

Exhibit No.:  
Issues: Transmission Costs, Purchased Power  
Costs and Off-System Sales Revenues  
Witness: James R. Dauphinais  
Type of Exhibit: Rebuttal Testimony  
Sponsoring Party: Missouri Industrial Energy Consumers  
Case No.: ER-2016-0285  
Date Testimony Prepared: December 30, 2016

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

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**In the Matter of Kansas City Power &  
Light Company's Request for Authority to  
Implement a General Rate Increase for  
Electric Service**

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**Case No. ER-2016-0285**

Rebuttal Testimony of

**James R. Dauphinais**

On behalf of

**Missouri Industrial Energy Consumers**

**REDACTED VERSION**

December 30, 2016



Project 10277

**BEFORE THE PUBLIC SERVICE COMMISSION  
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<b>In the Matter of Kansas City Power &amp; Light Company's Request for Authority to Implement a General Rate Increase for Electric Service</b>	) ) ) ) ) ) ) )	<b>Case No. ER-2016-0285</b>
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STATE OF MISSOURI	)	
	)	<b>SS</b>
COUNTY OF ST. LOUIS	)	

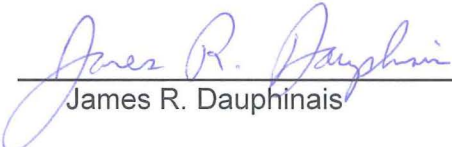
**Affidavit of James R. Dauphinais**

James R. Dauphinais, being first duly sworn, on his oath states:

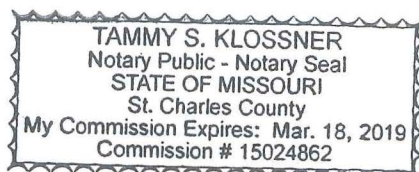
1. My name is James R. Dauphinais. I am a consultant with Brubaker & Associates, Inc., having its principal place of business at 16690 Swingley Ridge Road, Suite 140, Chesterfield, Missouri 63017. We have been retained by the Missouri Industrial Energy Consumers in this proceeding on their behalf.


2. Attached hereto and made a part hereof for all purposes is my rebuttal testimony which was prepared in written form for introduction into evidence in Missouri Public Service Commission Case No. ER-2016-0285.

3. I hereby swear and affirm that the testimony is true and correct and that it shows the matters and things that it purports to show.

  
 \_\_\_\_\_  
 James R. Dauphinais

Subscribed and sworn to before me this 28<sup>th</sup> day of December, 2016.



  
 \_\_\_\_\_  
 Notary Public

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

<p><b>In the Matter of Kansas City Power &amp; Light Company's Request for Authority to Implement a General Rate Increase for Electric Service</b></p>	<p>) ) ) ) ) ) )</p>	<p><b>Case No. ER-2016-0285</b></p>
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**Table of Contents to the Rebuttal  
Testimony of James R. Dauphinais**

- I. INTRODUCTION.....1
  
- II. PROPOSED ADJUSTMENT TO REFLECT THE GROSS CLEARING  
OF KCPL GENERATION AND LOAD IN THE SPP ENERGY MARKET.....4
  
- III. PROPOSED ADJUSTMENT TO LOWER TRANSMISSION  
REVENUES FROM THE FERC ROE TO THE MISSOURI ROE .....8
  
- IV. USE OF PROJECTED TRANSMISSION EXPENSE .....10
  
- V. USE OF PROJECTED TRANSMISSION REVENUES .....11
  
- VI. CONCLUSIONS AND RECOMMENDATIONS .....12

**James R. Dauphinais  
Table of Contents**

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

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**In the Matter of Kansas City Power &  
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Electric Service**

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**Case No. ER-2016-0285**

**Rebuttal Testimony of James R. Dauphinais**

**I. INTRODUCTION**

1

2 **Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A James R. Dauphinais. My business address is 16690 Swingley Ridge Road,  
4 Suite 140, Chesterfield, MO 63017.

5 **Q WHAT IS YOUR OCCUPATION?**

6 A I am a consultant in the field of public utility regulation and a Managing Principal of  
7 Brubaker & Associates, Inc., energy, economic and regulatory consultants.

8 **Q ARE YOU THE SAME JAMES R. DAUPHINAIS WHO HAS PREVIOUSLY FILED**  
9 **TESTIMONY IN THIS PROCEEDING?**

10 A Yes. On December 14, 2016, I filed direct testimony on rate design on behalf of the  
11 Missouri Industrial Energy Consumers ("MIEC") with respect to transmission costs  
12 and fuel adjustment clause ("FAC") issues.

