BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of the Application of The Cathedral Square Corporation, a Missouri Non-Profit Corporation, For a Variance from Kansas City Power & Light Company's General Rules and Regulations Requiring Individual Metering

Case No. EO-2012-0141

STIPULATION AND AGREEMENT

COME NOW the Staff of the Missouri Public Service Commission ("Staff"), The Cathedral Square Corporation ("CSC"), and Kansas City Power & Light Company ("KCP&L") (collectively, the "Signatories"). The Signatories agree to resolve all issues in the above-captioned case as described in this Stipulation and Agreement ("Agreement"). The parties hereby state, agree and covenant as follows:

RECITALS

A. CSC is the owner of the real property and its improvements, a high-rise residential apartment building (referred to herein as "Cathedral Square Tower"), located at 444 W. 12th Street in downtown Kansas City, Jackson County, Missouri (the "CSC Property").¹

B. CSC began construction of the 156 apartment unit building on the CSC Property in 1977, and completed the project in 1979.

C. KCP&L provides electricity to Cathedral Square Tower, and the electricity supplied to each of the residential apartment units in the Cathedral Square Tower is metered by

¹ The legal description of the CSC Property is: All that part of the Southeast ¹/₄ of the Northeast ¹/₄ of Section 6, Township 49, Range 33, described as follows: beginning at the intersection of the East line of Washington and the South line of 11th; thence East along the South line of 11th, 129 feet; thence South 270 feet to the North line of 12th Street; thence West along the North line of 12th, 129 feet to its intersection with the East line of Washington; thence North along the East line of Washington, 270 feet to the point of beginning, all in Kansas City, Jackson County, Missouri.

separate, individual meters for each of the 156 units, as well as a master meter for the common areas. This has been the metering system since 1979.

D. Rule 4 CSR 240-20.050(2), which provides that "each residential and commercial unit in a multiple-occupancy building construction of which has begun after June 1, 1981 shall have installed a separate electric meter for each residential or commercial unit" does not apply to Cathedral Square Tower, because it was constructed before 1981.

E. The KCP&L tariff on file with the Commission, *Kansas City Power & Light Company P.S.C.Mo. No. 2, Second Revised, Sheet No. 1.18*, Section 5.01, requires Cathedral Square Tower to have individual electric meters for each residential unit.

F. In November 2011, CSC filed an *Application for Variance from Kansas City Power & Light Company's General Rules and Regulations Requiring Individual Metering*, with the Missouri Public Service Commission ("Commission"), Case No. EO-2012-0141.

G. CSC, in general, requested in its *Application for Variance*, that KCP&L amend its tariff to allow CSC to consolidate the 156 individual meters into one master meter at Cathedral Square Tower.

H. The matter was set for hearing before the Commission on April 17, 2012. Prior to the hearing, KCP&L and CSC agreed in principle to settle Case No. EO-2012-0141.

I. This Settlement Agreement is to govern the parties' desire and intention to settle Case No. EO-2012-0141, as set forth herein.

NOW, THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Request to Commission to Grant Variance.

(a) KCP&L and CSC agree to request that the Commission order KCP&L to change its tariff to add the following language (emphasized in bold) to Rule 5.01 of KCP&L Tariff Sheet No. 1.18, and that the Commission grant the variance to allow the consolidation of the 156 individual electric meters into one master meter after KCP&L's tariff is so changed:

5.01 INDIVIDUAL METERING FOR SEPARATE PREMISES: Except as otherwise provided in this Rule 5 or if the Commission has granted a variance **pursuant to Commission Rule 4 CSR 240-20.050(5) permitting otherwise,** the occupant of each separate premises in or on any multiple occupancy premises will be individually metered and supplied electric service as the Customer of the Company, which electric service shall be utilized by the Customer only for operation of the Customer's installation located in or on the separate premises for which such electric service is supplied pursuant to the Customer's service agreement.

