

**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 Kansas City Power & Light )  
Company Seeking Commission Approval to )  
Implement Changes in their Transmission ) Docket No. 18-KCPE-403-TAR  
Delivery Charges Rate Schedules. )

**ORDER ACKNOWLEDGING EFFECTIVE DATE OF TRANSMISSION DELIVERY  
CHARGE AND ADOPTING STAFF'S REPORT AND RECOMMENDATION**

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 May 17, 2018, 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.<sup>1</sup> The Company requests an effective date of July 1, 2018.<sup>2</sup> The primary purpose for the filing is to reflect a reduction in KCP&L's TDC due to a reduced Annual Transmission Revenue Requirement resulting from the passage of the Tax Cuts and Jobs Act.<sup>3</sup> K.S.A. 66-1237 is the statutory authority for the recovery of the TDC.

2. The Commission has previously issued orders in this docket granting the Citizens' Utility Ratepayer Board intervention, as well as Protective and Discovery Orders.<sup>4</sup>

<sup>1</sup> Tariff for KCP&L, p. 1 (May 17, 2018).

<sup>2</sup> See *id.*

<sup>3</sup> See *id.*

<sup>4</sup> See Order Granting CURB's Petition to Intervene and Motion for Protective Order and Discovery Order (Mar. 29, 2018).

3. On June 20, 2018, Staff filed a Report and Recommendation in the instant matter recommending the Commission approve KCP&L's amended TDC rate schedules.<sup>5</sup>

## **II. DISCUSSION**

4. 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.<sup>6</sup>

5. 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.

6. 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.

7. K.S.A. 66-1237(c) 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.

8. The Commission may issue an order setting TDC rates subject-to-refund.<sup>7</sup>

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<sup>5</sup> See Report and Recommendation, p. 4 (Jun. 20, 2018).

<sup>6</sup> See K.S.A. 66-1237(a).

<sup>7</sup> See K.S.A. 66-1237(c).

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

### III. FINDINGS AND CONCLUSIONS

10. The Commission finds KCP&L is a regulated electric public utility subject to the Commission's jurisdiction. The Commission also finds KCP&L filed its tariff to update its TDC on May 17, 2018, 31 business days prior to the requested effective date of the change. Accordingly, the Commission finds and concludes KCP&L has met the appropriate procedural requirements to allow its updated TDC to go into effect July 1, 2018, as requested.

11. Further, the Commission finds it has the authority to approve TDC updates subject-to-refund. The Commission notes that K.S.A. 66-1237(c) provides that if after KCP&L has changed its TDC the Commission determines 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.

12. As stated above, 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.<sup>9</sup> Therefore, the Commission finds and concludes KCP&L's proposed TDC update will result in just and reasonable rates. Accordingly, the Commission finds and concludes KCP&L's proposed TDC filed May 17, 2018, should become effective July 1, 2018.<sup>10</sup>

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<sup>8</sup> *Id.*

<sup>9</sup> *See* K.S.A. 66-1237(c).

<sup>10</sup> The effective date of a TDC is governed by K.S.A. 66-1237(c). Upon further review of KCP&L's request, it is clear KCP&L is not requesting any tariff changes or revisions subject to K.S.A. 66-117. Accordingly, the Commission finds and concludes suspension of the proceedings is not required.

13. Finally, Commission Staff reviewed the proposed revisions to KCP&L's TDC and recommended approval of such.<sup>11</sup> The Commission has reviewed Staff's Report and Recommendation submitted in the instant matter and accepts its findings and recommendations as its own. The Commission hereby adopts the recommendations contained within Staff's Report and Recommendation and incorporates Staff's Report and Recommendation into this Order by reference.

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

A. The Commission hereby adopts Staff's Report and Recommendation filed in this docket on June 20, 2018. Kansas City Power & Light Company's Transmission Delivery Charge, as filed May 17, 2018, shall go into effect on July 1, 2018.


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.

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.**

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 06/28/2018

  
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Lynn M. Retz  
Secretary to the Commission

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<sup>11</sup> See Report and Recommendation, p. 4 (Jun. 20, 2018).

## **CERTIFICATE OF SERVICE**

18-KCPE-403-TAR

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of electronic service on 06/28/2018.

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/S/ DeeAnn Shupe  
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