

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

In the Matter of the Application of Kansas City Power & Light Company for Authority to Extend the Transfer of Functional Control of Certain Transmission Assets to the Southwest Power Pool, Inc.)
) **File No. EO-2012-0135**
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In the Matter of the Application of KCP&L Greater Missouri Operations Company for Authority to Extend the Transfer of Functional Control of Certain Transmission Assets to the Southwest Power Pool, Inc.)
) **File No. EO-2012-0136**
)
)

STAFF RESPONSE TO COMMISSION ORDER SETTING TIME FOR RESPONSE

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), by and through Staff Counsel’s Office, and files the instant Staff Response to the Commission’s Order of August 23, 2016 regarding Kansas City Power & Light Company’s (“KCPL”) and KCP&L Greater Missouri Operations Company’s (“GMO”) Motion To Modify Stipulations (“Motion”) filed on August 22, 2016. In support thereof, the Staff states as follows:

1. KCPL and GMO in their Motion accurately represent that they met with the Staff and the Office of the Public Counsel (“Public Counsel”) on May 24, 2016, to review the cost / benefit study Preliminary Analysis Plan, as required under Section II.E(1) of and Attachment A to the Stipulation and Agreements in File No. EO-2012-0135 and File No. EO-2012-0136. KCPL and GMO also provided a proposal of how the study might be conducted and their estimate of the cost to perform such study not including internal labor. KCPL and GMO also advised the Staff and Public Counsel of a current Southwest Power Pool, Inc. (“SPP”) estimate of the combined exit fee obligations if KCPL and GMO were to exit / withdraw from SPP. As a consequence of these items, the prudence of conducting a cost / benefit study at this time was discussed. KCPL and

GMO agreed to provide support for these matters which they did on May 31, 2016, including certain cost / benefit data and analyses performed for and by SPP regarding the costs and benefits of SPP participation.

2. Another meeting was held among KCPL, GMO, the Staff, and Public Counsel on June 21, 2016, at which the prudence of conducting a cost / benefit study at this time was again discussed. The Staff and Public Counsel had additional discussions alone.

3. As KCPL and GMO's August 22, 2016, Motion indicates, the Staff ultimately indicated to KCPL, GMO, and Public Counsel that it agreed with KCPL and GMO that, given the circumstances presented, KCPL and GMO should not be required to perform the analyses needed to produce the 2017 Interim Report required by Section II.E(4) and Attachment A to the Stipulation and Agreements in File No. EO-2012-0135 and File No. EO-2012-0136. Finally, the Staff notes, as does KCPL and GMO's August 22, 2016, Motion, that cost / benefit studies are an analysis item that the Staff intends to raise in the context of KCPL and GMO's next applications in 2017 regarding the matter of a future case respecting KCPL and GMO's continued participation in SPP, some other regional transmission organization ("RTO"), or under an independent coordinator of transmission ("ICT").

WHEREFORE, the Staff files the instant Staff Response to the Commission's August 23, 2016 *Order Setting Time For Response*. The Staff does not object if the Commission were to relieve KCPL and GMO from being further required to perform an analysis needed to produce a 2017 Interim Report and from being further required to produce a 2017 Interim Report as previously ordered by the Commission.

Respectfully submitted,

/s/ Steven Dottheim

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing *Staff Response To Commission Order Setting Time For Response* have been transmitted electronically to all counsel of record this 2nd day of September, 2016.

/s/ Steven Dottheim