### BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the Matter of the 2017 Wolf Creek Triennial Decommissioning Financing Plan.

Docket No. 18-WCNE-XXX-GIE 107

### JOINT PLEADING REGARDING DECOMMISSIONING FINANCING PLAN

COME NOW the Wolf Creek Nuclear Operating Corporation ("WCNOC"), Kansas Gas and Electric Company d/b/a Westar Energy ("Westar"), Kansas City Power & Light Company ("KCP&L"), and Kansas Electric Power Cooperative, Inc. ("KEPCo") (collectively referred to as the "Parties") and jointly submit to the State Corporation Commission for the State of Kansas ("Commission") the following pleading concerning the Decommissioning Financing Plan ("Plan") for the Wolf Creek Generating Station ("Wolf Creek"). Such Plan includes the 2017 triennial Decommissioning Cost Study for Wolf Creek.

#### I. <u>RELEVANT STATUTES</u>

1. K.S.A. 66-128m requires a decommissioning financing plan. Pursuant to K.S.A. 66-1280, the Commission shall review the decommissioning financing plan for each nuclear power generating facility located in the State of Kansas at least every five years until the facility's closing and at least annually after the closing. Such review may include any and all aspects of the decommissioning financing plan.

### II. <u>BACKGROUND</u>

2. On August 29, 2014, WCNOC filed its 2014 Decommissioning Cost Analysis for Wolf Creek, in accordance with the Commission's December 9, 1992 Order in Docket No. 163,561-U and the Commission's Order in Docket No. 13-WCNE-204-GIE on June 13, 2013. The December 9, 1992 Order directed the filing of a decommissioning cost study every three

years after September 1, 1993. The June 13, 2013 Order directed WCNOC and the owning utilities to update the estimates of the total capital costs of the Independent Spent Fuel Storage Installation ("ISFSI") project at Wolf Creek as part of the triennial decommissioning cost study filings.<sup>1</sup>

3. On August 29, 2014, the Parties filed a 2014 Wolf Creek decommissioning cost analysis in Docket 15-WCNE-093-GIE.

4. In that docket, the Parties and Staff entered into a Stipulation and Agreement ("S&A") for the purpose of determining a reasonable estimate of Wolf Creek decommissioning costs to be used in addressing accrual levels of the respective owner utilities' decommissioning trust accounts and the appropriate escalation factor (inflation rate). Although CURB is not a signatory to the S&A, CURB did not oppose the S&A.

5. The Order Approving the Unopposed S&A was approved by the Commission on March 24, 2015.

6. During settlement negotiations, the Parties, Staff and CURB also discussed a separate, future issue regarding the content of the 2017 triennial decommissioning cost study filing. The Parties, Staff and CURB agreed to continue discussions regarding the appropriate content for future triennial filings in order to ensure that such filings were consistent with the requirements in the Kansas statute. Under the terms of the S&A, the Parties and Staff were required to report to the Commission as to the status of discussions to resolve the separate issue regarding the appropriate content of the 2017 triennial filing on or before February 15, 2016.<sup>2</sup> Then, on or before September 1, 2016, the Parties were required to file a resolution of the issue

<sup>&</sup>lt;sup>1</sup> See Docket No. 13-WCNE-204-GIE, In the Matter of a Generic Proceeding Regarding Wolf Creek Nuclear Operating Corporation to Receive Information Concerning Spent Fuel, Pursuant to the Commission's May 12, 2012 Order in Docket No. 12-WCNE-136-GIE, *Order Closing Docket*, issued Jun. 13, 2013, Ordering ¶ A.

<sup>&</sup>lt;sup>2</sup> *See S&A*, pp. 2-3, ¶8.

regarding appropriate content for the September 1, 2017 triennial filing with the Commission for approval.<sup>3</sup>

## III. JOINT RESOLUTION

7. Following the Commission's Order on March 24, 2015, the Parties, Staff and CURB held a number of conference calls to discuss the issues and what the utilities should file by September 1, 2017 for the next triennial Wolf Creek Decommissioning Cost Docket. Those discussions took place on: May 20, 2015, July 20, 2015, September 9, 2015, October 21, 2015 (Utilities Only), and November 18, 2015.

