Exhibit No.: Issue: Witness: Sponsoring Party: MoPSC Staff Case No.: Date Testimony Prepared:

Fuel Adjustment Clause Matthew J. Barnes *Type of Exhibit:* Surrebuttal Testimony ER-2016-0156 September 2, 2016

# **MISSOURI PUBLIC SERVICE COMMISSION**

## **COMMISSION STAFF DIVISION**

## WATER & SEWER DEPARTMENT

## SURREBUTTAL TESTIMONY

### OF

## **MATTHEW J. BARNES**

## **KCP&L GREATER MISSOURI OPERATIONS COMPANY**

**CASE NO. ER-2016-0156** 

Jefferson City, Missouri September 2016

1	SURREBUTTAL TESTIMONY		
2	OF		
3	MATTHEW J. BARNES		
4	KCP&L GREATER MISSOURI OPERATIONS COMPANY		
5	CASE NO. ER-2016-0156		
6	Q. Please state your name and business address?		
7	A. My name is Matthew J. Barnes and my business address is Missouri Public		
8	Service Commission, P.O. Box 360, Jefferson City, MO 65102.		
9	Q. Are you the same Matthew J. Barnes that contributed to Staff's Revenue		
10	Requirement Cost of Service Report ("COS Report") filed on July 15, 2016, Staff's Rate		
11	Design Report filed July 29, 2016, and Rebuttal Testimony filed on August 15, 2016?		
12	A. Yes, I am.		
13	Q. What is the purpose of your rebuttal testimony?		
14	A. The purpose of my rebuttal testimony is to respond to Office of the Public		
15	Council witness Lena M. Mantle's rebuttal testimony in which she recommends		
16	the Commission not adopt the transmission cost language proposed by Staff in its Rate		
17	Design Report <sup>1</sup> .		
18 10	Staff's Proposed Transmission Cost Language in GMO's FAC Tariff		
19	Q. On page 12, line 18 through page 13, line 13, Mrs. Mantle recommends the		
20	Commission not adopt the transmission cost language proposed by Staff in its Rate Design		
21	Report and maintain the transmission cost language as it is in KCP&L Greater Missouri		
22	Operations Company ("GMO") Fuel Adjustment Clause tariff Sheet No. 126. Do you agree		
23	with her recommendation?		
	<sup>1</sup> Page 39 of Staff's <i>Rate Design Report</i> filed on July 29, 2016.		

#### Rebuttal Testimony of Matthew J. Barnes

1 A. Not entirely. Staff agrees that the only transmission costs that should be 2 included in the FAC are transmission costs that are necessary to receive purchased power to 3 serve native load and transmission costs that are necessary to make off-system sales excluding 4 any and all charges related to Southwest Power Pool ("SPP") charges related to GMO's 5 Crossroads generating station. The language that is currently in GMO's FAC tariff Sheet 6 No. 126 was written before the SPP Integrated Market was implemented, which was March 2014. Since then the Commission has issued several *Report and Orders*<sup>2</sup> addressing 7 8 the Day Ahead market and the proper transmission costs to be included in FACs. Staff's 9 recommendation to change the transmission cost language in GMO's FAC tariff Sheet 10 No. 126 is consistent with and more accurately reflects the transmission costs the Commission 11 has allowed other utilities to include in their FACs since the Commission first authorized 12 GMO's FAC.

Does this conclude your rebuttal testimony?

13

Q.

A.

Yes it does.

14

<sup>2</sup> Kansas City Power & Light Company *Report and Order* in Case No. ER-2014-0370, Ameren Missouri *Report and Order* in File No. ER-2014-0258, and Empire District Electric Company *Report and Order* in Case No.

ER-2014-0351.

#### **BEFORE THE PUBLIC SERVICE COMMISSION**

#### **OF THE STATE OF MISSOURI**

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In the Matter of KCP&L Greater Missouri Operations Company's Request for Authority to Implement A General Rate Increase for **Electric Service** 

Case No. ER-2016-0156

#### **AFFIDAVIT OF MATTHEW J. BARNES**

STATE OF MISSOURI	)	
	)	ss.
COUNTY OF COLE	)	

COMES NOW MATTHEW J. BARNES and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing Surrebuttal Testimony and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

then 1. Danne

#### **JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 31st day

of\_\_\_ (lugust \_\_\_\_\_, 2016.

D. SUZIE MANKIN Notary Public - Notary Seal State of Missouri Commissioned for Cole County My Commission Expires: December 12, 2016 Commission Number: 12412070

Mankin Notad Public