

# KANSAS CITY POWER & LIGHT COMPANY

P.S.C. MO. No. 7 Third  Original Sheet No. 49  
 Revised  
Cancelling P.S.C. MO. No. 7 Second  Original Sheet No. 49  
 Revised  
For Missouri Retail Service Area

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## DEMAND SIDE INVESTMENT MECHANISM RIDER (CYCLE 1) Schedule DSIM

### APPLICABILITY:

This rider is applicable to all non-lighting kilowatt-hours (kWh) of energy supplied to customers under the Company's retail rate schedules, excluding kWh of energy supplied to "opt-out" customers.

Charges\* passed through this DSIM Rider reflect the charges approved to be collected from the implementation of the Missouri Energy Efficiency Investment Act (MEEIA) Cycle 1 Plan. Those charges include:

- 1) Program Costs, TD-NSB Share, and Performance Incentive Award (if any) for the MEEIA Cycle 1 Plan,
- 2) Reconciliations, with interest, to true-up for differences between the revenues billed under this DSIM Rider and total actual monthly amounts for:
  - i) Program Costs incurred,
  - ii) TD-NSB Share incurred, and
  - iii) Amortization of any Performance Incentive Award ordered by the Missouri Public Service Commission (Commission)
- 3) Any Ordered Adjustments. Charges under this DSIM Rider shall continue after the anticipated December 31, 2015 end of MEEIA Cycle 1 Plan until such time as the charges described in items i), ii) and iii) in the immediately preceding sentence have been billed.

Charges arising from the MEEIA Cycle 1 Plan that are the subject of this DSIM Rider shall be reflected in one "DSIM Charge" on customers' bills in combination with any charges arising from a rider that is applicable to post-MEEIA Cycle 1 Plan demand-side management programs approved under the MEEIA.

\*This will include any/all MEEIA Cycle 1 Program Costs and TD-NSB Share for Commission approved programs extended beyond the end of the program plan period, as outlined in Stipulation & Agreements in Case No. EO-2015-0240.

### DEFINITIONS:

As used in this DSIM Rider, the following definitions shall apply:

"Company's TD-NSB Share" means 26.36% of the TD-NSB multiplied by the Time-Value Adjustment Factor.

"Effective Period" (EP) means the six (6) months beginning with the month of July 2014, and each six month period there-after.

"Evaluation Measurement & Verification - Net Shared Benefits" (EM&V-NSB) means the 2014 present value of the lifetime avoided costs (i.e., avoided energy, capacity, transmission and distribution, and probable environmental compliance costs) for the MEEIA Cycle 1 Plan using the EM&V results determined pursuant to the Stipulation, less the 2014 present value of Program Costs.

"Incentive" means any consideration provided by the Company, including buy downs, markdowns, rebates, bill credits, payments to third parties, direct installation, giveaways, and education, which encourages the adoption of program measures.

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DATE OF ISSUE: March 16, 2016 DATE EFFECTIVE: April 15, 2016  
ISSUED BY: Darrin R. Ives, Vice President 1200 Main, Kansas City, MO 64105

# KANSAS CITY POWER & LIGHT COMPANY

P.S.C. MO. No. 7 First

Original  
 Revised

Sheet No. 49A

Cancelling P.S.C. MO. No. \_\_\_\_\_

Original  
 Revised

Sheet No. 49A

For Missouri Retail Service Area

## DEMAND SIDE INVESTMENT MECHANISM RIDER Schedule DSIM (Continued)

### DEFINITIONS: (Cont'd.)

"MEEIA Cycle 1 Plan" consists of the 12 demand-side programs and the DSIM described in the approved MEEIA Cycle 1 filing in Docket No. EO-2014-0095 and as amended by Commission approved filings.

"kWh/kW Targets" over the MEEIA Cycle 1 Plan

	Targeted Annual Energy Savings (kWh)	Programmable Thermostat Annual Demand Savings (kW)	All Other MEEIA Programs' Annual Demand Savings (kW)	Targeted Annual Demand Savings (kW)
2014 (July 6 – Dec. 31)	33,872,024	17,590	6,751	24,341
2015 (Jan. – Dec.)	68,716,971	2,371	16,383	18,754
The Sum of the Incremental Annual Targets in 2014 and 2015	102,588,995	19,961	23,134	43,095

"Program Costs" means program expenditures, including such items as program design; administration; delivery; end-use measures and incentive payments; evaluation, measurement, and verification; market potential studies; and work on a statewide technical resource manual.

"Performance Incentive Award" means the sum of a eighteen month annuity (using the Time-Value Adjustment Factor, not discounting the first period) of a percentage of EM&V-NSB as described below.

