

KCP&L Exhibit No. 82
Date Feb 11 Reporter TW
File No. ER-2010-0355

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 7th day of July, 2010.

In the Matter of the Application of Kansas City Power & Light Company for Approval to Make Certain Changes in its Charges for Electric Service to Continue the Implementation of Its Regulatory Plan)
) **File No. ER-2010-0355**
) **Tariff No. JE-2010-0692**
)

In the Matter of the Application of KCP&L Greater Missouri Operations Company for Approval to Make Certain Changes in its Charges for Electric Service)
) **File No. ER-2010-0356**
) **Tariff No. JE-2010-0693**
)

ORDER REGARDING CONSTRUCTION AND PRUDENCE AUDITS

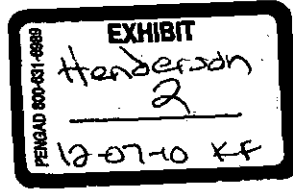
Issue Date: July 7, 2010

Effective Date: July 7, 2010

On June 4, 2010, Kansas City Power & Light Company ("KCPL") and KCP&L Greater Missouri Operations Company ("GMO") submitted to the Commission proposed tariff sheets intended to implement general rate increases for electrical service provided in their Missouri service areas. The proposed tariff sheets bear effective dates of May 4, 2011. On June 11, 2010, the Commission issued notice of both actions, set intervention deadlines and set tentative dates for evidentiary hearings.

Because the newly-filed rate cases involve the Iatan plant additions to KCPL and GMO,¹ and because the Commission will require completed construction and prudence audits of the Iatan I and II facilities and common plant, the Commission will direct its

¹ The in-service date for the Iatan I environmental upgrades was June 19, 2009. The projected in-service date for the Iatan 2 generating facility is December 31, 2010.



Staff to complete all auditing of the environmental upgrades to latan I and common plant and commence, if not already started, all audits associated with latan II immediately, subject to the specific direction of the Commission.

The Commission's Staff shall submit to the Commission the complete list of specific personnel it proposes to be involved with any portion of auditing or audit activity of any type, in relation to the proposed rate increases, the environmental upgrades to latan I, the latan II generating facility and any common plant. This list will include the names, and specific planned assignments for each individual involved with the auditing activity. The list provided will delineate and distinguish between all individuals assigned to auditing activity, of any type, for the primary rate case actions and all individuals assigned to auditing activity, of any type, associated with the latan I and II construction projects and common plant.

The Commission's Staff shall identify each project coordinator for any phase of any type of auditing activity and which individual staff members are under their direction. Staff will file complete audit scopes and a proposed schedule for completion of the audits in relation to the latan II generating facility and any common plant that conforms to the final deadlines set in this order. The Commission will set final deadlines for the audit activity in association with the requested rate increases, the environmental upgrades to latan I, the latan II generating facility and any common plant. The Commission shall also assign primary audit oversight and completion to its Executive Director, Wess Henderson.

By separate order, the Commission will set a schedule for monthly status hearings. Additionally, all parties will be directed to identify the individual or individuals

that have settlement authority and at least one of those individuals will be required to attend the monthly status hearings. The status conferences will be set by separate order and attendance may be made by phone.

THE COMMISSION ORDERS THAT:

1. The Staff of the Missouri Public Service Commission shall file the list of proposed audit personnel, as described in the body of this order, no later than July 17, 2010.

2. The Staff of the Missouri Public Service Commission shall file the audit scopes, as described in the body of this order, no later than July 17, 2010.

3. Any auditing activity in relation to these matters not already begun by the Commission's Staff shall begin immediately. The Commission's Staff shall not delay, in any manner, any audit activity in association with these cases pending the Commission's approval of the personnel assignments described herein.

4. All auditing activity shall be conducted in accordance with generally accepted auditing standards issued by the American Institute of Certified Public Accountants Standards. All Commission staff members conducting audit activity of any type in these matters shall attest by affidavit that all of their auditing activity and reports comply with these standards.

5. Monthly status hearings will be set by separate order. At the status hearings the Commission's Staff shall update the Commission on the status of all audit activity of any type involved with these actions. Any discovery disputes shall be taken up immediately at these hearings. Any discovery dispute not timely raised at the status hearings shall be deemed waived.

6. All parties shall identify the individual or individuals that have settlement authority. All parties shall have at least one individual with settlement authority present at each monthly status conference. Status conference may be attended by phone.

7. Copies of all data requests, interrogatories, requests for production of documents, notices of depositions, depositions by written questions, or any other discovery device already issued by the parties in these matters shall be filed immediately in these files. Copies of any data requests, interrogatories, requests for production of documents, notices of depositions, depositions by written questions, or any other discovery device employed by any party after issuance of this order shall be filed on the same date it is issued.

8. All audit activity, of any type, associated with the environmental upgrades to Iatan I, if not already filed, shall be completed and filed no later than August 6, 2010.

9. The deadline for final completion for all audit activity, of any type, involved with the Iatan II generating facility, including any common plant shared between Iatan I and II is January 30, 2011.

10. The deadline for final completion for all audit activity, of any type, associated specifically with the rate increase request shall be no later than the date set for Staff to file its direct True-Up testimony. If no True-Up is required the final completion date is the deadline set for Staff to file its surrebuttal testimony in Staff's case-in-chief.

11. The Commission's Executive Director, Wess Henderson, is assigned primary audit oversight and completion. Mr. Henderson shall file monthly status reports with the Commission.

12. Any party wishing clarification of this order shall file a motion for qualification, stating with particularity the clarification sought, no later than July 14, 2010.

13. Non-compliance with the Commission's order may result in sanctions, including the striking of pleadings and testimony.

14. This order shall become effective immediately upon issuance.

BY THE COMMISSION

(SEAL)



**Steven C. Reed
Secretary**

Davis, Jarrett, Gunn, and Kenney, CC., concur;
Clayton, Chm., dissents.

Dippell, Deputy Chief Regulatory Law Judge