

# **Notice of Public Hearing and Comment Period**

The Kansas Corporation Commission (Commission) has scheduled a public hearing to provide Kansas City Power & Light Company (KCP&L) customers an opportunity to speak to the Commission about KCP&L's proposed rate increase. The hearing will consist of brief presentations by each of the parties, followed by public comments. Hearing details:

### Aug. 23, 2018, 6-8 p.m. KU Edwards Campus - BEST Conference Center 12600 Quivira Road Overland Park, KS 66213

For those unable to attend in person, the hearing will be broadcast live on the Commission's website: **www.kcc.ks.gov**. A recording will be posted Aug. 30.

Per the Americans with Disabilities Act, persons requiring special accommodations at the hearing site must provide notice to the Commission at least 10 days prior to the scheduled hearing by calling **1-800-662-0027**.

## Notice of Public Hearing - KCP&L Rate Increase Request

KCP&L has filed a request with the Commission to update its rates for electric service. Originally, KCP&L requested to increase Kansas retail rates by about \$26.2 million, which excludes the property tax rebasing. The requested increase including the property tax rebasing would be \$32.9 million. As a result of the merger with Westar Energy, KCP&L's request has been reduced by about \$10.3 million. If granted as originally requested before the merger reduction of \$10.3 million, rates will increase by approximately 4.5% around Dec. 27, 2018. Under KCP&L's original proposal, the average residential customer using 1,366 kWh in summer months and 833 kWh in winter months will see an increase of about \$7.29 excluding property tax rebasing, or \$9.19 including property tax rebasing. Residential customers who use electricity to heat their homes may experience a higher average monthly increase during winter months.

The request cites several reasons for the rate increase request. First, the impact of the **Tax Cuts and Jobs Act** decreases KCP&L's revenue requirement. Second, rate adjustments are necessary to cover rising costs of providing electric service, including:

- A new customer information system replaced KCP&L's old billing system, which was no longer supported by certain vendors and didn't provide functionality needed to efficiently serve customers.
- Plant and infrastructure investments that support safe, reliable service.
- **Depreciation expense** that results from a Commission-mandated study of depreciation rates to ensure reasonable levels consistent with fully and appropriately allocating the recovery of KCP&L's investments made to serve customers.

A complete copy of KCP&L's application and supporting testimony is available on the Commission's website at *www.kcc.ks.gov*. Search for Docket No. 18-KCPE-480-RTS.

### **Regulatory Responsibility**

The Commission regulates public utilities. Oversight primarily pertains to rates and terms of service. To ensure that regulated utility customers are provided sufficient and efficient service at just and reasonable rates, utilities may not change rates without Commission approval.

### **Public Comments**

The Commission will accept written comments from KCP&L customers through Oct. 17, 2018, at 5 p.m. CDT. There are three convenient ways to submit a comment:

- 1. Go to the Commission's website (*www.kcc.ks.gov*) and click on the "Your Opinion Matters" link to enter your comment.
- Send a written letter to the Kansas Corporation Commission, Office of Public Affairs and Consumer Protection, 1500 SW Arrowhead Road, Topeka, KS 66604-4027. Be sure to reference Docket No. 18-KCPE-480-RTS.
- 3. Call the Commission's Office of Public Affairs and Consumer Protection at 1-800-662-0027.

An evidentiary hearing on KCP&L's request is scheduled to begin on Oct. 23, 2018, at 9 a.m. at the Commission's offices, 1500 SW Arrowhead Rd, Topeka, KS 66604-4027.