8. As a result of those calls, the Parties and CURB filed a Joint Status Report and Resolution on February 5, 2016. The Parties reached agreement regarding the format for the information to be included in the Wolf Creek owners' next triennial filing and that agreement is reflected in the Joint Resolution, attached hereto as **Attachment 1**. The Parties are in agreement that the Joint Resolution calls for the owners of Wolf Creek to update all components of the Decommissioning Financing Plan for the September 1, 2017 triennial filing.

The Joint Resolution was approved by the Commission on May 5, 2016 in Docket
15-WCNE-093-GIE.

### IV. <u>COMPONENTS OF PLAN</u>

10. The components of the Plan are summarized briefly below.

11. <u>Attachment 2-Triennial Wolf Creek Decommissioning Cost Study</u>. The Decommissioning Cost Study was prepared by TLG Services, Inc. and contains a 2017 decommissioning cost estimate for selected decommissioning alternatives.

<sup>&</sup>lt;sup>3</sup> *Id*.

12. <u>Attachment 3-Escalation Rate, Estimated Cost at Decommissioning</u>. The testimony of Jim Gilligan sets forth the escalation rate and estimated cost at decommissioning. Each utility owner has also provided the total amount of money which customers of each utility have been charged for decommissioning to date and the total amount necessary to meet the projected decommissioning costs over Wolf Creek's remaining useful life.

13. <u>Attachment 4-Utility Funding Plans</u>. Although the funding plans of each utility owner are based on the total decommissioning cost, each plan is necessarily based on each utility's specific ownership share as well as other utility specific information. Each utility owner funding plan is part of the overall funding plan. Each owner has prepared a spreadsheet with its funding plan, an explanation of future contribution levels, the tax status of the decommissioning funds and investment guidelines.

14. <u>Attachment 5-Financial Responsibility</u>. Copies of the existing ownership and operating agreements are provided as an exhibit in Attachment 5. Each owner has provided documentation of the applicability of the agreement to decommissioning financial responsibility.

15. <u>Attachment 6-Periodic Review</u>. The owners will continue to periodically review the Decommissioning Financing Plan and update the Commission every three years.

16. <u>Attachment 7-Commission Requested Information</u>. This information is found in Attachment 7.

**WHEREFORE,** the Parties submit this Joint Pleading in compliance with the Commission's May 5, 2015 Order as the appropriate format for the September 1, 2017 triennial filing to meet the requirements of K.S.A. 66-1280 for review of the financial plan for Wolf Creek decommissioning and accept it as the final resolution of all outstanding issues in this docket, and for any further relief the Commission shall deem just and appropriate.

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Respectfully submitted,

# |s| Cathryn J. Dinges

Cathryn J. Dinges (#20848) Corporate Counsel Kansas Gas and Electric Co., d/b/a Westar Energy, Inc. 818 South Kansas Avenue Topeka, KS 66612 (785) 575-1986 (785) 575-8136 (Fax)

## |s| Debbie L. Hendell

Debbie L. Hendell Wolf Creek Nuclear Operating Corporation 1550 Oxen Lane NE, PO Box 411 Burlington, KS 66839 (620) 364-4105 (620) 364-4017 (Fax)

## |s| Roger W. Steiner

Robert J. Hack (#12826) Telephone: (816) 556-2791 Roger W. Steiner (#26159) Telephone: (816) 556-2314 Kansas City Power & Light Company 1200 Main Street, 19th Floor Kansas City, MO 64105 (816) 556-2110 (Fax)

## |s| William G. Riggins

William G. Riggins (#12080) General Counsel Kansas Electric Power Cooperative, Inc. P.O. Box 4877 Topeka, KS 66604-0877 (785) 273-7010 (785) 271-4888 (Fax)

