

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

In the Matter of KCP&L Greater Missouri)	
Operations Company's Demand Side)	<u>File No. ER-2019-0397</u>
Investment Mechanism Rider Rate)	Tracking No. JE-2019-0224
Adjustment and True-Up Required by)	
4 CSR 240-20.093(4))	

STAFF RECOMMENDATION TO APPROVE TARIFF SHEET

COMES NOW Staff of the Missouri Public Service Commission, by and through counsel, and submits its Recommendation to the Missouri Public Service Commission ("Commission") recommending that the Commission issue an order approving P.S.C. MO. No. 1 9th Revised Sheet No. 138.7 Cancelling P.S.C. MO. No. 1 8th Revised Sheet No. 138.7 ("Tariff Sheet") as filed by KCP&L Greater Missouri Operations Company ("GMO") on June 17, 2019, and substituted on June 26, 2019, bearing an effective date of August 1, 2019. Staff reviewed the Tariff Sheet and explains its reasons supporting approval in Staff's Memorandum attached hereto as Appendix A and incorporated herein, further stating as follows:

1. GMO filed its Tariff Sheet for the purpose of modifying its Demand Side Investment Mechanism ("DSIM") rates under the Missouri Energy Efficiency Investment Act ("MEEIA") and Commission rules 4 CSR 240-20.093(4) and 4 CSR 240-3.163(8).¹
2. The proposed DSIM rate change increases residential customers' DSIM Rider rate from \$0.00019 to \$0.00373 per kWh (kilowatt hour) and increases non-residential customers' rate from \$0.00258 to \$0.00437 per kWh. For a residential customer using 1,000 kWhs, this change increases a bill by \$3.54 per month.

¹ Tariff Sheet is filed pursuant to GMO's Demand Side Investment Mechanism Rider, P.S.C. Mo. No. 1, 1st Revised Tariff Sheet 138.6.

For a non-residential customer, this change increases a bill by \$1.79 for every 1,000 kWhs used.

3. As further explained in detail in its Memorandum, Staff notes that this DSIM filing is based on six months of projected costs and incentives with reconciliations from actual prior periods and any ordered adjustments with interest. In addition, this rate adjustment filing includes GMO's MEEIA Cycle 2 extension through December 31, 2019 per a stipulation and agreement filed in EO-2019-0132.

WHEREFORE, for the reasons discussed above and further explained in Staff's Memorandum, Staff recommends the Commission issue an order approving P.S.C. MO. No. 1 9th Revised Sheet No. 138.7 Cancelling P.S.C. MO. No. 1 8th Revised Sheet No. 138.7 as filed on June 17, 2019, and substituted on June 26, 2019, for service on and after August 1, 2019.

Respectfully submitted,

/s/ Karen E. Bretz

Karen E. Bretz
Senior Counsel
Missouri Bar No. 70632
Attorney for the Staff of the
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102
573-751-5472 (Voice)
573-751-9285 (Fax)
Karen.Bretz@psc.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been electronically mailed to all parties and/or counsel of record on this 10th day of July, 2019.

/s/ Karen E. Bretz

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. ER-2019-0397 and Tariff Tracking No. JE-2019-0224
KCPL Greater Missouri Operations Company

FROM: Joe Roling, Regulatory Economist II

/s/ Robin Kliethermes 7/10/2019 /s/ Karen Bretz 7/10/2019
Tariff and Rate Examination Manger / Date Staff Counsel Division / Date

SUBJECT: Staff Recommendation to Approve KCPL Greater Missouri Operations Company's ("GMO") Proposed Tariff Sheet to Adjust Demand Side Investment Mechanism ("DSIM") Rider Rate effective August 1, 2019.

DATE: July 10, 2019

KCPL Greater Missouri Operations Filing

On June 17, 2019, GMO filed with the Commission one (1) tariff sheet bearing an issue date of June 17, 2019, and an effective date of August 1, 2019, proposing to adjust charges related to the Company's DSIM Rider. GMO thereafter filed a substitute tariff sheet on June 26, 2019. GMO's filing also included the Direct Testimony of Lisa A. Starkebaum and work papers consisting of electronic worksheets showing its calculation of the proposed rates.¹ In addition to reconciliations for prior periods, this adjustment includes GMO's MEEIA Cycle 2 extension through December 31, 2019 per Stipulation and Agreement filed in EO-2019-0132.²

On June 20, 2019, the Commission issued its Order Directing Notice, Establishing Intervention Date, and Directing Filing of Staff Recommendation which directed Staff to file its recommendation no later than July 10, 2019.