(b) KCP&L and CSC agree to recommend to the Commission that CSC qualifies for

a variance from Rule 5.01 of KCP&L Tariff Sheet No. 1.18 for service to Cathedral Square Tower on CSC Property, so long as the following conditions exist, to wit:

1) Cathedral Square Tower continues to be operated by a tax-exempt organization;

2) Cathedral Square Tower is used to provide housing to lower income households, elderly and/or handicapped individuals who pay fixed rent inclusive of utilities; and

3) The not-for-profit, tax-exempt designated owner of Cathedral Square Tower, CSC, or its successors and assignees, continues to operate the rental housing and related facilities, and make available services for lower income households, elderly and/or handicapped individuals, pursuant to any one of the following:

(i) Section 202 of the Housing Act of 1959, as amended, (12 U.S.C.1701Q of the National Housing Act); or

(ii) Section 8 of the U.S. Housing Act of 1937; or

(iii) Any other section of the National Housing Act or U.S. Housing Act or other Act which purpose is to provide housing opportunities for lower income households, elderly and/or handicapped individuals; or

(iv) Any other State-sponsored or Federal-sponsored benefit and assistance program that exists and operates for the purpose of providing benefits and assistance for lower income households, elderly and/or handicapped individuals.

2. *Meter Consolidation Scope of Work and Cost Share Responsibility.* If the Commission approves the change to the KCP&L tariff and grants CSC a variance that allows Cathedral Square Tower to be master metered, the scope of work and the share of cost for the same shall be allocated as follows:

(a) The following work related to the meter consolidation is to be performed by or at the direction of CSC, at its sole cost and expense:

1) Prior to work beginning, CSC shall provide KCP&L a one-line electrical drawing detailing changes to be made to the switchgear and detailed specifications of a Current Transformer ("CT") bus cabinet for KCP&L review and approval. CSC shall obtain an electrical permit from the City of Kansas City, Missouri and submit the electrical permit number to KCP&L.

After the shutdown of the power at the transformer, provide and install a
CT bus cabinet to be placed between the two existing switchgear cabinets;

3) Install a meter socket at an exterior location designated by KCP&L;

4) Install 1.25" conduit from the CT bus cabinet to the new meter socket;

5) Install a ground rod and grounding for the new meter socket, per KCP&L standards;

6) Disconnect the existing conductors from the line side of the apartment meter disconnect switch.

7) Re-connect the existing conductors from the line side of the apartment meter disconnect switch to the line side of the new CT bus cabinet.

8) Provide and install conductors to connect the load side of the CT bus cabinet terminations to the line side of the apartment meter disconnect switch.

9) Install current transformers on the bus bars of the new CT bus cabinet.

10) Install "termination blocks (supplied by KCP&L) in the CT bus cabinet.

11) Assemble remaining cover panels to switchgear.

12) Obtain inspection clearance from the City of Kansas City, Missouri to allow KCP&L to reconnect.

13) Once the individual meters are removed by KCP&L pursuant to subsection (b) 2) below, CSC shall assume all responsibility for installing shunts and seals on the meter cans at CSC's expense.

(b) The following work related to the meter consolidation is to be performed by or at the direction of KCP&L, at CSC's expense per (e) below:

1) Disconnect power at the transformer.

2) Remove the existing individual meters.

3) Provide current transformers and "termination blocks" for the bus bars of the new CT bus cabinet.

4) Provide meter socket.

- 5) Provide and install utility meter.
- 6) Install and terminate control cable wire related to CT metering.
- 7) Re-connect power at the transformer.

(c) CSC is solely responsible for resolution of the "opening" created across the existing apartment meter sockets due to removal of meters.

(d) Any of the work set forth in this Section 2 that will require a shutdown of the power to the Cathedral Square Tower shall be coordinated between CSC and KCP&L so that the length of time of the shutdown of the power is minimized to the greatest extent possible.

