Exhibit No.:

Issue: Fuel, Purchased Power, Wholesale

Sales,

Witness: Burton L. Crawford Type of Exhibit: Rebuttal Testimony

Sponsoring Party: Kansas City Power & Light Company

Case No.: ER-2016-0285

Date Testimony Prepared: December 30, 2016

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2016-0285

REBUTTAL TESTIMONY

OF

BURTON L. CRAWFORD

ON BEHALF OF

KANSAS CITY POWER & LIGHT COMPANY

Kansas City, Missouri December 2016

REBUTTAL TESTIMONY

OF

BURTON L. CRAWFORD

Case No. ER-2016-0285

1	Q:	Please state your name and business address.
2	A:	My name is Burton L. Crawford. My business address is 1200 Main, Kansas City,
3		Missouri 64105.
4	Q:	By whom and in what capacity are you employed?
5	A:	I am employed by Kansas City Power & Light Company ("KCP&L" or "Company") as
6		Director, Energy Resource Management.
7	Q:	On whose behalf are you testifying?
8	A :	I am testifying on behalf of KCP&L.
9	Q:	Are you the same Burton L. Crawford who filed Direct Testimony in this
0		proceeding?
1	A:	Yes, I am.
2	Q.	What is the purpose of your rebuttal testimony?
13	A:	I will briefly address fuel model related issues in the Revenue Requirement Cost of
14		Service Report filed by the Missouri Public Service Commission Staff ("Staff") in this
15		proceeding.
16	Q:	Do you have any concerns with the Staff's Fuel, Purchased Power and Off-System
17		Sales modeling and amounts included in the cost of service model?
8	A:	Yes. There are at least three issues that should be addressed at true-up. These are related
9		to: (1) the treatment of a firm wholesale sales contract, (2) the computation of capacity

sales revenue, and (3) the exclusion of energy purchases from a new wind purchased power agreement. Items such as these have historically been addressed at true-up, and the Company anticipates that Staff will do so.

4 Q: What is the issue regarding the energy sale under a firm sales contract?

0:

A:

A:

KCP&L entered into a firm energy sales agreement with the City of Chanute, Kansas ("City") that runs from March 1, 2012 to December 31, 2016. This contract has not been renewed or extended by the City or the Company. Since this contract will have expired by the true up date in this case, the Company has excluded this sale from firm sales in the fuel modeling, and instead allows the energy represented by the contract to be sold in the non-firm wholesale sales market operated by Southwest Power Pool.

In determining the amount of firm energy sales and demand revenues, Staff has included the energy and demand revenues from the City contract, but has not included the energy impact of the contract in the fuel model. Thus, the cost to supply this energy has not been included in Staff's case. KCP&L believes that this sale should not be included in the case because it expires at the true-up date. However, if the Commission determines that it is appropriate to include sales from this contract, then the load used in the fuel modeling should be increased to recognize the costs to serve it.

What is the issue with the capacity sales revenue computation?

KCP&L has entered into a capacity sales agreement with KCP&L Greater Missouri Operations Company ("GMO") that runs from June 1, 2016 to May 31, 2021. In the Company's case, the annualized revenues from this contact period have been included in the cost of service model. In the Staff's case, they have included only the actual contract

- 1 revenues for the twelve months ended June 30, 2016. Thus, they have only included one
- 2 month's revenue in their cost of service.
- 3 Q: What is the issue with the wind purchase power contract?
- 4 A: KCP&L has entered into a 120 MW purchase power contract with Osborn Wind Energy,
- 5 LLC for wind generation that started commercial operations on December 15, 2016. The
- 6 Company included the expected energy generation from this site and the related costs in
- 7 its case. The Staff has not included this contract in their direct case as it was not in
- 8 operation as of June 30, 2016. This generation resource and its related costs should be
- 9 included in the Staff's true-up case.
- 10 Q: Does that conclude your testimony?
- 11 A: Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Kansas City Power & Light) Company's Request for Authority to Implement) Case No. ER-2016-0285 A General Rate Increase for Electric Service)
AFFIDAVIT OF BURTON L. CRAWFORD
STATE OF MISSOURI)
COUNTY OF JACKSON)
Burton L. Crawford, appearing before me, affirms and states:
1. My name is Burton L. Crawford. I work in Kansas City, Missouri, and I am
employed by Kansas City Power & Light Company as Director, Energy Resource Management.
2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony
on behalf of Kansas City Power & Light Company consisting of three (3)
pages, having been prepared in written form for introduction into evidence in the above-
captioned docket.
3. I have knowledge of the matters set forth therein. I hereby affirm and state that
my answers contained in the attached testimony to the questions therein propounded, including
any attachments thereto, are true and accurate to the best of my knowledge, information and
belief. Description Descr
Subscribed and affirmed before me this 30th day of December, 2016.
Notary Public A. Cur
My commission expires: NICOLE A. WEHRY Notary Fublic - Notary Seal State of Missouri Commissioner State of Missouri
Commissioned for Jackson County My Commission Expires: February 04, 2019 Commission Number: 14391200