Percent of kWh /kW Target (90%/10%)	Percent of EM&V NSB
Less than 70	0.00%
70	4.61%
80	5.47%
90	6.33%
100	7.20%
110	8.64%
120	10.07%
130	11.51%
Greater than 130	11.51%

\*Includes income taxes (i.e. results in revenue requirement without adding income taxes).  
The percentages are interpolated linearly between the performance levels.

DATE OF ISSUE: March 16, 2016  
ISSUED BY: Darrin R. Ives, Vice President

DATE EFFECTIVE: April 15, 2016  
1200 Main, Kansas City, MO 64105

# KANSAS CITY POWER & LIGHT COMPANY

P.S.C. MO. No. 7 Third  Original Sheet No. 49E

Revised

Cancelling P.S.C. MO. No. 7 Second  Original Sheet No. 49E

Revised

For Missouri Retail Service Area

## DEMAND SIDE INVESTMENT MECHANISM RIDER (CYCLE 1) Schedule DSIM (Continued)

### DEMAND SIDE INVESTMENT MECHANISM CHARGE:

Effective immediately following the Commission Order approving MEEIA Cycle 2:

(See Sheet 490 for CYCLE 2)  
DSIM Components and Total DSIM

Rate Schedule	NPC/PE (\$/kWh)	NTD/PE (\$/kWh)	NPI/PE (\$/kWh)	NOA/PE (\$/kWh)	Total DSIM (\$/kWh)
Residential Service	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000
Non- Residential Service	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000

### OPT-OUT PROVISIONS (Non-Residential Customers):

Pursuant to Missouri Rule 4 CSR 240-20.094(6)(A): Any customer meeting one (1) or more of the following criteria shall be eligible to opt-out of participation in utility-offered demand side programs:

1. The customer has one (1) or more accounts within the service territory of the electric utility that has a demand of the individual accounts of five thousand (5,000) kW or more in the previous twelve (12) months;
2. The customer operates an interstate pipeline pumping station, regardless of size; or
3. The customer has accounts within the service territory of the electric utility that have, in aggregate across its accounts, a coincident demand of two thousand five hundred (2,500) kW or more in the previous twelve (12) months, and the customer has a comprehensive demand side or energy efficiency program and can demonstrate an achievement of savings at least equal to those expected from utility-provided programs.
  - A. For utilities with automated meter reading and or advanced metering infrastructure capability, the measure of demand is the customer coincident highest billing demand of the individual accounts during the twelve (12) months preceding the opt-out notification.

A customer electing to opt-out under requirements 1 and 2 above must provide written notice to the electric utility no earlier than September 1 and not later than October 30 to be effective for the following calendar year. Customers electing to opt-out under requirement 3 above must provide notice to the utility and the manager of the energy resource analysis section of the commission during the stated timeframe. Customers electing to opt-out shall still be allowed to participate in interruptible or curtailable rate schedules or tariffs offered by the electric utility.

Customers who have satisfied the opt-out provisions of 4 CSR 240-20.094(6) to opt-out of both the DSIM Charge and the Non-MEEIA rate will not be charged the DSIM Charge and receive an offset of the Non- MEEIA rate amount on the same bill, based on their actual usage. The current Non-MEEIA rate is found in Section 8.09 of the Rules and Regulations, Sheet 1.28.

DATE OF ISSUE: March 16, 2016  
ISSUED BY: Darrin R. Ives, Vice President

DATE EFFECTIVE: April 15, 2016  
1200 Main, Kansas City, MO 64105

# KANSAS CITY POWER & LIGHT COMPANY

P.S.C. MO. No. 7  Original Sheet No. 49F  
 Revised  
Cancelling P.S.C. MO. No. \_\_\_\_\_  Original Sheet No. \_\_\_\_\_  
 Revised  
For Missouri Retail Service Area

## DEMAND SIDE INVESTMENT MECHANISM RIDER (CYCLE 2) Schedule DSIM

### APPLICABILITY:

This rider is applicable to all non-lighting kilowatt-hours (kWh) of energy supplied to customers under the Company's retail rate schedules, excluding kWh of energy supplied to "opt-out" customers.