**James R. Dauphinais  
Page 1**

1 **Q WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

2 A My rebuttal testimony responds to the direct testimony and schedules of Kansas City  
3 Power & Light Company ("KCPL" or "Company") witnesses Burton Crawford, Tim  
4 Rush, and Ronald Klote with respect to the following issues:

- 5 • KCPL's proposal to make extremely large pro forma adjustments to its test year  
6 off-system sales revenues and purchased power expenses in order to reflect the  
7 gross clearing of its generation and load in the day-ahead and real-time energy  
8 markets of the Southwest Power Pool ("SPP") Integrated Marketplace (KCPL  
9 Adjustments R-35 Normalize Bulk Power Sales and CS-24 Normalize fuel and  
10 purchase power energy (on system)).
- 11 • KCPL's proposal to reduce its transmission revenues down by the difference  
12 between its Federal Energy Regulatory Commission ("FERC") authorized Return  
13 on Equity ("ROE") of 11.1% for transmission service rates and the ROE of 9.90%  
14 that KCPL has proposed for its retail rates in Missouri in this proceeding (KCPL  
15 Adjustment R-80 Transmission Revenues - ROE).
- 16 • KCPL's proposal to use projected costs to annualize the Company's transmission  
17 expense for adjustments CS-45 (FERC Account 565 – Transmission of Electricity  
18 by Others) and CS-86 (SPP Schedule 1-A fees).
- 19 • KCPL's proposal to use projected revenues to annualize the Company's  
20 transmission revenue for adjustments R-82 (Revenue recorded in FERC accounts  
21 456009 and 456100).

22 The fact that I do not address any other particular issues in my testimony or  
23 am silent with respect to any portion of the direct testimony of witnesses Burton  
24 Crawford, Tim Rush, and Ronald Klote should not be interpreted as an approval of  
25 any position taken by KCPL or any other party in direct testimony.

26 **Q PLEASE SUMMARIZE YOUR CONCLUSIONS AND RECOMMENDATIONS.**

27 A My conclusions and recommendations are as follows:

- 28 • The Commission should deny KCPL's proposal to incorporate extremely large pro  
29 forma adjustments to its test year off-system sales revenues and purchased  
30 power expenses to reflect the gross clearing of its generation and load in the  
31 day-ahead and real-time energy markets of the SPP Integrated Marketplace  
32 (KCPL Adjustments R-35 and CS-24). These proposed adjustments  
33 misrepresent how KCPL utilizes the SPP Integrated Marketplace to help serve its

**James R. Dauphinais**  
**Page 2**

1 native load customers and are counter to FERC's accounting requirements for  
2 off-system sales (Account 447) and purchased power (Account 555) under Order  
3 No. 668. The proposed pro forma adjustment should be modified to be consistent  
4 with the MWh of off-system energy sales and purchased energy reported on  
5 KCPL witness Crawford's Schedule BLC-4. This recommendation does not affect  
6 either KCPL's proposed base rate revenue requirement or its proposed Base  
7 Factor for its proposed FAC. It simply avoids misrepresenting how KCPL utilizes  
8 the SPP market to help serve its native load customers and assures conformance  
9 to FERC Order No. 668 with respect to the accounting of sales to and purchases  
10 from RTO markets.

- 11 • The Commission should deny KCPL's proposed pro forma adjustment to lower its  
12 wholesale transmission revenues by the difference between its FERC-authorized  
13 ROE for transmission service and the lower authorized ROE KCPL has proposed  
14 in this proceeding for its retail rates in Missouri (KCPL Adjustment R-80). KCPL  
15 receives these revenues as a result of the transmission facilities it has  
16 constructed for its native load customers that are ultimately paid for by those  
17 customers. As a result, native load customers should be entitled to 100% of  
18 these revenues. KCPL should not be permitted to "skim off" and retain the  
19 difference between its FERC-authorized ROE and Missouri-authorized ROE. This  
20 will lower KCPL's proposed Missouri-jurisdictional base rate revenue requirement  
21 by approximately \$0.9 million. While this is a small dollar issue at this time, it is  
22 an issue of important precedent with respect to the Commission potentially  
23 allowing jurisdictional electric utilities to "skim off" and retain the difference  
24 between the return earned from non-requirements wholesale sales of power and  
25 wholesale transmission service and the return authorized under retail electric  
26 rates in Missouri.

