

137 FERC ¶ 61,236
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Philip D. Moeller, John R. Norris,
and Cheryl A. LaFleur.

KCP&L Greater Missouri Operations Company

Docket No. ER11-1902-000

ORDER ON COMPLIANCE FILING

(Issued December 27, 2011)

1. On October 25, 2010, KCP&L Greater Missouri Operations Company (KCP&L-GMO) filed revisions to Attachment L of its Open Access Transmission Tariff (OATT) to comply with the August 24, 2010 order in this proceeding.¹ In this order, the Commission accepts KCP&L-GMO's tariff sheets, effective June 12, 2009, as modified, subject to a further compliance filing, as discussed below.

I. Background

2. On December 6, 2007, in Docket No. OA08-18-001, Aquila Inc. submitted a transmission planning process, applicable to its two Missouri operating divisions (Aquila Networks-MPS and Aquila Networks-L&P),² to comply with the transmission planning

¹ *KCP&L Greater Missouri Operations Co.*, 132 FERC ¶ 61,162 (2010) (August 24 Order).

² Aquila also submitted a transmission planning process for Aquila Networks-WPC, which was its Colorado operating division at the time. Black Hills Corporation subsequently acquired Aquila Networks-WPC and the former Aquila Networks-WPC transmission planning process is now part of a separate proceeding in Docket No. OA08-18-002.

requirements of Order No. 890.³ The Commission accepted Aquila's filing, effective December 7, 2007, subject to a further compliance filing.⁴

3. After the Commission issued the Aquila Planning Order, Great Plains Energy, Inc., the parent company of Kansas City Power & Light Company, acquired Aquila Networks-MPS and Aquila Networks-L&P.⁵ Great Plains Energy consolidated the two Missouri operating divisions under one OATT and renamed them KCP&L-GMO.⁶ KCP&L-GMO has also fully integrated its transmission facilities into the Southwest Power Pool, Inc. (SPP).⁷

4. On June 1, 2009, KCP&L-GMO submitted a filing to comply with the Aquila Planning Order. The Commission accepted KCP&L-GMO's filing in the August 24 Order, subject to a further compliance filing.

5. On October 25, 2010, KCP&L-GMO submitted revisions to Attachment L of its OATT to comply with the August 24 Order.

³ *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, FERC Stats. & Regs. ¶ 31,241, *order on reh'g*, Order No. 890-A, FERC Stats. & Regs. ¶ 31,261 (2007), *order on reh'g*, Order No. 890-B, 123 FERC ¶ 61,299 (2008), *order on reh'g*, Order No. 890-C, 126 FERC ¶ 61,228 (2009), *order on clarification*, Order No. 890-D, 129 FERC ¶ 61,126 (2009).

⁴ *Aquila, Inc.*, 126 FERC ¶ 61,128 (2009) (Aquila Planning Order).

⁵ *See Great Plains Energy Inc.*, 121 FERC ¶ 61,069 (2007).

⁶ Specifically, KCP&L-GMO terminated the Aquila Networks- L&P OATT, amended the Aquila Networks-MPS OATT to make it applicable to service over all of KCP&L-GMO's transmission facilities, including the facilities previously under the L&P OATT, and redesignated the OATT with the KCP&L-GMO name. Consequently, services under the former Aquila Networks- L&P OATT and MPS Aquila Networks-MPS OATT are now provided under one KCP&L-GMO OATT. *See KCP&L Greater Missouri Operating Companies*, Docket No. ER09-1678-000 (Oct. 28, 2009) (unpublished letter order).

⁷ Attachment L to the KCP&L-GMO OATT states that, "[a]lthough [KCP&L-GMO] provides specific 'grandfathered' networks transmission service to a handful of transmission customers, all new requests for access (networks or point-to-point) to the [KCP&L-GMO] transmission system are made through the SPP [OATT]."

II. Notice of Filing and Responsive Pleadings

6. Notice of KCP&L-GMO's filing was published in the *Federal Register*, 75 Fed. Reg. 68,337 (2010), with interventions and protests due on or before November 15, 2010. None was filed.

III. Discussion

7. We find that KCP&L-GMO's revised Attachment L transmission planning process, as modified below, complies with the August 24 Order. Accordingly, we shall accept KCP&L-GMO's compliance filing, as modified, to be effective June 12, 2009. We direct KCP&L-GMO to file, within 60 days of the date of this order, a further compliance filing, as discussed below.

