BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Kansas City Power & Light)	
Company's Notice of Intent to File an)	File No. EO-2019-0132
Application for Authority to Establish a Demand-)	
Side Programs Investment Mechanism)	
In the Matter of KCP&L Greater Missouri)	
Operations Company's Notice of Intent to File an)	File No. EO-2019-0133
Application for Authority to Establish a Demand-)	
Side Programs Investment Mechanism)	

APPLICATION TO APPROVE DSIM FILING, REQUEST FOR VARIANCES <u>AND MOTION TO ADOPT PROCEDURAL SCHEDULE</u>

COMES NOW Kansas City Power & Light Company ("KCP&L") and KCP&L Greater Missouri Operations Company ("GMO") (collectively, the "Company"), and, pursuant to, 4 CSR 240-20.093 and 4 CSR 240-20.094, files this Application to Approve DSIM Filing, Request for Variances and Motion to Adopt Procedural Schedule ("Application"), and seeks thereby approval of certain demand-side programs, a Technical Resource Manual ("TRM") and a Demand-Side Investment Mechanism ("DSIM") as contemplated by the Missouri Energy Efficiency Investment Act ("MEEIA") and the Missouri Public Service Commission ("MPSC" or "Commission") regulations implementing MEEIA. The documents which are being filed concurrently with this Application, together with the Application, are sometimes referred to collectively herein as the Company's MEEIA 2019-2022 filing ("KCP&L-GMO MEEIA Cycle 3 filing")³.

¹ Section 393.1075, RSMo. (Cum. Supp. 2010).

² 4 CSR 240-093 and 4 CSR 240-094. Under MEEIA, a demand-side program is defined to include energy efficiency measures.

³ The Application request a six-year plan (2019-2025) for the income-eligible multi-family program.

A. The Applicants

- 1. KCP&L is a Missouri corporation with its principal office and place of business at 1200 Main Street, Kansas City, Missouri 64105. KCP&L is primarily engaged in the generation, transmission, distribution, and sale of electricity in western Missouri and eastern Kansas, operating primarily in the Kansas City metropolitan area. KCP&L is an "electrical corporation" and "public utility" under Section 386.020 (15) and (43) and is subject to the jurisdiction, supervision and control of the Commission under Chapters 386 and 393. KCP&L provided its Certificate of Good Standing in Case No. EF-2017-0242, which is incorporated herein by reference in accordance with 4 CSR 240-2.060(1)(G).
- 2. GMO is a Delaware corporation with its principal office and place of business at 1200 Main Street, Kansas City, Missouri 64105. GMO is primarily engaged in the business of providing electric and steam utility service in Missouri to the public in its certificated areas. GMO is an electrical corporation and public utility as defined in Section 386.020 (2000), as amended. *Id.* A Certificate of Authority for a foreign corporation to do business in the State of Missouri, evidencing the GMO's authority under the law to conduct business in the State of Missouri, was filed with the Commission in Case No. EU-2002-1053 and is incorporated herein by reference in accordance with 4 CSR 240-2.060(1)(G). GMO's fictitious name registration was filed in Case No. EN-2009-0015 and is incorporated herein by reference.

3. In addition to undersigned counsel all correspondences, pleadings, orders and communications regarding this proceeding should be sent to:

Tim M. Rush Director, Regulatory Affairs Kansas City Power & Light Company 1200 Main Street Kansas City, Missouri 64105 Telephone: (816) 556-2344

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- 4. Data requests concerning this Application should be addressed to Regulatory.Affairs@kcpl.com.
- 5. KCP&L has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court that involves customer service or rates, which action, judgment or decision has occurred within three years of the date of this Application other than the following: *Dana Heffner v. Kansas City Power & Light Company*, Case No. EC-2019-0109.