Charges passed through this DSIM Rider reflect the charges approved to be collected from the implementation of the Missouri Energy Efficiency Investment Act (MEEIA) Cycle 2 Plan & any remaining unrecovered balances from the MEEIA Cycle 1 Plan DSIM. Those charges include:

- 1) Program Costs, Throughput Disincentive (TD), and Earnings Opportunity Award (if any) for the MEEIA Cycle 2 Plan, as well as Program Costs and TD-NSB Share for commission approved C&I program projects completed by June 30 2016 that will be counted under the MEEIA Cycle 1 Plan, as outlined in S&A found in EO-2015-0240; and any earned Performance Incentive earned (and ordered) attributable to MEEIA Cycle 1 as set out in File No EO-2014-0095.
- 2) Reconciliations, with interest, to true-up for differences between the revenues billed under this DSIM Rider and total actual monthly amounts for:
  - i) Program Costs incurred in Cycle 2 and/or remaining true-ups or unrecovered amounts for MEEIA Cycle 1,
  - ii) TD Share incurred in Cycle 2 and/or remaining true-ups or unrecovered amounts for MEEIA Cycle 1, and
  - iii) Amortization of any Performance Incentive (PI) Award or Earnings Opportunity ordered by the Missouri Public Service Commission (Commission)
- 2) 3) Any Ordered Adjustments. Charges under this DSIM Rider shall continue after the anticipated 36 month plan period of MEEIA Cycle 2 until such time as the charges described in items 1) and 2) above have been billed.

Charges arising from the MEEIA Cycle 2 Plan that are the subject of this DSIM Rider shall be reflected in one "DSIM Charge" on customers' bills in combination with any charges arising from a rider that is applicable to post-MEEIA Cycle 2 Plan demand-side management programs approved under the MEEIA. This will include any unrecovered amounts for Program Costs, TD-NSB Share from MEEIA Cycle 1, and/or Performance Incentive, etc. earned/remaining from MEEIA Cycle 1 that is expected to begin recovery in January 2017. The Cycle 1 Performance Incentive Award methodology, including Cycle 1 Targets are set out in Sheet Nos. 49 through 49E and can be found in the May 27, 2015 Non-Unanimous Stipulation & Agreement found in EO-2014-0095.

### DEFINITIONS:

As used in this DSIM Rider, the following definitions shall apply:

"Company's TD is meant to represent the utility's lost margins associated with the successful implementation of the MEEIA programs. The detailed methodology for calculating the TD is described beginning in Tariff Sheet No. 49K.

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DATE OF ISSUE: March 16, 2016 DATE EFFECTIVE: April 15, 2016  
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# KANSAS CITY POWER & LIGHT COMPANY

P.S.C. MO. No. 7  Original Sheet No. 49G  
 Revised  
Cancelling P.S.C. MO. No. \_\_\_\_\_  Original Sheet No. \_\_\_\_\_  
 Revised  
For Missouri Retail Service Area

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## DEMAND SIDE INVESTMENT MECHANISM RIDER (CYCLE 2) Schedule DSIM (Continued)

### DEFINITIONS: (Cont'd.)

"Effective Period" (EP) means the six (6) months beginning with January of 2016, and each six month period there-after.

"Evaluation Measurement & Verification (EM&V) means the performance of studies and activities intended to evaluate the process of the utility's program delivery and oversight and to estimate and/or verify the estimated actual energy and demand savings, utility lost revenue, cost effectiveness, and other effects from demand-side programs.

"Incentive" means any consideration provided by the Company, including, but not limited to buy downs, markdowns, rebates, bill credits, payments to third parties, direct installation, giveaways, and education, which encourages the adoption of program measures.

"MEEIA Cycle 1 Plan" consists of the 12 demand-side programs and the DSIM (including Program Costs, TD-NSB Share, Performance Incentive, etc.) described in the approved MEEIA Cycle 1 filing in Docket No. EO-2014-0095 & corresponding tariffs.

"MEEIA Cycle 2 Plan" consists of the 16 demand-side programs and the DSIM described in the MEEIA Cycle 2 Filing, following Commission approval and order granted under Docket No EO-2015-0240.

"Program Costs" means any prudently incurred program expenditures, including such items as program planning, program design; administration; delivery; end-use measures and incentive payments; advertising expense; evaluation, measurement, and verification; market potential studies; and work on a statewide technical resource manual.

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DATE OF ISSUE: March 16, 2016 DATE EFFECTIVE: April 15, 2016  
ISSUED BY: Darrin R. Ives, Vice President 1200 Main, Kansas City, MO 64105

# KANSAS CITY POWER & LIGHT COMPANY

P.S.C. MO. No. 7

Original

Sheet No. 49H

Revised

Cancelling P.S.C. MO. No. \_\_\_\_\_

Original

Sheet No. \_\_\_\_\_

Revised

For Missouri Retail Service Area

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## DEMAND SIDE INVESTMENT MECHANISM RIDER (CYCLE 2) Schedule DSIM (Continued)

"Cycle 2 Earnings Opportunity" (EO) means the incentive ordered by the Commission based on actual performance verified through EM&V against planned targets. The Company's EO will be \$7.4M if 100% of the planned targets are achieved. EO is capped at \$15.5M, which reflects adjustment for TD verified by EM&V. Potential Earnings Opportunity adjustments are described on Sheet No. 49M. The Earnings Opportunity Matrix outlining the payout rates, weightings, and caps can be found in 49P.