A. Coordination

1. Compliance Requirement

8. In the August 24 Order, the Commission directed KCP&L-GMO to revise its Attachment L to provide a description of KCP&L-GMO's planning cycle, with associated timelines and schedules, to enable customers and other stakeholders to provide timely and meaningful input regarding the development of transmission plans and allow customers and other stakeholders to participate in the early stages of development. The Commission added that if KCP&L-GMO, as a member of SPP, plans to align its local planning cycle to SPP's sub-regional planning meetings, it should revise its Attachment L to make that clear so interested stakeholders will be aware of the specific timelines and schedules associated with the KCP&L-GMO local transmission plan.⁸

2. Proposal

9. KCP&L-GMO proposes to revise Section 3.1 of Attachment L to include the following new paragraph:

KCP&L-GMO actively participates in and utilizes the SPP sub-regional planning meetings for its transmission planning cycle for any lower-voltage or local transmission planning. KCP&L-GMO's specific planning timelines and schedules, and the planning cycle are associated with the SPP sub-regional planning meetings. Specifics are stated in SPP's "Integrated

⁸ August 24 Order, 132 FERC ¶ 61,162 at P 15-16.

Transmission Planning Model” document, which is posted by SPP on its Internet site. At minimum it specifies that local planning meetings shall take place at least once per year. Through the SPP sub-regional planning process KCPL-GMO customers and other stakeholders are able to provide timely and meaningful input regarding the development of transmission plans and to participate in the development of transmission planning.

3. Commission Determination

10. We find that the proposed revisions to Attachment L comply with the directives in the August 24 Order. KCP&L-GMO clarifies that it plans to align its local planning cycle to SPP’s sub-regional planning meetings. Therefore, stakeholders will have an opportunity to provide timely and meaningful input regarding the development of KCP&L-GMO’s local transmission plans by participating in SPP’s sub-regional planning meetings.

B. Openness

1. Compliance Requirement

11. In the August 24 Order, the Commission required that the timelines and schedules associated with the KCP&L-GMO local transmission plan be sufficiently clear to allow customers and interested stakeholders to review information regarding the local plan prior to KCP&L-GMO’s posting results on its OASIS, and prior to the inclusion of the local plan into the sub-regional transmission plan.⁹

12. The Commission also found that KCP&L-GMO’s requirement that stakeholders seeking information labeled “Critical Energy Infrastructure Information” (CEII) submit a written request to the FERC CEII Coordinator to be inconsistent with the openness principle.¹⁰ In addition, the Commission found that KCP&L-GMO had not revised its Attachment L to identify the process for obtaining access to non-CEII confidential information used in the local transmission planning process,¹¹ as required under the

⁹ August 24 Order, 132 FERC ¶ 61,162 at P 20

¹⁰ *Id.* P 21-22.

¹¹ *Id.* P 21-23

Aquila Planning Order.¹² The Commission directed KCP&L-GMO, in consultation with affected parties, to develop mechanisms to manage confidentiality and CEII concerns so that the planning process remains as open as reasonably possible, and to detail these mechanisms in its tariff.¹³

2. Proposal

13. KCP&L-GMO proposes to revise section 3.2 of Attachment L to provide that, through various identified SPP planning working group meetings, customers and other stakeholders have the opportunity to provide input, review data, and see KCP&L-GMO local transmission planning studies prior to a study becoming final or submitted to SPP for inclusion in its sub-regional planning process.

14. KCP&L-GMO also proposes to revise sections 3.2 and 3.3 of Attachment L to provide that any commercially sensitive data or critical information will be kept confidential and that stakeholders or other customers contact the KCP&L-GMO manager of transmission planning in order to execute the appropriate nondisclosure and confidentiality agreement to obtain such data. In addition, KCP&L-GMO proposes to add language to section 3.3 to provide stakeholders with the option to contact KCP&L-GMO's manager of transmission planning to obtain the FERC Form 715 or other CEII. Prior to this revision, stakeholders seeking FERC Form 715 or other CEII had the following two options: (1) submit a written request to the FERC CEII Coordinator, or (2) access a link on SPP's website for information regarding requests for CEII or other confidential or non-confidential related study materials.¹⁴

3. Commission Determination

15. We find that the proposed revisions to Attachment L comply with the requirements of the August 24 Order with regard to the openness principle. KCP&L-GMO has complied with the requirement that timelines and schedules associated with the

¹² Aquila Planning Order, 126 FERC ¶ 61,128 at P 19.

¹³ The Commission stated, for example, that KCP&L-GMO could state in its tariff that commercially sensitive data will be kept confidential and that confidential data can be obtained by signing appropriate confidentiality agreements. August 24 Order, 132 FERC ¶ 61,162 at P 23.

¹⁴ <http://www.spp.org/section.asp?pageID=108>.

KCP&L-GMO local transmission plan be sufficiently clear to allow customers and interested stakeholders to review information regarding the local plan. Attachment L now provides stakeholders with the opportunity to provide input, review data, and see KCP&L-GMO local transmission planning studies prior to a study becoming final or being submitted to SPP for inclusion in its sub-regional planning process.

