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Witness: Tim M. Rush
Type of Exhibit: Direct Testimony
Sponsoring Party: Kansas City Power & Light Company
Case No.: ER-2018-0145
Date Testimony Prepared: January 30, 2018

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2018-0145

DIRECT TESTIMONY

OF

TIM M. RUSH

ON BEHALF OF

KANSAS CITY POWER & LIGHT COMPANY

Kansas City, Missouri
January 2018

Certain Schedules Attached To This Testimony Designated "(CONFIDENTIAL)" Also Contain Confidential Information. All Such Information Should Be Treated Confidentially Pursuant To 4 CSR 240-2.135.

KCPL Exhibit No. 162
Date 9-25-18 Reporter JLT
File No. ER-2018-0145 +0146

DIRECT TESTIMONY

OF

TIM M. RUSH

Case No. ER-2018-0145

Q: Please state your name and business address.

A: My name is Tim M. Rush. My business address is 1200 Main Street, Kansas City, Missouri 64105.

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

A: I am employed by Kansas City Power & Light Company ("KCP&L") as Director, Regulatory Affairs.

Q: On whose behalf are you testifying?

A: I am testifying on behalf of KCP&L ("KCP&L" or the "Company").

Q: What are your responsibilities?

A: My general responsibilities include overseeing the preparation of the rate case, class cost of service ("CCOS") and rate design of both KCP&L and KCP&L Greater Missouri Operations Company ("GMO"). I am also responsible for overseeing the regulatory reporting and general activities as they relate to the Missouri Public Service Commission ("MPSC" or "Commission").

Q: Please describe your education, experience and employment history.

A: I received a Master of Business Administration degree from Northwest Missouri State University in Maryville, Missouri. I did my undergraduate study at both the University of Kansas in Lawrence and the University of Missouri in Columbia. I received a

Bachelor of Science degree in Business Administration with a concentration in Accounting from the University of Missouri in Columbia.

Q: Please provide your work experience.

A: I was hired by KCP&L in 2001 as the Director, Regulatory Affairs. Prior to my employment with KCP&L, I was employed by St. Joseph Light & Power Company ("Light & Power") for over 24 years. At Light & Power, I was Manager of Customer Operations from 1996 to 2001, where I had responsibility for the regulatory area, as well as marketing, energy consultant and customer services area. Customer services included the call center and collections areas. Prior to that, I held various positions in the Rates and Market Research Department from 1977 until 1996. I was the Manager of that department for 15 years.

Q: Have you previously testified in proceedings before the MPSC?

A: I have testified on many occasions before the MPSC on a variety of issues affecting regulated public utilities.

Q: What is the purpose of your testimony?

A: The purpose of my testimony is to:

I. Address the Company's request to continue the Fuel Adjustment Clause ("FAC");

   a. Address changes to the FAC tariff;

II. Address the proposed Renewable Energy Pilot Rider and how they it fits into the Company's MEEIA programs.

III. Address the Company's proposed Electric Vehicle (EV) charging tariff.

I. FUEL ADJUSTMENT CLAUSE FILING REQUIREMENTS

Q: Does the Company currently have an approved FAC?

A: Yes. The FAC was initially approved in Case No. ER-2014-0370 on September 2, 2015, and rates went into effect on September 29th. Several modifications and clarifications were made to the FAC in the following case, Case No. ER-2016-0285, all with the intent to improve the FAC and its processes.

Q: What are the rules for continuing an FAC?

A: The requirements for continuing an FAC are found in Section 386.266 RSMo and Commission Rules 4 CSR 240-20.090 and 4 CSR 240-3.161(3)(A) through (T). The supporting information is summarized in the attached schedules TMR-1 through TMR-4.

Q: Are you providing any other support for continuation of your FAC?

A: Yes. 4 CSR 240-20.090 (9) requires a line loss study be conducted no less than every four (4) years to be used in the general rate proceeding necessary to continue to utilize a RAM. While the Company has utilized the existing line loss study currently in rates, a new line loss study is currently in process which will provide updated information and reflect to consolidation of rates that occurred in our last rate case. It should be completed in February, 2018, and will be filed in this case well in advance of the case true-up or Staff's and other parties direct or rebuttal testimony.

Q: Has the Company met all of the filing requirements to continue the FAC in 4 CSR 240-20.090 and 4 CSR 240-3.161?

A: Yes.

Q: Is the Company requesting to continue the FAC?

A: Yes. The FAC applies to fuel and purchased power expenses, transmission expense and revenues including a credit for off system sales revenues.

Q: Is the Company proposing to make any changes in the FAC tariff?

A: Yes, See Schedule TMR-1, part D for a description of changes proposed in the FAC. Two Riders designed to provide renewable energy for customers are discussed in the Direct Testimony of Kimberly Winslow and Bradley Lutz. One program is titled Solar Subscription Pilot Rider and the second titled Renewable Energy Rider. While these Riders will not offset the energy directly billed to the customer, the Renewable Energy Rider will require modification to the current FAC. The Company proposes to add language to the FAC tariff to carve the costs and revenues of the Renewable Energy Rider out of the costs and revenues in the FAC. The phrases to be added will be included in both revenue account 456.1 - "amounts associated with portions of Power Purchase Agreements dedicated to specific customers under the Renewable Energy Rider" and purchased power expense account 555 - "excluding (a) amounts associated with portions of Power Purchase Agreements dedicated to specific customers under the Renewable Energy Rider".

Additionally, the Company proposes some minor changes to add specific additives that have either been added or deleted from use at the plants.

Q: Will the Renewable Energy Rider and the changes to the FAC cause any problems with the computation or administration of the FAC?

A: No. Both the costs and revenues that will be taken out of the FAC are easily identified and will not cause any problems with the FAC.

Q: Does the FAC help both customers and Company?

A: Yes. The FAC is a balanced recovery mechanism which provides the Company with recovery of the majority of its fuel and purchased power costs, a portion of transmission costs net of off system sales and transmission revenues above a base amount that is included in base rates, but also provides customers assurance that KCP&L is not over-recovering net fuel and purchased power costs. The FAC is needed to help address volatile and uncertain net fuel and purchased power costs, and to ensure the Company has an opportunity to earn a fair return in order to generally preserve the financial health of the Company. The net fuel and purchased power and transmission costs contained in the FAC for KCP&L represent approximately 26% of the overall costs of serving customers.

Q: Do you believe that the absence of an FAC is potentially harmful to the Company and/or the Customer?

A: Yes. Without the proposed FAC, under increasing fuel cost scenarios, the Company would not have a reasonable opportunity to earn the rate of return authorized in this case. Conversely, if net fuel and purchased power, transmission costs and revenues turn out to be lower after the setting of base rates, then the presence of an FAC will protect customers from paying higher prices than the Company's actual experience.

This serves as KCP&L's explanation, compliant with Commission rule 4 CSR 240-3.161(3)(E), of how the FAC proposed by KCP&L is designed to provide KCP&L with a sufficient opportunity to earn a fair return on equity.

Q: What protections exist for customers with regard to the FAC?

A: Beyond the semi-annual reviews performed for each filing of the FAC changes, the FAC is also audited through a detailed prudence review by the Staff no less frequently than at eighteen (18)-month intervals. OPC participates in the review process. To date, no disallowances have occurred where the Company has been found to be imprudent in any aspects of the FAC.

II. RESIDENTIAL ENERGY EFFICIENT PILOT PROGRAM

Q: What is the Company requesting in this proceeding?

A: The Company is proposing three new residential rate pilot programs as described in the testimony of Company witnesses Marisol Miller and Kimberly Winslow. The three rates are:

1.) Residential Time of Use

2.) Residential Demand Service plus Time of Use

3.) Residential Demand Service

Q: Please describe how you propose to implement these new rate pilot programs?

A: The three rates are being proposed as pilots and are limited to 1,000 residential customer participants for each rate. Residential customers may select to be on one of the three rates instead of the standard residential rate. Customers selecting one of these pilot program rates must have new AMI metering available at their residence. The three rate pilot programs are designed to allow the residential customer to take more control of their electric bill by modifying usage patterns or installing equipment that potentially results in a lower energy bill.

For example, instead of running the clothes dryer during the peak period when energy costs are high, the customer could wait until later in the evening or early in the morning. By altering the time for certain tasks, a customer would be billed at a lower rate when the clothes dryer is in operation than if they had run the dryer or dishwasher during the peak period. It will also likely result in savings to the Company and non-participating customers as well.

The Company considers these rate pilot programs "Energy Efficiency" rates. By taking advantage of the different types of rates, customers' energy consumption and demand will be affected. As a result, the Company considers these rate pilot programs to be MEEIA programs and proposes that they be included in its next MEEIA portfolio of programs (Cycle 3).

Q: If the Company considers these rate pilot programs MEEIA programs, then why are they included in this rate case?

A: The primary reason is these three rate pilot programs effect revenues. Thus, they are better addressed in a rate case that will then allow the rate pilot programs to be reviewed as a rate design issue in this case while the revenues will flow through the recovery mechanism in the Company's next MEEIA program portfolio.

Q: Please explain how you anticipate these rates being implemented?

A: The Company proposes that the rates be approved in this case, but not be implemented or used until the next MEEIA program cycle, which should happen several months after the effective date of rates in this case. It is anticipated that MEEIA Cycle 3 will go into effect in April, 2019.

Q: Why wait until the MEEIA Cycle 3 is approved before these rates are implemented?

A: The primary reason is the uncertainty of approval of the pilot programs in the context of the MEEIA Cycle 3 plan. Additionally, billing modifications are necessary to properly bill these rates. Lastly, customer marketing and education is necessary to solicit customers to participate in the different pilots.

Q: You mentioned that it is anticipated that usage and demand will be modified and that customers will save money. Likewise, you anticipate that the Company will see some benefit from these usage changes. How do you anticipate handling the reduced revenues and the savings to the Company?

A: First, it is expected that customers who select to go on the pilot rates will likely save money initially, without any modification of the current usage or usage pattern. For example, customers whose usage pattern is such that they currently use a predominant amount of energy during the off-peak periods will likely save money without any change in their behavior. As a result, the Company requests that those savings be included in the program cost portion of the DSIM rate, beginning for Cycle 3.

Second, it is expected that customers will change usage patterns to take advantage of the rates. These savings will not be accounted for until they are measured. The Company proposes to account for these customer savings through an evaluation, measurement and verification (EM&V) process, consistent with the other MEEIA programs. These savings would be reflected in the throughput disincentive portion of the DSIM rate.

Third, any earnings opportunity from these programs would be addressed in the Company's MEEIA Cycle 3 filing.

Q: Why isn't the Company offering these rate programs to all customers?

A: The first reason is that we do not have enough information regarding customer behavior to determine if the programs will be successful. We intend to use the sample of customers to help better understand the behavioral changes that may result from the pilot programs. Second, we are just completing our new Customer Information System which will provide the Company flexibility for these types of rates in the future. As a result, implementing a substantial pilot in the MEEIA program portfolio will give us greater flexibility for the future.

III. CLEAN CHARGE NETWORK

Q: What is the Clean Charge Network ("CCN") program?

A: KCP&L and GMO launched an initiative to install and operate more than 1,000 Electrical Vehicle Charging Stations ("EVCS") throughout their respective service territories. Company witness Chuck Caisley describes the CCN program in greater detail.

Q: What is the Company seeking regarding the Clean Charge Network ("CCN")?

A: The Company is requesting recovery in its rate base of the electric vehicle charging stations ("EVCS") as well as approval of the tariff that will be used to charge end users of the EVCS. The Company believes that the EVCS meet the definition of "electric plant" under Missouri law and therefore must be regulated by the Commission when owned by a public utility.

Q: Hasn't this issue already been decided by the Commission?

