

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

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In the Matter of the Application of)
Kansas City Power & Light Company)
For Approval to Transition to Permanent)
Status Certain Demand Side)
Management Programs.)

Docket No. 11-KCPE-780-TAR

by
State Corporation Commission
of Kansas

**CURB's Response to Staff's Reply to Responsive Comments of CURB and KCP&L
and KCPL's Motion to File Reply and Reply of Kansas City Power and Light
Company to CURB's Response to Staff's Report and Recommendation**

The Citizens' Utility Ratepayer Board ("CURB") submits its response to reply comments by Kansas City Power and Light ("KCPL") and the Staff of State Corporation Commission ("Staff") filed on November 10, 2011 in the above captioned docket.

KCPL spends a fair amount of time in its responsive comments discussing the non-contentious nature of its proposed Demand Side Management ("DSM") portfolio, and that, prior to comments being filed, none of the parties expressed any significant disagreement to the portfolio. CURB agrees that KCPL's proposed portfolio of DSM programs is relatively non-contentious and routine. However, simply because an application made by a utility company can be characterized as routine, it does not mean that CURB waives the right to point out the failures or inadequacies of the application, or the right to point out that if something is cost-effective and in the best interest of the public, then it should be utilized.

CURB's recommendations centered around three areas of concerns regarding Staff's report and recommendation and KCPL's original application. The first concern was that Staff failed to perform a thorough report and economic analysis in this

proceeding. Obviously, this was something that CURB was not able to foresee at the July 19, 2011, Prehearing Conference. Staff led CURB to believe that Staff would perform the same thorough benefit-cost analyses that it has performed in other energy-efficiency proceedings. It did not do so, and instead blindly accepted the results of KCPL's benefit-cost analysis.

The second and third recommendations made by CURB revolve around KCPL's Energy Optimizer ("EO") and MPower programs. More simply stated, CURB was merely pointing out that if the EO and MPower programs are in the public interest and provide benefits to customers – and KCPL acknowledges that the Commission has already determined that these programs are in the public interest – then KCPL should be compelled to utilize these programs. Considering that these programs were started with ratepayer dollars, are marketed and administered with ratepayer dollars, and maintained with ratepayer dollars, it goes without saying that KCPL should utilize these programs, if they are providing a benefit to customers. KCPL's argument that the Commission should not require KCPL to utilize these programs that are in the public interest and provide a benefit to customers, or that it be given wide discretion to decide whether to use these programs is unfair and unreasonable to its customers.

Staff also opined that "CURB's recommendation that the Commission require KCP&L to continue offering the EO and MPower programs, if it is determined to be cost-effective and offer benefits to consumers, would constitute a significant change in policy from prior Commission policy."¹ Really? Does Staff really believe that it is this Commission's policy to permit utilities to discontinue using a 100% customer-funded program that is cost-effective and consistent with the Commission's stated policy goals?

¹ Staff's Reply to Responsive Comments, November 10, 2011, at page 7

If so, then, yes, CURB would support such a significant change in Commission policy. However, CURB assumes that the Commission takes a broader view of its powers to ensure that utilities spend the money that they take from the customers for the purpose for which it is intended, especially when the evidence indicates that the benefits far outweigh the costs.

CURB's recommendation that the KCC require KCPL to continue using the programs is simple: it should go without saying that the Commission would want KCPL to utilize these beneficial programs, because they are in the best interest of the public and have been and will continue to be funded by consumer dollars. KCPL's customers paid each and every dime that went into the development and maintenance of these programs. If the programs are beneficial, then it is a no-brainer that the KCPL should continue to utilize the programs. If KCPL won't voluntarily do so, then the Commission should require it to do so.

Finally, CURB recommended that the Commission deny Staff's recommendation that the Commission order a new generic investigation into energy-efficiency issues. However, in light of Staff's position in this docket, and that Staff considers its positions are "heavily guided by the Commission's decisions in the three general investigation dockets covering energy efficiency policy,"² CURB may be willing to concede that Staff indeed needs more guidance in what Commission policy actually is or should be. CURB therefore withdraws its objection to the new investigation.

² Staff's Reply to Responsive Comments, November 10, 2011, at page 7.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read 'David Springe', with a long horizontal flourish extending to the right.

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CERTIFICATE OF SERVICE

11-KCPE-780-TAR

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing document was placed in the United States mail, postage prepaid, electronic service, or hand-delivered this 21st day of November, 2011, to the following:

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