

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

In the Matter of the First Prudence Review of )  
Costs Subject to the Commission-Approved )  
Fuel Adjustment Clause of Kansas City Power )  
and Light Company )

**Case No. EO-2017-0231**

**STAFF'S FIRST PRUDENCE REVIEW REPORT**

**COMES NOW** the Staff of the Missouri Public Service Commission ("Commission"), by and through counsel, and submits *Staff's First Prudence Review Report* of the costs subject to the fuel adjustment clause ("FAC") of Kansas City Power and Light Company ("KCPL"). As a result of its prudence review of FAC costs, the Staff has found no evidence of imprudence on the part of KCPL and, in support thereof, states as follows:

1. On March 8, 2017, the Staff filed *Notice* in accordance with Commission Rule 4 CSR 240-20.090(7)(B) that it initiated its first prudence review of the costs and revenues associated with KCPL's FAC for the period September 29, 2015 through December 31, 2016. On March 9<sup>th</sup>, the Commission issued its *Order Directing Notice, Adding Parties, and Setting Procedural Dates* ("Order"). The Order required that Staff's report be filed no later than August 28, 2017. On August 18, 2017, Staff filed a motion for extension of time to file its report to conduct additional discovery. On August 29, 2017, the Commission granted Staff an extension of time until October 27, 2017 to file its report.

2. Staff's *Notice* set forth a plan for examining and analyzing the costs and revenues associated with KCPL's commission-approved FAC for the period September 29, 2015 through December 31, 2016 (the "Review Period"). This Review Period

corresponds to the first, second, and third sequential FAC accumulation periods (for an approximate 15 month prudence review period) since the Commission first authorized an FAC for KCPL.

3. The Staff has completed its prudence review and provides a detailed discussion of its findings in Staff's *First Prudence Review of Costs Related To The Fuel Adjustment Clause For The Electric Operations Of Kansas City Power & Light Company* ("Prudence Review Report") attached as Appendix A in Confidential and Public formats. As a result of its prudence review, and as more fully explained in the Prudence Review Report, the Staff identified no instances of imprudence on the part of KCPL during the Review Period.

**WHEREFORE**, the Staff of the Missouri Public Service Commission prays the Commission accept its First Prudence Review Report of KCPL's FAC.

Respectfully submitted,

**/s/ Robert S. Berlin**

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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 27th day of October, 2017.

**/s/ Robert S. Berlin**