(e) Cost to CSC for KCP&L to perform the work described in 2b above, including any materials provided by KCP&L is estimated to be \$7,414.12 and is to be paid by CSC in advance of the work being performed. In the event additional charges are incurred, those additional charges will be billed to CSC upon completion of KCP&L's work and paid by CSC. The cost as defined above is per the schedule below. KCP&L work DAY 1 and DAY 2 are not necessarily successive calendar days.

- i. KCP&L work DAY 1
 - a. *6:00 A.M (start) KCP&L will de-energize the service to the building. Immediately prior to this, CSC will be <u>required</u> to eliminate load to the building. All breakers or main disconnects must be in the "off" or "open" position for all apartment and house panel feeds.
 - b. *12:00 P.M. (start) KCP&L will wire the new CTs to the new CT meter socket. CT meter will not be set at this time.
 - c. *6:00 P.M. (start) KCP&L will re-energize the service to the building. CSC can then return all breakers or main disconnects to the "on" or "closed" position.
 - d. Inspection will be performed by KCP&L on KCP&L work Day 1 to insure equipment installed by CSC meets KCP&L standards.
 - e. Failure of inspection requiring modification by CSC shall not be deemed a delay caused by KCP&L or KCP&L representative.
 - f. Collective crew represents the KCP&L crew and equipment to perform the meter consolidation and/or removal of existing meters.
 - g. The KCP&L work DAY 2 will be on the next business day following the occurrence of both (a) the completion of KCP&L's work on KCP&L work DAY 1; and (b) the approval by KCP&L being granted, following the KCP&L work

DAY 1 inspection, ensuring the equipment installed by CSC meets KCP&L standards.

- * In the event that KCP&L DAY 1 work (as described above) is delayed by anyone other than KCP&L or a KCP&L representative, CSC will be billed hourly at a rate of \$242.02/hour (collective crew) from 6PM-9PM, and at a rate of \$322.70/hour (collective crew) after 9PM.
- ii. KCP&L work DAY 2 **8:00 A.M. (start) Remove all apartment meters and set CT meter.
 - ** In the event that KCP&L DAY 2 work (as described above) is delayed by anyone other than KCP&L or a KCP&L representative, CSC will be billed hourly at a rate of \$157.17/hour (collective crew) after 4PM.
 - 3. *Electric Billing Rate.* If the Commission grants the variance from Rule 5.01 of

KCP&L Tariff Sheet No. 1.18 for service to Cathedral Square Tower, KCP&L agrees and shall provide electric service to Cathedral Square Tower, including the common areas and all of the individual apartment units through the two master meters, pursuant to KCP&L's appropriate General Service rate schedule. With CSC's approval, CSC will be placed on the most beneficial rate available at the time the work is completed, so long as Cathedral Square Tower is in compliance with the conditions set forth in Sections 1(b)(1-3) herein.

GENERAL PROVISIONS

4. *Modification and Waiver*. No modification or waiver of any provision in this Agreement, nor consent to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the party to be charged therewith and then such modification, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

5. *Entire Agreement*. This Agreement constitutes the entire agreement between CSC and KCP&L, and there are no other oral, written, express or implied promises, agreements,

representations or inducements not specified in this Agreement. The Recitals are incorporated into this Agreement.

6. *Governing Law.* This Agreement shall be construed and enforced in accordance with the laws of the State of Missouri.

7. **Binding Effect.** This Agreement is binding upon CSC, KCP&L and their respective successors, affiliates, trustees, shareholders, partners and subsidiaries, and each of their assigns, officers, directors, agents, servants, current and former employees, and all other representatives.

8. **Default.** In the event that either party violates any term of this Agreement, or fails to perform any term of this Agreement, the other party shall have the right to pursue all available remedies at law, including those at equity, to enforce the Agreement.

9. Contingent upon Commission approval of this Agreement without modification, the Signatories hereby stipulate to the admission into the evidentiary record of the testimony of their witnesses on the issues that are resolved by this Agreement.

