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

In the Matter of the Joint Application of Great ) Plains Energy Inc., Kansas City Power & Light ) Company and KCP&L Greater Missouri Operations) Company for a Variance from the Commission's ) Affiliate Transactions Rule, 4 CSR 240-20.015 )

Case No. EE-2017-0113

## **<u>RESPONSE TO OPPOSITION OF</u>** <u>APPLICATION TO INTERVENE</u>

COME NOW International Brotherhood of Electrical Workers, Local Unions No. 412, 1464, and 1613, ("Locals") by and through their counsel, Blake & Uhlig, P.A., and respectfully submit this Response to Great Plains Energy Incorporated, Kansas City Power & Light Company and KCP&L Greater Missouri Operations Company (collectively "Joint Applicants") Opposition to IBEW Local Unions No. 412, 1464 and 1613 Application to Intervene.

1. On October 12, 2016, the Joint Applicants filed their Application for a variance from the Commission's affiliate transaction rule. In conjunction with that filing, the Joint Applicants filed a Stipulation and Agreement with the Missouri Public Service Commission Staff.

2. On October 25, 2016 IBEW Locals 412, 1464 and 1613 submitted their Application to Intervene. Significantly, the Locals' Application to Intervene fully complies with the standards for intervention set forth in Rule 4 CSR 240-2.075. Joint Applicants efforts to resist the Locals' Application, as well as all other intervening parties, is an improper effort to limit and suppress the rights of interested parties in the instant transaction. 3. Joint Applicants argue that Locals Application to Intervene is deficient on two grounds. Joint Applicant's argue that Locals (1) have not established an interest in this proceeding which is different from that of the general public and (2) failed to demonstrate any interest which may be adversely affected by a final order in the instant case.

4. Joint Applicants claim that the Locals have failed to distinguish their interests from those of the general public. As set forth in their Application to Intervene, Locals represent employees who may be affected by Orders entered by the Commission in this proceeding. Locals are the exclusive bargaining representative for these employees and, as such, are solely responsible for representing the interest of approximately 1,720 Kansas City Power & Light ("KCP&L") employees. No other person or entity is obligated to represent these individuals, nor does any other person or entity have a legal right to represent these individuals.

The Locals' interests are clearly distinct from that of the general public. The Locals represent the interests of KCP&L employees. The requested variance is likely to have a direct impact on the terms and conditions of employment of those employees. The general public has no direct interest in such terms and conditions of employment. As such the Locals' interest in this matter are distinct from those of the general public.

5. Joint Applicants erroneously claim that the Locals' have failed to demonstrate any interest which may be adversely affected by a final order in the instant case. The *Joint Stipulation and Agreement*, as well as Joint Applicants *Verified Application* and much of the supporting testimony filed by Joint Applicants implicate the Locals and the employees they are legally bound to represent.

2

6. Significantly, Subsection E1. of the *Joint Stipulation and Agreement* asserts several "Fundamental principles" in integrating Westar, KCP&L and GMO. Those principles include the following:

- "Cost savings from integration, and staffing for the combined companies"
- "Natural attrition, job assignments outside of current responsibilities, voluntary termination packages and severance will be used to reduce headcount";
- "Keep rates lower than they would have been absent GPE's acquisition of Westar by capturing efficiencies and building them into ratemaking in the normal course.";
- "Generation, transmission and distribution and fleet integration decisions will be premised, designed and implemented to position operations to deliver value over the long-term"; and
- "Standardize key processes using best practices from both organizations."

It is clear that Joint Applicants anticipate gaining cost savings and other efficiencies through the integration of operations between KCP&L and Westar. Such integration may adversely impact the workforce represented by the Locals.

In their Opposition, Joint Applicants assert that this matter does not concern the collective bargaining agreements it is signatory to with the Locals. Whether its variance will necessitate changes in the Locals current collective bargaining agreements are yet unknown; however, agreements made in the *Joint Stipulation and Agreement* – referenced above – clearly envision changes to the workforce for which the Locals are responsible.

While Joint Applicants assert the Locals have not established that they "may be adversely affected by a final order arising from the case," any changes to the size, scope or duties of its workforce is likely to be adverse to the Locals and the employees they represent.

7. Joint Applicants have expressly stated that its request for a variance to the affiliate transaction rule is, in part, premised upon changes to its workforce. Such assertions support Petitioner's Application to Intervene. The Locals' have a unique interest in such changes, as they are the only body legally bound to represent KCP&L's 1,720 represented employees. Joint Applicant's opposition to Locals' intervention is an attempt to silence the only entities that are legally obligated to speak for and represent the impacted workforce.

WHEREFORE, the International Brotherhood of Electrical Workers, Local Unions No. 412, 1464, and 1613 requests that the Commission reject the Joint Applicants opposition and grant their Application to Intervene.

Dated this 7<sup>th</sup> day of November 2016.

Respectfully submitted,

BLAKE & UHLIG, P.A. 753 State Avenue Suite 475 Kansas City, Kansas 66101 (913) 321-8884 2500 Holmes Kansas City, Missouri 64108 (816) 472-8883

By:

Michael E. Amash, Mo. Bar No. 58478

ATTORNEYS FOR IBEW LOCALS 412, 1464, AND 1613

## **<u>CERTIFICATE OF SERVICE</u>**

The undersigned hereby certifies that a copy of the foregoing Application to Intervene was served upon all parties to this action, either by U.S. Mail, Hand-delivered, transmitted by Facsimile or electronically mailed, this 25<sup>th</sup> day of October 2016.

Attorney for IBEW 412, 1464, and 1613