FILED
March 6, 2017
Data Center
Missouri Public
Service Commission

Exhibit No.: 204

Issue(s): Energy Allocation

Factor Growth Adjustment

Witness: Alan J. Bax

Sponsoring Party: MoPSC Staff
Type of Exhibit: Surrebuttal Testimony

Case No.: ER-2016-0285

Date Testimony Prepared: January 27, 2017

MISSOURI PUBLIC SERVICE COMMISSION COMMISSION STAFF DIVISION OPERATIONAL ANALYSIS DEPARTMENT ENGINEERING ANALYSIS UNIT

SURREBUTTAL TESTIMONY

OF

ALAN J. BAX

File No. FR -DOW DORS

KANSAS CITY POWER & LIGHT COMPANY

CASE NO. ER-2016-0285

Jefferson City, Missouri January 2017

1	SURREBUTTAL TESTIMONY					
2	OF					
3	ALAN J. BAX					
4	KANSAS CITY POWER & LIGHT COMPANY					
5	CASE NO. ER-2016-0285					
6	Q. Please state your name and business address.					
7	A. My name is Alan J. Bax and my business address is Missouri Public Serv					
8	Commission ("Commission"), P.O. Box 360, Jefferson City, MO 65101.					
9	Q. What is your position at the Commission?					
10	A. I am a Utility Engineering Specialist III in the Engineering Analysis Unit					
11	Operational Analysis Department, Commission Staff Division.					
12	Q. Are you the same Alan J. Bax that contributed to Staff's Revenue					
13	Requirement - Cost of Service Report ("COS Report"), filed on November 30, 2016?					
14	A. Yes, I am.					
15	Q. What is the purpose of your surrebuttal testimony?					
16	A. My surrebuttal testimony responds to the rebuttal testimony filed by					
17	Kansas City Power & Light Company's ("KCPL") witness Ronald A. Klote regarding Staff's					
18	calculation of its jurisdictional energy allocation factor. Mr. Klote acknowledges that both					
19	KCPL and Staff use similar methodologies in their respective calculation of an energy					
20	allocation factor. Both methodologies include an adjustment for customer growth in their					
21	respective determination of an energy allocation factor. However, on Page 37, lines 1-4,					
22	Mr. Klote indicates KCPL takes issue with the inputs that Staff used in its analysis of					
23	customer growth, an issue that Mr. Klote says the rebuttal testimony of KCPL witness					
24	Albert R. Bass, Jr., explains further.					

ı	Į Ų.	riease summarize the reduttal testimony of KCPL witness Albert K. Bass, Jr.				
2	regarding the issue of customer growth.					
3	Α.	On page 2, lines 4-8, Mr. Bass states:				
4 5 6 7 8		There are major differences between Company and Staff in the adjustments made for customer growth for the June 2016 update. In this case, Staff is using Customer Charge Count data during the test year (January to December 2015) and using Customer Bill Count data for the update period (January 2016 to June 2016).				
9	Consequently, Mr. Bass asserts that Staff is utilizing different data sets in their					
10	associated analyses of the test year and update periods in this case that reportedly result in					
11.	over-stating customer growth.					
12	Q.	Does Mr. Bass indicate Staff is working with KCPL to address this concern?				
13	A.	Yes. On page 3, lines 14-17, Mr. Bass states:				
14 15 16 17 18		The Company spoke to Staff on December 19, 2016 regarding its concern. Staff has agreed to work with Company to resolve the issue in the true-up filing. Staff indicated that it intends to modify its direct filing customer growth calculation after examining additional customer data.				
19	Q.	Is Staff planning to update its customer growth calculation?				
20	A.	Yes, as is stated on page 6, lines 7-13, in the rebuttal testimony of Staff witness				
21	Matthew R. Young.					
22	Q.	Will you reflect a revised customer growth adjustment in your calculated				
23	energy allocation factor?					
24	A.	Yes, Staff will revise the energy allocation factor in Staff's true-up filing to				
25	reflect an updated customer growth adjustment.					
26	Q.	Does this conclude your surrebuttal testimony?				
7	A.	Yes.				

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Kansas City Company's Request for Aut Implement A General Rate : Electric Service	hority to	ight))))	Case No. ER-2016-0285			
AFFIDAVIT OF ALAN J. BAX						
STATE OF MISSOURI)) ss					
COUNTY OF COLE)					

COMES NOW ALAN J. BAX and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing Surrebuttal Testimony; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

ALAN J. BAX

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this <u>254</u> day of January, 2017.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cote County
My Commission Expires: December 12, 2020
Commission Number, 12412070

Notary Public