

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

In the Matter of the Application of Kansas City	)	
Power & Light Company for Approval to Make	)	
Certain Changes in its Charges for Electric	)	Case No. ER-2007-0291
Service to Implement Its Regulatory Plan	)	

**TRIGEN-KANSAS CITY ENERGY CORPORATION  
STATEMENT OF POSITION**

COMES NOW Trigen-Kansas City Energy Corporation ("Trigen"), by and through the undersigned counsel, and submits this Statement of Position on the issues set forth below pursuant to the procedural schedule established herein. It is the understanding of the undersigned that the Statements of Position which have been ordered in this case are not to be in the form of prehearing briefs but, rather, are to merely contain concise statements of a party's position on the issues, and that the post-hearing brief(s) are to contain a party's arguments and citations to evidence. Although this Statement of Position addresses a limited number of the issues set forth in the List of Issues filed herein by Staff on September 21, 2007, Trigen reserves the right to cross-examine witnesses, present argument and submit post-hearing brief(s) as to any issues it deems necessary if the need arises at a later date.

**ISSUES<sup>1</sup>**

21. Effect of Case No. EO-2005-0329 Stipulation and Agreement on Inter-class Shifts: Does the Stipulation and Agreement incorporating the KCPL Experimental Regulatory Plan that the Commission approved in Case No. EO-2005-0329 allow the

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<sup>1</sup> This Statement of Position will use the numbering assigned to issues in the List of Issues filed herein by Staff.

signatories to the Stipulation and Agreement to propose inter-class revenue shifts in this case?

a. If so, should any inter-class revenue shifts be implemented in this case?

**RESPONSE:** Trigen takes no position on this issue as set forth in the List of Issues. However, in the event that the Commission orders any reduction in revenue responsibility for KCPL's Small General Service (SGS), Medium General Service (MGS) or Large General Service (LGS) rate classes, none of the reduction in revenue responsibility should be applied to the all-electric tariffs or the separately-metered space heating rates within such rate classes.

23. General Service All-electric tariffs and general service separately-metered space heating tariff provisions:

a. Should KCPL's general service all-electric tariff rates and separately metered space heating rates be increased more (i.e., by a greater percentage) than KCPL's corresponding standard general application rates and if so, by how much more?

**RESPONSE:** Yes. As for the all-electric tariff rates, the difference between the standard general application rates and the all-electric tariff rates should be reduced by one-third. As for the separately-metered space heating rates, such rates should be increased by 10% on a revenue-neutral basis (10% more than the corresponding standard general application rates).

b. Should KCPL's general service all-electric tariffs and separately metered space heating rates be phased-out, and if so, over what period?

**RESPONSE:** Yes, these rates should be phased-out. The all-electric tariff rates should be phased-out over a period of three rate cases starting with this rate case (i.e., this case and the next two), and the separately-metered space-heating rates should be phased-out over a two-rate case period starting with this rate case (i.e., they should be eliminated in KCPL's next rate case).

c. Should the availability of KCPL's general service all-electric tariffs and separately-metered space heating rates be restricted to those qualifying customers commercial and industrial physical locations being served under such all-electric tariffs or separately-metered space heating rates as of the date used for the billing determinants used in this case (or as an alternative, the operation of law date of this case) and should such rates only be available to such customers for so long as they continuously remain on that rate schedule (i.e., the all-electric or separately-metered space heating rate schedule they are on as of such date)?

**RESPONSE:** Yes. The general service all-electric tariffs and separately-metered space heating rates should be restricted to existing physical locations for those commercial and industrial customers actually receiving the discounted service currently (i.e., as of the date used for the billing determinants used in this case<sup>2</sup>), and should only be available to those customers for so long as they continuously remain on that rate schedule.

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<sup>2</sup> As an alternative, the Commission could use the operation of law date for this case; however, Trigen believes the date used for billing determinants should be used.

d. i. Should the Commission require KCPL, as soon as possible but not later than its next rate case, to present complete cost of service and/or cost-effectiveness studies and analyses of KCPL's general service all-electric tariffs and separately-metered space heating rates and, consistent with the findings of such studies and analyses, allow KCPL the opportunity at that time to present its preferred phase-out plan for the remaining commercial and industrial customers served under the all-electric tariffs and separately metered space heating rates?

**RESPONSE:** Yes.

ii. In the event that KCPL does not file such cost of service and/or cost-effectiveness studies before or as part of its next rate case, should the Commission require KCPL to impute the revenues associated with the discounted rates in the all-electric general service tariffs and separately-metered space heating provisions of its tariffs and impute revenues equal to KCPL's cost of administering these discounted rates as part of its next rate case?

**RESPONSE:** Yes. This would serve as an incentive to KCPL to file the necessary studies, and would avoid subsidization of the discounted rates customers by the customers paying the standard general application rates.

e. Should the Commission require KCPL to (a) investigate and determine whether the commercial and industrial customers currently served under the general service all-electric tariffs and the separately-metered space heating provisions of the standard general service tariffs continue to meet the eligibility requirements for those discounted

rates; (b) remove from the discounted rates those customers which KCPL's investigation determines are no longer eligible for such discounted rates; and (c) monitor and police the eligibility requirements of those customers receiving such discounted rates for reporting in KCPL's direct testimony in its next rate case filing?

**RESPONSE:** Yes to (a), (b) and (c).

f. Should the Commission approve KCPL's proposal to rename its general service "All-Electric" tariffs as "Space Heating" tariffs?

**RESPONSE:** No. Such renaming would be misleading and inconsistent with the Availability section of the tariffs.

Respectfully submitted,



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### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true copy of the foregoing was sent to counsel for parties of record by depositing same in the U.S. Mail, first class postage prepaid, by hand-delivery, or by electronic mail transmission, this 25th day of September, 2007.