

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

In the Matter of the Seventh Prudence Review)	
of Costs Subject to the Commission-Approved)	File No. EO-2017-0232
Fuel Adjustment Clause of KCP&L Greater)	
Missouri Operations Company.)	

PUBLIC COUNSEL’S SUR-REPLY

COMES NOW the Office of the Public Counsel (“OPC” or “Public Counsel”) and offers the following *Sur-reply* to KCP&L Greater Missouri Operations (“GMO”):

1. On September 7, Public Counsel filed its *Response to Staff’s Prudence Review Report and Results of OPC’s Limited Fuel and Purchased Power Adjustment Clause Prudence Review* and asked the Commission permit OPC to file an additional memorandum once it receives a response to pending discovery.
2. On September 14, GMO filed its reply and asked the Commission to close the docket. In support of its request to close the docket, GMO offers two reasons: (1) “[t]he Company timely responded to all Staff and OPC data requests” and that “[n]o motion to compel discovery responses was filed” and (2) “[t]he OPC Response does not contest Staff’s finding and OPC agrees that during the Review Period, customers were not harmed by GMO’s actions.” (*See* Doc. No. 6). GMO’s allegations require a response.
3. First, Public Counsel’s memorandum attached to its initial filing explains in detail OPC’s efforts to obtain the Southwest Power Pool (“SPP”) integrated market (“IM”) purchased power costs and off-system sales revenue from GMO. In short Public Counsel disagrees with the company’s rosy self-assessment in responding to discovery. Since March, OPC has sought the monthly data on the energy purchased from and sold to the SPP IM – information the company is required to keep by FERC. This data is necessary to show the Commission the level to which

GMO relies on the SPP IM, including any trends, to serve its customers. While the company did provide information within the timeframe outlined in the Commission's regulations, the information can be appropriately characterized as a "data dump" of spreadsheets with 20,000 rows of data for each month. OPC attempted to divine whether this information was responsive to the data request through phone calls, a meeting in Kansas City, and through additional data requests. Through this process Public Counsel and company representatives agreed the information provided was *non-responsive*. However, the company agreed to provide responsive information and so no motion to compel was necessary, but Public Counsel did send an additional data request as discussed in the memorandum. Since filing its memorandum Public Counsel has received a response to its outstanding data request and will analyze the information and provide that analysis to Commission to supplement its limited review that showed GMO's reliance on the SPP IM in order to meet the energy needs of its native load during the review period. Public Counsel is concerned about whether GMO has maintained cost-effective resources to meet its customer's energy needs without relying on the SPP IM. Based on the recent presentations to the Commission by "SPP", Public Counsel understands the Commission to be concerned as well. Only GMO believes this issue requires no further scrutiny.

4. Second, the Company misrepresents Public Counsel's position by alleging "OPC agrees that during the Review Period, customers were not harmed by GMO's actions." To be clear, Public Counsel performed a *limited* review focused on purchased power practices during the review period. It is within that narrow scope that Public Counsel stated "Because of low market prices during the review period, customers were not harmed during the review period." Immediately thereafter OPC stated:

However, because GMO has not secured cost effective long-term resources to meet its native load energy requirements, and has announced its intention to retire some of its base load generation, its reliance on the SPP IM for energy places risk on GMO's customers.

It is in that context that Public Counsel requested the Commission keep the docket open so that additional information may be provided to the Commission. The comments should not be interpreted as a blanket finding of no harm to customers.

5. Public Counsel reaffirms its request that the Commission leave the file open so that it may provide an additional memorandum examining GMO's level of reliance on the SPP IM since March 2014 (the beginning of the SPP IM). The attached memorandum explains OPC's efforts to obtain the SPP IM purchased power costs and off-system sales revenue from GMO. GMO provided responses from which OPC may be able to calculate the information it requested just six days ago on September 12, 2017. OPC is analyzing the information provided and, when it believes GMO has provided information necessary to calculate how much energy GMO has purchased on the SPP IM to meet its native load, OPC will provide its analysis to Commission in this docket.

WHEREFORE Public Counsel submits its *Sur-reply* and asks the Commission permit OPC to file an additional memorandum in this docket.

Respectfully,

OFFICE OF THE PUBLIC COUNSEL

/s/ Tim Opitz

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all counsel of record this 18th day of September 2017:

/s/ Tim Opitz