A: Yes, in KCP&L's last rate case the Commission determined that EVCS are not "electric plant" and therefore it lacks statutory authority over the equipment. The Commission determined that the CCN was not a regulated service but should be operated as a competitive service and denied KCP&L's proposed tariff rate. KCP&L has appealed the Commission's Report and Order to the Missouri Court of Appeals and a decision will likely occur during the pendency of this rate case. The Company believes that the charging service it provides must be recognized as a regulated service under Missouri law.

The Commission also determined that KCP&L may include in rate base any equipment, such as distribution lines, transformers, and meters, necessary to provide electric service to an owner of an EV charging station, whether that owner is affiliated with KCP&L or not.

Q. Why is KCP&L requesting recovery of the EVCS?

A. The Company disagrees with the Commission's determination that EVCS are not electric plant and therefore does not have jurisdictional authority over EV charging stations. There is no basis for treating this investment different from other investments incurred to allow the Company to provide efficient service to its customers. All of KCP&L's customers, both EV users and non-EV users alike, will benefit from the CCN. Benefits include increased off-peak electricity usage, environmental benefits from reduced CO_2 emissions and lower ozone-reducing pollutants, economic impacts resulting in job creation, improved customer programs, and lower costs and efficiency by having the utility install, own and operate the EVCS. The increase in home-based usage to charge EVs will also provide a broader base over which to spread system costs. These facilities are part of the KCP&L system, as any other they are infrastructure. The investment is necessary to provide electric service to our mobile customers and should be recovered like other prudent infrastructure investments. Furthermore, data gathered since the conclusion of the last rate case shows that the CCN is achieving its intended goals of expanding the adoption of electric vehicles in the service territory relative to other markets without such a utility-led effort. Company Witness Charles Caisley describes these activities, changing market conditions and developments on utility programs in other jurisdictions.

Q: Are the costs for EVCS currently included in KCP&L's rates?

A: No. These costs are not currently in rates. The costs to date have been treated below the line and borne by the Company's shareholders.

Q: How has KCP&L treated its EVCS expenses and revenues?

A: KCP&L has treated both revenues and expenses consistent with the Order in Case No. ER-2016-0285.

Q: What is the approximate revenue requirement impact of the EVCS?

A: KCP&L is asking for Commission approval to include the costs, both capital and O&M, of its EVCS in base rates as part of this case. Any off-setting tax credit would be a reduction to its revenue requirement. The Company is also asking for approval of a tariff, Schedule CCN, to charge for use of EVCS (attached to my testimony as Schedule TMR-4). The capital cost for the project to be included in rates is net plant of $3.5 million.

Q: What has been the growth in kWh sales since the initial installations of the EVCS?

A: The growth in kWh sales at the charging stations for KCP&L is significant. Sales in 2015 were 29,974 kWh. That grew to 178,492 in 2016 and 2017 kWh sales reached 514,805 kWh's. If you priced 2017 sales at $0.20 per kWh, it would provide revenues of $102,961. However, sales are expected to continue to grow as the market continues to develop. Growth at customers' residences is not measured directly, but has materially grown over this same period as demonstrated by the growth in the number of electric vehicles discussed in the Direct Testimony of Charles Caisley.

Q: Will Commission approval of the CCN and related tariff provide KCP&L the opportunity to continue to add charging stations beyond those currently envisioned?

A: No. The CCN involves just over 1,000 charging stations throughout KCP&L's service territories in both states. The actual number of charging stations located in KCP&L territory will be determined, in part, by host interest. KCP&L has proposed a cap in Schedule CCN of 550 charging stations. Commission approval is required for additional stations under the tariff.

Q: Do you believe that the cost recovery mechanisms and resulting rates proposed by KCP&L in this application are fair, just and reasonable for KCP&L's Missouri customers?

A: Yes, I do.

Q. What else did the Commission order with respect to the CCN?

A. The Commission ordered KCP&L to accumulate data regarding the appropriate electric rate to charge owners of EVCS and provide that data during its next general rate case.[1]

Q. Has the Company accumulated the data?

A. Yes. The Company used ChargePoint to record and collect session level data for every charging session at the EVCS. The Company developed and analyzed a composite system level, 15-minute, load profile for all Level 2 and Level 3 (Fast DC) charging stations throughout the GMO and KCP&L service territories.

Q. What did this analysis conclude?

A. The following graphs illustrate each load profiles for the 2017 system peak day, July 22. For the month of July 2017, the Level 2 stations had a composite non-coincident

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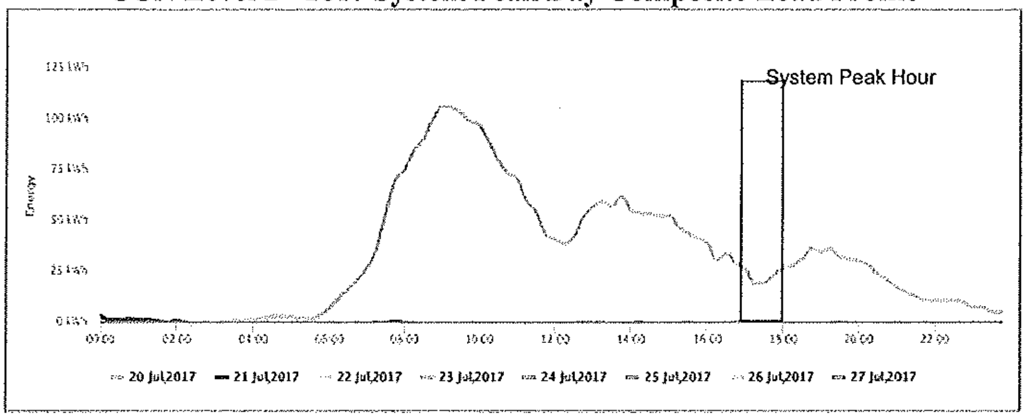
[1] Cite order ER-2016-0285 Report and Order 5-3-2017 page 46

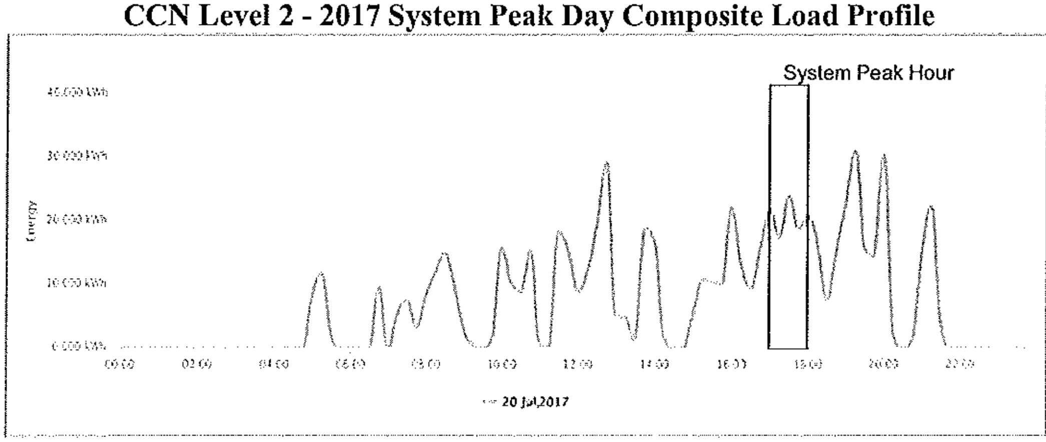
peak (NCP) of 512.4 kW with a monthly load factor 18.8%. As illustrated in the figure below, the composite Level 2 station demand had little coincidence with the system peak hour (5-6 p.m.), with an average of 89.7 kW (17.7% of the composite NCP) occurring during the system peak hour.

CCN Level 2 - 2017 System Peak Day Composite Load Profile



The Level 3, Fast DC, stations had a composite non-coincident peak (NCP) of 171.5 kW with a monthly load factor 13.6%. As illustrated in the figure below, the composite Level 3 station demand had significantly more coincidence with the system peak hour (5-6 p.m.), with an average of 81.9 kW (47.8% of the composite NCP) occurring during the system peak hour.

CCN Level 2 - 2017 System Peak Day Composite Load Profile



Q. Based on this analysis, what can you conclude as the appropriate electric rate to charge owners of EV Charging Stations?

A. In general, we see the Level 2 charging stations use occurring in the early daytime period when users either come to work or are doing daily activities. Level 3 charging stations have a more up and down load pattern during the day, but are more likely to have a load on the system at the peaking period.

Based on the data currently available, I believe the most appropriate electric rate to charge owners of EVCS for service to locations serving only EVCS is the Small General Service rate, Schedule SGS. The structure of this tariff is well suited for service to both Level 2 or Level 3 charging stations.

For commercial service with demands less than 25 kW, the SGS rate is comprised of a Service Charge and an Energy Charge. The 25 kW limit of the SGS rate will accommodate the majority, if not all, of the CCN Level 2 charging locations where the owner of the Station which is only serving electrical charging. The Company's analysis also shows that the CCN Level 2 stations have minimal impact on overall system peak capacity and therefor the SGS energy only rate is appropriate.

The SGS rate is also appropriate for Level 3 (Fast DC) charging stations which have demands greater than 25 kW. For service with demands greater than 25 kW, the SGS rate is comprised of a Service Charge, an Energy Charge, and a Facilities Charge for all kW in excess of 25 kW. As the Company's analysis shows, the CCN Level 3 charge station demands have a level of coincidence with the Company system peak, thereby justifying the additional demand charges.

Again, this addresses electrical service which is connected to an EVCS. If the EVCS is combined with other usages, such as a convenience stores, then the appropriate rate to charge would be dependent on the overall load characteristics of the location.

Q: Is this consistent with the Company's current practice?

A: Yes. As a result of the 0285 Order, the Company began charging the EVCS at each of its locations the SGS retail rate. The Company began charging electric vehicles $0.20 per kWh for Level 2 charging stations and $0.25 per kWh for Level 3 charging stations, where the host site no longer wished to pay for the service. For host sites that wished to continue paying for electric vehicle charging, the Company still charged the per kWh rate of $0.20 and $0.25, but accumulated this for the month and reflected it on the host's bill.

The SGS revenues were collected from the Company and reflected in the regulated revenues of the Company. The sales revenues from vehicle charging at $0.20 and $0.25 per kWh were reflected "below the line" and were used to offset the EVCS costs consistent with what was not allowed in the KCP&L rate case.

Q: Please describe what you are proposing to charge customers in this case?

A: Schedule TMR-4 presents the proposed new tariff titled Public Electric Vehicle Charging Station Service, Schedule CCN. It is specific to KCP&L-owned charging stations available to EV drivers throughout its service territory. The proposed tariff does not address charging of EVs at customer single-family residences or at privately owned and operated charging stations like some businesses have provided at their sites specifically for their employees and guests.

Q: How is the tariff designed?

A: The Schedule CCN rate tariff establishes a flat rate per kWh for both Level 2 and Level 3 EVCS. The tariff does not specifically identify and separate out the current riders, such as the FAC, DSIM or RESRAM rate riders at the price "at the pump". However, those amounts would be included in the rate and backed out of the revenues to appropriately include them in the Company's reporting in its books and records. The rate is intended to recover investment and expenses in the EVCS. This includes a flat rate of $0.20 per kWh for Level 2 EVCS and a flat rate of $0.25 for Level 3, Fast DC EVCS. Taxes and fees would be applied separately.

In addition to the Energy Charge rates, the tariff also includes guidelines for application of Session Overstay Charges, at the discretion of the Company, to incent charging station users to move their vehicles promptly after charging to improve utilization of the stations.

Q: Does the tariff recover costs related to the charging stations from the users of the charging stations?

A: Yes. The flat rate incorporates a driver contribution to defray a portion of the costs for the EVCS. As more and more electric vehicles utilize the services, the contribution would be increased.