Change in GMO's DSIM Rates

Per 4 CSR 240-20.093(4) and 4 CSR 240-3.163(8), GMO is required to make semi-annual adjustments of DSIM rates to reflect the amount of revenue that has been over/under collected.

¹ GMO's calculated TD for the period April 1, 2019 – July 4, 2019 is consistent with the tariff sheets promulgated in YE-2019-0222 under EO-2019-0132, and GMO's calculated billed DSIM revenues for the period April 1, 2019 – June 17, 2019 are consistent with the tariff sheets promulgated in YE-2019-0221 under EO-2019-0132.

² Per the Stipulation and Agreement filed in EO-2019-0132 to extend the MEEIA Cycle 2 program into program year 4 (PY4), the PY4 budgets and savings targets will be scaled accordingly if PY4 does not extend through December 31, 2019.

The current MEEIA mechanism rate per class of customer is collected through a line item on current bills and is based on six months of projected costs and incentives with reconciliations from actual prior periods and any ordered adjustments with interest.

Listed below are the current MEEIA rates and the new MEEIA rates for the proposed DSIM Rider. The proposed DSIM Rider rate changes are applicable to all non-lighting kWh of energy supplied to customers under the Company's retail rate schedules, excluding kWh of energy supplied to "opt-out" customers.

Rate Class	Current MEEIA Rate/kWh	Proposed MEEIA Rate/kWh
Residential Service	\$0.00019	\$0.00373
Non-Residential Service	\$0.00258	\$0.00437

The proposed change will increase residential customers' DSIM Rider rate from \$0.00019 to \$0.00373 per kWh and increase non-residential customers' rate from \$0.00258 to \$0.00437 per kWh. For a residential customer using 1,000 kilowatt-hours (kWh), this would mean an increase of \$3.54 per month. For a non-residential customer, this would mean an increase of \$1.79 for every 1,000 kWhs used.³

Staff's recommendation to approve this Ninth Revised Sheet No.138.7 does not constitute a review of the prudence of GMO's actions in relation to its DSIM Rider.

Staff Recommendation

The Commission Staff's Tariff/Rate Design Unit has reviewed the filed tariff sheet and recommends the Commission issue an order approving the following tariff sheet, as filed on June 17, 2019, and substituted on June 26, 2019, for service on and after August 1, 2019, the requested effective date.

P.S.C. MO. No. 1

Ninth Revised Sheet No. 138.7, Cancelling Eight Revised Sheet No. 138.7

³ The accrued program costs and accrued throughput disincentive costs included in the calculation of GMO's proposed DSIM rates are consistent with the Stipulation and Agreement filed in EO-2019-0132.

Staff has verified that GMO is not delinquent on any assessment and has filed its Annual Report. GMO is current on its submission of its Quarterly Surveillance Monitoring reports as required in 4 CSR 240-20.090(10). Staff is not aware of any other matter before the Commission that affects or is affected by this filing. Staff's recommendation for approval of the DSIM Rider rate changes in this case are solely based on the accuracy of GMO's calculations and is not indicative of prudence.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of KCP&L Greater Missouri)
Operations Company's Demand Side Investment) File No. ER-2019-0397
Mechanism Rider Rate Adjustment and True-Up)
Required by 4 CSR 240-20.093(4))

AFFIDAVIT OF JOSEPH P. ROLING

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

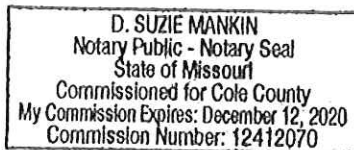
COMES NOW, Joseph P. Roling, and on his oath declares that he is of sound mind and lawful age; that he contributed to the attached *Staff Recommendation* in Memorandum form; and that the same is true and correct according to his best knowledge and belief.

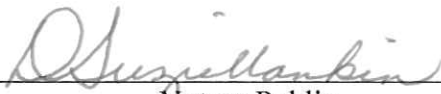
Further the Affiant sayeth not.



Joseph P. Roling

Subscribed and sworn to be this 9th day of July, 2019.





Notary Public