"Short-Term Borrowing Rate" means (i) the daily one-month USD LIBOR rate, using the last previous actual rate for weekends and holidays or dates without an available LIBOR rate, plus (ii) the Applicable Margin for Eurodollar Advances as defined in the Pricing Schedule of the current KCP&L Revolving Credit Agreement. A simple mathematical average of all the daily rates for the month is then computed.

"AFUDC Rate" means the Allowance for Funds Used During Construction rate computed in accordance with the formula prescribed in the Code of Federal Regulations Title 18 Part 101.

Recovery Period (RP) includes the day the DSIM Rider Tariff becomes effective through July 31, 2016 and each six month period thereafter.

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DATE OF ISSUE: March 16, 2016  
ISSUED BY: Darrin R. Ives, Vice President

DATE EFFECTIVE: April 15, 2016  
1200 Main, Kansas City, MO 64105

# KANSAS CITY POWER & LIGHT COMPANY

P.S.C. MO. No. 7  Original Sheet No. 49I  
 Revised  
Cancelling P.S.C. MO. No. \_\_\_\_\_  Original Sheet No. \_\_\_\_\_  
 Revised  
For Missouri Retail Service Area

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## DEMAND SIDE INVESTMENT MECHANISM RIDER (CYCLE 2) Schedule DSIM (Continued)

### DETERMINATION OF DSIM RATES:

The DSIM during each applicable EP is a dollar per kWh rate for each rate schedule calculated as follows:

$$\text{DSIM} = [\text{NPC} + \text{NTD} + \text{NEO} + \text{NOA}] / \text{PE}$$

Where:

NPC = Net Program Costs for the applicable EP as defined below,

$$\text{NPC} = \text{PPC} + \text{PCR}$$

PPC = Projected Program Costs is an amount equal to Program Costs projected by the Company to be incurred during the applicable EP, including any unrecovered Cycle 1 Program Cost that will utilize an amortization period as outlined in Stipulation & Agreement filed in Docket EO-2015-0240 .

PCR = Program Costs Reconciliation is equal to the cumulative difference between the PPC revenues billed resulting from the application of the DSIM through the end of the previous EP and the actual Program Costs incurred through the end of the previous EP (which will reflect projections through the end of the previous EP due to timing of adjustments). Such amounts shall include monthly interest on cumulative over- or under-balances at the Company's monthly Short-Term Borrowing Rate.

NTD = Net Throughput Disincentive for the applicable EP as defined below,

$$\text{NTD} = \text{PTD} + \text{TDR}$$

PTD = Projected Throughput Disincentive is the Company's TD projected by the Company to be incurred during the applicable EP, including any unrecovered TD-NSB that will utilize an amortization period as outlined in Stipulation & Agreement filed in Docket EO-2015-0240. For the detailed methodology for calculating the TD, see Sheet 49K.

TDR = Throughput Disincentive Reconciliation is equal to the cumulative difference, if any, between the PTD revenues billed during the previous EP resulting from the application of the DSIM and the Company's TD through the end of the previous EP calculated pursuant to the MEEIA Cycle 1 or 2 Application, as applicable (which will reflect projections through the end of the previous EP due to timing of adjustments). Such amounts shall include monthly interest on cumulative over- or under-balances at the Company's monthly Short-Term Borrowing Rate.

NEO = Net Earnings Opportunity for the applicable EP as defined below,

$$\text{NEO} = \text{EO} + \text{EOR}$$

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DATE OF ISSUE: March 16, 2016 DATE EFFECTIVE: April 15, 2016  
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# KANSAS CITY POWER & LIGHT COMPANY

P.S.C. MO. No. 7  Original Sheet No. 49J  
 Revised  
Cancelling P.S.C. MO. No. \_\_\_\_\_  Original Sheet No. \_\_\_\_\_  
 Revised  
For Missouri Retail Service Area

## DEMAND SIDE INVESTMENT MECHANISM RIDER (CYCLE 2) Schedule DSIM (Continued)

### DETERMINATION OF DSIM RATES: (Cont'd.)

EO = Earnings Opportunity is equal to the Earnings Opportunity Award monthly amortization multiplied by the number of billing months in the applicable EP. This will also include any Performance Incentive as set out in Cycle 1 and addressed on Sheet No. 49C.

