

THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

In the Matter of the Application of Kansas )  
City Power & Light Company for Approval ) Docket No. 18-KCPE-124-TAR  
To Extend its Demand-Side Management )  
Programs. )

**CURB'S RESPONSE TO STAFF'S RESPONSE AND KCP&L'S RESPONSE TO  
CURB'S REPLY TO STAFF'S REPORT AND RECOMMENDATION**

COMES NOW, the Citizens' Utility Ratepayer Board (CURB), and submits its response to the Staff of the State Corporation Commission's (Staff) *Response to CURB's Reply to Staff's Report and Recommendation* (Staff's Response) and Kansas City Power & Light Company's (KCPL) *Response to CURB's Reply to Staff's Report and Recommendation* (KCPL's Response), filed on May 7, 2018.

1. CURB disagrees with several mischaracterizations levied by KCPL and Staff in responsive comments. First, both KCPL and Staff mischaracterize CURB's use of the phrase "essentially the same." KCPL posits that it is CURB's contention that the current programmable thermostat (PT) is essentially the same program as the Residential Programmable Thermostat program that was rejected by the Commission in the 16-KCPE-446-TAR Docket (446 Docket). In fact, the phrase "essentially the same" was used by Staff in its initial Report and Recommendation in support of its benefit-cost analysis. While CURB's Reply Comments identified and reported on Staff's statement that the two programs were "essentially the same," it was not CURB's contention, as reported by KCPL, that the two programs are in fact "essentially the same."<sup>1</sup>

2. Similarly, Staff responded to CURB's reply comments by alleging that CURB took the statement "essentially the same" out of context, and therefore oversimplified and

mischaracterized Staff's analysis of two distinctly programs. For clarity, the entirety of the paragraph in which Staff used the phrase "essentially the same" is provided below.

*Benefit-Cost Analysis*

In 16-446 Docket, KCP&L proposed to replace the PT Program with the Residential Programmable Thermostat (RPT) Program. The RPT Program **was essentially the same** as the PT Program except KCP&L proposed replacing the current thermostat with a new smart thermostat. **(emphasis added)**<sup>2</sup>

3. Staff's Response to CURB's Reply reports that the two programs have vastly different inputs and parameters. However, with the single explanation that the RPT program included replacing an existing thermostat with a new smart thermostat, Staff's initial Report and Recommendation does not identify or quantify the different inputs between the PT and RPT programs. Following Staff's Response to CURB's Reply, CURB issued several discovery requests to Staff in order to identify the different inputs used between the PT and RPT Programs. CURB looks forward to sharing the information received as a result of its discovery requests with the Commission during a hearing and briefs.

4. Second, CURB disagrees with certain statements that Staff consistently applied Commission-approved criteria to evaluate the PT Program.<sup>3</sup> Staff's Response cites the Commission's Final Order in the 446 Docket to report that Staff's avoided capacity cost "is consistent with the Commission's findings in the 16-446 Docket and the 1 KW of demand savings per customer has been used since it was determined [in] 2007."<sup>4</sup> CURB does not disagree that the Staff used an avoided capacity cost that was consistent with the Commission's order in the 446 Docket. However,

---

<sup>1</sup> Staff's Report and Recommendation, at p 9.

<sup>2</sup> *Id.*

<sup>3</sup> Staff's Response to CURB's Reply to Staff's Report and Recommendation, at ¶8.

the Commission Order in the 446 Docket does not contain language that supports the use of 1 KW of demand savings per customer. While CURB agrees that an *estimate* of 1 KW of demand savings has been used in the analysis of the PT Program, CURB disagrees that the use of 1 KW of demand savings is consistent with a Commission order.

5. Third, Staff's statement that CURB's argument relies on sunk costs and references historical costs as a basis for termination is misleading.<sup>5</sup> CURB does not recommend termination of the PT program based on sunk costs – rather CURB posits that it is unreasonable to require ratepayers to continue paying for the PT program for the next five years. The historical reference to cost that is mischaracterized by Staff, expressed concern that \$10,214,778 for the PT program has been funded by ratepayers without any evidence that the program has produced verifiable benefits. CURB agrees that these costs are sunk (i.e. already incurred and not ongoing), but CURB does not use these sunk costs as a basis for its recommendation to terminate the PT program.

