

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

Before Commissioners:                      Shari Feist Albrecht, Chair  
   Jay Scott Emler  
   Dwight D. Keen

In the Matter of the Application of Kansas    )  
City Power & Light Company for Approval    )  
of its 2018 Energy Efficiency Rider for        ) Docket No. 18-KCPE-420-TAR  
Program Costs Incurred January 1 Through   )  
December 31, 2017                                )

**ORDER APPROVING APPLICATION**

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed its files and records, and being duly advised in the premises, the Commission makes the following findings:

**I. Background**

1. On March 29, 2018, Kansas City Power & Light Company (KCP&L) filed an Application with the Commission seeking approval of its 2018 Energy Efficiency Rider (EER) for demand side management (DSM) program costs incurred January 1 through December 31, 2017.

2. Specifically, KCP&L requested that the Commission set KCP&L's energy efficiency factors effective July 1, 2018 through June 30, 2019, at \$0.00000/kWh for all four affected rate classes. KCP&L also requested that the Commission authorize it to continue to defer its unrecovered DSM program costs for 2014, 2015, 2016, and 2017. The Application indicated a total deferral of \$785,822.

3. The Citizens' Utility Ratepayer Board (CURB) filed for intervention on April 4, 2018. Such intervention was granted on April 10, 2018.

## **II. Staff's Report and Recommendation**

4. On July 30, 2018, Commission Staff (Staff) filed a Report and Recommendation (R&R) in this matter.

5. Staff indicated in its R&R that an audit of KCP&L's EER Application was performed by Staff. Staff investigated both the accounting and rate design implications of KCP&L's request.

6. From the accounting perspective, Staff reviewed the general ledger/journal entry support for the DSM program costs and confirmed that they were indeed incurred by KCP&L and related to the DSM programs from January 1, 2017, through December 31, 2017. Staff also reviewed KCP&L's calculation of true-ups and prior period deferral amounts and confirmed the total EER amount of \$785,822. Staff supported its calculations with Exhibits KLF-1, KLF-2, and KLF-3, attached to the R&R. Staff recommended approval of KCP&L's request to defer this total EER amount because in this particular instance where no carrying costs or other costs associated with delay would be incurred by ratepayers, it would be to ratepayers' benefit to allow deferral.

7. From the rate design perspective, Staff noted that historically, KCP&L has calculated the EER rates presented on the tariff sheet "Schedule EE" by utilizing the demand allocator and kWh consumption data from the Class Cost of Service Study from the most recent rate case. However, in the present docket, since the EER amount is being requested to be recovered in KCP&L's current rate case before the Commission, Staff recommended acceptance of KCP&L's proposal to set the EER factor at \$0.00000/kWh for each customer class.

8. Staff also recommended that KCP&L be required to file its next EER on or before March 31, 2019, to include costs incurred for Commission-approved programs from January 1, 2018, through December 31, 2018. In the filing, KCP&L should also include a true-up calculation

to true-up amounts collected from July 1, 2017, to June 30, 2018, versus the amounts intended to be collected from that time period.

### **III. Jurisdiction and Authority**

9. The Commission holds full power, authority and jurisdiction to supervise and control KCP&L as an electric public utility pursuant to K.S.A. 66-101. The Commission holds jurisdiction over KCP&L's rates and terms of service under K.S.A. 66-101b. All tariff revisions requested by KCP&L pertaining to jurisdictional service must be approved by the Commission pursuant to K.S.A. 66-117.<sup>1</sup>

10. According to K.S.A. 66-101b, any rates charged by KCP&L must be just and reasonable. Rates may not be unreasonably discriminatory or unduly preferential.

### **IV. Commission Findings and Conclusions**

11. The Commission finds Staff's recommendations in this matter to be reasonable and hereby adopts the same.

#### **IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:**

- A. KCP&L's Application filed March 29, 2018, is approved.
- B. KCP&L shall file its next EER on or before March 31, 2019, to include costs incurred for Commission-approved programs from January 1, 2018, through December 31, 2018. In this filing, KCP&L shall include a true-up calculation to true-up amounts collected from July 1, 2017, to June 30, 2018, versus the amounts intended to be collected for that time period.
- C. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).

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<sup>1</sup>Tariffs are those terms and conditions which govern the relationship between the utility and its customers. Sw. Bell Tel. Co. v. State Corp. Comm'n of State of Kan., 233 Kan. 375, 377, 664 P.2d 798, 800 (1983).

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

**BY THE COMMISSION IT IS SO ORDERED.**

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 08/07/2018

A handwritten signature in cursive script, reading "Lynn M. Retz", written in dark ink.

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Lynn M. Retz  
Secretary to the Commission

MRN

## **CERTIFICATE OF SERVICE**

18-KCPE-420-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 08/08/2018.

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## **CERTIFICATE OF SERVICE**

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/S/ DeeAnn Shupe  
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