The monthly amortization shall be determined by dividing the Earnings Opportunity Award by the number of billing months from the billing month of the first DSIM after the determination of the Earnings Opportunity Award and 24 calendar months following that first billing month.

EOR = Earnings Opportunity Reconciliation is equal to the cumulative difference, if any, between the EO revenues billed during the previous EP resulting from the application of the DSIM and the monthly amortization of the Earnings Opportunity Award through the end of the previous EP (which will reflect projections through the end of the previous EP due to timing of adjustments). Such amounts shall include monthly interest on cumulative over- or under-balances at the Company's monthly Short-Term Borrowing Rate.

NOA = Net Ordered Adjustment for the applicable EP as defined below,

$$\text{NOA} = \text{OA} + \text{OAR}$$

OA = Ordered Adjustment is the amount of any adjustment to the DSIM ordered by the Commission as a result of prudence reviews and/or corrections under this DSIM Rider. Such amounts shall include monthly interest at the Company's monthly Short-Term Borrowing Rate.

OAR = Ordered Adjustment Reconciliation is equal to the cumulative difference, if any, between the OA revenues billed during the previous EP resulting from the application of the DSIM and the actual OA ordered by the Commission through the end of the previous EP (which will reflect projections through the end of the previous EP due to timing of adjustments). Such amounts shall include monthly interest on cumulative over- or under-balances at the Company's monthly Short-Term Borrowing Rate.

PE = Projected Energy, in kWh, forecasted to be delivered to the customers to which the DSIM Rider applies during the applicable RP.

The DSIM components and total DSIM applicable to the individual rate schedules shall be rounded to the nearest \$0.00001.

Allocation of costs for each rate schedule for the MEEIA Cycle 1 and MEEIA Cycle 2 Plans will be made in accordance with the Stipulations in Dockets EO-2014-0095 and EO-2015-0240.

This DSIM Rider shall not be applicable to customers that have satisfied the opt-out provisions contained in Section 393.1075.7, RSMo.

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DATE OF ISSUE: March 16, 2016 DATE EFFECTIVE: April 15, 2016  
ISSUED BY: Darrin R. Ives, Vice President 1200 Main, Kansas City, MO 64105



# KANSAS CITY POWER & LIGHT COMPANY

P.S.C. MO. No. 7  Original Sheet No. 49K  
 Revised  
Cancelling P.S.C. MO. No. \_\_\_\_\_  Original Sheet No. \_\_\_\_\_  
 Revised  
For Missouri Retail Service Area

## DEMAND SIDE INVESTMENT MECHANISM RIDER (CYCLE 2) Schedule DSIM (Continued)

### CALCULATION OF TD:

Monthly Throughput Disincentive = the sum of the Throughput Disincentive Calculation for all programs applicable to (1) Residential and (2) Non-Residential customers.

For purposes of this tariff, the term "Residential Class" and "Non-Residential Class" shall refer to the rates as outlined in Table of Contents, Sheet No TOC-2. Residential Class includes Residential Service and Residential Other Use and Residential Time of Use (Frozen). Non-Residential Class includes all rates as identified under the category Commercial & Industrial, which includes Small General Service, Medium General Service, Large General Service and Large Power Service, Real Time Pricing and Two Part- Time of Use.

### Throughput Disincentive Calculation

The Throughput Disincentive Calculation for each program shall be determined by the formula:

$$TD\$ = MS \times NMR \times NTGF$$

Where:

TD\$ = Throughput Disincentive Dollars to be collected for a given calendar month, for a given class.

RB = Rebasing Adjustment. The Rebasing Adjustment shall equal the CAS applicable as of the date used for the MEEIA normalization in any general rate case resulting in new rates becoming effective during the accrual and collection of TD\$ pursuant to this MEEIA Cycle 2. In the event more than one general rate case resulting in new rates becoming effective during the accrual and collection of TD\$ pursuant to this MEEIA Cycle 2, the Rebasing Adjustment shall include each and every prior Rebasing Adjustment calculation..

LS = Load Shape. The Load Shape is the monthly load shape percent for each program, (attached as Appendix G to the Stipulation found in EO-2015-0240).

NMR = Net Margin Revenue. Net Margin revenue values for each class are provided on Tariff Sheet 49P.

NTGF = Net to Gross Factor. The Net to Gross Factor is 0.85.

