BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of KCP&L Greater Missouri Operations Company's 2018 Triennial Compliance Filing Pursuant to 4 CSR 240-22	)))	Case No. EO-2018-0269

COMMENTS OF THE OFFICE OF THE PUBLIC COUNSEL

COMES NOW the Office of the Public Counsel and pursuant to Commission Rule 4 CSR 240-22.080(8), offers the following comments on KCP&L Greater Missouri Operations Company's ("GMO") 2018 Triennial Compliance Filing.

1. As described in the Commission's regulations, the fundamental objective of the Commission's Electric Utility Resource Planning process for electric utilities is to provide the public with "energy services that are safe, reliable, efficient, at just and reasonable rates, in compliance with all legal mandates, and in a manner that serves the public interest and is consistent with state energy and environmental policies." Commission Rule 4 CSR 240-22.010(2).

2. In their triennial filings Missouri electric utilities are required to document compliance with the objectives of the resource planning rules, and stakeholders are permitted to offer comments. Rule 4 CSR 240-22.080(8).

3. GMO's 2018 triennial report continues material changes from its last annual update, in particular the announced plan to accelerate retirement, between GMO and Kansas City Power & Light Company, of nearly 900 MW of base-load generation capacity. As described in the attached *Memorandum*, OPC is concerned the premature retirements, especially of the Sibley 3 generating unit, creates significant risk by not fully accounting for the highly uncertain, interdependent energy market and policy arena in which the utility now operates. More

specifically, the premature closure of base load-serving generation in favor of unknown capacity contracts through the SPP energy market raises prudency concerns moving forward by potentially producing significant stranded costs, increased risk exposure from market volatility and future reliability concerns. With this preferred plan, GMO would increasingly rely on the capacity and energy of other utilities.

4. OPC remains concerned with the degree in which GMO's preferred plan deviates from its previous Triennial filing and that it may not fully account for the highly uncertain, interdependent energy market and policy arena the revised "preferred" plan would operate in. As such, the early forced retirement of base load generation[1] raises prudency concerns moving forward by potentially producing significant stranded costs and future liabilities. OPC has raised these concerns in GMO's currently contested rate case (Case No: ER-2018-0146) and believes that venue is the proper forum for further dialogue at this point.

WHEREFORE, Public Counsel submits these Comments included in the attached *Memorandum*.

Respectfully,

/s/ Nathan Williams

Nathan Williams
Chief Deputy Public Counsel
Missouri Bar No. 35512

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[1] There are 891 MW of "base load" generation planned for retirement between GMO and KCPL.

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 30th day of August 2018.

/s/ Nathan Williams

MEMORANDUM

To: Missouri Public Service Commission Official Case File, Case No. EO-2018-0269

From: Geoff Marke, Chief Economist
Office of the Public Counsel

Subject: OPC response to triennial KCP-GMO IRP

Date: August 30, 2018

Overview:

Kansas City Power and Light Greater Missouri Operations ("GMO" or "the Company") 2018 triennial IRP filing has continued to maintain material changes carried over from its last annual update. Most notably, the preferred plan includes both earlier retirement dates and additional units, most notably the inclusion of Sibley 3 (364 MW). A breakdown of 2016's retirements compared to the preferred plan in its triennial IRP can be seen in figure 1 below.

Figure 1: 2016 and 2018 triennial IRP preferred plan generation plant retirements

2016 IRP Generation Plant	**MW**	**Retirement Date**
Sibley 1 & 2	97	2019
Lake Road 4/6	96	2021

2018 IRP Generation Plant	**MW**	**Retirement Date**
Sibley 1	50	Retired
Sibley 2 & 3	411	2018
Lake Road 4/6	96	2019

The Company cites associated environmental compliance costs, long term forecasts of low natural gas prices and changes to SPP's reserve margins as the primary drivers for early retirement.

OPC's Response:

Based on OPC's review of the triennial IRP, the Company has met the minimum filing requirements for the plan and is in compliance with 4 CSR 240-22. ("IRP Rule"). However, OPC is again concerned with the degree in which GMO's preferred plan deviates from its previous Triennial filing and may not fully account for the highly uncertain, interdependent energy market and policy arena the revised "preferred" plan would operate in. As such, the early forced retirement of base load generation[1] raises prudency concerns moving forward by potentially producing significant stranded costs and future liabilities. OPC has raised these concerns in

[1] There are 891 MW of "base load" generation planned for retirement between GMO and KCPL.

GMO’s currently contested rate case (Case No: ER-2018-0146) and believes that venue is the proper forum for further dialogue at this point.

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AFFIDAVIT OF GEOFF MARKE

STATE OF MISSOURI)
) SS.
COUNTY OF COLE)

COMES NOW GEOFF MARKE and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *COMMENTS;* and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

Geoff Marke
Geoff Marke
Chief Economist

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 30th day August 2018.

NOTARY PUBLIC NOTARY SEAL STATE OF MISSOURI
JERENE A. BUCKMAN
My Commission Expires
August 23, 2021
Cole County
Commission #13754037

Jerene A. Buckman
Jerene A. Buckman
Notary Public

My Commission expires August 23, 2021.