Q: How did KCP&L determine the kWh rates set forth in Schedule CCN?

A: First, the Company wanted to have a price that was consistent throughout the GMO and KCP&L service territories. Second, the rate should be simple to understand. Therefore, we propose not to specifically identify the various riders on the price at the charging station. Third, we wanted the price to be reflective of our SGS rates as best as possible.

And lastly, we wanted a rate to allow recovery of the cost of service as more users begin to utilize the service. The rates proposed are flat kWh rates that are intended recover the investment in the facilities over time as additional vehicles utilize the service. The Company is also proposing to include an optional Session Overstay Fee in the tariff.

Q: Can you explain the concept of the Session Overstay Fee contained in the proposed tariff?

A: Under the proposed tariff, the Company has the discretion to impose a Session Overstay Fee to incent customers to move their vehicles once the charging process is completed so that other customers can have access to charging station. With the Session Overstay Fee, the driver would be provided a grace period after the EV has completed charging before the Session Overstay Fee would be imposed. The grace period allows the EV driver to receive notification (via text or e-mail) and move their vehicle to avoid these charges.

Q How does the Company intend to determine if a Session Overstay Fee should be applied?

A: The Company plans to only implement the Session Overstay Fee when needed at charging station locations based on the occupancy and availability of charging ports at each host site location. Initially, the Company does not plan to implement the Session Overstay Fee on any of the charging stations. The Company will monitor charge port availability and overstay times and implement Session Overstay Fee at host locations where the additional inducement is needed to get drivers to move their vehicle.

Q. Will the Session Overstay Fee be the same at all Clean Charge Network locations?

A. No. Schedule CCN sets a cap of $6.00 per hour for Session Overstay Charge and care must be taken to ensure they are set high enough to incent drivers to move their vehicle but not so high as to discourage customers from using the stations. The Company set the maximum of the range of Session Overstay Charge at $6.00 per hour based on the maximum rate of charge provided by the Level 3 charging station – the fastest charger. The lost revenue potential of a Level 2 charge port is significantly less (approximately $1/hr.) and the Session Overstay Charge should reflect this differential. The Company wants to establish the minimum number of Session Overstay Charges levels but recognizes that higher overstay charges may be needed at some locations compared to other.

Q. What type of other notification can a driver receive?

A: Notifications are available to make drivers aware of their EV charging status at all times. Text and email notifications can be set up to notify drivers when their car is fully charged, when charging is interrupted, when a Session Overstay grace period is ending, and when charging stations become available for use.

Q: Has KCP&L begun an analysis on EV home charging and possible rate designs that may be beneficial?

A. The majority of EV charging is at the home. With KCP&L's most recent system peak occurring in the late afternoon, at home charging could have substantial system peak coincidence. Typically, EV charging in the home would occur when the vehicle owner arrives, which could add extra load to the peak periods of the Company.

Q. Has KCP&L evaluated TOU rates for home charging?

A. Yes. As described in the Direct Testimony of Marisol Miller, KCP&L contracted with Burns & McDonnell (B&McD) to perform a Residential Rate Design Strategy Study, in order to prepare a general long term plan for implementing Residential rate designs that align with the utility's internal goals and objectives, reflect good rate making principles, and align with future technologies being implemented. One of the outcomes of the study was the design of a residential TOU rate that can be used by and marketed to EV owners to shift EV load off-peak in a cost-efficient manner in all. This study is discussed further in her testimony and the report from B&McD. The TOU rate proposed in this proceeding can easily be used to incentivize EV drivers to charge their vehicles during off-peak periods during the late night hours.

Q: Does that conclude your testimony?

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

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 Direct Testimony on behalf of Kansas City Power & Light Company consisting of nineteen (19) 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

Tim M. Rush

Subscribed and sworn before me this 29th day of January 2018.

Anthony R. Westenkirchner

Notary Public

My commission expires: 4/26/2021

ANTHONY R WESTENKIRCHNER
Notary Public, Notary Seal
State of Missouri
Platte County
Commission # 17279952
My Commission Expires April 26, 2021

Requirements to Continue or Modify the Fuel Adjustment Clause

4 CSR 240-3.161 (3) When an electric utility files a general rate proceeding following the general rate proceeding that established its RAM as described by 4 CSR 240-20.090(2) in which it requests that its RAM be continued or modified, the electric utility shall file with the commission and serve parties, as provided in sections (9) through (11) in this rule the following supporting information as part of, or in addition to, its direct testimony:

(A) An example of the notice to be provided to customers as required by 4 CSR 240-20.090(2)(D):

See Schedule TMR-2.

(B) If the electric utility proposes to change the identification of the RAM on the customer's bill, an example customer bill showing how the proposed RAM shall be separately identified on affected customers' bills, including the proposed language, in accordance with 4 CSR 240-20.090(8):

No change is proposed.

(C) Proposed RAM rate schedules:

See Schedule TMR-3.

(D) A general description of the design and intended operation of the proposed RAM:

The design and intended operation of the Fuel Adjustment Clause (FAC) is the same as approved in Case No. ER-2016-0285. The changes proposed in this filing are for the amounts contained in base rates as well as the addition of new additives that the Company is now using, and the addition of wording related to the Renewable Energy Rider tariff. Some key features of the FAC include:

- The FAC factor is based upon historical differences between the cost of fuel, energy, certain transmission costs net of off-system sales revenue built into base rates and the actual cost of these items as incurred during the two six-month accumulation periods.

- There is 95% recovery of the difference between these actual costs and the amounts built into base rates.

- Items considered in the FAC are variable non-labor generating plant fuel costs, purchased power energy and short-term capacity charges, emission allowance costs and revenue amortizations, transportation costs, and certain transmission costs. These costs are offset by off system sales revenues and the revenues from the sale of renewable energy credits. Carrying costs are calculated monthly at the Company's short term debt rate.

- The under or over recovery will be accumulated for 6 months. The collection period for the accumulation is 12 months.

- The base amount for the current tariff is \$.01186 per kWh.

- The proposed amount is \$0.01635 per kWh for KCP&L (MO).

(E) A complete explanation of how the proposed RAM is reasonably designed to provide the electric utility a sufficient opportunity to earn a fair return on equity:

See Direct Testimony of Tim M. Rush.

(F) A complete explanation of how the proposed FAC shall be trued-up to reflect over or under-collections, or the refundable portion of the proposed IEC shall be trued-up, on at least an annual basis:

Each month there is an accrual to reflect the over/under recovered current month FAC fuel costs in General Ledger Account 182380-Accrued Fuel Clause. The accrual calculation is Total FAC Actual Energy Costs less Base Energy Costs times 95%.

After defined 6-month accumulation periods (January-June and July-December) a filing in accordance with 4 CSR 240-20.090(4) is made with the Missouri Public Service Commission requesting a new Fuel Adjustment Rate ("FAR"). The collection periods for these FARs are 12 month periods (October-September and April-March).

Activity in account 182380 is manually tracked by accumulation period and separately identifies the accrual recovery, interest and over/under recovery balance for each open accumulation period.

After the 12-month recovery period is complete, a true-up filing is made, and any remaining over/under recovery identified is included as part of the next FAC filing.

(G) A complete description of how the proposed RAM is compatible with the requirement for prudence reviews:

4 CSR 240-20.090 sets forth the definitions, structure, operation, and procedures relevant to a Fuel Adjustment Clause. Section (7) is specific to prudence reviews, requiring a review no less frequently than at eighteen (18)-month intervals.

The Company agrees that prudence reviews should occur no less frequently than at 18-month intervals. This requirement is also in the FAC tariff.

It is anticipated that parties to any prudence review proceeding would apply the standard of determining whether decisions were prudent given the facts known at the time those decisions were made, as opposed to a "hindsight" review. If Staff or other parties believe that the evidence supports a prudence adjustment, they have the opportunity to bring that proposal to the Commission for an evidentiary hearing and decision.

(H) A complete explanation of all the costs that shall be considered for recovery under the proposed RAM and the specific account used for each cost item on the electric utility's books and records:

The Federal Energy Regulatory Commission (FERC) Code of Federal Regulations is the basis for the Company's accounting codes. Fuel used in the production of steam for the generation of electricity (Coal Plants) is included in FERC account 501. Fuel used in the production of nuclear power generation is recorded in FERC account 518. Fuel used in other power generation (Combustion Turbines) is included in FERC account 547. Purchased Power is in FERC account 555. Transmission of electricity by others is included in FERC account 565. Emission Allowance costs and amortizations are in FERC account 509.

> Please see the proposed tariff sheets included in Schedule TMR-3 for the complete listing of all costs that need to be considered for recovery under the propose continuation of the RAM along with the specific accounts that will be used for each cost item on the Company's utility books and records.

Accounts provided were known as of the time of this filing; however, they may be revised in the future as business needs arise.

(I) A complete explanation of all the revenues that shall be considered in the determination of the amount eligible for recovery under the proposed RAM and the specific account where each such revenue item is recorded on the electric utility's books and records:

The Federal Energy Regulatory Commission (FERC) Code of Federal Regulations is the basis for the Company's accounting codes. Sales for resale are recorded in FERC account 447. Revenues from the sale of emission allowances and renewable energy credits are recorded in FERC account 509 as an offset to expense.

> Please see the proposed tariff sheets included in Schedule TMR-3 for the complete listing of all revenue accounts that need to be considered in the determination of the amount eligible for recovery under the propose continuation of the RAM along with the specific accounts that will be used for each revenue item on the Company's utility books and records.

This accounting process, and the information used to support the recording of these entries, creates a paper audit trail to enable the audit of the accounts.

(J) A complete explanation of any incentive features designed in the proposed RAM and the expected benefit and cost each feature is intended to produce for the electric utility's shareholders and customers:

In the Report and Order for Case No. ER-2014-0370 issued September 2, 2015, the Commission explains the reasoning for allowing only 95% of FAC eligible costs to be collected from customers,

"The Commission finds that allowing KCPL to have 100% recovery of its costs in an FAC would act as a disincentive for KCPL to control those costs. A 95%/5% sharing mechanism, where customers would be responsible for, or receive the benefit of, 95% of any deviation in fuel and purchased power costs would provide KCPL a sufficient opportunity to earn a fair return on equity while protecting KCPL's customers by providing the company an incentive to control costs. KCPL's FAC shall include an incentive clause providing that 95% deviation in fuel and purchased power costs from the base level shall be passed to customers and 5% shall be retained by KCPL."

In the Report and Order for Case No. ER-2016-0285 issued May 3, 2017, the Commission again finds that the 95%/5% sharing mechanism is appropriate and states the following decision

"The Commission finds that allowing KCPL to keep its 95%/5% sharing mechanism is appropriate. Under this mechanism, customers would be responsible for, or receive the benefit of, 95 percent of any deviation in fuel and purchased power costs.

That, in turn, would provide KCPL a sufficient opportunity to earn a fair return on equity, while protecting KCPL's customers by providing the company an incentive to control costs. KCPL's FAC shall include an incentive clause providing that 95 percent of any deviation in fuel and purchased power costs from the base level shall be passed to customers and 5 percent shall be retained by KCPL."

(K) A complete explanation of any rate volatility mitigation features in the proposed RAM:

See the Direct Testimony of Jessica L. Tucker in this case for a discussion of the FAC and mitigation of market risk/price volatility.In addition accumulating the FAC adjustment for a 6-month period with a corresponding 12-month revenue recovery period lessens rate volatility.

(L) A complete explanation of any feature designed into the proposed RAM or any existing electric utility policy, procedure, or practice that can be relied upon to ensure that only prudent costs shall be eligible for recovery under the proposed RAM:

The Company's FAC expenses are subject to periodic Prudence Reviews to ensure that only prudently-incurred fuel and purchased power costs are collected from customers through the FAC.