16. KCP&L-GMO has also complied with the requirement to develop and detail in its tariff the mechanisms to manage confidentiality concerns. Attachment L now provides that commercially sensitive data or critical information will be kept confidential and that stakeholders or other customers can obtain that confidential data by contacting the KCP&L-GMO manager of transmission planning to execute the appropriate nondisclosure and confidentiality agreement.¹⁵

17. KCP&L-GMO has also addressed the Commission's finding that the requirement for stakeholders seeking information labeled CEII to submit a written request to the FERC CEII Coordinator is inconsistent with the openness principle. KCP&L-GMO proposes to add an option to section 3.3 permitting stakeholders to contact KCP&L-GMO's manager of transmission planning in order to procure FERC Form 715 or other CEII.¹⁶ We find that section 3.3 now provides stakeholders with an option to obtain CEII from KCP&L-GMO without contacting the FERC CEII Coordinator, which complies with the August 24 Order.

C. Information Exchange

1. Compliance Requirement

18. In the August 24 Order, the Commission directed KCP&L-GMO to address the exchange of planning-related information KCP&L-GMO uses for its local planning studies by describing in its OATT the data KCP&L-GMO will seek from its customers for local planning study purposes and when or how customers are to provide such information.¹⁷

¹⁵ We understand the term "critical information" in section 3.2 to mean CEII.

¹⁶ The tariff continues to allow (but does not require) stakeholders requesting CEII to submit a request to the FERC CEII coordinator or to follow a link the SPP website that directs stakeholders who are not SPP members or transmission service customers to file a CEII request with the Commission.

¹⁷ *Id.* P 29.

2. Proposal

19. KCP&L-GMO proposes to revise section 3.4 of Attachment L to ensure that the specific types of information required and when that information must be submitted to KCP&L-GMO are detailed in its “KCPL Facility Connection Standards” posted on its OASIS site.

3. Commission Determination

20. KCP&L-GMO has not addressed the Commission’s directive in the August 24 Order regarding Information Exchange. KCP&L-GMO must describe the data it will seek from its customers for local planning study purposes and when or how customers are to provide such information. Referencing a document on its OASIS containing this information is insufficient. Furthermore, the KCPL Facility Connection Standards document merely describes the requirements for facilities to connect to Kansas City Power & Light’s system.¹⁸ The document does not describe the data KCP&L-GMO will seek from its customers for local planning study purposes and when or how customers are to provide such information. Accordingly, we direct KCP&L-GMO to submit a compliance filing within 60 days of the date of this order revising its Attachment L to address the exchange of planning-related information used in its local planning studies.

D. Comparability

1. Compliance Requirement

21. In the August 24 Order, the Commission directed KCP&L-GMO to revise Attachment L to (1) allow stakeholders to propose alternative transmission, generation, or demand resource solutions; (2) explain how all types of resources, whether transmission, generation, or demand resources, will be evaluated against each other on a comparable basis; and (3) remove language requiring KCP&L-GMO to discuss standards to compare alternative solutions only with specific stakeholders.¹⁹

2. Proposal

22. KCP&L-GMO proposes to revise section 3.4 of Attachment L to provide that, throughout the transmission planning process, KCP&L-GMO welcomes participation by

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http://www.oatioasis.com/KCPL/KCPLdocs/KCPL_Facility_Connection_Standards.pdf.

¹⁹ August 24 Order, 132 FERC ¶ 61,162 at P 34.

sponsors of transmission solutions, generation solutions, or other solutions utilizing demand resources. KCP&L-GMO also proposes to revise section 3.5 to provide that sponsors of transmission, generation, and demand resources can propose alternative transmission solutions, potential generation solutions, or potential demand resource solutions to any needs identified by KCP&L-GMO in its transmission planning process. These sponsors may submit a request to the KCP&L-GMO manager of transmission planning for a meeting to discuss proposed alternative transmission solutions.

23. In addition, KCP&L-GMO proposes to revise section 3.5 to provide that sponsors of transmission, generation, and demand resources can propose alternative transmission solutions, potential generation solutions or potential demand resource solutions to any need identified by KCPL-GMO in its transmission planning process. KCP&L-GMO proposes that these potential alternative solutions will be evaluated against each other based on a comparison of their relative economics and effectiveness of performance. KCP&L-GMO also proposes to revise section 3.5 of Attachment L to provide that, in evaluating alternatives, including demand response and transmission alternatives, KCP&L-GMO will use the following criteria:

- (1) ability to mitigate any criteria or North American Reliability Corporation Planning Standard issues;
- (2) ability to mitigate those issues over the time frames of the study;
- (3) comparison of the capital costs of the demand response, as compared to other transmission alternatives;
- (4) the technical, financial, and operational feasibility of any proposed alternatives; and
- (5) comparison of any operational benefits or issues between demand responses or transmission alternatives.

