Exhibit No.:

227

Issue(s):

Fuel Adjustment Clause

Witness:

David C. Roos

Sponsoring Party:

MoPSC Staff

Type of Exhibit:

Surrebuttal Testimony

Case No.:

ER-2016-0285

FILED

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MISSOURI PUBLIC SERVICE COMMISSION

COMMISSION STAFF DIVISION

ENERGY RESOURCES DEPARTMENT

SURREBUTTAL TESTIMONY

OF

DAVID C. ROOS

KANSAS CITY POWER & LIGHT COMPANY

CASE NO. ER-2016-0285

Jefferson City, Missouri January 2017

Safo Exhibit No. 227

Vate 262/17 Reporter MA

File Note 2016-085

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1		SURREBUTTAL TESTIMONY	
2		\mathbf{OF}	
3		DAVID C ROOS	
4		KANSAS CITY POWER & LIGHT COMPANY	
5	A CONTRACTOR OF THE PROPERTY O	CASE NO. ER-2016-0285	
6	Q.	Please state your name and business address?	
7	A.	My name is David C. Roos and my business address is Missouri Public Service	
8	Commission	("Commission"), P.O. Box 360, Jefferson City, MO 65102.	
9	Q.	What is your position at the Commission?	
10	A.	I am a Regulatory Economist III in the Commission Staff Division,	
11	Energy Resources Department.		
12	Q.	Are you the same David C. Roos that contributed to Staff's Cost of Service	
1'3	Report ("COS	S Report"), filed on November 30, 2016, Staff's Rate Design and Class Cost of	
14	Service Repo	rt ("CCOS Report"), filed on December 14, 2016, and Rebuttal Testimony, filed	
15	on December	30, 2016?	
16	A.	Yes, I am.	
17	Q.	What is the purpose of your surrebuttal testimony?	
18	A.	The purpose of my surrebuttal testimony is to address; 1) Office of the Public	
19	Council witness Lena M. Mantle's rebuttal testimony in which she expresses concern that		
20	Staff's report	does not specifically state if it is requesting the Commission to modify	
21	Kansas City Power & Light's ("KCPL") current Fuel Adjustment Clause (FAC) or the FAC		
22	proposed in the	nis case; and, 2) KCPL witness Mr. Tim M. Rush's FAC rebuttal testimony in	

19

Yes it does.

A.

which he discusses the unwinding of KCPL's natural gas fuel and natural gas to cross-hedge 1 2 purchased power hedging activities. 3 STAFF'S RECOMMENDATIONS REGARDING KCPL'S EXISTING FAC 4 Starting on page 20, lines 1 through 3, Ms. Mantle expresses her concern that Q. 5 Staff does not specifically identify whether Staff is requesting the Commission to modify 6 KCPL's current FAC or the FAC KCPL proposed in this case. Can you clarify? 7 A. In the Staff Report Revenue Requirement Cost of Service, Staff is 8 requesting modification to KCPL's current FAC. 9 FUEL AND CROSS-HEDGING IN THE FAC On page 20, lines 3 - 10, of his rebuttal testimony, Mr. Rush discusses 10 Q. 11 alternative approaches for FAC tariff sheet language to provide for the reinstitution of natural 12 gas fuel hedging in the future should such an action be warranted due to changes in the energy 13 market. Mr. Rush then expresses KCPL's willingness to agree with Staff's recommendation 14 to mimic the outcome of Case No. ER-2016-0156 where after notifying the parties, KCPL can begin a new hedging program and defer the costs in a regulatory asset (or liability) until its 15 16 next rate case. Is this consistent with Staff's recommendation? 17 Ă. Yes. Does this conclude your surrebuttal testimony? 18 Q.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

COMES NOW DAVID C. ROOS and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing Surrebuttal Testimony; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

DAVID C. ROOS

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 24 k day of January, 2017.

DIANNA L. VAUGHT
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: June 28, 2019
Commission Number: 15207377

Notary Public