

Exhibit No. 333

OPC – Exhibit 333
DR 8002

File Nos. ER-2022-0129 & ER-2022-0130

KCPL
Case Name: 2018 KCPL Rate Case
Case Number: ER-2018-0145

Response to Mantle Lena Interrogatories - OPC_20180523
Date of Response: 6/1/2018

Question:8002

Please provide all documentation regarding the initial decision to enter into contracts for hydro power. This documentation should include at a minimum a copy of the source document that required KCPL to obtain hydro power and the justification for entering into the hydro contract.

Response:

The attachments to this response, Q8002_CONF_KCPL_Hydro value analysis.xlsx and Q8002_CONF_KCPL_CNPPID Hydro Presentation.ppt are considered **CONFIDENTIAL** as they contain marketing analyses or other market-specific information relating to goods or services purchased or acquired for use by the Company in providing services to customers.

Kansas Renewable Energy Standards (RES), specifically Kansas Statutes K.S.A 66-1256 to 66-1262, which are attached as “Q8002_KCPL_Kansas Statutes 66-1256 to 1262.docx” were in effect at the time (beginning approximately September 2010) that the CNPPID hydroelectric contract was being considered. These Statues (specifically K.S.A 66-1258) required KCP&L to provide net renewable generation capacity, based on the average demand of the prior three years of each year’s requirement as follows:

- not less than 10% of its peak demand for calendar years 2011 through 2015,
- not less than 15% of its peak demand for calendar years 2016 through 2019,
- not less than 20% of the affected utility's peak demand for each calendar year beginning in 2020.

In addition, at the time there were Federal proposed rules requiring renewable energy as follows: 3% in 2012 per the Bingaman-Brownback bill, and 13% in 2013 per the Graham bill. Federal proposed renewable rules in 2010 indicated that 6 MW of planned upgrades at the CNPPID hydro facilities would qualify as renewable resources, i.e. “incremental hydropower” added after January 1, 1992 (under the Bingaman/Brownback bill) and after Jan. 1, 2001 (under the Klobuchar bill).

Using banked capacity, along with existing capacity and capacity to be installed at its Spearville wind facility, KCP&L expected to be in need of additional KS renewable capacity to meet its Kansas RES requirements. Accordingly, the CNPPID hydro facility was one option available to KCP&L. At that time, the CNPPID hydro facility compared favorably to other options such as wind, based on the prices in wind RFP responses received in 2010. Wind prices were higher and

capacity factors lower in 2010 than they are currently. Also, there would be no short or long-term capital investment with the hydro contract.

Under the KS Statutes, as long as the contract term was greater than one year, KCP&L could claim 100% of nameplate capacity, regardless of actual output or capacity factor from that facility. Thus, the hydro facility was more cost effective than comparable wind generation. Also, an analysis conducted in 2013 and attached as “Q8002_CONF_KCPL_Hydro value analysis.xlsx”, indicated that over the ten-year contract period, the proposed hydro contract price yielded total expenditures that would be less than the expected value of the energy produced, therefore it was expected to be economic in addition to the fact it would be a renewable resource.

The CNPPID hydro facility qualified as a renewable energy resources under Statute K.S.A 66-1257. The Environmental attributes, Renewable Energy Certificates (RECs) will be available for all generation from these facilities. This generation is certified by the Low Impact Hydropower Institute and its generation qualifies as renewable energy credits under the Green-e program of the Center for Resource Solutions.

See attached PowerPoint presentation “Q8002_CONF_KCPL_CNPPID Hydro Presentation.ppt” for information related to the justification for entering into the hydro contract.

Information Provided By:

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Attachments:

Q8002_KCPL_Kansas Statutes 66-1256 to 1262.docx
Q8002_CONF_KCPL_Hydro value analysis.xlsx
Q8002_CONF_KCPL_CNPPID Hydro Presentation.ppt
Q8002_Verification.pdf