

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Joint Application of            )  
Great Plains Energy Incorporated, Kansas        )  
City Power & Light Company, and KCP&L        ) Case No. EE-2017-0113  
Greater Missouri Operations Company for        )  
a Variance from the Commission's Affiliate     )  
Transaction Rule, 4 CSR 240-20.015            )

**REPLY OF JOINT APPLICANTS TO  
LABORERS' INTERNATIONAL UNION'S RESPONSE TO THE  
OPPOSITION OF JOINT APPLICANTS TO  
LABORERS' INTERNATIONAL UNION'S APPLICATION TO INTERVENE**

Great Plains Energy Incorporated ("GPE"), Kansas City Power & Light Company ("KCP&L"), and KCP&L Greater Missouri Operations Company ("GMO") (collectively, "Joint Applicants") state the following in reply to the Response of Laborers' International Union of North America ("LiUNA") to the Joint Applicants' Opposition to its Application to Intervene ("Response"):

1. On October 28, 2016 the Joint Applicants filed their Opposition to LiUNA's Application to Intervene ("Opposition"), arguing that LiUNA failed to meet the requirements of Subsections (A) and (B) of 4 CSR 240-2.075 ("Intervention Rule") because LiUNA did not demonstrate either an interest different from the general public or that its intervention would serve the public interest.

2. In its November 7, 2016 Response to the Opposition, LiUNA attempts to justify its intervention by arguing that it has an interest different than the general public simply because LiUNA has "supplied workers for dozens of contractors for multiple KCPL projects." See Response, ¶ 4. However, the mere fact that LiUNA has members who work for companies that have provided services to KCP&L fails to provide a sufficient basis for intervention in this request for a variance of the Affiliate Transactions Rule, 4 CSR 240-20.015. LiUNA has made

no attempt to show that a final order in this proceeding could affect any interest that LiUNA has that is different from the general public.

3. The sole precedent that LiUNA relies upon in its Response concerns the acquisition of Empire District Electric Company, a Missouri public utility, by Liberty Utilities Company and its parent corporation, Algonquin Power & Utilities Corp. See LiUNA Response, ¶ 5. But GPE is not a public utility under Missouri law and, unlike Westar, Empire's Missouri utility operations have been serving the public for years and are fully regulated by the Commission. Therefore, the acquisition of Empire clearly required the approval of the Commission under Section 393.190, as the Commission recognized in its order approving the transaction. See Order Approving Stipulation and Agreement and Authorizing Merger Transaction at 3, In re Joint Application of The Empire District Electric Co., Liberty Utilities (Central) Co., and Liberty Sub Corp. Concerning an Agreement and Plan of Merger, No. EM-2016-0213 (Sept. 7, 2016).

4. The facts in this proceeding are similar to the acquisition of non-Missouri public utilities in 2015 and 2016 by Spire, Inc., a Missouri-based holding company governed by a stipulation comparable to the GPE Stipulation.<sup>1</sup> See Order Closing File, In re Spire, Inc.'s Acquisition of EnergySouth, Inc., No. GM-2016-0342 (Sept. 7, 2016). Significantly, neither LiUNA nor any other entity took any action before this Commission regarding Spire, Inc.'s acquisitions of Alabama Gas Corporation or EnergySouth, Inc., even though Staff had alleged

---

<sup>1</sup> See Order Approving Stipulation and Agreement, and Approving Plan to Restructure, In re Application of Laclede Gas Co. for an Order Authorizing its Plan to Restructure Itself into a Holding Company, Regulated Utility Company, and Unregulated Subsidiaries, No. GM-2001-342 (Aug. 14, 2001).

that both transactions were subject to the requirement of prior Commission approval and the closing of the EnergySouth transaction was known to be imminent.

5. Finally, neither LiUNA's Response nor its Application to Intervene states how its interest is different from that of the general public, how it "may be adversely affected by a final order" in this case, or why its intervention "would serve the public interest." These are the touchstones of the Commission's Intervention Rule. See 4 CSR 240-2.075(3)(A)-(B). LiUNA has not fulfilled these requirements because this proceeding seeks a variance from the asymmetric pricing standards of the Affiliate Transactions Rule that would permit transactions between the regulated operations of KCP&L, GMO and Westar to occur at cost.<sup>2</sup> Although KCP&L and GMO will continue to be regulated public utilities in Missouri, and Westar will continue to be a regulated provider of electric service in Kansas, the Affiliate Transactions Rule could prevent transactions between and among their regulated operations from occurring at cost. The requested variance would allow such transactions to occur at cost and permit the attainment of savings that will ultimately benefit customers of GPE's regulated utility subsidiaries. Indeed, LiUNA has raised no specific objection to the Joint Applicants' request for a variance from the Affiliate Transactions Rule, but rather seeks to re-characterize this proceeding as a transaction that requires the Commission's approval under Section 393.190.

6. Nothing regarding this request for a variance from the Affiliate Transactions Rule or the conditions to which the Joint Applicants have agreed in its Stipulation and Agreements with Commission Staff and the Office of the Public Counsel ("OPC") will change the rates, charges or terms of service extended to any customer. Therefore, LiUNA has no interest

---

<sup>2</sup> The variance request excludes wholesale power transactions, which will be based on FERC-approved rates.

different from that of the general public and no basis to claim that it may be adversely affected by a final order in this case.

