## P.S.C. MO. No. 1 Original Sheet No. 157 Canceling P.S.C. MO. No. 1 Original Sheet No. For Missouri Retail Service Area Special Rate for Incremental Load Service Schedule SIL

### PURPOSE:

This rate schedule is designed to provide certain Customers with new or incremental increases in load access to a special rate that is not based on the Company's cost of service like generally available tariff rates, but is designed to recover no less than the incremental costs of serving the new load. The Customer load will be served primarily by renewable energy resources separate from energy resources used to serve general customers of the Company.

### **AVAILABILITY:**

This special rate is available to customers with new, incremental load who:

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- Have a facility whose primary industry is the smelting of aluminum and primary metals, (Standard Industrial Classification Code 3334) or
- Have a facility whose primary industry is the production or fabrication of steel (North American Industrial Classification System 331110) or
- Operate a facility with an increase in load equal to or in excess of a monthly demand of fifty megawatts

Each customer must demonstrate the new, incremental load can:

- Show a competitive need, documenting the facility would not commence operations absent the special rate,
- Show the special rate is in the interest of the state of Missouri when considering the interests of the
  customers of the Company, considering the incremental cost of serving the facility to receive the
  special rate, and the interests of the citizens of the state generally in promoting economic
  development, improving the tax base, providing employment opportunities in the state, and
  promoting such other benefits to the state as the commission may determine are created by
  approval of the special rate

This rate is not available for standby, breakdown, supplementary, maintenance or resale service except as noted below. Sub-metering or the reselling of electricity is prohibited.

Availability of service under this tariff may be limited by the Company due to constraints with, or protection for, Company generation resources or the transmission grid.

### **TERMS & CONDITIONS:**

Service under this rate schedule requires a written contract between the Company and the Customer. Each Special Incremental Load Rate Contract shall collect at least the expected incremental cost incurred by the Company to serve the Customer. Incremental costs shall be calculated, and profitability must be demonstrated at the time the contract is approved to confirm that revenues to be received from Customers under this Schedule are expected to be sufficient to cover the Company's increased costs to offer service pursuant to each Special Incremental Load Rate Contract. All charges for service under this rate schedule shall be limited to the charges contained in the contract between the Company and the Customer, including any applicable Riders as set forth in the contract.

Issued: July 12, 2019 Effective: January 1, 2020 Issued by: Darrin R. Ives, Vice President 1200 Main, Kansas City, MO 64105

## **P.S.C. MO. No.** \_\_\_\_\_\_ Original Sheet No. \_\_\_\_\_\_ 1 Canceling P.S.C. MO. No. \_\_\_\_\_\_ Original Sheet No.\_\_\_\_\_ For Missouri Retail Service Area **Special Rate for Incremental Load Service** Schedule SIL

### CONTRACT DOCUMENTATION:

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Prior to the effective date of the Special Incremental Load Rate Contract, the Company will file the individual Special Incremental Load Rate Contract and supporting documentation with the Commission for approval. The supporting documentation will include the following items:

- 1. Customer Needs: Company shall provide a narrative description of the reasons why the Special Incremental Load Rate is necessary for this Customer.
- 2. Customer Alternatives: Company shall describe competitive alternatives available to the Customer.
- 3. Incremental Costs: Company shall quantify the expected incremental cost associated with the Special Incremental Load Rate Contract Customer.
- 4. Profitability: Company shall quantify the expected profitability of the Special Incremental Load Rate Contract as the difference between the revenues expected to be generated from the pricing provisions in the Special Incremental Load Rate Contract compared to Company's expected incremental costs. All significant assumptions shall be identified that affect this quantification.
- 5. Other Ratepayer Benefits: Company shall quantify the benefits that it believes will accrue to other ratepayers from the Special Incremental Load Rate Contract. All significant assumptions shall be identified that affect this quantification.
- 6. Other Economic Benefits to the Area: Company shall quantify the economic benefits to the state, metropolitan area, and/or local area that Company projects to be realized as a result of the Special Incremental Load Rate Contract.

