THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Pat Apple, Chairman Shari Feist Albrecht Jay Scott Emler	
In the Matter of Kansas City Power Company Seeking Commission Ap Implement Changes in their Transm Delivery Charges Rate Schedules.	proval to) Docket No. 17-KCPE-440-TAR	

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 March 20, 2017, 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 May 1, 2017.³
- 2. On April 10, 2017, KCP&L amended its proposed TDC. KCP&L explained the TDC True-Up calculation erroneously excluded some 2016 TDC revenue, which after discussions with Commission Staff, KCP&L revised the current TDC filing to reflect the additional revenue in the amended TDC 2016 True-Up calculation and the 2017 TDC filing.

¹ Tariff for Kansas City Power & Light Company, p. 1 (March 20, 2017).

² Id.

³ Id.

⁴ See Amended TDC Tariff for Kansas City Power & Light Company (April 10, 2017).

⁵ See id. at p. 1.

The April 10, 2017, TDC filing revises KCP&L's March 20, 2017, TDC filing to reflect a correction for this inadvertent exclusion of a part of the 2016 TDC revenue.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.
 - 7. The Commission may issue an order setting the TDC rates subject-to-refund.8

⁷ See K.S.A. 66-1237(a).

⁶ See id.

⁸ See K.S.A. 66-1237(a).

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 March 20, 2017, 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 March 20, 2017, should become effective May 1, 2017, on a subject-to-refund basis while the Commission conducts its review of KCP&L's TDC.

⁹ *Id*.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. Kansas City Power & Light Company's Transmission Delivery Charge, as filed

March 20, 2017, and as revised April 10, 2017, shall go into effect on May 1, 2017, 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.

Apple, Chairman; Albrecht, Commissioner, Emler, Commissioner

Dated: APR 2 7 2017

JF

Amy L. Green

Secretary to the Commission

Order Mailed Date

APR 28 2017

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

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CERTIFICATE OF SERVICE

17-KCPE-440-TAR

I, the undersigned, certify that the true copy of the attached	I Order has been served to the following parties by means of
ADD 0.7 2017	

THOMAS J. CONNORS, ATTORNEY AT LAW CITIZENS' UTILITY RATEPAYER BOARD 1500 SW ARROWHEAD RD TOPEKA, KS 66604

Fax: 785-271-3116

Electronic Service on

tj.connors@curb.kansas.gov

DAVID W. NICKEL, CONSUMER COUNSEL CITIZENS' UTILITY RATEPAYER BOARD 1500 SW ARROWHEAD RD TOPEKA, KS 66604 Fax: 785-271-3116 d.nickel@curb.kansas.gov

SHONDA SMITH
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3116
sd.smith@curb.kansas.gov

NICOLE A. WEHRY, SENIOR PARALEGAL KANSAS CITY POWER & LIGHT COMPANY ONE KANSAS CITY PL, 1200 MAIN ST 19th FLOOR (64105) PO BOX 418679 KANSAS CITY, MO 64141-9679 Fax: 816-556-2787 nicole.wehry@kcpl.com

JAKE FISHER, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604-4027 Fax: 785-271-3354 j.fisher@kcc.ks.gov TODD E. LOVE, ATTORNEY CITIZENS' UTILITY RATEPAYER BOARD 1500 SW ARROWHEAD RD TOPEKA, KS 66604 Fax: 785-271-3116 t.love@curb.kansas.gov

DELLA SMITH
CITIZENS' UTILITY RATEPAYER BOARD
1500 SW ARROWHEAD RD
TOPEKA, KS 66604
Fax: 785-271-3116
d.smith@curb.kansas.gov

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

ANTHONY WESTENKIRCHNER, SENIOR PARALEGAL KANSAS CITY POWER & LIGHT COMPANY ONE KANSAS CITY PL, 1200 MAIN ST 19th FLOOR (64105) PO BOX 418679 KANSAS CITY, MO 64141-9679 Fax: 816-556-2787 anthony.westenkirchner@kcpl.com

EMAILED

APR 2 7 2017

/S/ DeeAnn Shupe		