

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

In the Matter of the Application of Kansas City	)	
Power & Light Company Containing Its Semi-Annual	)	<b><u>File No. EO-2019-0222</u></b>
Fuel Adjustment Clause True-Up	)	

**STAFF RECOMMENDATION**

**COMES NOW** the Staff of the Missouri Public Service Commission and submits its Recommendation as follows:

1. On January 31, 2019, Kansas City Power & Light Company ("KCPL" or "Company") submitted an application containing its true-up filing for its Fuel Adjustment Clause ("FAC") under the provisions of Commission Rule 4 CSR 240-20.090(9).

2. Concurrently on January 31, 2019, KCPL submitted direct testimony and a tariff sheet designed to implement an adjustment to its FAC in Case No. ER-2019-0223. The submitted tariff sheet bears an effective date of April 1, 2019.

3. On February 1, 2019, the Commission ordered Staff to examine and analyze KCPL's filings in this case, and to file its recommendation no later than March 1, 2019, as required by Rule 4 CSR 240-20.090(9)(F). The Commission also directed that notice of the order be served on parties to Case No. ER-2018-0145 (the file in which KCPL's FAC was most recently approved with modifications), as required by Rule 4 CSR 240-20.090(17).

4. Any party wishing to intervene was given a deadline of February 15, 2019 to file an application with the Commission.

5. No parties have filed to intervene in this matter.

6. Staff's Memorandum, attached hereto as Appendix A and incorporated by reference, recommends the Commission issue an order approving KCPL's proposed

true-up filing for Recovery Period 4 (“RP4”) during which KCPL over-recovered \$511,952 from its customers.

7. Staff reviewed and analyzed the direct testimony, supporting schedules and workpapers of KCPL witness Lisa Starkebaum. Staff has determined that KCPL’s calculations for the true-up amount for RP4 is correct; however, Staff reserves its right to pursue this issue in other cases before the Commission.

8. Staff has verified that KCPL has filed its 2017 annual report and is not delinquent on any assessment. KCPL is current on its submission of its Surveillance Monitoring reports as required in 4 CSR 240-20.090(6), and its periodic reports as required by 4 CSR 240-3.161(5). With the exception of KCPL’s proposed changes to its current period fuel adjustment rates in its semi-annual FAC filing in ER-2019-0223, Staff is not aware of any other matter before the Commission that affects or is affected by this filing..

**WHEREFORE**, Staff recommends the Commission issue an order approving Kansas City Power & Light Company’s proposed true-up filing for Recovery Period 4 during which KCPL over-recovered \$511,952 from its customers.

Respectfully Submitted,

**/s/ Travis J. Pringle**

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**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 1st day of March, 2019.

**/s/ Travis J. Pringle**

## **M E M O R A N D U M**

TO: Missouri Public Service Commission Official Case File  
Case No. EO-2019-0222  
Kansas City Power & Light Company

FROM: Brooke Mastrogiannis, Utility Regulatory Auditor IV  
Lisa Wildhaber, Utility Regulatory Auditor III

DATE: /s/ Natelle Dietrich 3/01/2019      /s/ Travis Pringle 03/01/2019  
Energy Resources Department/Date      Staff Counsel Department/Date

SUBJECT: Staff's Analysis of and Recommendation Concerning Kansas City Power  
& Light Company Fuel Adjustment Clause True-up Filing Under the  
Provisions in 4 CSR 240-20.090(9).

DATE: March 1, 2019

### **Recommendation**

Staff recommends the Commission approve Kansas City Power & Light Company ("KCPL") true-up filing for Recovery Period 4 ("RP4") during which KCPL over-recovered \$511,952 from its customers.

### **Discussion**

On January 31, 2019, KCPL filed with the Commission, along with direct testimony and supporting schedules of KCPL witness Lisa A. Starkebaum, its fuel adjustment clause ("FAC") true-up<sup>1</sup> filing for RP4 under the provisions in 4 CSR 240-20.090(9). RP4 began October 1, 2017 and ended September 30, 2018 and was preceded by Accumulation Period 4 ("AP4") which began January 1, 2017 and ended June 30, 2017.

The Missouri Public Service Commission Staff ("Staff") reviewed the Direct Testimony of KCPL witness Lisa A. Starkebaum, the supporting schedules KCPL provided with KCPL's application in this case, and the monthly information KCPL submitted to the Commission in accordance with 4 CSR 240-20.090(9).

