BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of the Joint Application of Great Plains Energy Incorporated, Kansas City Power & Light Company, and KCP&L Greater Missouri Operations Company for a Variance from the Commission's Affiliate Transaction Rule, 4 CSR 240-20.015

Case No. EE-2017-0113

RESPONSE OF JOINT APPLICANTS TO THE OBJECTION OF MIDWEST ENERGY CONSUMERS GROUP TO THE STIPULATION AND AGREEMENT OF THE JOINT APPLICANTS AND PUBLIC COUNSEL

Great Plains Energy Incorporated ("GPE"), Kansas City Power & Light Company ("KCP&L"), and KCP&L Greater Missouri Operations Company ("GMO") (collectively, "Joint Applicants") state the following in response to the Objection of Midwest Energy Consumers Group ("MECG"):

1. On October 26, 2016 the Joint Applicants and the Office of the Public Counsel ("Public Counsel") filed a Stipulation and Agreement ("Public Counsel Stipulation") with the Commission.

2. Eight days later on November 3, 2016 MECG filed its Objection to the Public Counsel Stipulation. Because Commission Rule 4 CSR 240-2.115(2)(B) provides for the filing of objections within seven (7) days, MECG's objection is untimely. Therefore, MECG has waived its right to object.

3. Given that the public policy of the State of Missouri favors the resolution of disagreements through settlement agreements like the Public Counsel Stipulation, the Commission should reject MECG's objection and find that its failure to file a timely objection constitutes "a full waiver" of MECG's right to object under 4 CSR 240-2.115(2)(B). <u>See Kerperien v. Lumberman's Mut. Cas. Co.</u>, 100 S.W.3d 778, 781 n.11 (Mo. en banc 2003)

(Missouri has a "longstanding public policy of encouraging settlement"); <u>SKMDV Holdings</u>, <u>Inc. v. Green Jacobson, P.C.</u>, 494 S.W.3d 537, 548 (Mo. App. E.D. 2016) ("Public policy favors settlements ...").

4. Moreover, because this proceeding is not a "contested case" under Section 536.010(4), the Commission is not required to hold a hearing to approve the variance from the Affiliate Transaction Rule requested in the Joint Application, the Public Counsel Stipulation, or the Stipulation and Agreement between the Joint Applicants and Staff filed with the Commission on October 12, 2016. <u>See State ex rel. Rex Deffenderfer Enterprises, Inc. v. PSC</u>, 776 S.W.2d, 494, 495-96 (Mo. App. W.D. 1989); Affiliate Transactions Rule, 4 CSR 240-20.015(10)(A)1 [Variances].

WHEREFORE, the Joint Applicants provide this response to the objection of the Midwest Energy Consumers Group.

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CERTIFICATE OF SERVICE (PARTIES)

A copy of the foregoing was served upon the below named parties by email or U.S. mail, postage prepaid, this 11th day of November, 2016.

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CERTIFICATE OF SERVICE (APPLICANTS FOR INTERVENTION)

A copy of the foregoing was served upon the below named parties by email or U.S. mail, postage prepaid, this 11th day of November, 2016.

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