Rules and procedures for contracts are outlined in the Sarbanes Oxley documentation.

The Company's books and records are audited annually by an independent public accounting firm.

The Company's internal audit staff performs periodic audits on the controls in place associated with the FAC.

(M) A complete explanation of the specific customer class rate design used to design the proposed RAM base amount in permanent rates and any subsequent rate adjustments during the term of the proposed RAM:

The rate design for base rates reflects the fuel and purchased power costs, revenues and transmission costs recovered on a per kWh basis, consistent with the FAC. The rate design for the FAC is to bill all retail customers on a per kWh basis for the incremental costs above or below base rates.

As required, the FAC allocates cost by voltage level using commission approved allocation methods.

(N) A complete explanation of any change in business risk to the electric utility resulting from implementation of the proposed RAM in setting the electric utility's allowed return in any rate proceeding, in addition to any other changes in business risk experienced by the electric utility:

See Direct Testimony of Robert B. Hevert.

(O) A description of how responses to subsections (B) through (N) differ from responses to subsections (B) through (N) for the currently approved RAM:

The definitions of the costs and revenues included in the FAC have been updated in the actual proposed tariffs and therefore, sections (H) and (I) now reference those tariff sheets. Changes made to the tariff sheets are as follows:

> <u>50.22:</u> 501300 – Added "limestone inventory adjustments" (to be consistent with the wording in 501000); Added 501420 (used by the Company for an additional breakout of residual costs); 518000 – Removed "hedging costs" (the Company is no longer hedging); 518000 – Added "insurance recoveries, subrogation recoveries and settlement proceeds for increased fuel expense in the 518 accounts" (to be consistent with other fuel cost descriptions).
>
> <u>50.23:</u> 547300 - Added "and consumable costs for Air Quality Control Systems ("AQCS") operations, such as ammonia or other consumables which perform similar functions." (to be consistent with 501300); 509000 - Re-ordered section 509 to be costs, offset by revenues; 555000 – Added wording to exclude purchased power

agreements dedicated to specific customers under the Renewable Energy Rider tariff. (new service, the cost of which, should be excluded from the FAC).

50.24: 565000 - Updated SPP transmission percentage allowed in the FAC (updated FERC Form 1 information available). Added wording relating to customers participating in the Renewable Energy Rider tariff. (new service, the cost of which, should be excluded from the FAC.); 447020 - Added wording relating to customers participating in the Renewable Energy Rider tariff. (new service, the cost of which, should be excluded from the FAC).

50.28: B Factor - Updated the base factor based upon the current case levels.

50.29-50.31 - Added expansion factors for transmission and substation levels. (agreed to in previous case).

Section (J) was changed to include the determinations from the Report and Order from Rate Case No. ER-2016-0285.

(L) the discussion regarding hedging has been removed and the discussion of annual internal and external audits has been added.

(P) The supply-side and demand-side resources that the electric utility expects to use to meet its loads in the next four (4) true-up years, the expected dispatch of those resources, the reasons why these resources are appropriate for dispatch and the heat rates and fuel types for each supply-side resource; in submitting this information, it is recognized that supply- and demand-side resources and dispatch may change during the next four (4) true-up years based upon changing circumstances and parties will have the opportunity to comment on this information after it is filed by the electric utility:

See Direct Testimony of Burton L. Crawford.

(Q) The results of heat rate tests and/or efficiency tests on all the electric utility's nuclear and non-nuclear steam generators, HRSG, steam turbines and combustion turbines conducted within the previous twenty-four (24) months:

See Direct Testimony of Burton L. Crawford.

(R) Information that shows that the electric utility has in place a long-term resource planning process, important objectives of which are to minimize overall delivered energy costs and provide reliable service:

KCP&L has a long-term resource planning process. The electric utility resource plan produced by the process is also known as an integrated resource plan or IRP. An objective of this planning process is to identify the least cost alternatives and select a preferred resource plan that maintains adequate capacity reserves for reliability. KCP&L prepared and filed its latest triennial IRP report in April 2015. Updates to that IRP report were filed March 15, 2016, and June 1, 2017. Under the current IRP rule, the next triennial IRP is to be filed April 1, 2018.

(S) If emissions allowance costs or sales margins are included in the RAM request and not in the electric utility's environmental cost recovery surcharge, a complete explanation of forecasted environmental investments and allowances purchases and sales; and

See Direct Testimony of Jessica L. Tucker for the discussion of the allowance purchases and sales and the direct testimony of Burton L. Crawford for the explanation of forecasted environmental investments.

(T) Any additional information that may have been ordered by the commission to be provided in the previous general rate proceeding:

No additional information was ordered by the commission to be provided in Rate Case No. ER-2016-0285.

Important Notice

Kansas City Power & Light Company ("Company" or "KCP&L") has filed a rate increase request with the Missouri Public Service Commission ("PSC"). The increase would total approximately _____ percent in the territory served as KCP&L Missouri.

For the average residential customer the proposed increase would be approximately $_____ per month.

The Company has also asked the PSC to continue the Fuel Adjustment Clause ("FAC"). The FAC allows the Company to adjust customers' bills two times per year based on the varying cost of fuel and power purchased in the current volatile market. Any increase or decrease in fuel costs is reflected in the FAC. This means the customer bill is based on more current fuel costs.

A local public hearing (or evidentiary hearing) has been set before the PSC at ___o'clock, on (date) at _________, (address), City, Missouri. The hearing will be held in a facility that meets the accessibility requirements of the Americans with Disabilities Act. Any person who needs additional accommodations to participate in this hearing should call the Public Service Commission's hotline at 1-800-392-4211 (voice) or Relay Missouri at 711 before the hearing.

Consumers wishing to comment on the rate proposal may also: Mail a written comment to the Public Service Commission, P.O. Box 360, Jefferson City, Missouri 65102; Electronically submit a comment to the PSC through the Internet by accessing the PSC's Electronic Filing and Information System at https://www.efis.psc.mo.gov/mpsc (please reference case number ___________); or Contact the Office of the Public Counsel, P.O. Box 2230, Jefferson City, Missouri 65102, telephone 573-751-4857 or toll-free 866-922-2959, opcservice@ded.mo.gov . Comments are viewable by the public. Do not include any information in a public comment that you do not wish to be made public.

FUEL ADJUSTMENT CLAUSE – Rider FAC
FUEL AND PURCHASE POWER ADJUSTMENT ELECTRIC
(Applicable to Service Provided June 8, 2017 through Effective Date of This Tariff) Sheet)

DEFINITIONS

ACCUMULATION PERIODS, FILING DATES AND RECOVERY PERIODS: An accumulation period is the six calendar months during which the actual costs and revenues subject to this rider will be accumulated for the purposes of determining the Fuel Adjustment Rate ("FAR"). The two six-month accumulation periods each year through May 27, 2021, the two corresponding twelve-month recovery periods and the filing dates are as shown below. Each filing shall include detailed work papers in electronic format with formulas intact to support the filing.

Accumulation Periods	Filing Dates	Recovery Periods
January – June	By August 1	October – September
July – December	By February 1	April – March

A recovery period consists of the months during which the FAR is applied to retail customer billings on a per kilowatt-hour (kWh) basis.

COSTS AND REVENUES: Costs eligible for the Fuel and Purchased Power Adjustment ("FPA") will be the Company's allocated jurisdictional costs for the fuel component of the Company's generating units, purchased power energy charges including applicable Southwest Power Pool ("SPP") charges, emission allowance costs and amortizations, cost of transmission of electricity by others associated with purchased power and off system sales – all as incurred during the accumulation period. These costs will be offset by jurisdictional off-system sales revenues, applicable SPP revenues, and revenue from the sale of Renewable Energy Certificates or Credits ("REC"). Eligible costs do not include the purchased power demand costs associated with purchased power contracts in excess of one year. Likewise, revenues do not include demand or capacity receipts associated with power contracts in excess of one year.

APPLICABILITY

The price per kWh of electricity sold to retail customers will be adjusted (up or down) periodically subject to application of the Rider FAC and approval by the Missouri Public Service Commission ("MPSC" or "Commission").

The FAR is the result of dividing the FPA by forecasted Missouri retail net system input ("S_{RP}") for the recovery period, expanded for Voltage Adjustment Factors ("VAF"), rounded to the nearest $0.00001, and aggregating over two accumulation periods. The amount charged on a separate line on retail customers' bills is equal to the current annual FAR multiplied by kWh billed.

FUEL ADJUSTMENT CLAUSE – Rider FAC
FUEL AND PURCHASE POWER ADJUSTMENT ELECTRIC
(Applicable to Service Provided June 8, 2017 through Effective Date of This Tariff)

FORMULAS AND DEFINITIONS OF COMPONENTS

FPA = 95% * ((ANEC – B) * J) + T + I + P

ANEC = Actual Net Energy Costs = (FC + E + PP + TC – OSSR - R)

FC = Fuel Costs Incurred to Support Sales:
The following costs reflected in FERC Account Number 501:
Subaccount 501000: coal commodity and transportation, side release and freeze conditioning agents, dust mitigation agents, accessorial charges as delineated in railroad accessorial tariffs [additional crew, closing hopper railcar doors, completion of loading of a unit train and its release for movement, completion of unloading of a unit train and its release for movement, delay for removal of frozen coal, destination detention, diversion of empty unit train (including administration fee, holding charges, and out-of-route charges which may include fuel surcharge), diversion of loaded coal trains, diversion of loaded unit train fees (including administration fee, additional mileage fee or out-of-route charges which may include fuel surcharge), fuel surcharge, held in transit, hold charge, locomotive release, miscellaneous handling of coal cars, origin detention, origin re-designation, out-of-route charges (including fuel surcharge), out-of-route movement, pick-up of locomotive power, placement and pick-up of loaded or empty private coal cars on railroad supplied tracks, placement and pick-up of loaded or empty private coal cars on shipper supplied tracks, railcar storage, release of locomotive power, removal, rotation and/or addition of cars, storage charges, switching, trainset positioning, trainset storage, and weighing], unit train maintenance and leases, applicable taxes, natural gas costs, fuel quality adjustments, fuel adjustments included in commodity and transportation costs, broker commissions and fees (fees charged by an agent, or agent's company to facilitate transactions between buyers and sellers), oil costs for commodity, transportation, storage, taxes, fees, and fuel losses, coal and oil inventory adjustments, and insurance recoveries, subrogation recoveries and settlement proceeds for increased fuel expenses in the 501 Accounts.
Subaccount 501020: the allocation of the allowed costs in the 501000, 501300, and 501400 accounts attributed to native load;
Subaccount 501030: the allocation of the allowed costs in the 501000, 501300, and 501400 accounts attributed to off system sales;
Subaccount 501300: fuel additives and consumable costs for Air Quality Control Systems ("AQCS") operations, such as ammonia, hydrated lime, lime, limestone, powder activated carbon, sulfur, and RESPond, or other consumables which perform similar functions;
Subaccount 501400: residual costs and revenues associated with combustion product, slag and ash disposal costs and revenues including contractors, materials and other miscellaneous expenses.

The following costs reflected in FERC Account Number 518:
Subaccount 518000: nuclear fuel commodity and hedging costs;
Subaccount 518201: nuclear fuel waste disposal expense;
Subaccount 518100: nuclear fuel oil.

FUEL ADJUSTMENT CLAUSE – Rider FAC
FUEL AND PURCHASE POWER ADJUSTMENT ELECTRIC
(Applicable to Service Provided June 8, 2017 through Effective Date of This Tariff)

FORMULAS AND DEFINITIONS OF COMPONENTS (continued)

The following costs reflected in FERC Account Number 547:
Subaccount 547000: natural gas and oil costs for commodity, transportation, storage, taxes, fees and fuel losses, and settlement proceeds, insurance recoveries, subrogation recoveries for increased fuel expenses, and broker commissions and fees (fees charged by an agent, or agent's company to facilitate transactions between buyers and sellers);
Subaccount 547020: the allocation of the allowed costs in the 547000 and 547300 accounts attributed to native load;
Subaccount 547030: the allocation of the allowed costs in the 547000 and 547300 accounts attributed to off system sales;
Subaccount 547300: fuel additives.

