

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

In the Matter of Kansas City Power)	<u>Case No. ET-2019-XXXX</u>
& Light Company's Revised Tariff Sheets)	Tracking No. JE-2019-0025

MOTION TO SUSPEND TARIFF SHEET AND OPEN NEW DOCKET

COMES NOW the Staff of the Missouri Public Service Commission ("Staff"), by and through undersigned counsel, and for its *Motion to Suspend Tariff Sheet and Open New Docket* in this matter hereby states:

1. Kansas City Power & Light Company (KCPL) filed its revised Limited Large Customer Economic Development Discount Rider tariff sheets with the Commission on August 27, 2018, bearing an effective date of September 26, 2018. The tariff sheet was assigned tracking number JE-2019-0025 and is attached to this pleading as Attachment A. The proposed revised tariff seeks to comply with the Missouri Revenue Statute § 393.1640 (2018) to establish a discount to encourage industrial and commercial business development in Missouri.

2. Pursuant to 4 CSR 240-2.065, the Commission shall establish a case file for a tariff when a pleading is filed which objects to a tariff or requests the suspension of a tariff.

3. Staff has determined that this proposed tariff revision may involve a substantive dispute and recommends the Commission open a docket pursuant to Rule 4 CSR 240-2.065 in which the parties may file records related to the tariff sheet's promulgation. Staff asks that the Commission suspend KCPL's proposed revised tariff

sheet so that it does not into effect September 26, 2018, pending a final Commission determination or dismissal of this matter.

WHEREFORE, Staff prays that the Commission will open a new docket pursuant to Rule 4 CSR 240-2.065 upon receipt of this *Motion*; suspend the proposed tariff sheet so that it does not go into effect September 26, 2018; and grant such other and further relief as the Commission considers just in the circumstances.

Respectfully submitted,

/s/ Alexandra L. Klaus

Alexandra L. Klaus
Legal Counsel
Missouri Bar No. 67196
Attorney for the Staff of the
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102
573-751-1854 (Voice)
573-751-9285 (Fax)
lexi.klaus@psc.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile, or electronically mailed to all parties and/or counsel of record on this 25th day of September, 2018.

/s/ Alexandra L. Klaus

KANSAS CITY POWER AND LIGHT COMPANY

P.S.C. MO. No. 7

Original Sheet No. 51

Canceling P.S.C. MO. No. _____

Original Sheet No. _____

For Missouri Retail Service Area

LIMITED LARGE CUSTOMER ECONOMIC DEVELOPMENT DISCOUNT RIDER
Schedule PED

PURPOSE

The purpose of this Limited Large Customer Economic Development Rider is to comply with Mo. Rev. Stat. § 393.1640 (2018) to establish a discount to encourage industrial and commercial business development in Missouri.

AVAILABILITY

Electric service under this Rider is only available if the customer meets the following criteria:

- The Customer completes an application for service, including service under this Rider, prior to public announcement of a growth project and at least ninety days prior to the date the Customer requests the discounts provided for by this Rider;
- The Customer receives local, regional, or state economic development incentives in conjunction with the incremental load; and
- The Customer meets the Incentive Provisions set forth in the Company's Economic Development Rider, Schedule EDR.

Electric service under this Rider is only available to a Customer otherwise qualified for service under the Company's MGS, LGS, LPS, MGA or LGA rate schedules. Electric service under this Rider is not available in conjunction with service provided pursuant to any other Special Contract Service tariff agreements. The availability of this Rider shall be limited to industrial and commercial facilities which are not in the business of selling or providing goods and/or services directly to the general public.

APPLICABILITY

The Rider is applicable to new or existing facilities meeting the above availability criteria and the following two applicability criteria:

1. The Customer adds incremental load, net of any offsetting load reductions due to the termination of other accounts of the Customer or an affiliate of the Customer within 12 months prior to the commencement of service to the new load, with the peak demand of the new or additional facility is reasonably projected to be at least three hundred (300) kW within two years after the date the application is submitted. The Customer must maintain at least three-hundred (300) kW in years three (3) through five (5) of the service under this Rider to continue to be eligible for the incentive provisions.
2. The annual load factor of the new Customer facility or expanded facility is reasonably projected to equal or exceed fifty-five percent (55%) within two (2) years of the date the application is submitted. The Customer must maintain an annual load factor of 55% or greater in years three (3) through five (5) of the service under this Rider to continue to be eligible for the incentive provisions. The projected annual Customer load factor shall be determined by the following relationship:

$$\text{Load Factor} = \text{PAE} \div (\text{PCD} \times \text{HRS})$$

where:

PAE = Projected Annual Energy (kWh)

HRS = Hours in year (8760)

PCD = Projected Customer Peak Demand (kW)

KANSAS CITY POWER AND LIGHT COMPANY

P.S.C. MO. No. 7

Original Sheet No. 51A

Canceling P.S.C. MO. No. _____

Original Sheet No. _____

For Missouri Retail Service Area

LIMITED LARGE CUSTOMER ECONOMIC DEVELOPMENT DISCOUNT RIDER
Schedule PED

APPLICABILITY (continued)

All requests for service under this Rider will be considered by the Company. Sufficiently detailed information and documentation shall be provided by the Customer to enable the Company to determine whether a facility is qualified for the Rider.