### TERM:

The initial term may vary for each customer served under this rate schedule but in no instance, should the term be greater than ten (10) years. Prior to the end of the term, the Company and Customer will work together to evaluate an extension of the term and if mutually appropriate, work together to secure any required approvals for an extension of the term. Each subsequent extension shall not exceed an additional ten (10) years.

If an extension is not mutually agreed-upon, the associated wind energy will be utilized to serve all of Company's retail customers and the related cost for that wind will be recovered by Company through its Fuel Adjustment Clause. In the event that Company has a Customer or Customers who wish to purchase the renewable energy resource directly, the Company will consult with the Staff of the Missouri Public Service Commission to determine whether it is acceptable or whether they prefer the renewable energy resource be used to serve all of the Company's retail customers though the applicable Company Fuel Adjustment Clause, or successor mechanism.

Effective: January 1, 2020 Issued: July 12, 2019 1200 Main, Kansas City, MO 64105

Issued by: Darrin R. Ives, Vice President

# KCP&L GREATER MISSOURI OPERATIONS COMPANY P.S.C. MO. No. \_\_\_\_\_\_ 1 \_\_\_\_\_ Original Sheet No. \_\_\_\_\_\_ 1 \_\_\_\_\_ Original Sheet No. \_\_\_\_\_\_ Canceling P.S.C. MO. No. \_\_\_\_\_\_ 1 \_\_\_\_\_ Original Sheet No. \_\_\_\_\_\_ For Missouri Retail Service Area Special Rate for Incremental Load Service Schedule SIL

### **SPECIAL RATE, PROVISIONS, AND TERMS:**

- 1. The Special Incremental Load Rate will be determined for each Customer based on expected loads and the renewable energy resource planned to serve the Customer. Details about the rate including all terms and conditions related to the Special Incremental Load Rate will be documented through a Special Incremental Load Rate Contract.
- 2. The Special Incremental Load Rate will be designed to recover no less than the incremental cost to serve the Customer over the term of the Special Incremental Load Rate Contract. However, being based on a renewable energy resource, it is expected that actual energy production, market conditions, energy grid constraints, and customer load may interact to produce periods where revenues do not exceed the incremental costs. These periods are expected to be limited and that revenues will exceed incremental costs for annual periods and the overall term of the agreement.
- 3. All Special Incremental Load Rate Contracts executed under this tariff will include the following provisions:
  - a. Special Rate details about the structure and rate to be paid by the Customer.
  - b. Agreement Term clear identification of the dates associated with the Special Rate, particularly the start date for contract term.
  - c. Confidentiality terms to establish protections needed to protect data under competitive conditions.
  - d. Operational Parameters details about the expected operation of the facility to be served.
- 4. The Company will make provisions to uniquely identify the costs and revenues for each respective Special Incremental Load Rate within its books and records. This information will be available to support periodic reporting as ordered by the Commission. At the time of a general rate proceeding this information will be used to identify the net revenue impact to the Company by comparing revenues generated under the Special Incremental Load Rate to the incremental cost to serve the Customer. Any positive net revenue, that is, revenue in excess of incremental cost to serve, received from the Special Incremental Load Rate during the test year of the rate proceeding will be identified in the revenue for the Company and would serve to reduce any increase in revenue requirement for customers not served under this Schedule SIL. In the event the net revenue is negative, that is, revenue falls short of incremental cost to serve, in the test year, the negative revenue amount will be removed and will not be included in the revenue requirement, ensuring that customers not served under this Schedule SIL will not be detrimentally affected by the Special Incremental Load Rate. There will be no imputation of revenues based on other standard available tariff rates associated with the Special Incremental Load Rates.

### **REGULATIONS:**

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

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### SPECIAL INCREMENTAL LOAD RATE CONTRACTS:

Start Date of Special Incremental Load Rate Contract	Name of Customer	Address	Term of Special Incremental Rate

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