

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 15th day
of October, 2014.

In the Matter of the Application of Kansas City)
Power & Light Company and KCP&L Greater)
Missouri Operations Company for the Issuance)
of an Accounting Authority Order relating to their)
Electrical Operations and for a Contingent Wavier)
of the Notice Requirement of 4 CSR 240-4.020(2))

File No. EU-2014-0077

ORDER DENYING APPLICATION FOR CLARIFICATION

Issue Date: October 15, 2014

Effective Date: October 25, 2014

On July 30, 2014, the Commission issued a Report and Order denying the application of Kansas City Power & Light Company ("KCP&L") and KCP&L Greater Missouri Operations Company for an Accounting Authority Order ("AAO") for certain transmission related expenses. On August 28, 2014, KCP&L filed an Application for Clarification ("Application") seeking clarification from the Commission that a sentence in the Report and Order was not intended to limit when KCP&L may file a rate case requesting an FAC for transmission costs. KCP&L's Application states:

"In paragraph 13 of the Report and Order, the Commission states:

As part of a previous settlement agreement ("Settlement Agreement") KCP&L agreed that, prior to June 1, 2015, it would not seek to utilize any mechanism authorized in Senate Bill 179, such as an FAC, that might allow KCP&L to implement riders, surcharges or changes in rates outside of a general rate case based upon a consideration of less than all relevant factors. The

Settlement Agreement was approved by the Commission in a July 28, 2005 order.”

KCP&L points out that, “...on page 11 of the Report and Order, the Commission states that ‘As part of a general rate case, KCP&L may seek an FAC to include transmission costs **incurred** in June of 2015.’” (Emphasis added.)¹

KCP&L states that the FAC tariffs that it intends to file in its upcoming rate case will not become effective until after June 1, 2015. KCP&L requests the Commission affirm that the statement on page 11 of the July 30, 2014, Report and Order is not a pronouncement of when the company may initially file a rate case requesting an FAC for transmission costs, but rather a reference for when KCP&L can actually implement an FAC mechanism.

Staff filed a Response to KCP&L’s Application asserting that KCP&L is requesting the Commission predetermine an issue that is not yet ripe. Staff points out that this issue will certainly arise when KCP&L files a general rate case before June 1, 2015. KCP&L filed a response to Staff on October 14, 2014 denying that they are seeking an advisory opinion but agreed with Staff that the issue of when a request for an FAC can be filed is not yet ripe. KCP&L stated that they are only seeking clarification as to whether the Commission intended “to limit in its Report and Order when KCP&L can file a rate case requesting an FAC that includes recovery of transmission costs.”

The Commission is not directing KCP&L on when KCP&L may file a rate case requesting an FAC for transmission costs or when KCPL may implement such an FAC.

¹ KCP&L includes the word “incurred” in its quote from the Commission’s July 30, 2014 Report and Order. The actual language from page 11 is: “As part of a general rate case, KCP&L may seek an FAC to include transmission costs in June of 2015.” EFIS Item No. 76, File No. EU-2014-0077.

Any decisions regarding the interpretation of the 2005 settlement agreement may be determined in a future rate case.

THE COMMISSION ORDERS THAT:

1. Kansas City Power and Light's Application for Clarification of the Commission's July 30, 2014 Report and Order is denied.
2. This order shall be effective on October 25, 2014.

BY THE COMMISSION



A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

R. Kenney, Chm., Stoll, W. Kenney,
Hall, and Rupp, CC., concur.

Burton, Regulatory Law Judge