

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office
in Jefferson City on the 7th
day of February, 2018.

In the Matter of the Application of)	
Kansas City Power & Light Company)	File No. EF-2018-0114
For Authority to Issue Debt Securities)	

ORDER GRANTING APPLICATION

Issue Date: February 7, 2018

Effective Date: February 25, 2018

Kansas City Power & Light Company ("Applicant") seeks Commission approval to issue debt securities in principal amount up to \$750 million through September 30, 2019; to enter into interest rate hedging instruments in connection with such debt securities; and to execute agreements necessary for such transactions. The Commission has jurisdiction over Applicant because Applicant is a public utility doing business in Missouri.¹ The Commission has authority to decide this matter because the statutes provide that Applicant's financing is subject to the Commission's authorization.²

Accordingly, Applicant filed an application.³ Staff filed its recommendation to grant the application conditionally.⁴ Applicant filed its agreement with that recommendation.⁵ No law requires a hearing before the Commission grants

¹ EFIS No. 3 (December 1, 2017) *Application and Request for Waiver*, first page, paragraph 1.

² Sections 393.180 and 393.190. All sections are in the 2016 Revised Statutes of Missouri.

³ EFIS No. 3 (December 1, 2017) *Application and Request for Waiver*.

⁴ EFIS No. 8 (January 3, 2018) *Staff Recommendation*.

⁵ EFIS No. 9 (January 15, 2018) *Kansas City Power & Light Company's Response to and Acceptance of Staff's Recommendation*.

unopposed⁶ relief.⁷ Therefore, this action is not a contested case and the Commission need not separately state its findings of fact.

The standard for deciding the application is whether the requested financing is “not . . . reasonably chargeable to operating expenses or income” and “has been reasonably required for purposes” specified by statute.⁸ The specified purposes include those set forth in the application. Based on the verified filings, the Commission independently finds and concludes⁹ that the financing sought in the application is within the statutes’ description, subject to the conditions recommended by Staff. The Commission will grant the application.

THE COMMISSION ORDERS THAT:

1. The application is approved and the authorization sought is granted subject to the conditions set forth in the appendix to this order.
2. This order shall become effective on February 25, 2018.
3. This file shall close on February 26, 2018.



BY THE COMMISSION

A handwritten signature in cursive script that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

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

⁶ The Office of the Public Counsel is also a party to this action, 4 CSR 240-2.010(10), but has exercised its option not to participate.

⁷ *State ex rel. Rex Deffenderfer Ent., Inc. v. Public Serv. Comm'n*, 776 S.W.2d 494, 496 (Mo. App., W.D. 1989).

⁸ Section 393.200.

⁹ Section 386.420.2.

Daniel Jordan, Senior Regulatory Law Judge

Appendix

- a. Nothing in the Commission's order shall be considered a finding by the Commission of the value of this transaction for rate making purposes, and that the Commission reserves the right to consider the rate making treatment to be afforded the financing transaction and its impact on cost of capital, in any future proceeding;
- b. The Company shall file with the Commission within ten (10) days of the issuance of any financing authorized pursuant to a Commission order in this proceeding, a report including the amount of indebtedness issued, date of issuance, interest rate (initial rate if variable), maturity date, redemption schedules or special terms, if any, use of proceeds, estimated expenses, and loan or indenture agreement concerning each issuance. In addition, the Company shall also provide the analysis, to include but not be limited to indicative pricing information provided by the lead investment banks, it performed to determine that the terms for the debt it decided to issue were the most reasonable at the time;
- c. The interest rate for any debt issuance covered by the Application is not to exceed the greater of (i) nine percent (9%) or (ii) a rate that is consistent with similar securities of comparable credit quality and maturities issued by other issuers;
- d. The Company shall file with the Commission in EFIS in this case, EO-2018-0114, any information concerning communication with credit rating agencies concerning this issuance;
- e. The Company shall file with the Commission as a non-case related submission in EFIS under "Resources" - "Non-Case Related Query" - "Ordered Submission" any credit rating agency reports published on KCPL's or GPE's corporate credit quality or the credit quality of its securities;
- f. The amount of secured debt KCPL can issue shall be limited to an amount not to exceed net additions to plant in service; construction work in progress to the extent this is intended to be added to plant in service; and refinancing of existing long-term debt.
- g. To the extent that any non-regulated investments made by KCPL or GPE and affiliated companies may potentially impact KCPL's credit quality and resulting credit ratings, KCPL shall notify Staff of such possibility and provide a status report to the Commission regarding the amount of financing used under this authority and the intended use of any remaining authorized but unissued funds;

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 7th day of February 2018.




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

February 7, 2018

File/Case No. EF-2018-0114

**Missouri Public Service
Commission**

Staff Counsel Department
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
staffcounsel@psc.mo.gov

Office of the Public Counsel

Hampton Williams
200 Madison Street, Suite 650
P.O. Box 2230
Jefferson City, MO 65102
opcservice@ded.mo.gov

**Kansas City Power & Light
Company**

Robert Hack
1200 Main, 19th Floor
P.O. Box 418679
Kansas City, MO 64141-9679
rob.hack@kcpl.com

**Kansas City Power & Light
Company**

Roger W Steiner
1200 Main Street, 19th Floor
P.O. Box 418679
Kansas City, MO 64105-9679
roger.steiner@kcpl.com

**Missouri Public Service
Commission**

Steve Dottheim
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
steve.dottheim@psc.mo.gov

Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Morris L. Woodruff
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.