Service under this Rider shall be evidenced by a contract between the Customer and the Company, which shall be submitted by the Company along with supporting documentation to the Commission, Commission Staff in the Energy Unit and the Office of Public Counsel. In the case of a Customer locating a new facility in KCP&L's service territory or expanding an existing facility in KCP&L's service territory, the contract will contain a statement that the Customer would not locate new facilities in KCP&L's service territory or expand its existing facilities in KCP&L's service territory but for receiving service under this Rider along with other incentives.

INCENTIVE PROVISIONS

1. Revenue Determination:

The pre-tax revenues under this Rider shall be determined by reducing all base rate components associated with the, MGS, LGS, LPS, MGA, or LGA rate schedule. The average of the annual discount percentages shall equal forty (40) percent and shall not be less than thirty (30) percent nor more than fifty (50) percent in any year. All other billing, operational and related provisions of the aforementioned rate schedules shall remain in effect. The percentage shall be fixed for each year of service under the discount for a period of up to five years.

Bills for separately metered (or measured) service to existing Customers, pursuant to the provisions of this Rider, will be calculated independently of any other service rendered to the Customer at the same or other locations.

2. Application of Discount:

The discount shall be applied to such incremental load from the date when the meter has been permanently set until the date that such incremental load no longer meets the criteria required to qualify for the discount, as determined under the provisions of this Rider.

For Customers with existing facilities at one or more locations in the Company's service area, this Rider shall not be applicable to service provided at any existing delivery point prior to receiving service under this Rider. Failure to comply with this provision may result in termination of service under this Rider.

3. Beneficial Location of Facilities:

An eligible Customer shall also receive a ten (10) percent discount of all base rate components of the bill applied to such incremental load for one year after the initial discount period ends if the Company determines that the Customer is taking service from an under-utilized circuit. In no event shall a Customer receive a discount for taking service from an under-utilized circuit after December 31, 2028.

4. Positive Contribution:

The cents per kilowatt-hour realization resulting from application of any such discounted rate as calculated shall be higher than the Company's variable cost to serve such accounts in aggregate and the discounted rate also shall make a positive contribution to fixed costs associated with such service. If in a subsequent general rate proceeding the Commission determines that application of such discounted rate is not adequate to cover the Company's variable cost to serve such accounts and provide a positive contribution to fixed costs then the Commission shall increase the rate prospectively to the extent necessary to do so.

KANSAS CITY POWER AND LIGHT COMPANY

P.S.C. MO. No. 7

Original Sheet No. 51B

Canceling P.S.C. MO. No. _____

Original Sheet No. _____

For Missouri Retail Service Area

LIMITED LARGE CUSTOMER ECONOMIC DEVELOPMENT DISCOUNT RIDER
Schedule PED

INCENTIVE PROVISIONS (continued)

5. Separately Measured Service:

For facilities of a Customer contracting under this Rider due to expansion, the Company may install metering equipment necessary to measure load subject to this Rider. The Company reserves the right to make the determination of whether such load will be separately metered or Sub-metered. If the Company determines that the nature of the expansion is such that either separate metering or sub-metering is impractical or economically infeasible, the Company will determine, based on historical usage, what portion of the Customer's load in excess of the monthly baseline, if any, qualifies as new load eligible for this Rider.

TERMINATION

Failure of the Customer to meet any of the availability and applicability criteria of this Rider, used to qualify the Customer for acceptance on the Rider shall lead to termination of service under this Rider.

INCREMENTAL COST ANALYSIS

As confirmation that revenues received from Customers under this Schedule are expected to be sufficient to cover the Company's increased costs to serve such Customers, the Company shall utilize the analysis of the Company's incremental cost of service in a format set forth in Sheet No. 32J within Schedule EDR.

TERM

This Rider shall expire on December 31, 2023 unless extension is requested by the Company and approved by the Commission. All discounts under this Rider shall expire no later than December 31, 2028.

OTHER CONDITIONS

If incremental load is separately metered, Customers shall meet the applicable criteria within 24 months after the date the meter is permanently set based on metering data for calendar months 13 through 24 and annually thereafter. If such data indicates that the Customer did not meet the criteria for any applicable 12-month period, it shall thereafter no longer qualify for the discounted rate.

If a Customer is receiving any economic development or retention-related discounts as of the date it would otherwise qualify for a discount provided for by this Rider, the Customer shall agree to relinquish the prior discount concurrently with the date it begins to receive a discount under this Rider; otherwise, the Customer shall not be eligible to receive any discount under this Rider.

Customer demand existing at the time the Customer begins to receive discounted rates under this Rider shall not constitute incremental demand.

The discounted rates provided for by this Rider apply only to base rate components, with the charges or credits arising from any rate adjustment mechanism authorized by law to be applied to Customers qualifying for discounted rates under this Rider in the same manner as such rate adjustments would apply in the absence of this Rider.