STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 8th day of March, 2017.

In the Matter of Kansas City Power & Light Company's Filing for Approval of Demand-Side Programs and for Authority to Establish a Demand-Side Programs Investment Mechanism

File No. EO-2015-0240

In the Matter of KCP&L Greater Missouri Operations Company's Filing for Approval of Demand-Side Programs and for Authority to Establish a Demand-Side Programs Investment Mechanism

File No. EO-2015-0241

ORDER APPROVING APPLICATION TO MODIFY DEMAND-SIDE PROGRAMS

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Issue Date: March 8, 2017

Effective Date: April 7, 2017

On February 10, 2017, Kansas City Power and Light Company and KCP&L Greater Missouri Operations Company (collectively, the "Company") applied to the Missouri Public Service Commission ("Commission") for approval to revise the Company's Technical Resource Manual ("TRM") and to add new program measure incentive ranges and change some previously-approved program measures' incentive ranges. The application was updated on February 28, 2017. The Company also requested a variance from Commission rules regarding the submission of the Demand-Side Program Annual Report required by Commission Rule 4 CSR 240-20.093(8). These requests represent modifications to Appendix 1 and Appendix 2 of the *Non-Unanimous Stipulation and Agreement* ("Stipulation") in File Nos. EO-2015-0240 and EO-2015-0241, which was approved by the Commission on April 6, 2016. The Commission set a deadline for a Staff recommendation and responses by other parties. Staff filed its recommendation on March 1, 2017, and no other parties filed a response to the Company's application.

Staff states that the Company proposes to modify its TRM and program incentive ranges. The modifications to the TRM represent an update of Appendix 2 of the Stipulation to include description changes to measures, updating measure deemed annual energy and demand savings, and to remove and add measures. The changes to the efficiency values (energy and demand savings) for residential LED lighting measures are a result of feedback from the program implementer. The application proposes to update Appendix 1 of the Stipulation by modifying some measures' incentive ranges and to eliminate the middle incentive of the incentive range for all of the measures, as well as decrease the low incentive for several measures.

Staff recommends that the Commission approve the modifications to Appendix 1 and Appendix 2 of the Stipulation. The modification of the measures within the TRM and modification of program incentive ranges are intended to improve the accuracy of savings associated with each measure, allow for greater overall residential and business participation, and improve the efficiency of existing program budgets. The Company is not asking for any modification to the budgets or savings targets associated with Appendix A or Appendix B of the Stipulation. Based on its independent and impartial review of Staff's recommendation and the Company's unopposed application, the Commission concludes that the Company's Application for Approval of Modification to Its Demand-Side Programs should be approved.

The Company also requests a rule variance on the Demand-Side Program Annual Report in Section 4 CSR 240-20.093(8). The Company would like to provide the

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Demand-Side Program Annual Report in line with the current MEEIA Cycle 2 program years that run from the period of April 1 to March 31. The report would summarize that 12-month period and would be submitted 90 days following March 31 of each program year. This annual report variance will align with the Evaluation, Measurement and Verification ("EM&V") to report on a full twelve month basis. Staff recommends that the Commission approve the rule variance for the Demand-Side Program Annual Report in Section 4 CSR 240-20.093(8).

Commission Rule 4 CSR 240-20.093(13) allows the Commission to grant the Company's requested variance for good cause shown. The Commission concludes that the alignment of the MEEIA Cycle 2 program years and each program year's EM&V final report with submission of the Demand-Side Program Annual Reports serves the interest of administrative efficiency and, therefore, constitutes good cause for the approval of the requested variance. The Commission will approve the variance.

THE COMMISSION ORDERS THAT:

1. Kansas City Power and Light Company and KCP&L Greater Missouri Operations Company's Application for Approval of Modification to Its Demand-Side Programs, filed on February 10, 2017 and updated on February 28, 2017, is approved.

2. Kansas City Power and Light Company and KCP&L Greater Missouri Operations Company shall file with the Commission an Amended Appendix 1 and Amended Appendix 2 to the *Non-Unanimous Stipulation and Agreement* in File Nos. EO-2015-0240 and EO-2015-0241, which was approved by the Commission on April 6, 2016, that reflects all currently approved measure and range changes and TRM, including those approved by the Commission in the instant application.

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3. Kansas City Power and Light Company and KCP&L Greater Missouri Operations Company's request for a rule variance on the Demand-Side Program Annual Report in Section 4 CSR 240-20.093(8) is granted.

4. This order shall be effective on April 7, 2017.



BY THE COMMISSION

Porris & Woodwf

Morris L. Woodruff Secretary

Hall, Chm., Stoll, Kenney, Rupp, and Coleman, CC., concur.

Bushmann, Senior Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 8th day of March 2017.



Morris L. Woodruff Secretary

MISSOURI PUBLIC SERVICE COMMISSION

March 8, 2017

File/Case No. EO-2015-0240 and EO-2015-0241

Missouri Public Service Commission

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,

orris I Woodruff

Morris L. Woodruff Secretary

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.