

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Application of)
Great Plains Energy Incorporated for) File No. EM-2018-0012
Approval of its Merger with)
Westar Energy, Inc.)

**PUBLIC COUNSEL’S STATEMENT
OF POSITIONS ON THE ISSUES**

COMES NOW the Office of the Public Counsel (“OPC”), in compliance with the Commission’s Order Setting Procedural Schedule and Other Procedural Requirements, issued and effective on October 19, 2017, hereby submits its Statement of Positions on the Issues:

OPC Position Statements:

- I. Should the Commission find that GPE’s merger with Westar is not detrimental to the public interest, and approve the merger?

Subject to the additional conditions beyond what has been presented in the Company/Staff Stipulation and Agreement filed January 12, OPC believes that the merger will not be detrimental to the public interest, and represents an improvement from the acquisition proposed in 2017, as GPE will not incur a substantial debt to acquire the system.¹

- II. Should the Commission condition its approval of GPE’s merger with Westar and, if so, how?

As articulated by Dr. Geoff Marke, the unknown before the Commission are the conditions that GPE and Westar may reach in a settlement or order from the Kansas Corporation Commission (“KCC”).² To address this concern, in addition to the conditions articulated the Stipulation and

¹ Rebuttal Testimony of Dr. Geoff Marke, EM-2018-0012, pg. 4 (Jan. 16, 2018).

² *Id.* at pg. 7.

Agreement on file, OPC supports language that will protect Missouri ratepayers from any additional costs or a shift of risk from Kansas ratepayers to Missouri ratepayers.

This condition is similar to a provision in KCP&L's Experimental Regulatory Plan in Case No. EO-2005-0329, wherein parties were permitted an opportunity to seek redress from the Commission as to any conditions approved by the KCC that may affect Missouri ratepayers.

OPC believes that this concern can be addressed in this case by either a similar procedure approved in EO-2005-0329, or a directive that no costs or risks shall shift from Kansas ratepayers to Missouri ratepayers resulting from any agreement or order from the KCC on the companion application.

III. Should the Commission grant the limited request for variance of the affiliate transaction rule requested by Applicants?

Yes, subject to the proposed conditions in the Stipulation & Agreement and those proposed by OPC.

IV. How should the bill credits proposed by Applicants be allocated between and within the various KCP&L and GMO rate classes?

Should the Commission approve the transaction, the Commission should determine an equitable methodology for the apportionment of bill credits between KCP&L and GMO rate classes. A mitigating factor is an unknown as to how much of the \$50 million will be allocated to Missouri. Generally, the identified credit should be allocated in a manner to the benefit of the maximum amount of ratepayers.

Respectfully submitted,

/s/ Hampton Williams

Hampton Williams

Public Counsel

Missouri Bar. No. 65633

Office of Public Counsel

PO Box 2230

Jefferson City, MO 65102

573-751-5318-Phone

537-751-5562-FAX

Hampton.Williams@ded.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 5th day of March, 2018.

/s/ Hampton Williams