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February 21, 2019

Mr. Morris Woodruff Secretary/Chief Regulatory Law Judge Missouri Public Service Commission 200 Madison Street, Suite 100 Jefferson City, MO 65102

## Re: Third Substitute Tariff Schedule to Adjust FAC Rate of KCP&L Greater Missouri Operations Company – Case No. ER-2019-0198

Dear Mr. Woodruff:

KCP&L Greater Missouri Operations Company ("GMO" or the "Company") hereby submits a substitute proposed rate schedule to adjust charges related to the Company's approved Fuel Adjustment Clause ("FAC") pursuant to 4 C.S.R. 240-20.090(4) of the regulations of the Missouri Public Service Commission ("Commission"). The proposed rate schedules bear an issue date of December 31, 2018, and an effective date of March 1, 2019.

Company is submitting this third revised substitute tariff sheet based on its understanding of discussions by the Commission during its agenda meeting on February 20, 2019. Specifically, GMO understands that the Commission would like the amounts disputed by Office of Public Counsel ("OPC") to be removed from the current filing so that (1) recovery of the amounts in the filing that are not in dispute can commence as soon as reasonably practicable, and (2) the amounts in dispute can be presented to the Commission for decision, if necessary, in an orderly fashion. Based on that understanding, the Company has revised the GMO Fuel Adjustment Rate ("FAR") calculations to remove the disputed amounts raised by OPC related to steam auxiliary power. The amounts disputed total \$482,557 which is comprised of two components: 1) \$219,496 previously included in the true-up for the 20<sup>th</sup> Accumulation Period in Case No. ER-2019-0199 and 2) \$263,061 that the Company has reduced its current 23rd Accumulation Period Fuel and Purchased Power Adjustment ("FPA") for setting FAR rates in Case No. ER-2019-0198. This is reflected on revised tariff sheet 127.12. The revised calculations were provided to both Staff and the OPC for review in advance of this substitute filing. Both Staff and OPC have indicated to GMO their agreement that GMO has calculated the amounts in dispute accurately. GMO has also been authorized to indicate that OPC and Staff Mr. Morris Woodruff, Secretary Page 2

support the Commission taking such action as is appropriate to permit this third revised substitute tariff sheet to take effect on March 1, 2019 by operation of law.

In addition, GMO, Staff and OPC understand that the Commission will schedule a procedural conference so that the parties may develop an appropriate procedural schedule to propose to the Commission for orderly resolution of the amounts in dispute.

While the amounts disputed by OPC have been removed from the rates proposed in this semi-annual FAR filing based on GMO's understanding of the Commissions February 20, 2019 agenda discussion set forth above, the amounts in dispute will be deferred on the Company's books, with interest in accordance with GMO's FAC tariff, pending resolution of the dispute.

GMO has provided this cover letter and substitute tariff sheet to OPC and Staff in advance of submission to the Commission and neither OPC nor Staff has expressed objection to its contents.

Copies of the revised FAC-related rate schedules and all supporting materials described in this letter will be served electronically, this date, on the Commission's General Counsel, Staff Counsel, the Office of Public Counsel, and each party to Case No. ER-2016-0156.

Please provide a copy of all correspondence, notices, orders, and other communications that relate to this filing to the following as well as undersigned counsel:

Lisa A. Starkebaum Manager - Regulatory Affairs Kansas City Power & Light Company 1200 Main Street – 19<sup>th</sup> Floor Kansas City, Missouri 64105 Phone: (816) 556-2209 Fax: (816) 556-2110 Email: lisa.starkebaum@kcpl.com

Respectfully submitted,

## |s| Roger W. Steiner

Roger W. Steiner Corporate Counsel for KCP&L Greater Missouri Operations Company

cc: Office of the General Counsel Office of Staff Counsel Office of the Public Counsel