E = Net Emission Costs:
The following costs and revenues reflected in FERC Account Number 509:
Subaccount 509000: NOx and SO_2 emission allowance costs and revenue amortizations offset by revenues from the sale of NOx and SO_2 emission allowances, and broker commissions and fees (fees charged by an agent, or agent's company to facilitate transactions between buyers and sellers).

PP = Purchased Power Costs:
The following costs or revenues reflected in FERC Account Number 555:
Subaccount 555000: purchased power costs, energy charges from capacity purchases of any duration, insurance recoveries, and subrogation recoveries for purchased power expenses, broker commissions and fees (fees charged by an agent, or agent's company to facilitate transactions between buyers and sellers), charges and credits related to the SPP Integrated Marketplace ("IM") or other IMs including, energy, revenue neutrality, make whole and out of merit payments and distributions, over collected losses payments and distributions, Transmission Congestion Rights ("TCR") and Auction Revenue Rights ("ARR") settlements, virtual energy costs, revenues and related fees where the virtual energy transaction is a hedge in support of physical operations related to a generating resource or load, load/export charges, ancillary services including non-performance and distribution payments and charges and other miscellaneous SPP Integrated Market charges including uplift charges or credits;
Subaccount 555005: capacity charges for capacity purchases one year or less in duration;
Subaccount 555030: the allocation of the allowed costs in the 555000 account attributed to purchases for off system sales.

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FORMULAS AND DEFINITIONS OF COMPONENTS (continued)

TC = Transmission Costs:
The following costs reflected in FERC Account Number 565:
Subaccount 565000: non-SPP transmission used to serve off system sales or to make purchases for load and 20.91% of the SPP transmission service costs which includes the schedules listed below as well as any adjustment to the charges in the schedules below:

- Schedule 7 – Long Term Firm and Short Term Point to Point Transmission Service
- Schedule 8 – Non Firm Point to Point Transmission Service
- Schedule 9 – Network Integration Transmission Service
- Schedule 10 – Wholesale Distribution Service
- Schedule 11 – Base Plan Zonal Charge and Region Wide Charge

Subaccount 565020: the allocation of the allowed costs in the 565000 account attributed to native load;
Subaccount 565027: the allocation of the allowed costs in the 565000 account attributed to transmission demand charges;
Subaccount 565030: the allocation of the allowed costs in account 565000 attributed to off system sales.

OSSR = Revenues from Off-System Sales:
The following revenues or costs reflected in FERC Account Number 447:
Subaccount 447020: all revenues from off-system sales. This includes charges and credits related to the SPP IM including, energy, ancillary services, revenue sufficiency (such as make whole payments and out of merit payments and distributions), revenue neutrality payments and distributions, over collected losses payments and distributions, TCR and ARR settlements, demand reductions, virtual energy costs and revenues and related fees where the virtual energy transaction is a hedge in support of physical operations related to a generating resource or load, generation/export charges, ancillary services including non-performance and distribution payments and SPP uplift revenues or credits. Off-system sales revenues from full and partial requirements sales to municipalities that are served through bilateral contracts in excess of one year shall be excluded from OSSR component;
Subaccount 447012: capacity charges for capacity sales one year or less in duration;
Subaccount 447030: the allocation of the includable sales in account 447020 not attributed to retail sales.

R = Renewable Energy Credit Revenue:
Revenues reflected in FERC account 509000 from the sale of Renewable Energy Credits that are not needed to meet the Renewable Energy Standards.

Any cost identified above which is a Missouri-only cost shall be grossed up by the current kWh energy factor, included in the ANEC calculation and allocated as indicated in component J below. Any cost identified above which is a Kansas-only cost shall be excluded from the ANEC calculation.

FUEL ADJUSTMENT CLAUSE – Rider FAC
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FORMULAS AND DEFINITIONS OF COMPONENTS (continued)

Costs and revenues not specifically detailed in Factors FC, PP, E, TC, OSSR, or R shall not be included in the Company's FAR filings; provided however, in the case of Factors PP, TC or OSSR, the market settlement charge types under which SPP or another centrally administered market (e.g., PJM or MISO) bills/credits a cost or revenue need not be detailed in Factors PP or OSSR for the costs or revenues to be considered specifically detailed in Factors PP or OSSR; and provided further, should the SPP or another centrally administered market (e.g. PJM or MISO) implement a new market settlement charge type not listed below or a new schedule not listed in TC:

A. The Company may include the new schedule, charge type cost or revenue in its FAR filings if the Company believes the new schedule, charge type cost or revenue possesses the characteristics of, and is of the nature of, the costs or revenues listed below or in the schedules listed in TC, as the case may be, subject to the requirement that the Company make a filing with the Commission as outlined in B below and also subject to another party's right to challenge the inclusion as outlined in E. below;

B. The Company will make a filing with the Commission giving the Commission notice of the new schedule or charge type no later than 60 days prior to the Company including the new schedule, charge type cost or revenue in a FAR filing. Such filing shall identify the proposed accounts affected by such change, provide a description of the new charge type demonstrating that it possesses the characteristics of, and is of the nature of, the costs or revenues listed in factors PP, TC or OSSR as the case may be, and identify the preexisting schedule, or market settlement charge type(s) which the new schedule or charge type replaces or supplements;

C. The Company will also provide notice in its monthly reports required by the Commission's fuel adjustment clause rules that identifies the new schedule, charge type costs or revenues by amount, description and location within the monthly reports;

D. The Company shall account for the new schedule, charge type costs or revenues in a manner which allows for the transparent determination of current period and cumulative costs or revenues;

E. If the Company makes the filing provided for in B above and a party challenges the inclusion, such challenge will not delay approval of the FAR filing. To challenge the inclusion of a new schedule or charge type, a party shall make a filing with the Commission based upon that party's contention that the new schedule, charge type costs or revenues at issue should not have been included, because they do not possess the characteristics of the schedules, costs or revenues listed in Factors PP, TC or OSSR, as the case may be. A party wishing to challenge the inclusion of a schedule or charge type shall include in its filing the reasons why it believes the Company did not show that the new schedule or charge type possesses the characteristics of the costs or revenues listed in Factors TC, PP or OSSR, as the case may be, and its filing shall be made within 30 days of the Company's filing under B above. In the event of a timely challenge, the Company shall bear the burden of proof to support its decision to include a new schedule or charge type in a FAR filing. Should such challenge be upheld by the Commission, any such costs will be refunded (or revenues retained) through a future FAR filing in a manner consistent with that utilized for Factor P; and

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FORMULAS AND DEFINITIONS OF COMPONENTS (continued)

F. A party other than the Company may seek the inclusion of a new schedule or charge type in a FAR filing by making a filing with the Commission no less than 60 days before the Company's next FAR filing date of August 1 or February 1. Such a filing shall give the Commission notice that such party believes the new schedule or charge type should be included because it possesses the characteristics of, and is of the nature of, the costs or revenues listed in factors PP, TC or OSSR, as the case may be. The party's filing shall identify the proposed accounts affected by such change, provide a description of the new schedule or charge type demonstrating that it possesses the characteristics of, and is of the nature of, the schedules, costs or revenues listed in factors PP, TC or OSSR as the case may be, and identify the preexisting schedule or market settlement charge type(s) which the new schedule or charge type replaces or supplements. If a party makes the filing provided for by this paragraph F and a party (including the Company) challenges the inclusion, such challenge will not delay inclusion of the new schedule or charge type in the FAR filing or delay approval of the FAR filing. To challenge the inclusion of a new schedule or charge type, the challenging party shall make a filing with the Commission based upon that party's contention that the new schedule or charge type costs or revenues at issue should not have been included, because they do not possess the characteristics of the schedules, costs or revenues listed in Factors PP, TC, or OSSR, as the case may be. The challenging party shall make its filing challenging the inclusion and stating the reasons why it believes the new schedule or charge type does not possess the characteristic of the costs or revenues listed in Factors PP, TC or OSSR, as the case may be, within 30 days of the filing that seeks inclusion of the new schedule or charge type. In the event of a timely challenge, the party seeking the inclusion of the new schedule or charge type shall bear the burden of proof to support its contention that the new schedule or charge type should be included in the Company's FAR filings. Should such challenge be upheld by the Commission, any such costs will be refunded (or revenues retained) through a future FAR filing in a manner consistent with that utilized for Factor P.

SPP IM charge/revenue types that are included in the FAC are listed below:

Day Ahead Regulation Down Service Amount
Day Ahead Regulation Down Service Distribution Amount
Day Ahead Regulation Up Service Amount
Day Ahead Regulation Up Service Distribution Amount
Day Ahead Spinning Reserve Amount
Day Ahead Spinning Reserve Distribution Amount
Day Ahead Supplemental Reserve Amount
Day Ahead Supplemental Reserve Distribution Amount
Real Time Contingency Reserve Deployment Failure Amount
Real Time Contingency Reserve Deployment Failure Distribution Amount
Real Time Regulation Service Deployment Adjustment Amount
Real Time Regulation Down Service Amount
Real Time Regulation Down Service Distribution Amount
Real Time Regulation Non-Performance
Real Time Regulation Non-Performance Distribution
Real Time Regulation Up Service Amount
Real Time Regulation Up Service Distribution Amount
Real Time Spinning Reserve Amount

FUEL ADJUSTMENT CLAUSE – Rider FAC
FUEL AND PURCHASE POWER ADJUSTMENT ELECTRIC
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FORMULAS AND DEFINITIONS OF COMPONENTS (continued)

SPP IM charge/revenue types that are included in the FAC (continued)

- Real Time Spinning Reserve Distribution Amount
- Real Time Supplemental Reserve Amount
- Real Time Supplemental Reserve Distribution Amount
- Day Ahead Asset Energy
- Day Ahead Non-Asset Energy
- Day Ahead Virtual Energy Amount
- Real Time Asset Energy Amount
- Real Time Non-Asset Energy Amount
- Real Time Virtual Energy Amount
- Transmission Congestion Rights Funding Amount
- Transmission Congestion Rights Daily Uplift Amount
- Transmission Congestion Rights Monthly Payback Amount
- Transmission Congestion Rights Annual Payback Amount
- Transmission Congestion Rights Annual Closeout Amount
- Transmission Congestion Rights Auction Transaction Amount
- Auction Revenue Rights Funding Amount
- Auction Revenue Rights Uplift Amount
- Auction Revenue Rights Monthly Payback Amount
- Auction Revenue Annual Payback Amount
- Auction Revenue Rights Annual Closeout Amount
- Day Ahead Virtual Energy Transaction Fee Amount
- Day Ahead Demand Reduction Amount
- Day Ahead Demand Reduction Distribution Amount
- Day Ahead Grandfathered Agreement Carve Out Daily Amount
- Grandfathered Agreement Carve Out Distribution Daily Amount
- Day Ahead Grandfathered Agreement Carve Out Monthly Amount
- Grandfathered Agreement Carve Out Distribution Monthly Amount
- Day Ahead Grandfathered Agreement Carve Out Yearly Amount
- Grandfathered Agreement Carve Out Distribution Yearly Amount
- Day Ahead Make Whole Payment Amount
- Day Ahead Make Whole Payment Distribution Amount
- Miscellaneous Amount
- Reliability Unit Commitment Make Whole Payment Amount
- Real Time Out of Merit Amount
- Reliability Unit Commitment Make Whole Payment Distribution Amount
- Over Collected Losses Distribution Amount
- Real Time Joint Operating Agreement Amount
- Real Time Reserve Sharing Group Amount
- Real Time Reserve Sharing Group Distribution Amount
- Real Time Demand Reduction Amount
- Real Time Demand Reduction Distribution Amount

FUEL ADJUSTMENT CLAUSE – Rider FAC
FUEL AND PURCHASE POWER ADJUSTMENT ELECTRIC
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FORMULAS AND DEFINITIONS OF COMPONENTS (continued)

SPP IM charge/revenue types that are included in the FAC (continued)
- Real Time Pseudo Tie Congestion Amount
- Real Time Pseudo Tie Losses Amount
- Unused Regulation Up Mileage Make Whole Payment Amount
- Unused Regulation Down Mileage Make Whole Payment Amount
- Revenue Neutrality Uplift Distribution Amount

Should FERC require any item covered by components FC, E, PP, TC, OSSR or R to be recorded in an account different than the FERC accounts listed in such components, such items shall nevertheless be included in component FC, E, PP, TC, OSSR or R. In the month that the Company begins to record items in a different account, the Company will file with the Commission the previous account number, the new account number and what costs or revenues that flow through the Rider FAC to be recorded in the account.