### BEFORE THE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the Matter of the 2017 Wolf Creek)Triennial Decommissioning Financing Plan.)Docket No. 18-WCNE-\_\_\_\_GIE

## **AFFIDAVIT OF CATHRYN J. DINGES**

STATE OF KANSAS ) ) ss COUNTY OF Shawnee )

Cathryn J. Dinges, being first duly sworn on his oath, states:

1. My name is Cathryn J. Dinges. I work in Topeka, Kansas, and I am employed by Kansas

Gas and Electric Co. d/b/a Westar Energy, Inc. as Corporate Counsel.

2. I have read the foregoing and know the contents thereof, and that the facts set forth herein

are true and correct to the best of my knowledge and belief.

Cathryn J. Dinges

Subscribed and sworn before me this 25<sup>d</sup> day of August 2017.

Notary Public

My commission expires: 8/28/2020

	Donna G. Quinn
	PUBLIC-STATE OF KANSAS
MY APP	TEXP: 8/28/2020

#### **BEFORE THE CORPORATION COMMISSION** OF THE STATE OF KANSAS

In the Matter of the 2017 Wolf Creek **Triennial Decommissioning Financing Plan.** Docket No. 18-WCNE- -GIE )

#### **AFFIDAVIT OF WILLIAM G. RIGGINS**

**STATE OF KANSAS** SS COUNTY OF

William G. Riggins, being first duly sworn on his oath, states:

1. My name is William G. Riggins. I work in Topeka, Kansas, and I am General Counsel for

Kansas Electric Power Cooperative, Inc.

2. I have read the foregoing and know the contents thereof, and that the facts set forth herein are true and correct to the best of my knowledge and belief.

William G. Riggins

Subscribed and sworn before me this day of August 2017.

Notary Public

My commission expires:

	KELSEY SCHREMPP NOTARY PUBLIC STATE OF KANSAS My Appt Exp.:
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## **BEFORE THE CORPORATION COMMISSION** OF THE STATE OF KANSAS

In the Matter of the 2017 Wolf Creek Docket No. 18-WCNE-\_\_\_-GIE **Triennial Decommissioning Financing Plan.** )

## **AFFIDAVIT OF ROGER W. STEINER**

STATE OF MISSOURI ) ss **COUNTY OF JACKSON** 

Roger W. Steiner, being first duly sworn on his oath, states:

My name is Roger W. Steiner. I work in Kansas City, Missouri, and I am employed by 1.

Kansas City Power & Light Company as Corporate Counsel.

2. I have read the foregoing and know the contents thereof, and that the facts set forth herein

are true and correct to the best of my knowledge and belief.

Roger W. Steiner

Subscribed and sworn before me this 2<sup>2<sup>n</sup></sup> day of August 2017.

Notary

My commission expires: <u>4/22/2021</u>



#### **CERTIFICATE OF SERVICE**

I, the undersigned, hereby certify that a true and correct copy of the above was electronically served, hand-delivered or mailed, postage prepaid, this 1<sup>st</sup> day of September, 2017 to:

Brian Fedotin Deputy General Counsel & Chief Appellate Counsel Kansas Corporation Commission 1500 SW Arrowhead Road Topeka, KS 66604-4027

David Nickel Citizens' Utility Ratepayer Board 1500 SW Arrowhead Road Topeka, KS 66604

Della Smith Citizens' Utility Ratepayer Board 1500 SW Arrowhead Road Topeka, KS 66604

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Lois Liechti Director, Regulatory Affairs Kansas City Power & Light Company 1200 Main St. Kansas City, MO 64141-9679

Larry Wilkus Westar Energy, Inc. 818 S. Kansas Ave. P.O. Box 889 Topeka, KS 66601-0889

Deb Rasmusson WCNOC P. O. Box 411 Burlington, KS 66839

<u>|s| Roger W. Steiner</u>

Roger W. Steiner