

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

In the Matter of the Application of KCP&L Greater)
Missouri Operations Company Containing Its Annual)
Fuel Adjustment Clause True-Up.)

File No. ER-2014-0203

STAFF RECOMMENDATION

COMES NOW the Staff ("Staff") of the Missouri Public Service Commission ("Commission"), by and through counsel, and for its recommendation respectfully states:

1. On December 31, 2013, KCP&L Greater Missouri Operations Company ("GMO") filed an application containing its tenth Fuel Adjustment Clause ("FAC") true-up filing to identify the amount of over- or under-recovery of the FAC for a previous 12-month recovery period, as required by Commission Rules 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).

2. Rule 4 CSR 240-20.090(5)(D) requires the Commission's Staff to examine and analyze the information GMO has submitted and to submit a recommendation to the Commission not later than 30 days after GMO made its filing—in this case, no later than January 30, 2014.

3. As explained in Staff's *Memorandum*, attached hereto as Appendix A and incorporated herein by reference, Staff recommends the Commission approve GMO's tenth true-up filing for Recovery Period 10, during which GMO over-recovered \$52,753 from customers in its MPS rate district, and under-recovered \$110,415 from customers in its L&P rate district.

4. Staff reviewed and analyzed the direct testimony and supporting schedules of GMO witness Linda J. Nunn. Staff found that GMO's calculations for the

true-up amounts, including interest, for Recovery Period 10 (September 1, 2012 through August 31, 2013) are correct. The over-recovered amount for the MPS rate district and the under-recovered amount for the L&P rate district, including accumulated interest for the MPS and L&P rate districts, are included in GMO's calculation of its proposed current period Fuel Adjustment Rates in its semi-annual FAC adjustment filing in File No. ER-2014-0204.¹

5. Staff has verified that GMO has filed its 2012 annual report and is not delinquent on any assessment. GMO is current on its submission of its Surveillance Monitoring reports as required in 4 CSR 240-20.090(10), and its monthly reports as required by 4 CSR 240-3.161(5). With the exception of GMO's proposed current period Fuel Adjustment Rates in its semi-annual FAC filing in File No. ER-2014-0204, Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

WHEREFORE, Staff submits its analysis and recommends that the Commission approve GMO's tenth true-up filing for Recovery Period 10 under the provisions of 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).

¹ *In the Matter of the Application of KCP&L Greater Missouri Operations Company for Authority to Implement Rate Adjustments Required by 4 CSR 240-20.090(4) and the Company's Approved Fuel Adjustment Clause*, filed on December 31, 2013. In this case, GMO requested Commission approval a tariff sheet to adjust rates for the FAC includable costs experienced during the six-month accumulation period June 1, 2013 through November 30, 2013.

Respectfully Submitted,

**STAFF OF THE MISSOURI
PUBLIC SERVICE COMMISSION**

/s/ Robert S. Berlin

Robert S. Berlin
Senior Counsel
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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered or transmitted by facsimile or electronic mail to all counsel of record this 30th day of January, 2014.

/s/ Robert S. Berlin

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. ER-2014-0203
KCP&L Greater Missouri Operations Company

FROM: Matthew Barnes, Utility Regulatory Auditor IV

DATE: /s/ John Rogers 01-30-2014 /s/ Robert S. Berlin 01-30-14
Energy Resource Analysis Unit / Date Staff Counsel's Office / Date

SUBJECT: Staff's Analysis of and Recommendation Concerning KCP&L Greater Missouri Operations Company's Tenth Fuel Adjustment Clause True-up Filing Under the Provisions in 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5).

DATE: January 30, 2014

Recommendation

Staff recommends the Commission approve KCP&L Greater Missouri Operations Company's ("GMO") tenth true-up filing for Recovery Period 10 during which GMO over-recovered \$52,753 from customers in its MPS rate district, and under-recovered \$110,415 from customers in its L&P rate district.

Discussion

On December 31, 2013, GMO filed with the Commission, in the form of direct testimony and supporting schedules by GMO witness Linda J. Nunn, its tenth fuel adjustment clause ("FAC") true-up filing under the provisions in 4 CSR 240-3.161(8) and 4 CSR 240-20.090(5). According to GMO's true-up filing, in the aggregate, GMO over-recovered from its customers in its MPS rate district \$52,753,¹ and under-recovered from its customers in its L&P rate district \$110,415, during Recovery Period 10 (September 1, 2012 through August 31, 2013) which followed its Accumulation Period 10 (December 1, 2011 through May 31, 2012).

The Missouri Public Service Commission Staff ("Staff") reviewed the direct testimony of GMO witness Linda J. Nunn, the supporting schedules GMO provided with GMO's application in this case, and the monthly information GMO submitted to the Commission in accordance with 4 CSR 240-3.161(5).

¹ As defined on KCP&L Greater Missouri Operations Company, P.S.C.MO. No. 1, Original Sheet No. 126.2 the term T = 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 Fuel Adjustment Rate filing. Any corrections included will be discussed in the testimony accompanying the true-up filing.

Based on its review and analysis of the information GMO filed and submitted for Recovery Period 10, Staff finds GMO's calculations for the true-up amounts for Recovery Period 10, including the calculation of monthly interest, are correct. Staff recommends the Commission approve GMO's tenth true-up filing for Recovery Period 10 during which GMO over-recovered \$52,753 from its customers in its MPS rate district, and under-recovered \$110,415 from its customers in its L&P rate district. The over-recovered amount for the MPS rate district and under-recovered amount for the L&P rate district, including accumulated interest, are included in GMO's proposed changes to its current period fuel adjustment rates in its semi-annual FAC filing in File No. ER-2014-0204 made on December 31, 2013, for Accumulation Period 13 (June 1, 2013 through November 30, 2013).

Staff has verified that GMO has filed its 2012 Annual Report and is not delinquent on any assessment. GMO is current on its submission of its Surveillance Monitoring reports as required in 4 CSR 240-20.090(10), and its monthly reports as required by 4 CSR 240-3.161(5). With the exception of GMO's proposed changes to its current period fuel adjustment rates in its semi-annual FAC filing in File No. ER-2014-0204, Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

