## BEFORE THE PUBLIC SERVICE COMMISSION 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 Service	)	Case No. ER-2010-0355
to Continue the Implementation of its Regulatory	)	Tariff No. JE-2010-0692
Plan.	)	

## Staff's Motion For Clarification and Response to Order Directing Filing

**COMES NOW** the Staff of the Missouri Public Service Commission ("Staff") and for its *Motion For Clarification* and response to the Commission's *Order Directing Filing*:

- 1. On April 12, 2011, the Commission issued its *Order Directing Filing* in which it directed Staff to file by 12:00 p.m. on April 13, 2011, a pleading either reporting the revenue requirement increase, the customer impact of that increase, and the new rates per kWh per customer class after the increase resulting from the Commission's *Report and Order*, or stating when it will file that information.
- 2. In reviewing the Commission's *Report and Order* it appears to Staff it was inconsistent of the Commission to decide on page 146-50 of its *Report and Order* that "[t]he March 2, 2011 reconciliation numbers shall be used for determination of revenue requirement on this issue [fuel expense] and "[d]ue to the matching principle, if KCP&L uses the Staff's sales revenues when calculating revenue requirement, it also needs to use Staff's system requirements for fuel used to produce those sales," but also decide spot market purchased power prices shall be determined using "a nationally recognized tool like the MIDAS<sup>TM</sup> model" and natural gas prices shall be based on "the first of the month index price published in Platt's Inside FERC, as well as NYMEX closing prices related to Henry Hub natural gas futures contracts." This is because Staff did not use either spot market purchased power prices by using "a nationally

recognized tool like the MIDAS<sup>TM</sup> model" nor did it base natural gas prices on "the first of the

month index price published in Platt's Inside FERC, as well as NYMEX closing prices related to

Henry Hub natural gas futures contracts" when it developed its true-up position on fuel expense

reflected in the March 2, 2011 reconciliation. Staff requests the Commission clarify its Report

and Order with regard to the foregoing.

3. Assuming the fuel expense the Commission intends be included in the revenue

requirement for Kansas City Power & Light Company is the fuel expense reflected in the March

2, 2011 reconciliation, Staff anticipates it will file the revenue requirement increase, the

customer impact of that increase, and the new rates per kWh per customer class after the increase

resulting from the Commission's Report and Order tomorrow, Thursday, April 14, 2011. If not,

Staff will provide that information as quickly as it can after the Commission clarifies its Report

and Order.

WHEREFORE, Staff requests the Commission clarify its Report and Order as to the

matters Staff finds unclear stated above, and notifies the Commission it anticipates reporting by

Thursday, April 14, 2011, based on the assumption the Commission intends Staff's fuel expense

for Kansas City Power & Light Company reflected in the March 2, 2011 reconciliation be

included in the revenue requirement increase, the customer impact of that increase, and the new

rates per kWh per customer class after the increase resulting from the Commission's Report and

Order.

Respectfully submitted,

/s/ Nathan Williams

Nathan Williams Deputy Counsel

Missouri Bar No. 35512

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Attorney for the Staff of the Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102

## **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 13<sup>th</sup> day of April 2011.

Nathan Williams