24. KCP&L-GMO also proposes to delete language in section 3.5 that requires KCP&L-GMO to discuss standards to compare alternative solutions only with specific stakeholders.

3. Commission Determination

25. We find that KCP&L-GMO's Attachment L partially complies with the Commission's directives in the August 24 Order regarding comparability. The revised Attachment L enables project sponsors to propose not only transmission solutions but also potential generation and demand resource solutions for consideration in the planning process.

26. KCP&L-GMO has removed language requiring KCP&L-GMO to discuss standards to compare alternative solutions only with specific stakeholders, as directed in the August 24 Order. KCP&L-GMO has also revised section 3.5 to provide for sponsors to propose alternative transmission solutions, potential generation solutions or potential demand resource solutions to any needs identified by KCPL-GMO in its transmission planning process. However, language in section 3.5 could be read as providing for the evaluation of alternative solutions proposed by entities other than KCP&L-GMO against each other, but not against KCP&L's own potential solutions. Specifically, section 3.5 provides that "[t]hese sponsors may submit a request to the KCPL-GMO manager of transmission planning for a meeting to discuss proposed alternative solutions. These solutions will be evaluated against each other based on a comparison of their relative economics and effectiveness of performance." We find this language to be unclear. Accordingly, we direct KCP&L-GMO to revise section 3.5 to provide that all potential solutions to the identified needs will be evaluated against each other based on a comparison of their relative economics and effectiveness of performance.

E. Recovery of Planning Costs

1. Compliance Requirement

27. In the August 24 Order, the Commission noted that under Attachment L the costs for any economic planning studies KCP&L-GMO performs at SPP's direction shall be recovered pursuant to Attachment O of the SPP OATT and that cost of studies KCP&L-GMO conducts on its own behalf as part of the local transmission plan are not directly assigned. Interpreting this to mean that KCP&L-GMO will recover the costs of these studies through its tariff rates, the Commission found that KCP&L-GMO failed to address how other costs associated with local planning will be recovered. Accordingly, the Commission directed KCP&L-GMO to submit a compliance filing clarifying how KCP&L-GMO will recover other costs of its local planning process, in addition to the costs of studies.²⁰

28. The Commission also found that KCP&L-GMO's Attachment L provided that costs for any special study requested by a stakeholder that is not an economic upgrade shall be borne by the specific stakeholder(s). However, the Commission found that KCP&L-GMO had not defined "special study," and therefore the Commission directed KCP&L-GMO to submit a compliance filing clarifying what KCP&L-GMO means by "special study."²¹

²⁰ *Id.*

²¹ *Id.* P 43.

2. Proposal

29. KCP&L-GMO proposes to revise section 4.0 of Attachment L to define “special study” as follows:

a study requested by a stakeholder that is required to be completed outside of the set SPP planning study process cycle. Additionally, a “special study” could be required when working with facilities of a lower voltage potentially not covered in SPP’s “Integrated Transmission Planning Model” document, which is posted by SPP on its Internet site.

30. KCP&L-GMO also proposes to revise Section 4.0 of Attachment L to provide that time worked and any other costs of its local planning are tracked and assigned to the appropriate stakeholder or customer.

3. Commission Determination

31. We find that KCP&L-GMO’s proposed Attachment L partially complies with the Commission’s directives in the August 24 Order. The term “special study” is now appropriately explained in Attachment L. Attachment L also now provides that costs associated with local planning are tracked and assigned to the appropriate stakeholder. However, Attachment L does not indicate how KCP&L-GMO will determine the appropriate stakeholder to assign costs of its local planning process or the method KCP&L-GMO will use to recover the costs of local planning from a particular stakeholder.²² Therefore, we direct KCP&L-GMO to submit a compliance filing within 60 days of the date of this order to clarify the basis it will use to assign local planning costs, and the mechanism it will use to recover local planning costs.

The Commission orders:

(A) KCP&L-GMO’s compliance filing is hereby accepted, as modified, effective June 12, 2009, subject to a further compliance filing, as discussed in the body of this order.

²² See *Xcel Energy Services, Inc.*, 128 FERC ¶ 61,061, at P 42 (2009) (finding Xcel’s proposal to recover planning costs complied with the recovery of planning costs principle adopted in Order No. 890).

(B) KCP&L-GMO is hereby directed to submit a further compliance filing, within 60 days of the date of this order, as discussed in the body of this order.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.