- 27 • The Commission should deny the proposed adjustments R-82, CS-45, and  
28 CS-86. The use of projected values for only certain expenses and revenues  
29 beyond the true-up period breaks the test year synchronism among expenses,  
30 revenues, and rate base, leading a utility to over-recover its costs. In order to  
31 maintain synchronism, only adjustments that are known and measureable through  
32 the end of the true-up period in this proceeding should be permitted.

1 **II. PROPOSED ADJUSTMENT TO REFLECT THE GROSS CLEARING**  
2 **OF KCPL GENERATION AND LOAD IN THE SPP ENERGY MARKET**

3 **Q PLEASE EXPLAIN KCPL'S PROPOSAL TO APPLY EXTREMELY LARGE**  
4 **ADJUSTMENTS TO ITS ACCOUNT 447 OFF-SYSTEM SALES REVENUES AND**  
5 **555 PURCHASED POWER EXPENSES (KCPL ADJUSTMENTS CS-24 AND R-35)**  
6 **TO REFLECT THE CLEARING OF ALL OF ITS GENERATION AND LOAD IN THE**  
7 **SPP DAY-AHEAD AND REAL-TIME ENERGY MARKETS.**

8 A KCPL proposes to adjust up both its test year Purchase Power-Energy expenses in  
9 Account 555 and Off-System Energy and Ancillary sales revenues in Account 447 by  
10 over \$280 million to reflect that it clears all of its generation and all of its load in the  
11 SPP day-ahead and real-time energy markets of the SPP Integrated Marketplace.  
12 These extremely large simultaneous adjustments have absolutely no effect on  
13 KCPL's proposed revenue requirement as the equal and opposite part of these  
14 adjustments cancel each other out. The only purpose the large equal and opposite  
15 part of these adjustments could serve is to attempt to bolster KCPL's proposal to  
16 recover all of its wholesale transmission expenses through its proposed FAC by trying  
17 to convince the Commission, just like KCPL attempted in Case No. ER-2014-0370,  
18 that KCPL purchases all of the power for its retail customers from SPP energy  
19 markets. The proposed adjustments misrepresent KCPL's use of the SPP energy  
20 markets, are inconsistent with the requirements of FERC Order No. 668, and  
21 inconsistent with KCPL's own 2015 FERC Form 1 filing.

22 I recommend that the Commission require KCPL to remove the equal and  
23 opposite portions of these proposed adjustments such that they are consistent with  
24 the MWh of Non-Firm Wholesale Market Purchased Power and Non-Firm Sales (i.e.,  
25 non-firm off-system energy sales) reported on Mr. Crawford's Schedule BLC-4. This

**James R. Dauphinais**  
**Page 4**

1 change will not change KCPL's proposed revenue requirement or the Base Factor for  
2 its proposed FAC. It will simply avoid misrepresenting KCPL's true purchased power  
3 energy expense and true off-system energy sales revenue.

4 **Q PLEASE EXPLAIN WHY KCPL'S PROPOSED ADJUSTMENT MISREPRESENTS**  
5 **ITS USE OF THE SPP ENERGY MARKETS.**

6 A While it is true that on an hourly basis KCPL clears all of its generation and all of its  
7 load in the SPP energy market, this does not mean that KCPL purchases all of its  
8 power for its customers. If it did, it would mean:

- 9 • The fuel and purchased power cost for power paid by customers would be equal  
10 to the wholesale market price for power – not KCPL's cost to produce power in its  
11 own generating units supplemented by occasional wholesale market purchases;  
12 and
- 13 • The entire output of KCPL's generation facilities would be dedicated to the  
14 production of off-system sales – not to serving KCPL's customers.

15 Under this absurd scenario, no fuel costs would be assigned to KCPL's  
16 customers – only purchased power costs would be assigned to customers. In  
17 addition, there would be grounds for the Commission to remove from KCPL's rate  
18 base the entire net plant of KCPL's generation facilities since those facilities would no  
19 longer be serving the Company's customers.<sup>1</sup>

20 **Q DOES FERC SPECIFY HOW GENERATION AND LOAD THAT IS CLEARED ON**  
21 **AN HOURLY BASIS IN RTO MARKETS SUCH AS THAT OF SPP SHOULD BE**  
22 **CLASSIFIED?**

23 A Yes. In Order No. 668, FERC specified how the hourly clearing in RTO markets of  
24 load and generation should be addressed under the uniform system of accounts by

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<sup>1</sup>Obviously, if this was done, the fuel expenses, O&M expenses and off-system sales revenues associated with KCPL's generation facilities would also be removed from rates.