- 6. GMO has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court that involves customer service or rates, which action, judgment or decision has occurred within three years of the date of this Application.
- 7. Neither KCP&L nor GMO has no annual reports or regulatory assessment fees that are overdue in Missouri.
- 8. 4 CSR 240-22.080(18) requires the Company to certify this Application as substantially consistent with its preferred resource plan in its most recent Integrated Resource Plan ("IRP") or to explain why it is not consistent. The Company hereby certifies this Application is substantially consistent with its preferred resource plan in its current IRP.
- 9. On April 20, 2018, both KCP&L and GMO filed their respective Notices of Intended Case Filing establishing File Nos. EO-2018-0298 (KCP&L) ("0298 Notice") and EO-2018-0299 (GMO) ("0299 Notice") pursuant to 4-CSR 240-4.017(1), indicating their intent to submit MEEIA filings no earlier than 60 days from that date. However, neither KCP&L nor GMO filed within 180 days of the 0298 Notice and 0299 Notice and the Commission issued orders closing the files on October 18, 2018 ("Closing Orders"). KCP&L and GMO both filed a second Notice of Intended Case Filing establishing Case No. EO-2019-0132 (KCP&L) and EO-2019-0133 (GMO) on November 6, 2018 ("2nd Notices") and, as such, both KCP&L and GMO seek a variance, pursuant to 4 CSR 240-4.017(1)(D) so that the Company can file its application earlier than 60 days from the date of the 2nd Notices. Good cause exists for this variance because waiting the entire 60 days would mean that existing MEEIA programs could expire before this application is approved. In addition, the first notices provided more than 60 days' notice of this filing.

B. Application

- 10. Attached to this Application is a report ("Report"), supported by affidavits, explaining the elements of the Company's proposed demand-side programs, TRM and DSIM. The Report is similar in format to the reports that the Company used in its MEEIA Cycle 2 filings and includes the equivalent of testimony (and schedules thereto) from the Company's subject matter experts in support of this MEEIA filing. Commission approval of the Company's proposed demand-side programs, TRM and DSIM is necessary to fulfill MEEIA's mandate that the Commission align utility financial incentives with helping customers to use energy more efficiently and in a manner that sustains or enhances utility customers' incentives to use energy more efficiently. The Company asks the Commission to approve the programs, TRM and the DSIM as filed. Specifically, the requested programs, TRM and the DSIM consist of the following principal elements:
 - A three-year plan for specified demand-side programs⁴ and a six-year plan for the income-eligible multi-family program;
 - Recovery of program costs and offset of the throughput disincentive at the same time energy efficiency investments are made; and
 - An opportunity to earn an incentive amount based upon demand and energy savings achieved.
- 11. In addition to the above elements, the Company has filed tariffs which give it the discretion to discontinue programs and the DSIM following appropriate notice to the Commission. The Commission approved similar tariffs containing regulatory flexibility provisions in the Company's MEEIA 2 applications. The tariffs provide that should matters adversely impact the Company's plan or ability to recover its costs as approved, the Company reserves to the right to discontinue MEEIA programs and/or its plan. In such event, the

⁴ The terms "demand-side" and "energy efficiency" are used synonymously herein. Under MEEIA, energy efficiency programs or investments are a subset of demand-side programs or investments.

Company will file a notice with the Commission in these cases indicating the extent to which it will discontinue programs and/or its plan on date certain that is not less than 30 days after the filing of the notice. The Company will honor all requests for the programs received prior to the effective date set for the in the notice.

- 12. KCP&L's and GMO's 2015 MEEIA filings were approved by a Report and Order in Case Nos. EO-2015-0240 and EO-2015-0241 dated March 2, 2016 (effective March 12, 2016).
- 13. It will take several months after this case is concluded for the Company to rampup the necessary infrastructure to implement the level of energy efficiency programs proposed in this MEEIA filing. While the Company intends to issue requests for proposal during the pendency of this case, it will require time to contract with implementing contractors, time for contractors to achieve necessary staffing levels, etc.
- 14. The proposed tariffs, which are filed concurrently with this application, have been designed to provide the Company with the necessary flexibility to effectively implement and operate its demand-side programs and to make improvements as necessary to adapt to evolving market conditions. The simplest example of this flexibility is the Company's ability to change the incentive level if customer participation is lower than anticipated.
- 15. The Company is requesting variances for certain Commission regulations (including rules contained in Chapters 14 and 20 of Part 240), that contain requirements that are inconsistent with the Company's requested MEEIA filing and DSIM. Accordingly, the Company seeks variances from those regulations listed in section 7.2 of the Report.