MS = The sum of all Programs' Monthly Savings in kWh, for a given month, for a given class. The Monthly Savings in kWh for each Program shall be determined by the formula:

$$MS = (MAS_{CM} + CAS_{PM} - RB) \times LS + HER$$

DATE OF ISSUE: March 16, 2016  
ISSUED BY: Darrin R. Ives, Vice President

DATE EFFECTIVE: April 15, 2016  
1200 Main, Kansas City, MO 64105

# KANSAS CITY POWER & LIGHT COMPANY

P.S.C. MO. No. 7  Original Sheet No. 49L  
 Revised  
Cancelling P.S.C. MO. No. \_\_\_\_\_  Original Sheet No. \_\_\_\_\_  
 Revised

For Missouri Retail Service Area

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## DEMAND SIDE INVESTMENT MECHANISM RIDER (CYCLE 2)

### Schedule DSIM (Continued)

#### CALCULATION OF TD (Cont.):

Where:

MC = Measure Count. Measure Count, for a given month, for a given class, for each measure is the number of each measure installed in the current calendar month.

ME = Measure Energy. Measure Energy will be determined is given as follows, for each Measure:

- a. Prior to finalization of EM&V for Cycle 2, Year 1 programs, for Measures not listed under those programs listed in (c) below, the ME is the annual total of normalized savings for each measure at customer meter per measure defined in the TRM (attached as Appendix F to the Stipulation filed in EO-2015-0240).
- b. After finalization of EM&V for Cycle 2, Year 1 programs, for Measures not under the programs as listed in (c) below, the ME is the annual total of normalized savings for each measure at customer meter per measure defined in the updated TRM (which will be updated based on EM&V ex-post gross adjustments determined for Year 1 no later than 24 months after the commencement of Cycle 2).
- c. For Measures Business Energy Efficiency Rebate – Custom, Strategic Energy Management, Block Bidding , Whole House Efficiency, Income-Eligible Multi-Family and Income Eligible Weatherization (2016 only), the ME will be the annual value attributable to the installations reported monthly by the program implementer.

MAS = The sum of MC multiplied by ME for all measures in a program in the current calendar month.

CAS = Cumulative sum of MAS for each program for MEEIA Cycle 2

CM = Current calendar month

PM = Prior calendar month

HER = Monthly kWh savings for the Home Energy Reports and Income-Eligible Home Energy Reports programs measured and reported monthly by the program implementer.

Measure – Energy efficiency measures described for each program attached as Appendix A.

Programs – MEEIA Cycle 2 programs listed in Tariff Sheet No. 1.04C and added in accordance with the Commission's rule 4 CSR 240-20.094(4).

TRM – Company Technical Resource Manual (attached as Appendix F) and updated based on EM&V ex-post gross adjustments determined for Year 1 no later than 24 months after the commencement of Cycle 2.

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DATE OF ISSUE: March 16, 2016  
ISSUED BY: Darrin R. Ives, Vice President

DATE EFFECTIVE: April 15, 2016  
1200 Main, Kansas City, MO 64105

# KANSAS CITY POWER & LIGHT COMPANY

P.S.C. MO. No. 7  Original Sheet No. 49M  
 Revised  
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 Revised  
For Missouri Retail Service Area

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## DEMAND SIDE INVESTMENT MECHANISM RIDER (CYCLE 2) Schedule DSIM (Continued)

### Earnings Opportunity Determination

The EO shall be calculated using the matrix in tariff Sheet No. 49P. The EO will not go below \$0. The EO target at 100% is \$7.4 million. Before adjustments reflecting TD EM&V including NTG, the EO cannot go above \$10.5 million. The EO including adjustments reflecting TD EM&V including NTG cannot go above \$15.5 million. The cap is based on current program levels. If Commission-approved new programs are added in the years 2017 and 2018, the Company may seek Commission approval to have the targets for the cap of the EO scale proportionately to the increase in savings targets.

The Earnings Opportunity shall be adjusted for the difference, with carrying costs at the KCP&L monthly Allowance for Funds Used During Construction (AFUDC) rate compounded semi-annually, between the TD\$ billed and what the TD\$ billed would have been if:

- (1) The ME used in the calculation were the normalized savings for each measure at customer meter per measure determined through EM&V ex-post gross analysis for each program year, and,
- (2) The NTGF used in the calculation was the net-to-gross values determined through EM&V, except that if the NTG value determined through EM&V is less than 0.80, the recalculation shall use 0.80 and if the NTG value determined through EM&V is greater than 1.0, the recalculation shall use 1.0.

### Other DSIM Provisions

The Company shall file an update to the NMR rates by Class by month contemporaneous with filing any compliance tariff sheets in any general rate case reflecting the rates set in that case, and the billing determinants used in setting rates in that case.

Annual kWh savings per measure will be updated prospectively in KCP&L/GMO's TRM no later than 24 months after the commencement of the Plan based on EM&V ex-post gross adjustments determined for Year 1.

