Exhibit No.:
Issue: Termination Issues
Witness/Type of Exhibit: Featherstone, Surrebuttal
Sponsoring Party: Missouri Public Service Commission
Company: Kansas City Power & Light
Case No.: HO-86-139

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY DIVISION

SURREBUTTAL TESTIMONY

OF

CARY G. FEATHERSTONE

Jefferson City, Missouri
April, 1987

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the matter of the investigation of steam service rendered by Kansas City Power & Light Company.	)))	Case No. HO-86-139

AFFIDAVIT OF CARY G. FEATHERSTONE

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Cary G. Featherstone, of lawful age, on his oath states: That he has participated in the preparation of the attached written surrebuttal testimony and appendices/schedules attached thereto in question and answer form, consisting of 2 pages of surrebuttal testimony to be presented in the above case, that the answers in the attached written surrebuttal testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.

Cary G. Featherstone

Subscribed and sworn to before me this 5th day of April, 1987.

Judy Fritsch
Notary Public

JUDY FRITSCH
NOTARY PUBLIC STATE OF MISSOURI
COLE CO.
MY COMMISSION EXP. JULY 31,1989
ISSUED THRU MISSOURI NOTARY ASSOC.

My Commission expires _____

SURREBUTTAL TESTIMONY

OF

CARY G. FEATHERSTONE

KANSAS CITY POWER AND LIGHT COMPANY

CASE NO. HO-86-139

Q. Please state your name for the record.

A. Cary G. Featherstone.

Q. Are the you the same Cary G. Featherstone who has previously filed direct and rebuttal testimony in this proceeding?

A. Yes, I am.

Q. What is the purpose of this surrebuttal testimony?

A. The purpose of this surrebuttal testimony is to respond to certain statements made by Kansas City Power and Light Company (KCPL) witness Bernard J. Beaudoin respecting KCPL's proposal to phase-out and discontinue the Central District Heating System in downtown Kansas City which has been defined as the termination of service issue.

Q. At page 3, lines 17 and 18, of Mr. Beaudoin's rebuttal testimony, he states that the "fundamental disagreement between KCPL and Staff concerns the viability of central station steam distribution service." Do you agree with this assessment?

A. No. The fundamental disagreement between KCPL and Staff concerns the Company's refusal to consider the divestment of KCPL's Central District Heating System through the sale of the downtown system. Although Staff in no way concedes nor accepts Mr. Beaudoin and Mr. Levesque's rebuttal position that the district heating system is not economically viable, which will be addressed by Staff consultants Dahlen and Miller in their surrebuttal testimony, the principle difference between KCPL and Staff gives rise to KCPL pursuing a "new operator" of the

steam system. Because of the uncertainties as to precisely how a new owner would operate the steam system, Staff believes that the only way to fully answer the question of viability of the steam system in downtown Kansas City is to have KCPL solicit bids for the sale of its system from interested parties. It will only be through this process that the question of the continuation of the steam system can fully be addressed.

Only after examining every opportunity to continue the Central District Heating System should KCPL be relieved of its public utility obligation to serve the downtown community. The Commission should not grant KCPL the authority to terminate the certificate of convenience and necessity and be allowed to abandon public utility steam service until such time that every option to continue such service has been studied and exhausted.

As stated at page 2 of my rebuttal testimony, the Commission approved the sale of UE's district heating system to keep steam service in downtown St. Louis viable. The Commission believed that the continuation of steam service in St. Louis was important enough to grant approval of the sale. Staff believes that the continuation of public utility steam service in downtown Kansas City is no less important and the opportunity to seek out a buyer for this alternative energy form should, at the very least, be examined and investigated fully before KCPL's district heating steam service is allowed to terminate.

Q. Does this conclude your surrebuttal testimony regarding the termination issue?

A. Yes, it does.