

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

In the Matter of KCP&L Greater Missouri)
Operations Company's Request for Authority to) File No. ER-2012-0175
Implement General Rate Increase for Electric)
Service.)

**MOTION FOR RECONSIDERATION
AND REQUEST FOR EXPEDITED TREATMENT**

COMES NOW the Office of the Public Counsel, Midwest Energy Consumers Group, AARP, Consumers Council of Missouri, Midwest Energy Users Association, Ag Processing, Inc. and Missouri Industrial Energy Consumers (MIEC) and for their Motion for Reconsideration state as follows:

1. For the reasons set forth herein, the Signatories to this motion, who represent the end use customer representatives in this case, ask the Missouri Public Service Commission (Commission) to reconsider its order of August 24, 2012, interjecting a new issue into this rate case.

2. On August 24, 2012, the Commission issued an order directing the parties to address a new issue in this case. This new issue is a sketchily outlined proposal that appears to include awarding a higher-than-normal return on equity in this case.

3. On September 4, 2012, the Commission ordered the parties to file additional testimony addressing the advisability of implementing a rate stabilization mechanism, with evidentiary support for such testimony. Due dates for filing testimony on this new issue was

ordered as follows: Simultaneous Direct Testimony on October 1, 2012, and Rebuttal Testimony on October 12, 2012.

4. The proposal has not been discussed at all in Missouri and many (if not all) of the parties will necessarily be starting with absolutely no knowledge of the concept. Moreover, the brief discussion in the Commission's August 24 order does not provide much basis for a well-developed response.

5. As the Commission's order setting the dates for additional testimony on this new issue came out just two days before the local public hearings were to begin and testimony will not be filed until after the local public hearings are completed, no specific details on this new proposal will be available to the public and there will be no opportunity for the public to provide comments regarding the proposal at a local public hearing.

6. The Signatories suggest that the rate stabilization proposal cannot be adequately addressed this late in the case, and that an exploration of the proposal would be more productive if conducted in a separate workshop case as suggested in the Commission's *Order Granting Reconsideration and Vacating Order Directing Parties to File Additional Testimony* issued in the Union Electric Company, d/b/a Ameren Missouri rate case File No. ER-2012-0166 (See Attachment A).

7. In support of their motion for expedited treatment, pursuant to 4 CSR 240-2.080(14)(A), the Signatories state that they desire the Commission to act as soon as possible.¹ Pursuant to 4 CSR 240-2.080(14)(B) the Signatories state that devoting resources to addressing the rate stabilization proposal will necessarily mean devoting fewer resources to the other issues in this case, that addressing the rate stabilization proposal at this point in this contested case is

¹ Since the August 24 order was issued by delegation, the parties assume that an order granting reconsideration of it can be issued by delegation as well.

problematic for the reasons set forth herein, and that an expeditious order relieving the parties of the burden of addressing the issue in this case would avoid those harms. Pursuant to 4 CSR 240-2.080(14)(C), the Signatories state that this motion was filed as soon as possible after the Commission issued its August 24, 2012, order and within the time allowed by 4 CSR 240-2.160(2).

WHEREFORE Public Counsel, Midwest Energy Consumers Group, AARP, Consumers Council of Missouri, Midwest Energy Users Association, Ag Processing, Inc. and Missouri Industrial Energy Consumers (MIEC) respectfully request that the Commission reconsider and vacate its August 24, 2012, and September 4, 2012, orders as expeditiously as possible.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been emailed to all parties of record this 7th day of September 2012.

/s/ Lewis R. Mills, Jr.

By: _____

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

In the Matter of Union Electric Company, d/b/a)	<u>File No. ER-2012-0166</u>
Ameren Missouri's Tariff to Increase Its Annual)	Tariff No. YE-2012-0370
Revenues for Electric Service)	

**ORDER GRANTING RECONSIDERATION AND VACATING ORDER
DIRECTING THE PARTIES TO FILE ADDITIONAL TESTIMONY**

Issue Date: September 6, 2012

Effective Date: September 6, 2012

The Missouri Public Service Commission issued an order on August 24, 2012, that directed the parties to file additional testimony regarding a possible rate stabilization mechanism. Direct testimony regarding that mechanism is currently due on September 14. On September 4, the Office of the Public Counsel, Midwest Energy Consumers Group, Missouri Retailers Association, AARP, Consumers Council of Missouri, and Missouri Industrial Energy Consumers jointly filed a motion asking the Commission to reconsider its order.

The Movants complain that the Commission's order introduces a new rate making concept too late in the rate case process to allow the parties a reasonable opportunity to consider their positions and draft testimony to address that concept. They suggest that if the Commission wants to further explore a rate stabilization concept it should do so through a workshop or investigative case.

The Commission wants to explore the concept of a rate stabilization mechanism to address the complaints frequently voiced at the recently concluded local public hearings about the frequency of rate increase filings by Missouri utilities. The

Commission will continue to examine possible solutions to that problem, but the Commission accepts the representations of the parties that it is too late in the process to obtain a well-developed, thoughtful analysis of the rate stabilization concept in this case. Therefore, the Commission will grant the motion for reconsideration and will vacate its August 24 Order Directing the Parties to File Additional Testimony. The Commission remains interested in the concept of a rate stabilization mechanism and in a separate order will address the establishment of a working or investigative case to further explore that concept.

THE COMMISSION ORDERS THAT:

1. The Motion for Reconsideration filed on September 4, 2012, is granted.
2. The Order Directing the Parties to File Additional Testimony, issued on August 24, 2012, is vacated.
3. This order is effective immediately upon issuance.

BY THE COMMISSION



Steven C. Reed
Secretary

(S E A L)

Morris L. Woodruff, Chief Regulatory
Law Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 6th day of September, 2012.