KCP&L/GMO shall each file a general rate case at some point before the end of year 5 of the Cycle 2 period to address the TD through the rebasing of revenues used to establish base rates, and if KCP&L/GMO fails to do so, the accrual and collection of the TD terminates beginning in year 6 of the Cycle 2 period. The Signatories agree that the filing of a rate case by each company utilizing an update or true-up period that ends between 30 months and 60 months after the effective date of the tariffs implementing MEEIA Cycle 2 satisfies this requirement.

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DATE OF ISSUE: March 16, 2016 DATE EFFECTIVE: April 15, 2016  
ISSUED BY: Darrin R. Ives, Vice President 1200 Main, Kansas City, MO 64105

# KANSAS CITY POWER & LIGHT COMPANY

P.S.C. MO. No. 7  Original Sheet No. 49N  
 Revised  
Cancelling P.S.C. MO. No. \_\_\_\_\_  Original Sheet No. \_\_\_\_\_  
 Revised  
For Missouri Retail Service Area

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## DEMAND SIDE INVESTMENT MECHANISM RIDER (CYCLE 2) Schedule DSIM (Continued)

### FILING:

After the initial DSIM Rider rate adjustment filing, the Company shall make a DSIM Rider rate adjustment filing to take effect each August and February under the Term of this MEEIA Rider. DSIM Rider rate adjustment filings shall be made at least sixty (60) days prior to their effective dates.

### PRUDENCE REVIEWS:

A prudence review shall be conducted no less frequently than at twenty-four (24) month intervals in accordance with 4 CSR 240-20.093(10). Any costs, which are determined by the Commission to have been imprudently incurred or incurred in violation of the terms of this DSIM Rider, shall be returned to customers through an adjustment in the next DSIM Rider rate adjustment filing and reflected in factor OA above.

### Discontinuing the DSIM:

The Company reserves the right to discontinue the entire MEEIA Cycle 2 portfolio, if the Company determines that implementation of such programs is no longer reasonable due to changed factors or circumstances that have materially and negatively impacted the economic viability of such programs as determined by the Company, upon no less than thirty days' notice to the Commission. As a result of these changes, the Company may file to discontinue this DSIM. Similar to Program discontinuance, the Company would file a notice indicating that it is discontinuing the DSIM Rider. This notice would include a methodology for recovery any unrecovered Program Costs and TD.

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DATE OF ISSUE: March 16, 2016 DATE EFFECTIVE: April 15, 2016  
ISSUED BY: Darrin R. Ives, Vice President 1200 Main, Kansas City, MO 64105

# KANSAS CITY POWER & LIGHT COMPANY

P.S.C. MO. No. 7  Original Sheet No. 490  
 Revised  
Cancelling P.S.C. MO. No. \_\_\_\_\_  Original Sheet No. \_\_\_\_\_  
 Revised

For Missouri Retail Service Area

## DEMAND SIDE INVESTMENT MECHANISM RIDER (Cycle 2) Schedule DSIM (Continued)

### DEMAND SIDE INVESTMENT MECHANISM CHARGE:

Effective immediately following a Commission Order approving MEEIA Cycle 2 Filing:

#### DSIM Components and Total DSIM

Rate Schedule	NPC/PE (\$/kWh)	NTD/PE (\$/kWh)	NPEO/PE (\$/kWh)	NOA/PE (\$/kWh)	Total DSIM (\$/kWh)
Residential Service	\$0.00242	\$0.00093	\$0.00000	\$0.00000	\$0.00335
Non- Residential Service	\$0.00453	\$0.00097	\$0.00000	\$0.00000	\$0.00550

### OPT-OUT PROVISIONS (Non-Residential Customers):

Pursuant to Missouri Rule 4 CSR 240-20.094(6)(A): Any customer meeting one (1) or more of the following criteria shall be eligible to opt-out of participation in utility-offered demand side programs:

1. The customer has one (1) or more accounts within the service territory of the electric utility that has a demand of the individual accounts of five thousand (5,000) kW or more in the previous twelve (12) months;
2. The customer operates an interstate pipeline pumping station, regardless of size; or
3. The customer has accounts within the service territory of the electric utility that have, in aggregate across its accounts, a coincident demand of two thousand five hundred (2,500) kW or more in the previous twelve (12) months, and the customer has a comprehensive demand side or energy efficiency program and can demonstrate an achievement of savings at least equal to those expected from utility-provided programs.
  - A. For utilities with automated meter reading and or advanced metering infrastructure capability, the measure of demand is the customer coincident highest billing demand of the individual accounts during the twelve (12) months preceding the opt-out notification.