10. This Agreement is being entered into solely for the purpose of settling the issues/adjustments in this case explicitly set forth above. Unless otherwise explicitly provided herein, none of the Signatories to this Agreement shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any cost of service methodology or determination, method of cost determination or cost allocation or revenue-related methodology. Except as explicitly provided herein, none of the Signatories shall be prejudiced or bound in any manner by the terms of this Agreement in this or any other proceeding, regardless of whether this Agreement is approved.

11. This Agreement is a negotiated settlement. Except as specified herein, the Signatories to this Agreement shall not be prejudiced, bound by, or in any way affected by the terms of this Agreement: (a) in any future proceeding; (b) in any proceeding currently pending under a separate docket; and/or (c) in this proceeding should the Commission decide not to approve this Agreement, or in any way condition its approval of same.

12. This Agreement has resulted from extensive negotiations among the Signatories, and the terms hereof are interdependent. If the Commission does not approve this Agreement unconditionally and without modification, then this Agreement shall be void and no Signatory shall be bound by any of the agreements or provisions hereof.

13. This Agreement embodies the entirety of the agreements between the Signatories in this case on the issues addressed herein, and may be modified by the Signatories only by a written amendment executed by all of the Signatories.

14. If approved and adopted by the Commission, this Agreement shall constitute a binding agreement among the Signatories. The Signatories shall cooperate in defending the validity and enforceability of this Agreement and the operation of this Agreement according to its terms.

15. If the Commission does not approve this Agreement without condition or modification, and notwithstanding the provision herein that it shall become void, (1) neither this Agreement nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any Signatory has for a decision in accordance with RSMo. §536.080 or Article V, Section 18 of the Missouri Constitution, and (2) the Signatories shall retain all procedural and due process rights as fully as though this Agreement had not been presented for approval, and any suggestions, memoranda, testimony, or

exhibits that have been offered or received in support of this Agreement shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any purpose whatsoever.

16. If the Commission accepts the specific terms of this Agreement without condition or modification, only as to the issues in these cases explicitly set forth above, the Signatories each waive their respective rights to present oral argument and written briefs pursuant to RSMo. \$536.080.1, their respective rights to the reading of the transcript by the Commission pursuant to \$536.080.2, their respective rights to seek rehearing pursuant to \$536.500, and their respective rights to judicial review pursuant to \$386.510. This waiver applies only to a Commission order approving this Agreement without condition or modification issued in this proceeding and only to the issues that are resolved hereby. It does not apply to any matters raised in any prior or subsequent Commission proceeding nor any matters not explicitly addressed by this Agreement.

WHEREFORE, for the foregoing reasons, the Signatories respectfully request that the Commission issue an Order approving the terms and conditions of this Agreement.

STAFF OF THE MISSOURI PUBLIC SERVICE COMMISSION THE CATHEDRAL SQUARE CORPORATION

|s| John Borgmeyer

John Borgmeyer, MBE #61992 Staff Counsel Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102 (573) 751-8702 (573) 751-9285 (Fax) john.borgmeyer@psc.mo.gov

|s| Shawn Stewart

Shawn Stewart, MBE #49202 Stewart Law Firm, L.C. 8347 Melrose Drive Overland Park, KS 66214 (913) 302-6517 (913) 307-3497 (Fax) <u>shawn@stewartlawfirm-kc.com</u> KANSAS CITY POWER & LIGHT COMPANY

|s| Roger W. Steiner

Roger W. Steiner, MBE #39586 Corporate Counsel Kanas City Power & Light Company 1200 Main Street Kansas City, MO 64105 (816) 556-2785 (816) 556-2787 (Fax) <u>roger.steiner@kcpl.com</u>

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or emailed to all counsel of record on this 25th day of July, 2013.

|s| Roger W. Steiner

Roger W. Steiner