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<sup>1</sup> True-ups are defined on KCPL, P.S.C.MO. No. 7, Original Sheet No. 50.30 as, "After completion of each RP, the Company shall make a true-up filing by the filing date of its next FAR filing. Any true-up adjustments shall be reflected in component "T" above. Interest on the true-up adjustment will be included in component "I" above. The true-up amount shall be the difference between the revenues billed and the revenues authorized for collection during the RP as well as any corrections identified to be included in the current FAR filing. Any corrections included will be discussed in the testimony accompanying the true-up filing".

The RP4 true-up amount, without interest, is the result of an over-recovery of \$511,952 during RP4. There was no accounting corrections or other needed adjustments during RP4.

The interest of \$708,656 reflected on line 9 of 1st Revised Sheet 50.31<sup>2</sup> includes all interest<sup>3</sup> for RP4 and Accumulation Period 7.

KCPL witness Lisa A. Starkebaum provides supporting workpapers for the true-up amount of \$511,952. Staff agrees with KCPL's calculations for this over-recovery of \$511,952 during RP4.

### **Staff Review**

Based on its review and analysis of the information KCPL filed and submitted for RP4, Staff has determined that KCPL's calculations for the true-up amount for RP4 is correct. However, Staff reserves its right to pursue this issue in other cases before the Commission.

Staff recommends the Commission approve KCPL's true-up filing for RP4 during which KCPL over-recovered \$511,952 from its customers. The over-recovered amount is included in KCPL's proposed changes to its current period fuel adjustment rates in its semi-annual FAC filing in Case No. ER-2019-0223 filed on January 31, 2019, for AP7 which began July 1, 2018 and ended December 31, 2018.

Staff has verified that KCPL has filed its 2017 Annual Report and is not delinquent on any assessment. KCPL is current on its submission of its Surveillance Monitoring reports as required by 4 CSR 240-20.090(6), and its periodic reports as required by 4 CSR 240-20.090(5). With the exception of KCPL's proposed changes to its current period fuel adjustment rates in its semi-annual FAC filing in Case No. ER 2019-0223, Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

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<sup>2</sup> File No. ER-2019-0223 and Tariff Tracking No. JE-2019-0150.

<sup>3</sup> Interest is defined on KCPL, P.S.C.MO. No. 7, Original Sheet No. 50.28 as: Interest applicable to (i) the difference between Missouri Retail ANEC and B for all kWh of energy supplied during an AP until those costs have been recovered; (ii) refunds due to prudence reviews ("P"), if any; and (iii) all under- or over-recovery balances created through operation of this FAC, as determined in the true-up filings ("T") provided for herein. Interest shall be calculated monthly at a rate equal to the weighted average interest paid on the Company's short-term debt, applied to the month-end balance of items (i) through (iii) in the preceding sentence.

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**OF THE STATE OF MISSOURI**

In the Matter of the Application of )  
Kansas City Power & Light Company ) Case No. EO-2019-0222  
Containing Its Semi-Annual Fuel )  
Adjustment Clause True-up )  
)

**AFFIDAVIT OF BROOKE MASTROGIANNIS**

STATE OF MISSOURI       )  
                                      )  
COUNTY OF COLE       )       ss.

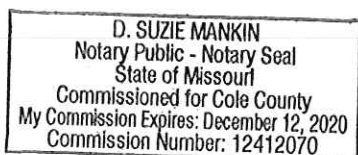
**COMES NOW BROOKE MASTROGIANNIS** and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation in Memorandum form*; and that the same is true and correct according to her best knowledge and belief.

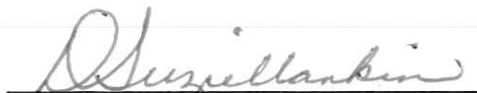
Further the Affiant sayeth not.

  
**BROOKE MASTROGIANNIS**

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 28<sup>th</sup> day of February 2019.



  
Notary Public

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


In the Matter of the Application of )  
Kansas City Power & Light Company ) Case No. EO-2019-0222  
Containing Its Semi-Annual Fuel )  
Adjustment Clause True-up )  
)

**AFFIDAVIT OF LISA WILDHABER**

STATE OF MISSOURI     )  
                                  )  
COUNTY OF COLE     )     ss.

COMES NOW LISA WILDHABER and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Staff Recommendation in Memorandum form*; and that the same is true and correct according to her best knowledge and belief.


Further the Affiant sayeth not.

  
**LISA WILDHABER**

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 28<sup>th</sup> day of February 2019.

D. SUZIE MANKIN  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Cole County  
My Commission Expires: December 12, 2020  
Commission Number: 12412070

  
Notary Public