.....	\$1,948.33
Payment Received 06/25/2018 - Thank you.....	-\$1,948.33
Current Charges (details on back).....	\$2,143.41
Utility.....	\$2,143.41
Due Upon Receipt.....	\$2,143.41
Please pay by July 23, 2018.....	\$2,143.41
Pay \$2,154.13 after July 23, 2018	

Please return this portion with your payment. Thank you

Customer Name : [REDACTED]
 Account Number : [REDACTED]
 Billing Date : 07/02/2018

Please pay by 07/23/2018 : \$2,143.41
 Amount due after 07/23/2018 : \$2,154.13

Amount Enclosed : \$ _____

CHECK HERE
 to indicate address or phone
 charges on back of stub



KCP&L
 PO BOX 219703
 KANSAS CITY MO 64121-9703

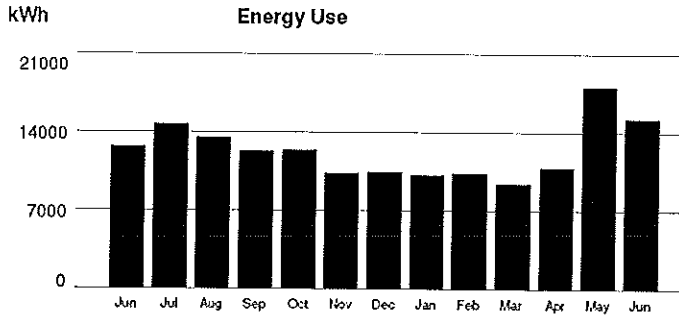
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Customer Name :
 Account Number :

MPS General Service Time of Day w/ Demand Secondary Voltage - MO630

Billing Details - service from 05/31/2018 to 06/30/2018



Comparative Usage Information

Period	kWh	Days	kWh / day	Avg Temp
Current	15,250	30	508.3	79°
Previous	18,060	45	401.3	68°
Last Year	12,712	30	423.7	72°

Customer Chg	\$80.66
41.6160 kW at \$10.362 per kW	\$431.22
Energy Chg On Peak Summer 4,424.9840 kWh at \$0.12391 per kWh	\$548.30
Energy Chg Off Peak Summer 2,977.0960 kWh at \$0.04147 per kWh	\$123.46
7,847.5920 kWh at \$0.06878 per kWh	\$539.76
DSIM Chg 06-01-2018-06-30-2018 for 15,249.6720 kWh at \$0.00832 per kWh	\$126.88
FAC Chg 06-01-2018-06-30-2018 for 15,249.6720 kWh at \$0.00126 per kWh	\$19.21
RESRAM Chg 06-01-2018-06-30-2018 for 15,249.6720 kWh at \$0.00085 per kWh	\$12.96
Subtotal	\$1,882.45
Blue Springs Franchise Fee	\$99.08
Missouri State Sales Tax @ 4.225%	\$79.53
Jackson County Sales Tax @ 1.375%	\$25.88
Blue Springs City Sales Tax @ 2.5%	\$47.06
Central Jackson County Fire District Fire District @ 0.5%	\$9.41
Current Charges	\$2,143.41

Meter	Start Read Date	End Read Date	Days	End Read (-)	Start Read (=)	Read Difference (x)	Meter Multiplier (=)	kWh Used
On-Peak Summer	05/31	06/30	30			0.0000	0.0000	4,424.9840
Off-Peak Summer	05/31	06/30	30			0.0000	0.0000	2,977.0960
Shoulder Peak	05/31	06/30	30			0.0000	0.0000	7,847.5920

Contact Information Change Form

Account Number : 4143480637

Your current telephone listing on file simplifies outage and emergency reporting.

(678) 581-3210

Change to : () _____

Mailing Address changes only. For service address changes call 816-221-2323 or toll-free 1-800-585-4248.

Mailing Address Line 1: _____

Mailing Address Line 2: _____

City: _____ State: _____ ZIP: _____

E-mail Address (optional): _____

Schedule DRI-3

Please print changes in blue or black ink and don't forget to mark the box on the front.