

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 27th day of
February, 2019.

In the Matter of Kansas City Power & Light)
Company's Application for Authority to Establish a)
Demand-Side Programs Investment Mechanism)
File No. EO-2019-0132

In the Matter of KCP&L Greater Missouri Operations)
Application for Authority to Establish a Demand-)
Side Programs Investment Mechanism)
File No. EO-2019-0133

ORDER APPROVING STIPULATION AND AGREEMENT

Issue Date: February 27, 2019

Effective Date: March 17, 2019

Background

On November 29, 2018, Kansas City Power & Light Company ("KCP&L") and KCP&L Greater Missouri Operations Company ("GMO")(collectively, "the Company") applied to the Commission for approval of certain demand-side programs, a Technical Resource Manual, and a Demand-Side Investment Mechanism, as contemplated by the Missouri Energy Efficiency Investment Act ("MEEIA") and the Commission's implementing regulations. Contemporaneously therewith, the Company filed implementing tariffs bearing an effective date of April 1, 2019.¹ This filing is the Company's 2019-2022 MEEIA filing, otherwise known as Cycle 3.

On December 27, 2018, the Commission granted intervention requests from: West Side Housing Organization; National Housing Trust; Spire, Missouri, Inc.; The Missouri

¹ Tariff Nos. YE-2019-0103 and JE-2019-0104.

Department of Economic Development - Division of Energy; Midwest Energy Consumers Group; Renew Missouri Advocates d/b/a Renew Missouri; and Natural Resources Defense Council.

Stipulation

On February 15, 2019, the Company, the Staff of the Commission, the Office of the Public Counsel, the Missouri Department of Economic Development – Division of Energy, and Renew Missouri Advocates d/b/a Renew Missouri filed a Stipulation and Agreement Regarding Extension of MEEIA 2 Programs During Pendency of MEEIA 3 Case (“Stipulation”).² Contemporaneously therewith, the Company filed tariffs to implement the Stipulation. The tariffs bear an effective date of March 17, 2019.³

The Stipulation provides:

- MEEIA Cycle 2 will be extended for up to nine months, with a new end date of not later than December 31, 2019;
- With some exceptions, the total cycle budget, Plan Energy (kWh) and Demand (kW) savings targets, and Earnings Opportunity (EO) targets and caps will increase by 25%;
- The Company will work with Staff to determine avoided costs, and the parties will make a filing no later than May 1, 2019 stating whether they agree to the avoided costs, indicating that further negotiations will continue, or that the parties cannot agree and will ask for a procedural schedule

Decision

Commission Rule 4 CSR 240-2.115 allows the Commission to treat a non-unanimous stipulation as if it were unanimous if no party objects within seven days of the stipulation’s filing. No party objected; indeed, the Stipulation stated that the non-

² The Commission approved the Company’s Cycle 2 MEEIA plan on March 2, 2016 in File Nos. EO-2015-0240 and EO-2015-0241.

³ Tariff Nos. YE-2019-0157, YE-2019-0158, and YE-2019-0159.

signatories did not object. The Commission will treat the Stipulation as unanimous because no party objects.

Under MEEIA, and with Commission approval, electric utilities may offer demand-side programs and special incentives to participating customers designed to put demand-side initiatives on equal footing with traditional supply-side resources. In order to accomplish that equal footing, the law requires the Commission to do three things:

- (1) Provide timely cost recovery for utilities;
- (2) Ensure that utility financial incentives are aligned with helping customers to use energy more efficiently and in a manner that sustains or enhances utility customers' incentives to use energy more efficiently; and
- (3) Provides timely earnings opportunities associated with cost-effective measurable and verifiable savings⁴

Commission Rule 4 CSR 240-20.094(4)(H) states that the Commission shall approve, approve with modification acceptable to the Company, or reject MEEIA applications within 120 days of their filing. Based on these rules, the MEEIA statute, and the Commission's review of the Stipulation, the Commission finds that the Stipulation meets the aforementioned MEEIA standards. Therefore, the Commission will approve the Stipulation.

THE COMMISSION ORDERS THAT:

1. The Stipulation and Agreement Regarding Extension of MEEIA 2 Programs During Pendency of MEEIA 3 Case filed on February 1, 2019, which is Exhibit 1 to this order, is approved, and its signatories shall comply with its terms.

2. Tariffs No. YE-2019-0103 and JE-2019-0104 are rejected.

3. Tariffs No. YE-2019-0157, YE-2019-0158, and YE-2019-0159 are approved effective March 17, 2019.

⁴ Section 393.1075.3 RSMo.

4. This order shall become effective on March 17, 2019.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff". The signature is written in a cursive, flowing style.

Morris L. Woodruff
Secretary

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

Pridgin, Deputy Chief Regulatory Law Judge