6. Fourth, CURB disagrees with KCPL's assertion that the EE Rider allows KCPL to propose new programs to meet changing circumstances.<sup>6</sup> KCPL's EE Rider was first implemented in Docket No. 07-KCPE-905-RTS. Despite having an approved EE Rider in place for the past ten years, KCPL is offering fewer programs today than it was when the EE Rider was approved. Further, in both Docket No. 10-KCPE-795-TAR and the 446 Docket, KCPL proposed the existing EE Rider be replaced with a new rider mechanism. Additionally, in KCPL's most recent EE Rider application (Docket No. 18-KCPE-420-TAR), KCPL has requested permission to recover costs incurred for its energy-efficiency programs in its 2018 rate case and not through the EE Rider. Based upon KCPL's

---

<sup>4</sup> *Id.*

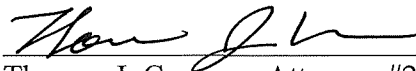
<sup>5</sup> Staff's Response to CURB's Reply to Staff's Report and Recommendation, at ¶11.

<sup>6</sup> Kansas City Power & Light Company's Response to CURB's Reply to Staff's Report and Recommendation, at ¶8.

applications for new rider mechanisms and its lack of new programs, KCPL's suggestion that the EE Rider allows KCPL to propose new programs is misleading, at best.

7. CURB supports the recommendations contained in its Reply Comments. CURB looks forward to presenting the Commission with testimony and evidence during a hearing and briefs.

Respectfully submitted,



---

Thomas J. Connors, Attorney #27039  
Citizens' Utility Ratepayer Board  
1500 SW Arrowhead Road  
Topeka, KS 66604  
(785) 271-3200  
[tj.connors@curb.kansas.gov](mailto:tj.connors@curb.kansas.gov)



**CERTIFICATE OF SERVICE**

18-KCPE-124-TAR

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing document was served by electronic service on this 17<sup>th</sup> day of May, 2018, to the following:

ROBERT J. HACK, LEAD REGULATORY  
COUNSEL  
KANSAS CITY POWER & LIGHT COMPANY  
ONE KANSAS CITY PL, 1200 MAIN ST 19th  
FLOOR (64105)  
PO BOX 418679  
KANSAS CITY, MO 64141-9679  
[ROB.HACK@KCPL.COM](mailto:ROB.HACK@KCPL.COM)

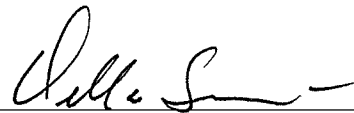
TIM RUSH, DIR. REGULATORY AFFAIRS  
KANSAS CITY POWER & LIGHT COMPANY  
ONE KANSAS CITY PL, 1200 MAIN ST 31ST  
FLOOR (64105)  
PO BOX 418679  
KANSAS CITY, MO 64141-9679  
[TIM.RUSH@KCPL.COM](mailto:TIM.RUSH@KCPL.COM)

PHOENIX ANSHUTZ, LITIGATION ATTORNEY  
KANSAS CORPORATION COMMISSION  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604-4027  
[p.anshutz@kcc.ks.gov](mailto:p.anshutz@kcc.ks.gov)

ROGER W. STEINER, CORPORATE COUNSEL  
KANSAS CITY POWER & LIGHT COMPANY  
ONE KANSAS CITY PL, 1200 MAIN ST 31ST  
FLOOR (64105)  
PO BOX 418679  
KANSAS CITY, MO 64141-9679  
[roger.steiner@kcpl.com](mailto:roger.steiner@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  
[anthony.westenkirchner@kcpl.com](mailto:anthony.westenkirchner@kcpl.com)

ROBERT VINCENT, LITIGATION COUNSEL  
KANSAS CORPORATION COMMISSION  
1500 SW ARROWHEAD RD  
TOPEKA, KS 66604-4027  
[r.vincent@kcc.ks.gov](mailto:r.vincent@kcc.ks.gov)



---

Della Smith  
Administrative Specialist