

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 17th day of July, 2015.

In the Matter of Kansas City Power & Light)	<u>File No. ER-2014-0370, et al.</u>
Company's Request for Authority to Implement a)	YE-2015-0194
General Rate Increase for Electric Service)	YE-2015-0195

**ORDER APPROVING STIPULATION AND AGREEMENT REGARDING
PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS**

Issue Date: July 17, 2015

Effective Date: July 17, 2015

On June 26, 2015, Kansas City Power & Light Company ("KCP&L") and the Staff of the Commission filed a non-unanimous stipulation and agreement that would resolve between them pension and other post-employment benefit ("OPEB") costs for KCP&L as of May 31, 2015 and identifies the treatment of KCP&L's pension and OPEB costs subsequent to the effective date of rates in this case. The signatories to this stipulation and agreement state that it accomplishes the following:

1. Establishes in a single document the various pension provisions that are appropriate for the calculation of pension costs for financial reporting and ratemaking purposes;
2. Identifies the pension and OPEB treatment of KCP&L's joint owners in the Iatan 1, Iatan 2, and La Cygne 1 and 2 generating units/stations;
3. Identifies for purposes of calculating the tracking mechanism included therein, the pension and OPEB regulatory assets and/or liabilities, including the prepaid

pension/OPEB asset and the annual pension/OPEB costs resulting from rates established in this case;

4. Identifies the treatment of pension and OPEB costs under Statement of Financial Accounting Standard 88 for Missouri ratemaking purposes; and
5. Recognizes contributions in excess of Financial Accounting Standard 87 pension expense to include contributions required as a result of the Employee Retirement Income Security Act of 1974, as amended.

The stipulation and agreement is non-unanimous in that it was not signed by all parties. However, Commission Rule 4 CSR 240-2.115(2) provides that other parties have seven days in which to object to a non-unanimous stipulation and agreement. If no party files a timely objection to a stipulation and agreement, the Commission may treat it as a unanimous stipulation and agreement. More than seven days have passed since the stipulation and agreement was filed, and no party has objected. Therefore, the Commission will treat the stipulation and agreement as a unanimous stipulation and agreement.

After reviewing the stipulation and agreement, the Commission independently finds and concludes that the stipulation and agreement is a reasonable resolution of the issues addressed by the stipulation and agreement and that such stipulation and agreement should be approved.

THE COMMISSION ORDERS THAT:

1. The Non-Unanimous Stipulation and Agreement Regarding Pensions and Other Post Employment Benefits, filed on June 26, 2015, is approved as a resolution of the issues addressed in that stipulation and agreement. The signatory parties are ordered to

comply with the terms of the stipulation and agreement. A copy of the stipulation and agreement is attached to this order.

2. This order shall be effective when issued.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff". The signature is written in a cursive, flowing style.

Morris L. Woodruff
Secretary

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

Bushman, Senior Regulatory Law Judge