B = Net base energy costs ordered by the Commission in the last general rate case consistent with the costs and revenues included in the calculation of the FPA. Net Base Energy costs will be calculated as shown below:

S_{AP} x Base Factor ("BF")

S_{AP} = Net system input ("NSI") in kWh for the accumulation period

BF = Company base factor costs per kWh: $0.01542

J = Missouri Retail Energy Ratio = (MO Retail kWh sales + MO Losses) / (MO Retail kWh Sales + MO Losses + KS Retail kWh Sales + KS Losses + Sales for Resale, Municipals kWh Sales [includes border customers] + Sales for Resale, Municipals Losses)

MO Losses = 6.32%; KS Losses = 7.52%; Sales for Resale, Municipals Losses = 6.84%

T = True-up amount as defined below.

I = Interest applicable to (i) the difference between Missouri Retail ANEC and B for all kWh of energy supplied during an AP until those costs have been recovered; (ii) refunds due to prudence reviews ("P"), if any; and (iii) all under- or over-recovery balances created through operation of this FAC, as determined in the true-up filings ("T") provided for herein. Interest shall be calculated monthly at a rate equal to the weighted average interest paid on the Company's short-term debt, applied to the month-end balance of items (i) through (iii) in the preceding sentence.

P = Prudence disallowance amount, if any, as defined in this tariff.

FUEL ADJUSTMENT CLAUSE – Rider FAC
FUEL AND PURCHASE POWER ADJUSTMENT ELECTRIC
(Applicable to Service Provided June 8, 2017 through Effective Date of This Tarrif)

FORMULAS AND DEFINITIONS OF COMPONENTS (continued)

FAR = FPA/S_{RP}

Single Accumulation Period Transmission/Substation Voltage $FAR_{Trans/Sub} = FAR * VAF_{Trans/Sub}$
Single Accumulation Period Primary Voltage $FAR_{Prim} = FAR * VAF_{Prim}$
Single Accumulation Period Secondary Voltage $FAR_{Sec} = FAR * VAF_{Sec}$

Annual Primary Voltage $FAR_{Trans/Sub}$ = Aggregation of the two Single Accumulation Period Transmission/Substation Voltage FARs still to be recovered
Annual Primary Voltage FAR_{Prim} = Aggregation of the two Single Accumulation Period Primary Voltage FARs still to be recovered
Annual Secondary Voltage FAR_{Sec} = Aggregation of the two Single Accumulation Period Secondary Voltage FARs still to be recovered

Where:

FPA = Fuel and Purchased Power Adjustment

S_{RP} = Forecasted recovery period Missouri retail NSI in kWh, at the generation level

VAF = Expansion factor by voltage level
- $VAF_{Trans/Sub}$ = Expansion factor for transmission/substation and higher voltage level customers
- VAF_{Prim} = Expansion factor for between primary and trans/sub voltage level customers
- VAF_{Sec} = Expansion factor for lower than primary voltage customers

TRUE-UPS

After completion of each RP, the Company shall make a true-up filing by the filing date of its next FAR filing. Any true-up adjustments shall be reflected in component "T" above. Interest on the true-up adjustment will be included in component "I" above.

The true-up amount shall be the difference between the revenues billed and the revenues authorized for collection during the RP as well as any corrections identified to be included in the current FAR filing. Any corrections included will be discussed in the testimony accompanying the true-up filing.

PRUDENCE REVIEWS

Prudence reviews of the costs subject to this Rider FAC shall occur no less frequently than every eighteen months, and any such costs which are determined by the Commission to have been imprudently incurred or incurred in violation of the terms of this Rider FAC shall be returned to customers. Adjustments by Commission order, if any, pursuant to any prudence review shall be included in the FAR calculation in component "P" above unless a separate refund is ordered by the Commission. Interest on the prudence adjustment will be included in component "I" above.

FUEL ADJUSTMENT CLAUSE – Rider FAC
FUEL AND PURCHASE POWER ADJUSTMENT ELECTRIC
(Applicable to Service Provided Effective date of This Tariff Sheet and Thereafter)

DEFINITIONS

ACCUMULATION PERIODS, FILING DATES AND RECOVERY PERIODS: An accumulation period is the six calendar months during which the actual costs and revenues subject to this rider will be accumulated for the purposes of determining the Fuel Adjustment Rate ("FAR"). The two six-month accumulation periods each year through December 29, 2022 the two corresponding twelve-month recovery periods and the filing dates are as shown below. Each filing shall include detailed work papers in electronic format with formulas intact to support the filing.

Accumulation Periods	Filing Dates	Recovery Periods
January – June	By August 1	October – September
July – December	By February 1	April – March

A recovery period consists of the months during which the FAR is applied to retail customer billings on a per kilowatt-hour (kWh) basis.

COSTS AND REVENUES: Costs eligible for the Fuel and Purchased Power Adjustment ("FPA") will be the Company's allocated jurisdictional costs for the fuel component of the Company's generating units, purchased power energy charges including applicable Southwest Power Pool ("SPP") charges, emission allowance costs and amortizations, cost of transmission of electricity by others associated with purchased power and off system sales – all as incurred during the accumulation period. These costs will be offset by jurisdictional off-system sales revenues, applicable SPP revenues, and revenue from the sale of Renewable Energy Certificates or Credits ("REC"). Eligible costs do not include the purchased power demand costs associated with purchased power contracts in excess of one year. Likewise revenues do not include demand or capacity receipts associated with power contracts in excess of one year.

APPLICABILITY

The price per kWh of electricity sold to retail customers will be adjusted (up or down) periodically subject to application of the Rider FAC and approval by the Missouri Public Service Commission ("MPSC" or "Commission").

The FAR is the result of dividing the FPA by forecasted Missouri retail net system input ("S_{RP}") for the recovery period, expanded for Voltage Adjustment Factors ("VAF"), rounded to the nearest $0.00001, and aggregating over two accumulation periods. The amount charged on a separate line on retail customers' bills is equal to the current annual FAR multiplied by kWh billed.

FUEL ADJUSTMENT CLAUSE – Rider FAC
FUEL AND PURCHASE POWER ADJUSTMENT ELECTRIC
(Applicable to Service Provided Effective date of This Tariff Sheet and Thereafter)

FORMULAS AND DEFINITIONS OF COMPONENTS

FPA = 95% * ((ANEC – B) * J) + T + I + P

ANEC = Actual Net Energy Costs = (FC + E + PP + TC – OSSR - R)

FC = Fuel Costs Incurred to Support Sales:
The following costs reflected in FERC Account Number 501:
Subaccount 501000: coal commodity and transportation, side release and freeze conditioning agents, dust mitigation agents, applicable taxes, accessorial charges as delineated in railroad accessorial tariffs [additional crew, closing hopper railcar doors, completion of loading of a unit train and its release for movement, completion of unloading of a unit train and its release for movement, delay for removal of frozen coal, destination detention, diversion of empty unit train (including administration fee, holding charges, and out-of-route charges which may include fuel surcharge), diversion of loaded coal trains, diversion of loaded unit train fees (including administration fee, additional mileage fee or out-of-route charges which may include fuel surcharge), fuel surcharge, held in transit, hold charge, locomotive release, miscellaneous handling of coal cars, origin detention, origin re-designation, out-of-route charges (including fuel surcharge), out-of-route movement, pick-up of locomotive power, placement and pick-up of loaded or empty private coal cars on railroad supplied tracks, placement and pick-up of loaded or empty private coal cars on shipper supplied tracks, railcar storage, release of locomotive power, removal, rotation and/or addition of cars, storage charges, switching, trainset positioning, trainset storage, and weighing], unit train maintenance, leases, taxes and depreciation, natural gas costs, fuel quality adjustments, fuel adjustments included in commodity and transportation costs, broker commissions and fees (fees charged by an agent, or agent's company to facilitate transactions between buyers and sellers), oil costs for commodity, transportation, storage, taxes, fees, and fuel losses, coal and oil inventory adjustments, and insurance recoveries, subrogation recoveries and settlement proceeds for increased fuel expenses in the 501 Accounts.
Subaccount 501020: the allocation of the allowed costs in the 501000, 501300, and 501400 accounts attributed to native load;
Subaccount 501030: the allocation of the allowed costs in the 501000, 501300, and 501400 accounts attributed to off system sales;
Subaccount 501300: fuel additives and consumable costs for Air Quality Control Systems ("AQCS") operations, such as ammonia, hydrated lime, lime, limestone, limestone inventory adjustments, powder activated carbon, calcium bromide, sulfur, and RESPond, or other consumables which perform similar functions;
Subaccount 501400, 501420: residuals costs and revenues associated with combustion byproducts, slag and ash disposal costs and revenues including contractors, materials and other miscellaneous expenses.

The following costs reflected in FERC Account Number 518:
Subaccount 518000: nuclear fuel commodity and insurance recoveries, subrogation recoveries and settlement proceeds for increased fuel expenses in the 518 Accounts
Subaccount 518201: nuclear fuel waste disposal expense;
Subaccount 518100: nuclear fuel oil.

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FORMULAS AND DEFINITIONS OF COMPONENTS (continued)

The following costs reflected in FERC Account Number 547:

Subaccount 547000: natural gas and oil costs for commodity, transportation, storage, taxes, fees and fuel losses, and settlement proceeds, insurance recoveries, subrogation recoveries for increased fuel expenses, broker commissions and fees (fees charged by an agent, or agent's company to facilitate transactions between buyers and sellers);

Subaccount 547020: the allocation of the allowed costs in the 547000 and 547300 accounts attributed to native load;

Subaccount 547030: the allocation of the allowed costs in the 547000 and 547300 accounts attributed to off system sales;

Subaccount 547300: fuel additives and consumable costs for Air Quality Control Systems ("AQCS") operations, such as ammonia or other consumables which perform similar functions.

E = Net Emission Costs:
The following costs and revenues reflected in FERC Account Number 509:

Subaccount 509000: NOx and SO_2 emission allowance costs, broker commissions and fees (fees charged by an agent, or agent's company to facilitate transactions between buyers and sellers) offset by revenue amortizations and revenues from the sale of NOx and SO_2 emission allowances.

