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December 31, 2018

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

## Re: Tariff Schedule to Adjust FAC Rate of KCP&L Greater Missouri Operations Company

Dear Mr. Woodruff:

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

FAC net includable costs for the 23rd accumulation period, or six-month period covering June 2018 through November 2018, exceeded the base energy costs included in base rates by approximately \$31 million for KCP&L-GMO. In addition, the true-up filing for the 20th accumulation period, or six-month accumulation period from December 2016 through May 2017, is being made in conjunction with this tariff filing and reflects an under-collection of approximately \$164K.

In accordance with the FAC for KCP&L-GMO approved by the Commission, the proposed rate schedules are designed to recover 95 percent of those net cost increases. The proposed residential FAC charge will be \$0.00541 per kWh. Based on usage of 1,000 kWh per month, the customer will see a monthly charge of \$5.41. This represents an increase of \$3.01 to a GMO residential customer's monthly bill above the prior FAC.

Through a filing made concurrently herewith in Case No. EO-2019-0045, GMO has provided notice of its election, effective January 1, 2019, to make the plant in service accounting deferrals permitted under section 393.1400 RSMo. As a result, the rate cap provisions of section 393.1655 RSMo. will apply to this FAC charge filing. The change in the FAC charge proposed

in this filing does not increase the average overall rate for GMO by more than 3% and, as such, the provisions of section 393.1655.5 do not affect this FAC charge filing. However, in accordance with section 393.1655.6 RSMo., GMO has limited the increase in the FAC charge applicable to Large Power customers to 2% of the class average overall rate for that rate class, with the reduced revenues arising from limiting the large power service class average overall rate increase allocated to all other GMO classes through a uniform percentage adjustment to the revenue requirement responsibility of all the other customer classes.

Direct Testimony and supporting schedules of Lisa Starkebaum are submitted concurrently herewith along with schedules containing the information required by 4 C.S.R. 240-3.161(7), including all workpapers that support the proposed rate schedules.

Copies of the proposed FAC-related rate schedules and all supporting materials described in this letter will be served electronically, this date, on the Commission's General 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 the Public Counsel