1 public utilities such as the Company. Under Order No. 668, public utilities must net  
2 their SPP-cleared load and generation in each hour and report that net amount as  
3 either: (i) a sale for resale (i.e., off-system sale) under Account 447 when the utility's  
4 cleared generation exceeds the cleared load, or (ii) a power purchase under  
5 Account 555 when the utility's cleared load exceeds its cleared generation. Thus,  
6 under FERC's accounting rules, in each hour, a public utility has either an off-system  
7 sale to SPP or a power purchase from SPP – not both. As FERC indicated in Order  
8 No. 668:

9 “Recording RTO energy market transactions on a net basis is  
10 appropriate as purchase and sale transactions taking place in the  
11 same reporting period to serve native load are done in contemplation  
12 of each other and should be combined. Netting accurately reflects  
13 what participants would be recording on their books and records in the  
14 absence of the use of an RTO market to serve their native load.  
15 Recording these transactions on a gross basis, in contrast, would give  
16 an inaccurate picture of a participant's size and revenue producing  
17 potential.” (FERC Order No. 668 at paragraph 80)

18 The reality is that that KCPL offers all of its generation and bids all of its load into  
19 the SPP energy market in contemplation of each other on behalf of native load  
20 customers in order to supplement the energy available from its own generation  
21 facilities with power purchases and to engage in economy sales of excess energy  
22 from its own generation facilities. FERC accounting requirements under Order  
23 No. 668 reflect this fact.

24 **Q DOES KCPL'S OWN SCHEDULES IN THIS PROCEEDING SUPPORT ITS**  
25 **PROPOSED ADJUSTMENTS?**

26 **A** No. On an annualized basis, Mr. Crawford's Schedule BLC-4 provides MWh and  
27 dollar information on KCPL's fuel and purchased power costs. The MWh values on  
28 the schedule properly indicate that KCPL purchases only a very small portion of

**James R. Dauphinais**  
**Page 6**

1 non-firm energy from the wholesale market \*\*\_\_\_\_\_\*\* to meet its total firm  
2 native load energy need of \*\*\_\_\_\_\_\*\* and sells only a portion (\*\*\_\_\_\_\_  
3 \_\_\_\_\*\*) of its total energy production from its generators and renewable Purchased  
4 Power Agreements (“PPAs”) of \*\*\_\_\_\_\_\*\* as non-firm wholesale market  
5 sales. This does not show that KCPL purchases all of its energy for its native load  
6 customers from the SPP energy market or that it sells the entire output from its  
7 generators into the SPP energy market. Yet, on the dollar portion of this same  
8 schedule, KCPL attempts to claim it has total non-firm purchased energy costs of  
9 \*\*\_\_\_\_\_\*\* from the SPP integrated marketplace for native load and total  
10 non-firm off-system energy sales revenues of \*\*\_\_\_\_\_\*\* from the SPP  
11 integrated marketplace for its generation and renewable PPAs. Taking the entire  
12 single page schedule together suggests that KCPL is indicating non-firm energy  
13 purchase costs of \$5,267 per MWh and non-firm off-system energy sales revenues of  
14 approximately \$68 per MWh. Both implied prices are grossly incorrect because  
15 Schedule BLC-4 misrepresents KCPL’s true non-firm purchased energy costs and  
16 true non-firm off-system energy sales revenues by presenting them based on the  
17 gross hourly clearing of KCPL generation and load in the SPP energy market.

18 **Q WHAT DOES KCPL’S OWN 2015 FERC FORM 1 FILING OF APRIL 18, 2016**  
19 **SHOW?**

20 **A** It shows total energy purchases from the SPP energy market in 2015 of 1,142,402  
21 MWh at a price of \$39.8 million or approximately \$35 per MWh (KCPL 2015 FERC  
22 Form 1 Filing at pages 326 and 327). It also shows total off-system energy sales to  
23 the SPP energy market of 4,767,996 MWh at a price of \$88.6 million or approximately  
24 \$19 per MWh (KCPL 2015 FERC Form 1 Filing at pages 310.1 and 311.1). These

**James R. Dauphinais**  
**Page 7**

1 values properly reflect either just a purchase or just a sale by KCPL in each hour of  
2 the SPP day-ahead and real-time energy markets.

