

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 10th day of
February, 2016.

In the Matter of KCP&L Greater Missouri)	
Operations Company for Authority to Implement)	<u>File No. ER-2016-0165</u>
Rate Adjustments Required by 4 CSR 240-20.090(4))	Tracking No. JE-2016-0170
And the Company's Approved Fuel and)	
Purchased Power Cost Recovery Mechanism)	

**ORDER APPROVING TARIFF TO CHANGE FUEL ADJUSTMENT CLAUSE
RATES**

Issue Date: February 10, 2016

Effective Date: March 1, 2016

On December 30, 2015, KCP&L Greater Missouri Operations Company ("GMO") filed a tariff sheet to adjust the company's Fuel Adjustment Rates ("FAR") pursuant to its Fuel Adjustment Clause ("FAC"). With its tariff sheet, GMO also filed the testimony of witness Linda Nunn and GMO's workpapers. On January 11, 2016, GMO submitted a substitute tariff sheet to reflect a portion of transmission costs excluded in the prior filing. While this caused a slight change to the actual net energy charge, GMO states that it did not change the FAR. The submitted tariff sheet bears an effective date of March 1, 2016.

For the accumulation period June 2015 through November 2015, the net costs for GMO to provide energy to its customers decreased. GMO's actual FAC includable costs did not reach the fuel and purchased power base costs included in rates. In accordance with GMO's FAC, the proposed rate schedules are designed to return to customers 95% of the cost changes. GMO consists of two jurisdictions, "MPS" and "L&P." The requested

adjustment would decrease a typical “MPS” residential customer’s bill by approximately \$2.42 per month and decrease a typical “L&P” residential customer’s bill by approximately \$1.76 per month.¹

On January 29, 2016, the Staff of the Commission filed a recommendation to approve GMO’s FAC tariff sheet adjustment. Staff verified that the actual fuel and purchased power costs less off-system sales revenues match the fuel and purchased power costs less off-system sales revenue in GMO’s revised tariff sheet.² Staff also reviewed GMO’s monthly interest rates that are applied to the under/over recovery of base fuel and purchased power costs for Accumulation Period 17, and verified that the monthly interest rates and calculations of interest amounts are correct.

Based on the direct testimony of Linda Nunn and the recommendation of Staff, the Commission will approve GMO’s proposed rate schedule. Since there are no objections to the proposed rate schedule and Commission rule 4 CSR 240-20.090(4) requires the Commission to approve or reject GMO’s tariff within sixty days of the filing, the Commission will allow this order to go into effect in less than thirty days.

THE COMMISSION ORDERS THAT:

1. KCP&L Greater Missouri Operations Company’s tariff sheet, assigned Tracking No. JE-2016-0170, is approved to go into effect on March 1, 2016. The specific tariff sheet approved is the following:

PSC MO. No. 1

11th Revised Sheet No. 127, Canceling 10th Revised Sheet No. 127

¹ These estimates are based on an average use of 868 kWh per month.

² On January 3, 2013, the Commission granted GMO a waiver from 4 CSR 240-20.100(6)(A)16, which prevents GMO from recovering renewable energy standard costs through its FAC, with GMO working with Staff to resolve treatment of those costs. The waiver remains in effect and Staff and the company are still working to resolve the treatment of fuel costs related to the St. Joseph Landfill Gas Facility.

2. This order shall be effective on March 1, 2016
3. This file shall be closed on March 2, 2016.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

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

Burton, Regulatory Law Judge.