7. Denying LiUNA intervention would be consistent with other Commission decisions where a party sought to intervene without a sufficient demonstration of interest. In a financing case where Ameren applied for approval to assume a lease relating to the combustion turbine generating facility owned by Audrain County, the Commission denied the intervention application of the Missouri Joint Municipal Electric Utility Commission (“MJMEUC”), noting that “MJMEUC’s *rates ... will not be affected.*” See Order Denying Application for Intervention at 2, Application of Union Elec. Co. , No. EF-2006-0278 (Feb. 2, 2006) (emphasis added). The Commission found that MJMEUC did “not have an interest which is different from that of the general public” and “will not be adversely affected by a final order arising from the case.” Id. See also Order at 4, In re Union Elec. Co. for Authority to File Tariffs Increasing Rates for Natural Gas Service, No. GR-2010-0363 (Sept. 1, 2010) (MoGas Pipeline LLC denied intervention where it “failed to show that its interest will be affected by an outcome of this case”).

8. The identical situation exists in the subject proceeding, where granting the Joint Applicants’ request for a variance from the Affiliate Transactions Rule and approving the stipulations entered into with Staff and OPC will not change or otherwise affect the rates paid by LiUNA members. Because LiUNA has not shown that its interest is different from that of the general public, that it will be adversely affected by a final order, or that its proposed intervention would serve the public interest, its application for intervention should be denied.

WHEREFORE, the Joint Applicants request that the Commission deny Laborers' International Union of North America's Application to Intervene.

/s/ Robert J. Hack

Robert J. Hack, MBN 36496  
Roger W. Steiner, MBN 39586  
Kansas City Power & Light Company  
1200 Main Street  
Kansas City, MO 64105  
Phone: (816) 556-2791  
rob.hack@kcpl.com  
roger.steiner@kcpl.com

Karl Zobrist, MBN 28325  
Joshua Harden, MBN 57941  
Dentons US LLP  
4520 Main Street, Suite 1100  
Kansas City, MO 64111  
Phone: (816) 460-2400  
Fax: (816) 531-7545  
karl.zobrist@dentons.com  
joshua.harden@dentons.com

James M. Fischer, MBN 27543  
Larry W. Dority, MBN 25617  
Fischer & Dority, P.C.  
101 Madison Street, Suite 400  
Jefferson City, MO 65101  
Phone: (573) 636-6758  
Fax: (573) 636-0383  
jfisherpc@aol.com

Attorneys for Applicants Great Plains Energy  
Incorporated, Kansas City Power & Light Company  
and KCP&L Greater Missouri Operations Company

**CERTIFICATE OF SERVICE (PARTIES)**

A copy of the foregoing was served upon the below named parties by email or U.S. mail, postage prepaid, this 16th day of November, 2016.

Kevin A. Thompson  
Chief Staff Counsel  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, MO 65102  
kevin.thompson@psc.mo.gov

James Owen  
Timothy Opitz  
Office of the Public Counsel  
P.O. Box 2230  
Jefferson City, MO 65102  
James.owen@ded.mo.gov  
Timothy.opitz@ded.mo.gov

/s/ Robert J. Hack

Attorneys for Great Plains Energy Incorporated,  
Kansas City Power & Light Company, and KCP&L  
Greater Missouri Operations Company

**CERTIFICATE OF SERVICE  
(APPLICANTS FOR INTERVENTION)**

A copy of the foregoing was served upon the below named parties by email or U.S. mail, postage prepaid, this 16th day of November, 2016.

Michael E. Amash  
Blake & Uhlig, P.A.  
753 State Avenue, Suite 475  
Kansas City, KS 66101  
Attorneys for IBEW Locals 412, 1464, and  
1613

John B. Coffman  
John B. Coffman, LLC  
871 Tuxedo Blvd.  
St. Louis, MO 63119-2044  
john@johncoffman.net  
Attorney for Consumers Council of Missouri  
and Laborers' International Union of North  
America

Diane M. Vuylsteke  
Bryan Cave, LLC  
211 N. Broadway, Suite 3600  
St. Louis, MO 63102  
dmvuylsteke@bryancave.com

Edward F. Downey  
Bryan Cave, LLC  
221 Bolivar Street, Suite 101  
Jefferson City, MO 65101  
efdowney@bryancave.com  
Attorneys for Missouri Industrial Energy  
Customers

Andrew J. Linhares  
12100 Rodgers St., Suite B  
Columbia, MO 65201  
andrew@renewmo.org  
Attorney for Renew Missouri

Henry B. Robertson  
Great Rivers Environmental Law Center  
319 N. Fourth Street, Suite 800  
St. Louis, MO 63102  
hrobertson@greatriverslaw.org  
Attorney for Sierra Club

Dayla Bishop Schwartz  
City Counselor  
111 East Maple Street  
Independence, MO 64050  
dschwartz@indepmo.org  
Attorney for City of Independence

David L. Woodsmall  
308 E. High Street, Suite 204  
Jefferson City, MO 65101  
david.woodsmall@woodsmallllaw.com  
Attorney for the Midwest Energy Consumers  
Group

Andrew Zellers  
Brightergy, LLC  
1712 Main St., 6th Floor  
Kansas City, MO 64108  
Attorney for Brightergy, LLC

/s/ Robert J. Hack

Attorneys for Great Plains Energy Incorporated,  
Kansas City Power & Light Company, and KCP&L  
Greater Missouri Operations Company