- 16. Because the programs and issues are very similar and the Company is filing a single Application, KCP&L and GMO propose that both cases follow the same procedural schedule (proposal outlined below).
- 17. To address these issues, the Company proposes a procedural schedule, as set forth in the table below. The Company believes the proposed schedule affords Staff and intervenors sufficient time to review yet still completes the proceeding in time for the Company to implement programs by April 1, 2019. Given these needs, the Company proposes the following procedural schedule:

Date	Description
11/29/2018	Filing Date
01/15/2019	Rebuttal Testimony
02/05/2019	Surrebuttal Testimony
02/12/2019-02/14/2019	Hearing
2/25/2019	Briefs
3/4/2019	Reply Briefs
3/20/2019	Expected Order

The Company also proposes to hold a weekly overview and technical conferences with Staff and the Office of the Public Counsel and all intervenors for as long as the conferences are productive. The Company proposes to hold the overview conference on December 10, 2019. The Company has provided this application to all parties in Case Nos. EO-2015-0240 and EO-2015-0241. Finally, the Company asks the Commission to set a short intervention deadline, so the parties can participate in all of the overview and technical conferences and that a procedural schedule can be finalized.

18. The Company also seeks a variance of 4 CSR 240-20.094(4)(H) which gives the Commission 120 days to issue an order on a MEEIA application. The Company's existing MEEIA programs expire March 31, 2019. The Company requests that the Commission issue an order by March 20, 2019 (111 days from this Application) so that Cycle 3 MEEIA tariffs can go

into effect April 1, 2019. If the Commission does not issue an order before 120 days, the existing MEEIA programs will expire and there will be no new MEEIA programs to take their place. Good cause exists for the requested variance because an early Commission order ensures that the programs are continued with no gap in MEEIA program availability.

19. The Company will provide Staff and the Office of the Public Counsel access to all workpapers and other documentation to facilitate review of the Company's MEEIA filing.

WHEREFORE, Kansas City Power & Light Company and KCP&L Greater Missouri Operations Company respectfully request that the Commission approve the demand-side programs, TRM and the DSIM proposed in its MEEIA filing, the variances listed above and for other relief as is appropriate in this case.

Respectfully submitted,

s Roger W. Steiner

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Attorneys for Kansas City Power & Light Company and KCP&L Greater Missouri Operations Company

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was served upon the parties listed below (as well as all parties to the Company's MEEIA Cycle 2 dockets, EO-2015-0240 and EO-2015-0241) on this 29th day of November 2018, by either e-mail or U.S. Mail, postage prepaid.

Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102 staffcounselservice@psc.mo.gov

Office of the Public Counsel P.O. Box 2230 Jefferson City, MO 65102 opcservice@ded.mo.gov

s Roger W. Steiner

Roger W. Steiner

VERIFICATION

STATE OF MISSOURI)	
)	SS
COUNTY OF IACKSON)	

I, Tim M. Rush, having been duly sworn upon my oath, state that I am the Director of Regulatory Affairs of Kansas City Power & Light Company, that I am authorized to make this verification on behalf of KCP&L and GMO, and that the matters stated in the foregoing Application are true and correct to the best of my information, knowledge, and belief.

Tim M. Rush

Director, Regulatory Affairs

Kansas City Power & Light Company

SUBSCRIBED AND SWORN TO before me this 29th day of November 2018.

Notary Public

My Commission Expires: $\frac{1}{2}\sqrt{2\sqrt{2}}$

ANTHONY R WESTENKIRCHNER
Notary Public, Notary Seal
State of Missouri
Platte County
Commission # 17279952
My Commission Expires April 26, 2021