A customer electing to opt-out under requirements 1 and 2 above must provide written notice to the electric utility no earlier than September 1 and not later than October 30 to be effective for the following calendar year. Customers electing to opt-out under requirement 3 above must provide notice to the utility and the manager of the energy resource analysis section of the commission during the stated timeframe. Customers electing to opt-out shall still be allowed to participate in interruptible or curtailable rate schedules or tariffs offered by the electric utility.

Customers who have satisfied the opt-out provisions of 4 CSR 240-20.094(6) to opt-out of both the DSIM Charge and the Non-MEEIA rate will not be charged the DSIM Charge and receive an offset of the Non- MEEIA rate amount on the same bill, based on their actual usage. The current Non-MEEIA rate is found in Section 8.09 of the Rules and Regulations, Sheet 1.28.

DATE OF ISSUE: March 16, 2016  
ISSUED BY: Darrin R. Ives, Vice President

DATE EFFECTIVE: April 15, 2016  
1200 Main, Kansas City, MO 64105

# KANSAS CITY POWER & LIGHT COMPANY

P.S.C. MO. No. 7

Original

Sheet No. 49P

Revised

Cancelling P.S.C. MO. No. \_\_\_\_\_

Original

Sheet No. \_\_\_\_\_

Revised

For Missouri Retail Service Area

## DEMAND SIDE INVESTMENT MECHANISM RIDER (Cycle 2) Schedule DSIM (Continued)

### Net Margin Revenue Rates by Rate Class by Month & Earnings Opportunity Matrix:

RATE CLASS	January	February	March	April	May	June	July	August	September	October	November	December
RES	\$0.07062	\$0.07308	\$0.07667	\$0.08083	\$0.08276	\$0.12058	\$0.12058	\$0.12058	\$0.12058	\$0.07631	\$0.08232	\$0.07140
MGS	\$0.04518	\$0.04541	\$0.04680	\$0.04931	\$0.05156	\$0.08167	\$0.07832	\$0.07870	\$0.07770	\$0.04933	\$0.04962	\$0.04576
SGS	\$0.07582	\$0.07688	\$0.07911	\$0.04931	\$0.08660	\$0.11700	\$0.11087	\$0.11100	\$0.10926	\$0.08410	\$0.08391	\$0.07720
LGS	\$0.03305	\$0.03223	\$0.03377	\$0.03588	\$0.03749	\$0.05662	\$0.05497	\$0.05463	\$0.05364	\$0.03574	\$0.03529	\$0.03259
LPS	\$0.01924	\$0.01843	\$0.01843	\$0.01831	\$0.01831	\$0.01938	\$0.02053	\$0.01938	\$0.01938	\$0.01831	\$0.02024	\$0.01916

Proposed Metric	KCPL-Missouri						
	Payout rate	Payout unit	% of Target EO	KCPL 100% payout	KCPL Cap	Cap/100% Multiplier	Target @ 100%
Opower: criteria will be effective, prudent spend of budget	N/A		5.05%	\$375,000	\$375,000		
EE & Tstat MWh (Excl. Opower, DRI, & IEMF): criteria will be the cumulative of the 1st yr incremental MWh during the 3 year plan	\$8.31	\$/MWh	19.24%	\$1,429,121	\$1,857,857	130%	171,976.043
EE Coincident MW (Excl. Opower, DRI, Tstat, & IEMF): criteria will be cumulative of the 1st year MW reduction during the 3 year plan, coincident with system peak	\$114,741.01	\$/MW	52.83%	\$3,925,175	\$5,887,763	150%	34.209
Thermostat MW impact: criteria will be cumulative of the MW reduction during 3 year plan, coincident with system peak	\$91,941.81	\$/MW	15.14%	\$1,125,000	\$1,687,500	150%	12.236
DR Incentive (DRI) MW of Ramping (growth from year 1 planned to year 3 actual) (year 1 is 10 MW - KCP&L-MO and 20 MW in GMO)	\$75,000.00	\$/MW	5.05%	\$375,000	\$487,500	130%	5.000
Income Eligible Multi-Family (IEMF): criteria will be effective, prudent spend of budget	N/A		2.69%	\$200,000	\$200,000		
			100%	\$7,429,296	\$10,495,620		
<b>Total Cap Including TD Adjustments</b>					<b>\$15,500,000</b>		

Note:

1. Targets based on cumulative savings at the meter
2. The payout rate will be multiplied by the payout unit up to the maximum
3. MWh & MW targets are rounded to the nearest kWh & kW
4. Payout rate rounded to the nearest \$0.01

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