

**THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

Before Commissioners: Jay Scott Emler, Chairman
 Shari Feist Albrecht
 Pat Apple

In the Matter of a General Investigation of)
Kansas City Power & Light Company's All-) Docket No. 16-GIME-576-GIE
Electric Residential Rates.)

ORDER OPENING GENERAL INVESTIGATION

This matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed the files and records, and being duly advised, the Commission finds:

1. On December 31, 2015, the Kansas City Power & Light Company (KCP&L) filed an application seeking the Commission grant approval of a Residential All-Electric Rider Tariff. The Commission docketed KCP&L's Application in Docket No. 16-KCPL-325-TAR. The Application attempts to address concerns raised in Docket No. 15-KCPE-116-RTS regarding the manner in which KCP&L's residential all-electric rates were changed in KCP&L's 2010 rate case, Docket No. 10-KCPE-415-RTS.¹ In, the 10-415 Docket, KCP&L's all-electric winter energy rate differentials were reduced from 35% for Residential General Use and Space Heat – One Meter and 51% for Residential General Use and Space Heat – Two Meters to 10% and 21%, respectively, as compared to the winter energy rates of the Residential General Use.² The proposed rider is designed to provide over a five year period a credit to qualifying residential all-

¹ Docket No. 16-KCPE-325-TAR, Application of Kansas City Power & Light Company For Residential All-Electric Rider Tariff, pp. 2-3. (December 31, 2015).

² Id. at p. 2.

electric customers for prospective winter season usage designed to help mitigate the abrupt rate change in 2010.³

2. Contemporaneous with this order, the Commission issued an Order Staying Docket No. 16-KCPL-325-TAR on the grounds that KCP&L's Application was in essence a request to grant a credit to qualifying residential all-electric customers on the basis that those customers suffered when their rates were abruptly changed in 2010.⁴ The Commission reasoned that such a credit was fundamentally a request for a discounted or preferential rate for a period of five years.⁵ The Commission further reasoned that prior to hearing KCP&L's Application, the Commission needed to determine if granting KCP&L's all-electric customers a discounted or preferential rate is appropriate.⁶

3. The Commission recognizes that the issue of special discounted rates for all-electric heating customers has been an issue of concern for some time.⁷ Accordingly, the Commission is interested in taking a fresh look at KCP&L's rates for all-electric heating customers. To further that objective, the Commission is engaging an independent third-party consultant to conduct an evaluation of KCP&L's all electric rate structure. At the conclusion of the consultant's evaluation, the consultant shall provide a written report describing the findings and analysis, and report on the appropriateness of granting KCP&L's all-electric customers a discounted rate. If a discounted rate is appropriate, the consultant will also describe how an appropriate discount should be calculated. The consultant's report will be filed into this docket

³ Id. at p. 3.

⁴ Docket No. 16-KCPE-325-TAR, Order Staying Proceedings, ¶1 (June 14, 2016).

⁵ Id. at ¶5.

⁶ Id.

⁷ See *Generally*, Docket No. 16-KCPE-325-TAR; Docket No. 15-KCPE-116-RTS; 12-KCPE-764-RTS; 10-KCPE-415-RTS.

and all parties will be encouraged to file comments on the report. The Commission will not implement any changes to KCP&L's tariff or rates in this general investigation docket.

THEREFORE, THE COMMISSION ORDERS:

A. The opening of a general investigation docket to examine Kansas City Power & Light Company's all-electric residential heating rates.

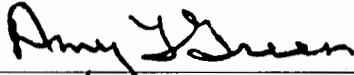
B. The parties have 15 days from the date of electronic service of this Order to petition for reconsideration.⁸

C. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further orders as it may deem necessary and proper.

BY THE COMMISSION IT IS SO ORDERED.

Emler, Chairman; Albrecht, Commissioner (Dissenting); Apple, Commissioner

Dated: JUN 21 2016



Amy L. Green
Secretary to the Commission

SF

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⁸ K.S.A. 66-118b; K.S.A. 77-529(a)(1).

CERTIFICATE OF SERVICE

16-GIME-576-GIE

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of

Electronic Service on JUN 21 2016.

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