# STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 17<sup>th</sup> day of November, 2016.

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In the Matter of the Joint Application of Great Plains Energy Incorporated, 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

File No. EE-2017-0113

# ORDER FINDING THAT STIPULATIONS AND AGREEMENT HAVE BEEN OBJECTED TO AND DIRECTING THE PARTIES TO FILE A PROPOSED PROCEDURAL SCHEDULE

Issue Date: November 17, 2016 Effective Date: November 17, 2016

On October 12, 2016,<sup>1</sup> Great Plains Energy Incorporated (GPE), Kansas City Power & Light Company (KCP&L), and KCP&L Greater Missouri Operations Company (GMO) (collectively, the Joint Applicants) filed an application with the Missouri Public Service Commission seeking a limited variance or waiver from Commission Rule 4 CSR 240-20.015 regarding certain affiliate transactions that will occur between the KCP&L, GMO, and Westar operating companies after GPE completes its merger with Westar Energy, Inc. Shortly after the application for variance was filed, the Joint Applicants and the Commission's Staff filed a nonunanimous stipulation and agreement purporting to settle all issues relevant to the joint application for variance. Subsequently, on October 26, the Office of the Public Counsel and the Joint Applicant filed an additional stipulation and agreement that incorporates and expands upon the previous stipulation and agreement.

<sup>&</sup>lt;sup>1</sup> All dates are in 2016.

On October 18, the Midwest Energy Consumers Group (MECG) filed an objection to the stipulation and agreement between the Joint Applicants and Staff. MECG filed an objection to the stipulation and agreement between the Joint Applicants and Public Counsel on November 3.

The Commission's rule regarding stipulations and agreements, 4 CSR 240-2.115(2)(C), indicates "[i]f no party timely objects to a nonunanimous stipulation and agreement, the commission may treat the nonunanimous stipulation and agreement as a unanimous stipulation and agreement." 4 CSR 240-2.115(2)(B) allows each party seven days in which to object to a nonunanimous stipulation and agreement. MECG objected to the stipulation and agreement between Staff and the Joint Applicants six days after it was filed, but objected to the stipulation and agreement between Public Counsel and the Joint Applicants on the eighth day after it was filed.

At the time the nonunanimous stipulations and agreements were filed, MECG was not yet a party and its objections to those stipulations and agreement could not yet be effective. MECG was made a party by separate order issued today, and at the time it became a party its objections became effective. Further, the Commission's regulation provides that the Commission *may* treat a stipulation and agreement as unanimous if no timely objection is raised, but it does not *require* the Commission to do so. Under the circumstances of this case, the Commission finds that MECG objections to the stipulations and agreement are timely and the Commission will not treat either stipulation and agreement as unanimous.

4 CSR 240-2.115(2)(D), provides that "[a] nonunanimous stipulation to which a timely objection has been filed shall be considered to be merely a position of the signatory parties to the stipulated position, except that no party shall be bound by it." As the

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stipulations and agreement will not be treated as unanimous, the Commission will direct the parties to file a proposed procedural schedule for the Commission's consideration.<sup>2</sup> The Commission would like to resolve this matter as expeditiously as possible.

# THE COMMISSION ORDERS THAT:

1. No later than November 29, 2016, the parties shall file a jointly proposed expedited procedural schedule describing the procedure by which the Commission should resolve the Joint Applicants' Application for a Limited Variance from the Commission's Affiliate Transaction Rule.

2. This order shall be effective when issued.



# BY THE COMMISSION

Morris I Woodruff

Morris L. Woodruff Secretary

Hall, Chm., Stoll, Kenney, Rupp, and Coleman, CC., concur.

Woodruff, Chief Regulatory Law Judge

<sup>&</sup>lt;sup>2</sup> The Commission is not at this time making any finding about the appropriateness or sufficiency of the conditions described in the stipulations and agreements. It is possible those conditions satisfy all concerns regarding public detriment resulting from the Westar merger, but not the concerns raised as to jurisdiction Accordingly, the Commission invites further discussion among all the parties toward an expeditious final resolution.

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 17<sup>th</sup> day of November 2016.



Morris L. Woodruff Secretary

# **MISSOURI PUBLIC SERVICE COMMISSION**

# November 17, 2016

#### File/Case No. EE-2017-0113

# Missouri Public Service

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# Sierra Club

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Sincerely,

Corris Z Woodruff

Morris L. Woodruff Secretary

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.