3 **Q WHILE FERC UNDER ITS ORDER NO. 668 REQUIRES THAT UTILITIES EITHER**  
4 **JUST BOOK A SALE OR A PURCHASE IN EACH HOUR FROM THE SPP**  
5 **ENERGY MARKET, DOES FERC ALSO REQUIRE THAT INFORMATION ON THE**  
6 **GROSS CLEARING OF GENERATION AND LOAD BY EACH UTILITY BE**  
7 **MAINTAINED?**

8 A Yes, it does so for the limited purposes of auditing and monitoring the market for  
9 improper conduct. Specifically, in Order No. 668, FERC indicated:

10 "The Commission does expect public utilities, however, to maintain  
11 detailed records for auditing purposes of the gross sale and purchase  
12 transactions that support the net energy market amounts recorded on  
13 their books."  
14 (FERC Order No. 668 at paragraph 80)

15 "Finally, one purpose of this rule is to establish uniform accounting  
16 requirements for the purchase and sale of energy in RTO markets.  
17 The purpose of reporting of gross information in EQRs, in contrast, is  
18 to provide the Commission and the public with a more complete picture  
19 of wholesale market activities which affect jurisdictional services and  
20 rates, thereby helping to monitor for any market power and to ensure  
21 that customers are protected from improper conduct. These are not  
22 necessarily the same criteria and principles that should be used in  
23 establishing uniform accounting requirements."  
24 (FERC Order No. 668 at paragraph 84)

25 **III. PROPOSED ADJUSTMENT TO LOWER TRANSMISSION**  
26 **REVENUES FROM THE FERC ROE TO THE MISSOURI ROE**

27 **Q PLEASE EXPLAIN KCPL'S R-80 TRANSMISSION REVENUE ADJUSTMENT.**

28 A According to the testimony of KCPL witness Klote, the R-80 transmission revenue  
29 adjustment is offered to ensure that the ROE included in retail rates in Missouri is not  
30 less than authorized by this Commission (Klote Direct at 34). Essentially, KCPL

1 proposes to “skim off” from its wholesale transmission revenues the difference  
2 between its FERC-authorized ROE of 11.1% for transmission service and its  
3 proposed Missouri-authorized ROE of 9.90%

4 **Q HOW DO YOU RESPOND TO KCPL’S PROPOSAL?**

5 A KCPL’s proposal should be denied because its retail customers are ultimately  
6 responsible for supporting the revenue requirement of the Company’s transmission  
7 facilities and, as such, should be entitled to all FERC-jurisdictional transmission  
8 revenues that the Company is able to earn as an offset against the Company’s  
9 transmission cost built into revenue requirement. The Company’s proposal would be  
10 akin to allowing the Company to retain the difference between its non-firm off-system  
11 energy revenues received at market prices and the Company’s fuel cost to produce  
12 that energy. This denial will lower KCPL’s proposed Missouri-jurisdictional revenue  
13 requirement in this proceeding only by a relatively small amount (approximately \$0.9  
14 million),<sup>2</sup> but it is an issue of important precedent with respect to the Commission  
15 potentially allowing jurisdictional electric utilities to “skim off” and retain the difference  
16 between the return earned from non-requirements wholesale sales of power and  
17 wholesale transmission service and the return authorized under retail electric rates in  
18 Missouri.

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<sup>2</sup>Schedule RAK-4 (KCPL-MO) at line 12.

1 **IV. USE OF PROJECTED TRANSMISSION EXPENSE**

2 **Q HAVE YOU IDENTIFIED ANY ISSUES IN THE COMPANY'S DIRECT CASE WITH**  
3 **REGARD TO THE LEVEL OF TRANSMISSION EXPENSES THAT IT IS**  
4 **PROPOSING TO COLLECT?**

5 A Yes, the Company has annualized its transmission expenses based on an average  
6 of 2017-2018 projected costs. These adjustments include CS-45 Transmission of  
7 Electricity by Others (Account 565) and CS-86 Annualize SPP Schedule 1-A fees.  
8 These adjustments are discussed in the direct testimony of Company witness Ronald  
9 Klote (Klote Direct at 41 and 51).

10 **Q HOW DO YOU RESPOND TO THE COMPANY'S PROPOSAL TO USE**  
11 **PROJECTED COSTS TO ANNUALIZE ADJUSTMENTS CS-45 AND CS-86?**

12 A I recommend that the Commission deny the Company's request to use projected  
13 costs to annualize adjustments CS-45 and CS-86. By using projected costs for  
14 transmission expenses, the Company will break the test year synchronism among  
15 total Company revenues, expenses and rate base, leading to the Company  
16 over-recovering its costs. Only adjustments that are known and measureable through  
17 the end of the true-up period in this proceeding should be permitted. The Company's  
18 annualization will need to be updated to reflect actual values and rates at the end of  
19 the true-up period.