PP = Purchased Power Costs:
The following costs or revenues reflected in FERC Account Number 555:

Subaccount 555000: purchased power costs, energy charges from capacity purchases of any duration, insurance recoveries, and subrogation recoveries for purchased power expenses, broker commissions and fees (fees charged by an agent, or agent's company to facilitate transactions between buyers and sellers), charges and credits related to the SPP Integrated Marketplace ("IM") or other IMs, including energy, revenue neutrality, make whole and out of merit payments and distributions, over collected losses payments and distributions, Transmission Congestion Rights ("TCR") and Auction Revenue Rights ("ARR") settlements, virtual energy costs, revenues and related fees where the virtual energy transaction is a hedge in support of physical operations related to a generating resource or load, load/export charges, ancillary services including non-performance and distribution payments and charges and other miscellaneous SPP Integrated Market charges including uplift charges or credits, excluding amounts associated with portions of purchased power agreements dedicated to specific customers under the Renewable Energy Rider tariff;

Subaccount 555005: capacity charges for capacity purchases one year or less in duration;

Subaccount 555030: the allocation of the allowed costs in the 555000 account attributed to purchases for off system sales.

FUEL ADJUSTMENT CLAUSE – Rider FAC
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FORMULAS AND DEFINITIONS OF COMPONENTS (continued)

TC = Transmission Costs:
The following costs reflected in FERC Account Number 565:
Subaccount 565000: non-SPP transmission used to serve off system sales or to make purchases for load and 6.86% of the SPP transmission service costs which includes the schedules listed below as well as any adjustment to the charges in the schedules below:

- Schedule 7 – Long Term Firm and Short Term Point to Point Transmission Service
- Schedule 8 – Non Firm Point to Point Transmission Service
- Schedule 9 – Network Integration Transmission Service
- Schedule 10 – Wholesale Distribution Service
- Schedule 11 – Base Plan Zonal Charge and Region Wide Charge

excluding amounts associated with portions of purchased power agreements dedicated to specific customers under the Renewable Energy Rider tariff.
Subaccount 565020: the allocation of the allowed costs in the 565000 account attributed to native load;
Subaccount 565027: the allocation of the allowed costs in the 565000 account attributed to transmission demand charges;
Subaccount 565030: the allocation of the allowed costs in the 565000 account attributed to off system sales.

OSSR = Revenues from Off-System Sales:
The following revenues or costs reflected in FERC Account Number 447:
Subaccount 447020: all revenues from off-system sales. This includes charges and credits related to the SPP IM, or other IMs, including, energy, ancillary services, revenue sufficiency (such as make whole payments and out of merit payments and distributions), revenue neutrality payments and distributions, over collected losses payments and distributions, TCR and ARR settlements, demand reductions, virtual energy costs and revenues and related fees where the virtual energy transaction is a hedge in support of physical operations related to a generating resource or load, generation/export charges, ancillary services including non-performance and distribution payments and SPP uplift revenues or credits, but excluding (a) amounts associated with portions of purchased power agreements dedicated to specific customers under the Renewable Energy Rider tariff, and (b) amounts associated with generation assets dedicated, as of the date BF was determined, to specific customers under the Renewable Energy Rider tariff, and (c) off-system sales revenues from full and partial requirements sales to municipalities that are served through bilateral contracts in excess of one year;
Subaccount 447012: capacity charges for capacity sales one year or less in duration;
Subaccount 447014: miscellaneous fixed costs;
Subaccount 447030: the allocation of the includable sales in account 447020 not attributed to retail sales.

R = Renewable Energy Credit Revenue:
Revenues reflected in FERC account 509000 from the sale of Renewable Energy Credits that are not needed to meet the Renewable Energy Standards.

Any cost identified above which is a Missouri-only cost shall be grossed up by the current kWh energy factor, included in the ANEC calculation and allocated as indicated in component J below. Any cost identified above which is a Kansas-only cost shall be excluded from the ANEC calculation.

FUEL ADJUSTMENT CLAUSE – Rider FAC
FUEL AND PURCHASE POWER ADJUSTMENT ELECTRIC
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FORMULAS AND DEFINITIONS OF COMPONENTS (continued)

Costs and revenues not specifically detailed in Factors FC, PP, E, TC, OSSR, or R shall not be included in the Company's FAR filings; provided however, in the case of Factors PP, TC or OSSR, the market settlement charge types under which SPP or another centrally administered market (e.g., PJM or MISO) bills/credits a cost or revenue need not be detailed in Factors PP or OSSR for the costs or revenues to be considered specifically detailed in Factors PP or OSSR; and provided further, should the SPP or another centrally administered market (e.g. PJM or MISO) implement a new market settlement charge type not listed below or a new schedule not listed in TC:

A. The Company may include the new schedule, charge type cost or revenue in its FAR filings if the Company believes the new schedule, charge type cost or revenue possesses the characteristics of, and is of the nature of, the costs or revenues listed below or in the schedules listed in TC, as the case may be, subject to the requirement that the Company make a filing with the Commission as outlined in B below and also subject to another party's right to challenge the inclusion as outlined in E. below;

B. The Company will make a filing with the Commission giving the Commission notice of the new schedule or charge type no later than 60 days prior to the Company including the new schedule, charge type cost or revenue in a FAR filing. Such filing shall identify the proposed accounts affected by such change, provide a description of the new charge type demonstrating that it possesses the characteristics of, and is of the nature of, the costs or revenues listed in factors PP, TC or OSSR as the case may be, and identify the preexisting schedule, or market settlement charge type(s) which the new schedule or charge type replaces or supplements;

C. The Company will also provide notice in its monthly reports required by the Commission's fuel adjustment clause rules that identifies the new schedule, charge type costs or revenues by amount, description and location within the monthly reports;

D. The Company shall account for the new schedule, charge type costs or revenues in a manner which allows for the transparent determination of current period and cumulative costs or revenues;

E. If the Company makes the filing provided for in B above and a party challenges the inclusion, such challenge will not delay approval of the FAR filing. To challenge the inclusion of a new schedule or charge type, a party shall make a filing with the Commission based upon that party's contention that the new schedule, charge type costs or revenues at issue should not have been included, because they do not possess the characteristics of the schedules, costs or revenues listed in Factors PP, TC or OSSR, as the case may be. A party wishing to challenge the inclusion of a schedule or charge type shall include in its filing the reasons why it believes the Company did not show that the new schedule or charge type possesses the characteristics of the costs or revenues listed in Factors TC, PP or OSSR, as the case may be, and its filing shall be made within 30 days of the Company's filing under B above. In the event of a timely challenge, the Company shall bear the burden of proof to support its decision to include a new schedule or charge type in a FAR filing. Should such challenge be upheld by the Commission, any such costs will be refunded (or revenues retained) through a future FAR filing in a manner consistent with that utilized for Factor P; and

FUEL ADJUSTMENT CLAUSE – Rider FAC
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FORMULAS AND DEFINITIONS OF COMPONENTS (continued)

F. A party other than the Company may seek the inclusion of a new schedule or charge type in a FAR filing by making a filing with the Commission no less than 60 days before the Company's next FAR filing date of August 1 or February 1. Such a filing shall give the Commission notice that such party believes the new schedule or charge type should be included because it possesses the characteristics of, and is of the nature of, the costs or revenues listed in factors PP, TC or OSSR, as the case may be. The party's filing shall identify the proposed accounts affected by such change, provide a description of the new schedule or charge type demonstrating that it possesses the characteristics of, and is of the nature of, the schedules, costs or revenues listed in factors PP, TC or OSSR as the case may be, and identify the preexisting schedule or market settlement charge type(s) which the new schedule or charge type replaces or supplements. If a party makes the filing provided for by this paragraph F and a party (including the Company) challenges the inclusion, such challenge will not delay inclusion of the new schedule or charge type in the FAR filing or delay approval of the FAR filing. To challenge the inclusion of a new schedule or charge type, the challenging party shall make a filing with the Commission based upon that party's contention that the new schedule or charge type costs or revenues at issue should not have been included, because they do not possess the characteristics of the schedules, costs or revenues listed in Factors PP, TC, or OSSR, as the case may be. The challenging party shall make its filing challenging the inclusion and stating the reasons why it believes the new schedule or charge type does not possess the characteristic of the costs or revenues listed in Factors PP, TC or OSSR, as the case may be, within 30 days of the filing that seeks inclusion of the new schedule or charge type. In the event of a timely challenge, the party seeking the inclusion of the new schedule or charge type shall bear the burden of proof to support its contention that the new schedule or charge type should be included in the Company's FAR filings. Should such challenge be upheld by the Commission, any such costs will be refunded (or revenues retained) through a future FAR filing in a manner consistent with that utilized for Factor P.

SPP IM charge/revenue types that are included in the FAC are listed below:

Day Ahead Regulation Down Service Amount
Day Ahead Regulation Down Service Distribution Amount
Day Ahead Regulation Up Service Amount
Day Ahead Regulation Up Service Distribution Amount
Day Ahead Spinning Reserve Amount
Day Ahead Spinning Reserve Distribution Amount
Day Ahead Supplemental Reserve Amount
Day Ahead Supplemental Reserve Distribution Amount
Real Time Contingency Reserve Deployment Failure Amount
Real Time Contingency Reserve Deployment Failure Distribution Amount
Real Time Regulation Service Deployment Adjustment Amount
Real Time Regulation Down Service Amount
Real Time Regulation Down Service Distribution Amount
Real Time Regulation Non-Performance
Real Time Regulation Non-Performance Distribution
Real Time Regulation Up Service Amount
Real Time Regulation Up Service Distribution Amount
Real Time Spinning Reserve Amount

FUEL ADJUSTMENT CLAUSE – Rider FAC
FUEL AND PURCHASE POWER ADJUSTMENT ELECTRIC
(Applicable to Service Provided Effective date of This Tariff Sheet and Thereafter)

FORMULAS AND DEFINITIONS OF COMPONENTS (continued)

SPP IM charge/revenue types that are included in the FAC (continued)

- Real Time Spinning Reserve Distribution Amount
- Real Time Supplemental Reserve Amount
- Real Time Supplemental Reserve Distribution Amount
- Day Ahead Asset Energy
- Day Ahead Non-Asset Energy
- Day Ahead Virtual Energy Amount
- Real Time Asset Energy Amount
- Real Time Non-Asset Energy Amount
- Real Time Virtual Energy Amount
- Transmission Congestion Rights Funding Amount
- Transmission Congestion Rights Daily Uplift Amount
- Transmission Congestion Rights Monthly Payback Amount
- Transmission Congestion Rights Annual Payback Amount
- Transmission Congestion Rights Annual Closeout Amount
- Transmission Congestion Rights Auction Transaction Amount
- Auction Revenue Rights Funding Amount
- Auction Revenue Rights Uplift Amount
- Auction Revenue Rights Monthly Payback Amount
- Auction Revenue Annual Payback Amount
- Auction Revenue Rights Annual Closeout Amount
- Day Ahead Virtual Energy Transaction Fee Amount
- Day Ahead Demand Reduction Amount
- Day Ahead Demand Reduction Distribution Amount
- Day Ahead Grandfathered Agreement Carve Out Daily Amount
- Grandfathered Agreement Carve Out Distribution Daily Amount
- Day Ahead Grandfathered Agreement Carve Out Monthly Amount
- Grandfathered Agreement Carve Out Distribution Monthly Amount
- Day Ahead Grandfathered Agreement Carve Out Yearly Amount
- Grandfathered Agreement Carve Out Distribution Yearly Amount
- Day Ahead Make Whole Payment Amount
- Day Ahead Make Whole Payment Distribution Amount
- Miscellaneous Amount
- Reliability Unit Commitment Make Whole Payment Amount
- Real Time Out of Merit Amount
- Reliability Unit Commitment Make Whole Payment Distribution Amount
- Over Collected Losses Distribution Amount
- Real Time Joint Operating Agreement Amount
- Real Time Reserve Sharing Group Amount
- Real Time Reserve Sharing Group Distribution Amount
- Real Time Demand Reduction Amount
- Real Time Demand Reduction Distribution Amount

FUEL ADJUSTMENT CLAUSE – Rider FAC
FUEL AND PURCHASE POWER ADJUSTMENT ELECTRIC
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FORMULAS AND DEFINITIONS OF COMPONENTS (continued)

SPP IM charge/revenue types that are included in the FAC (continued)
- Real Time Pseudo Tie Congestion Amount
- Real Time Pseudo Tie Losses Amount
- Unused Regulation Up Mileage Make Whole Payment Amount
- Unused Regulation Down Mileage Make Whole Payment Amount
- Revenue Neutrality Uplift Distribution Amount

Should FERC require any item covered by components FC, E, PP, TC, OSSR or R to be recorded in an account different than the FERC accounts listed in such components, such items shall nevertheless be included in component FC, E, PP, TC, OSSR or R. In the month that the Company begins to record items in a different account, the Company will file with the Commission the previous account number, the new account number and what costs or revenues that flow through the Rider FAC to be recorded in the account.

