

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

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

In the Matter of Kansas City Power & Light)
Company Seeking Commission Approval to) Docket No. 17-KCPE-116-TAR
Implement Changes in their Transmission)
Delivery Charges Rate Schedules.)

**ORDER ACKNOWLEDGING EFFECTIVE DATE OF TRANSMISSION DELIVERY
CHARGE SUBJECT-TO-REFUND PURSUANT TO K.S.A. 66-1237**

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and determination. Having examined its files and records and being fully advised in the premises, the Commission finds and concludes as follows:

I. BACKGROUND

1. On September 30, 2016, Kansas City Power & Light Company (KCP&L) filed an updated Transmission Delivery Charge (TDC) tariff to recover costs associated with KCP&L's transmission of electric power.¹ The tariff KCP&L filed cites to K.S.A. 66-1237 as the authority for the recovery of the TDC.² KCP&L requests the proposed TDC rates become effective on November 14, 2016.³

2. On October 28, 2016, KCP&L amended its proposed TDC.⁴ KCP&L explains the TDC rates effective since October 2015 for its Large General and Medium General Service customers were erroneously transposed on the compliance tariffs filed in Docket No. 15-KCPE-116-RTS and therefore billed incorrectly to those customers during the 2015 TDC true-up

¹ Tariff for Kansas City Power & Light Company, p. 1 (Sep. 30, 2016).

² *Id.*

³ *Id.*

⁴ See Amended TDC Tariff for Kansas City Power & Light Company (Oct. 28, 2016).

period.⁵ The October 28, 2016, TDC filing revises KCP&L's September 30, 2016, TDC filing to reflect a correction for this inadvertent transposition and billing of TDC true-up revenue collected from October 2015 through December 2015.⁶

II. DISCUSSION

3. Any electric public utility subject to the Commission's jurisdiction may seek recovery of its costs associated with the transmission of electric power through a separate TDC included in customers' bills.⁷

4. As noted by KCP&L, this filing is allowed by K.S.A. 66-1237.

K.S.A. 66-1237 subsection (c) provides as follows:

All transmission-related costs incurred by an electric utility and resulting from any order of a regulatory authority having legal jurisdiction over transmission matters, including orders setting rates on a subject-to-refund basis, shall be conclusively presumed prudent for purposes of the transmission delivery charge and an electric utility may change its transmission delivery charge whenever there is a change in transmission-related costs resulting from such an order. The commission may also order such a change if the utility fails to do so. An electric utility shall submit a report to the commission at least 30 business days before changing the utility's transmission delivery charge. If the commission subsequently determines that all or part of such charge did not result from an order described by this subsection, the commission may require changes in the transmission delivery charge and impose appropriate remedies, including refunds.

5. As provided by K.S.A. 66-1237(c), all transmission-related costs incurred by an electric public utility which resulted from a body with regulatory authority over transmission matters are conclusively presumed prudent.

6. The statute provides for a process by which an electric public utility submits a report to the Commission a minimum of 30 business days prior to the electric public utility changing its TDC.

⁵ See *id.* at p. 1.

⁶ See *id.*

⁷ See K.S.A. 66-1237(a).

7. The Commission may issue an order setting the TDC rates subject-to-refund.⁸

8. If the Commission subsequently determines that all or part of the TDC rate does not comply with K.S.A. 66-1237, the Commission may require changes in the TDC and impose appropriate remedies, including refunds.⁹

III. FINDINGS AND CONCLUSIONS

9. The Commission finds that KCP&L is a regulated electric public utility subject to the Commission's jurisdiction. The Commission also finds that KCP&L filed its initial tariff to update its TDC on September 30, 2016, thereby providing 30 business days prior to the requested effective date of the rate change. Although subsequently revised, the Commission finds such revisions necessary to properly bill or compensate KCP&L's customers for their corresponding usage of KCP&L's transmission facilities. Accordingly, the Commission at this time finds no reason to delay the implementation of KCP&L's revised TDC rates.

10. Further, the Commission finds that it has the authority to approve TDC rate changes subject-to-refund. The Commission notes that K.S.A. 66-1237(c) also provides that if after KCP&L has changed its TDC, the Commission determines that all or part of the TDC did not result from an order described in K.S.A. 66-1237(c), the Commission may require changes in the charge and impose appropriate remedies, including refunds.

11. Accordingly, the Commission concludes that KCP&L's proposed TDC rates filed October 28, 2016, should become effective November 14, 2016, on a subject-to-refund basis while the Commission conducts its review of KCP&L's TDC.

⁸ See K.S.A. 66-1237(c).

⁹ *Id.*

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. Kansas City Power & Light Company's Transmission Delivery Charge, as filed September 30, 2016, and as revised October 28, 2016, and shall go into effect on November 14, 2016, subject to Commission review, possible changes to the charge and subject to appropriate remedies, including refunds.

B. Parties have 15 days, plus three days if service is by mail, from the date of service of this Order to petition the Commission for reconsideration or request a hearing, as provided in K.S.A. 77-542.¹⁰

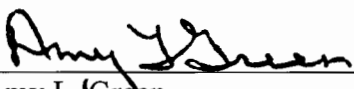
C. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further orders as it may deem necessary and proper.

BY THE COMMISSION IT IS SO ORDERED.

Emler, Chairman; Albrecht, Commissioner, Apple, Commissioner

Dated: NOV 01 2016

REV



Amy L. Green
Secretary to the Commission

Order Mailed Date

NOV 01 2016

¹⁰K.S.A. 77-537(b); K.S.A. 66-118b; K.S.A. 77-529(a)(1).

CERTIFICATE OF SERVICE

17-KCPE-116-TAR

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of
first class mail/hand delivered on **NOV 01 2016** _____.

LOIS LIECHTI, MGR REGULATORY AFFAIRS
KANSAS CITY POWER & LIGHT COMPANY
ONE KANSAS CITY PL, 1200 MAIN ST 19th FLOOR (64105)
PO BOX 418679
KANSAS CITY, MO 64141-9679
Fax: 816-556-2110
lois.liechti@kcpl.com

ROBERT VINCENT, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD RD
TOPEKA, KS 66604-4027
Fax: 785-271-3354
r.vincent@kcc.ks.gov

/S/ DeeAnn Shupe

DeeAnn Shupe

Order Mailed Date

NOV 01 2016