1                                    **V. USE OF PROJECTED TRANSMISSION REVENUES**

2    **Q        HAVE YOU REVIEWED THE LEVEL OF TRANSMISSION REVENUES THAT THE**  
3                    **COMPANY IS PROPOSING TO RECOVER IN BASE RATES?**

4    **A        Yes.** Similar to its proposal for transmission expenses, the Company is proposing to  
5                    annualize transmission revenue recorded in FERC accounts 456009 and 456100,  
6                    adjustment R-82, based on an average of 2017-2018 forecasted levels (Ronald Klote  
7                    Direct at 34). As with transmission expenses, utilizing projected transmission  
8                    revenues will break the test year synchronism among total Company revenues,  
9                    expenses and rate base, leading to the Company over-recovering its costs. Only  
10                   adjustments that are known and measurable through the end of the true-up period in  
11                   this proceeding should be permitted.

12   **Q        WHAT DO YOU RECOMMEND TO THE COMMISSION WITH RESPECT TO THIS**  
13                    **ISSUE?**

14   **A        I** recommend that the Commission require the Company to annualize its transmission  
15                    revenues through the end of the true-up period in this proceeding in a manner  
16                    consistent with the way I recommended annualizing transmission expense  
17                    adjustments CS-45 and CS-86. This will help to ensure that the relationship between  
18                    total Company revenues, expenses and rate base remains synchronized so that the  
19                    Company does not over-recover its costs.

1 **VI. CONCLUSIONS AND RECOMMENDATIONS**

2 **Q PLEASE SUMMARIZE YOUR CONCLUSIONS AND RECOMMENDATIONS.**

3 **A** My conclusions and recommendations are as follows:

- 4 • The Commission should deny KCPL’s proposal to incorporate extremely large pro  
5 forma adjustments to its test year off-system sales revenues and purchased  
6 power expenses to reflect the gross clearing of its generation and load in the  
7 day-ahead and real-time energy markets of the SPP Integrated Marketplace  
8 (KCPL Adjustments R-35 and CS-24). These proposed adjustments  
9 misrepresent how KCPL utilizes the SPP Integrated Marketplace to help serve its  
10 native load customers and are counter to FERC’s accounting requirements for  
11 off-system sales (Account 447) and purchased power (Account 555) under Order  
12 No. 668. The proposed pro forma adjustment should be modified to be consistent  
13 with the MWh of off-system energy sales and purchased energy reported on  
14 KCPL witness Crawford’s Schedule BLC-4. This recommendation does not affect  
15 either KCPL’s proposed base rate revenue requirement or its proposed Base  
16 Factor for its proposed FAC. It simply avoids misrepresenting how KCPL utilizes  
17 the SPP market to help serve its native load customers and assures conformance  
18 to FERC Order No. 668 with respect to the accounting of sales to and purchases  
19 from RTO markets.
- 20 • The Commission should deny KCPL’s proposed pro forma adjustment to lower its  
21 wholesale transmission revenues by the difference between its FERC-authorized  
22 ROE for transmission service and the lower authorized ROE KCPL has proposed  
23 in this proceeding for its retail rates in Missouri (KCPL Adjustment R-80). KCPL  
24 receives these revenues as a result of the transmission facilities it has  
25 constructed for its native load customers that are ultimately paid for by those  
26 customers. As a result, native load customers should be entitled to 100% of  
27 these revenues. KCPL should not be permitted to “skim off” and retain the  
28 difference between its FERC-authorized ROE and Missouri-authorized ROE. This  
29 will lower KCPL’s proposed Missouri-jurisdictional base rate revenue requirement  
30 by approximately \$0.9 million. While this is a small dollar issue at this time, it is  
31 an issue of important precedent with respect to the Commission potentially  
32 allowing jurisdictional electric utilities to “skim off” and retain the difference  
33 between the return earned from non-requirements wholesale sales of power and  
34 wholesale transmission service and the return authorized under retail electric  
35 rates in Missouri.
- 36 • The Commission should deny the proposed adjustments R-82, CS-45, and CS-  
37 86. The use of projected values for only certain expenses and revenues beyond  
38 the true-up period breaks the test year synchronism among expenses, revenues,  
39 and rate base, leading a utility to over-recover its costs. In order to maintain  
40 synchronism, only adjustments that are known and measureable through the end  
41 of the true-up period in this proceeding should be permitted.

1 Q DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

2 A Yes, it does.

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