STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 16th day of March, 2016.

In the Matter of Veolia Energy Kansas City Inc.'s Adjustment to Its PACC Tariff Adjustment Tariff

File No. HO-2016-0193 Tracking No. YH-2016-0192

ORDER APPROVING PACC FILING

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Issue Date: March 16, 2016

Effective Date: April 1, 2016

On January 29, 2016, Veolia Energy Kansas City, Inc. ("Veolia") filed tariff sheets (Tracking No. YH-2016-0192) to revise its Production Adjustment Cost Clause ("PACC") rates for steam service for the twelve months beginning April 1, 2016 through March 31, 2017. Veolia's PACC adjustment is required under the terms of a stipulation and agreement approved by the Commission in Veolia's last general rate case, File No. HR-2014-0066.¹ This is Veolia's first PACC adjustment filing since the stipulation and agreement went into effect.

Veolia's proposed PACC tariff sheets reflect a reduction in customer bills for the customer share of fuel cost variations during the 2015 calendar year. The revised PACC rider shows a negative charge per million pounds of \$0.17905.² Veolia submitted the direct testimony of Matthew Digeronimo in support of the proposed PACC tariff sheets.

¹ The Commission's order approving the stipulation and agreement went into effect on August 1, 2014.

² Veolia currently has approximately fifty steam customers. To determine the amount of each customer's responsibility, the PACC adjustment fact is multiplied by the actual steam sales during the accumulation period, with the resulting dollar amount charged or credited to the customer in twelve equal installments.

The Commission issued an order directing notice be provided of Veolia's filing and set a deadline for applications to intervene. No applications were received.

On February 29, the Commission's Staff filed a recommendation on Veolia's PACC tariff sheets. Staff evaluated the data and mathematical calculations provided by Veolia in its worksheets and found the calculations to be consistent with Veolia's proposed tariff sheets and the company's tariff for determining PACC. Staff recommended the Commission approve the PACC tariff sheets. No responses to Staff's recommendation were received.

Based on the direct testimony of Matthew Digeronimo and the recommendation of Staff, the Commission will approve Veolia's PACC tariff sheets. Since there are no objections to the proposed tariff sheets and Staff recommends approval for service on and after April 1, the requested effective date, the Commission will allow this order to go into effect in less than thirty days.

THE COMMISSION ORDERS THAT:

1. Veolia Energy Kansas City, Inc.'s tariff sheets, assigned Tracking No. YH-2016-0192, are approved to go into effect on April 1, 2016. The specific tariff sheets approved are the following:

> P.S.C. MO. NO 1 1st Revised Sheet No. 36 Cancelling Original Sheet No. 36 1st Revised Sheet No. 37 Cancelling Original Sheet No. 37

2. This order shall be effective on April 1, 2016.

3. This file shall be closed on April 2, 2016.



BY THE COMMISSION

Morris I Woodruf

Morris L. Woodruff Secretary

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

Burton, Senior Regulatory Law Judge.