B = Net base energy costs ordered by the Commission in the last general rate case consistent with the costs and revenues included in the calculation of the FPA. Net Base Energy costs will be calculated as shown below:

S_{AP} x Base Factor ("BF")

S_{AP} = Net system input ("NSI") in kWh for the accumulation period

BF = Company base factor costs per kWh: $0.01635

J = Missouri Retail Energy Ratio = (MO Retail kWh sales + MO Losses) / (MO Retail kWh Sales + MO Losses + KS Retail kWh Sales + KS Losses + Sales for Resale, Municipals kWh Sales [includes border customers] + Sales for Resale, Municipals Losses)
MO Losses = 6.32%; KS Losses = 7.52%; Sales for Resale, Municipals Losses = 6.84%

T = True-up amount as defined below.

I = Interest applicable to (i) the difference between Missouri Retail ANEC and B for all kWh of energy supplied during an AP until those costs have been recovered; (ii) refunds due to prudence reviews ("P"), if any; and (iii) all under- or over-recovery balances created through operation of this FAC, as determined in the true-up filings ("T") provided for herein. Interest shall be calculated monthly at a rate equal to the weighted average interest paid on the Company's short-term debt, applied to the month-end balance of items (i) through (iii) in the preceding sentence.

P = Prudence disallowance amount, if any, as defined in this tariff.

FUEL ADJUSTMENT CLAUSE – Rider FAC
FUEL AND PURCHASE POWER ADJUSTMENT ELECTRIC
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FORMULAS AND DEFINITIONS OF COMPONENTS (continued)

FAR = FPA/S_{RP}

Single Accumulation Period Transmission Voltage FAR_{Trans} = FAR * VAF_{Trans}
Single Accumulation Period Substation Voltage FAR_{Sub} = FAR * VAF_{Sub}
Single Accumulation Period Primary Voltage FAR_{Prim} = FAR * VAF_{Prim}
Single Accumulation Period Secondary Voltage FAR_{Sec} = FAR * VAF_{Sec}

Annual Primary Voltage FAR_{Trans} = Aggregation of the two Single Accumulation Period Transmission Voltage FARs still to be recovered
Annual Primary Voltage FAR_{Sub} = Aggregation of the two Single Accumulation Period Substation Voltage FARs still to be recovered
Annual Primary Voltage FAR_{Prim} = Aggregation of the two Single Accumulation Period Primary Voltage FARs still to be recovered
Annual Secondary Voltage FAR_{Sec} = Aggregation of the two Single Accumulation Period Secondary Voltage FARs still to be recovered

Where:

FPA = Fuel and Purchased Power Adjustment

S_{RP} = Forecasted recovery period Missouri retail NSI in kWh, at the generation level

VAF = Expansion factor by voltage level
- VAF_{Trans} = Expansion factor for transmission voltage level customers
- VAF_{Sub} = Expansion factor for substation to transmission voltage level customers
- VAF_{Prim} = Expansion factor for between primary and substation voltage level customers
- VAF_{Sec} = Expansion factor for lower than primary voltage customers

FORMULAS AND DEFINITIONS OF COMPONENTS (continued)

TRUE-UPS

After completion of each RP, the Company shall make a true-up filing by the filing date of its next FAR filing. Any true-up adjustments shall be reflected in component "T" above. Interest on the true-up adjustment will be included in component "I" above.

The true-up amount shall be the difference between the revenues billed and the revenues authorized for collection during the RP as well as any corrections identified to be included in the current FAR filing. Any corrections included will be discussed in the testimony accompanying the true-up filing.

PRUDENCE REVIEWS

Prudence reviews of the costs subject to this Rider FAC shall occur no less frequently than every eighteen months, and any such costs which are determined by the Commission to have been imprudently incurred or incurred in violation of the terms of this Rider FAC shall be returned to customers. Adjustments by Commission order, if any, pursuant to any prudence review shall be included in the FAR calculation in component "P" above unless a separate refund is ordered by the Commission. Interest on the prudence adjustment will be included in component "I" above.

FUEL ADJUSTMENT CLAUSE – Rider FAC
FUEL AND PURCHASE POWER ADJUSTMENT ELECTRIC
(Applicable to Service Provided Effective date of This Tariff Sheet and Thereafter)

Accumulation Period Ending:			
			KCPL-MO
1	Actual Net Energy Cost (ANEC) = (FC+E+PP+TC-OSSR-R)		$0
2	Net Base Energy Cost (B)	-	$0
	2.1 Base Factor (BF)		$0.01635
	2.2 Accumulation Period NSI (S_{AP})		0
3	(ANEC-B)		$0
4	Jurisdictional Factor (J)	*	0%
5	(ANEC-B)*J		$0
6	Customer Responsibility	*	95%
7	95% *((ANEC-B)*J)		$0
8	True-Up Amount (T)	+	$0
9	Interest (I)	+	$0
10	Prudence Adjustment Amount (P)	+	$0
11	Fuel and Purchased Power Adjustment (FPA)	=	$0
12	Estimated Recovery Period Retail NSI (S_{RP})	÷	0
13	Current Period Fuel Adjustment Rate (FAR)	=	$0.00000
15	Current Period FAR_{Trans} = FAR x VAF_{Trans}		$0.00000
16	Prior Period FAR_{Trans}	+	$0.00000
17	Current Annual FAR_{Trans}	=	$0.00000
15	Current Period FAR_{Sub} = FAR x VAF_{Sub}		$0.00000
16	Prior Period FAR_{Sub}	+	$0.00000
17	Current Annual FAR_{Sub}	=	$0.00000
18			
19	Current Period FAR_{Prim} = FAR x VAF_{Prim}		$0.00000
20	Prior Period FAR_{Prim}	+	$0.00000
21	Current Annual FAR_{Prim}	=	$0.00000
22			
23	Current Period FAR_{Sec} = FAR x VAF_{Sec}		$0.00000
24	Prior Period FAR_{Sec}	+	$0.00000
25	Current Annual FAR_{Sec}	=	$0.00000
26	VAF_{Trans} = 1.0195		
27	VAF_{Sub} = 1.0195		
28	VAF_{Prim} = 1.0451		
29	VAF_{Sec} = 1.0707		

SCHEDULE TMR-4

THIS DOCUMENT CONTAINS CONFIDENTIAL INFORMATION NOT AVAILABLE TO THE PUBLIC ORIGINAL FILED UNDER SEAL

CLEAN CHARGE NETWORK
Schedule CCN

PURPOSE

The Company owns electric vehicle (EV) charging stations throughout its Missouri service territory that are available to the public for purpose of charging an EV and may be used by any EV owner who resides either within or outside the Company's Missouri service territory.

AVAILABILITY

This rate schedule applies to all energy provided to charge EVs at the Company's public EV charging stations. EV charging service will be available at the Company-owned EV charging stations installed at Company and Host locations. The EV charging stations are accessed by using a card provided to users with an established account from the Company's third party vendor.

HOST PARTICIPATION

EV charging stations are located at Company and Host sites. A Host is an entity within the Company's Missouri service territory that applies for and agrees to locate one or more Company EV charging stations upon their premise(s). Host applications will be evaluated for acceptance based on each individual site and application. If a Host's application is approved, the Host must execute an agreement with the Company covering the terms and provisions applicable to the EV charging station(s) upon their premise(s). No Host shall receive any compensation for locating an EV charging station upon their premise(s).

The maximum number of EV charging stations identified by the Company for its Missouri service territory under this Schedule CCN is 550. The Company may not exceed 550 EV charging stations under this tariff without approval of the State Regulatory Commission.

PROGRAM ADMINISTRATION

Charges under this Schedule CCN will be administered and billed through either the Company's third party vendor on behalf of the Company, or directly by the Company depending on the Billing Option chosen by the Host.

BILLING OPTIONS

The charges applicable to an EV charging station session shall include an Energy Charge for each kilowatt-hour (kWh) provided to charge an EV, and an optional Session Overstay Charge dependent on the Billing Option chosen by the Host.

CLEAN CHARGE NETWORK
Schedule CCN

BILLING OPTIONS (continued)

A Host may choose between one of two Billing Options for all EV charging stations located upon their premise(s). The Host's agreement with the Company will identify the chosen Billing Option applicable to the EV charging stations located on its premise(s). The EV charging station screen, and third party vendor's customer web portal, identify the applicable Energy and Session Overstay Charges that will be the responsibility of the user at each EV charging station location.

Option 1: The Host pays the kilowatt-hour (kWh) Energy Charge plus applicable taxes and fees, and, if applicable, the EV charging station user pays the Session Overstay Charge.

Option 2: The EV charging station user pays the kilowatt-hour (kWh) Energy Charge plus applicable taxes and fees, and, if applicable, the Session Overstay Charge.

RATES FOR SERVICE

The EV charging station screen and third party vendor's customer web portal will identify both the: (1) per kWh rate as equal to the Energy Charge plus applicable taxes and fees; and (2) any Session Overstay Charge rate(s) applicable to that charging station.

A. Energy Charge (per kWh)

Level 2:	$0.20000
Level 3:	$0.25000

B. Session Overstay Charge (optional) (per hour): $0.00 - $6.00

The Energy Charge shall be defined as a flat rate per kWh, and reflect the inclusion of both the Demand Side Investment Mechanism Rider (DSIM) and Fuel Adjustment Clause (FAC).

A Session shall be defined as the period of time an EV is connected to the EV charging station. The Session Overstay Charge is an option that can be implemented at the discretion of the Host and Company to promote improved utilization of the EV charging station(s) located upon their premise.

CLEAN CHARGE NETWORK
Schedule CCN

RATES FOR SERVICE (continued)

The optional Session Overstay Charge will be configured within the following guidelines as either Charge-Based or Time-Based at the discretion of the Host.

(i) Charge-Based – A charge-based Session Overstay Charge starts when the EV has stopped charging (but is still connected to the EV charging station) plus a defined grace period granting the user time to end the Charge Session and move the EV.

(ii) Time-Based – A time-based Session Overstay Charge starts at either the time of initial EV plug-in, or a predefined time in an active Charge Session (*e.g.*, two hours after initial plug-in) at the Host's discretion and may increase to a higher rate at a subsequent predefined time in an active Charge Session (*e.g.*, four hours after initial plug-in).

Session Overstay Charges for fractional hours will be prorated. The Session Overstay Charge rate may not exceed $6.00 per hour.

BILLING

All users of the Company's public EV charging stations must have an account with the Company's third party vendor. Information on opening an account can be found on the Company's website at http://kcpl.chargepoint.com.

All charges applicable to any user of an EV charging station under Billing Option 1 or 2 will be billed directly through the Company's third party vendor. All charges applicable to the Host under Billing Option 1 will be billed directly through the Company.

TAX ADJUSTMENT

Tax Adjustment, Schedule TA, shall be applicable to all customer billings under this schedule.

REGULATIONS

Subject to Rules and Regulations filed with the State Regulatory Commission.