Exhibit No.:
Issue(s): *General Information & Miscellaneous, and Policy*
Witness: *Natelle Dietrich*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Surrebuttal Testimony*
Case No.: *EM-2018-0012*
Date Testimony Prepared: *February 21, 2018*

MISSOURI PUBLIC SERVICE COMMISSION

COMMISSION STAFF DIVISION

SURREBUTTAL TESTIMONY

OF

NATELLE DIETRICH

GREAT PLAINS ENERGY INCORPORATED, KANSAS CITY POWER & LIGHT COMPANY, KCP&L GREATER MISSOURI OPERATIONS COMPANY AND WESTAR ENERGY, INCORPORATED

CASE NO. EM-2018-0012

Ex 201

Jefferson City, Missouri
February, 2018

Staff Exhibit No. 201
Date 3-14-18 Reporter KF
File No. EM-2018-0012

SURREBUTTAL TESTIMONY

OF

NATELLE DIETRICH

**GREAT PLAINS ENERGY INCORPORATED,
KANSAS CITY POWER & LIGHT COMPANY,
KCP&L GREATER MISSOURI OPERATIONS COMPANY
AND WESTAR ENERGY, INCORPORATED**

CASE NO. EM-2018-0012

Q. Please state your name and business address.

A. My name is Natelle Dietrich. My business address is 200 Madison Street, Jefferson City, Missouri 65101.

Q. Are you the same Natelle Dietrich that previously filed Rebuttal Testimony in this case on January 16, 2018?

A. Yes, I am.

Q. What is the purpose of your surrebuttal testimony?

A. The purpose of my surrebuttal testimony is to respond to the Rebuttal Testimony of the Office of the Public Counsel ("Public Counsel") witness Dr. Geoff Marke and his concerns related to the outcome of the conditions negotiated in Kansas. At page 3, lines 14-17, Dr. Marke states, "Out of an abundance of caution, Public Counsel is not able to support the proposed 'merger of equals' until we can be assured that such a transaction will also result in a 'merger of equal outcome,' which at a minimum, means risk are not being shifted from Kansas ratepayers to Missouri ratepayers as a result of this transaction".

Q. Does Staff share Dr. Marke's concerns?

A. As they relate to risk being shifted from Kansas ratepayers to Missouri ratepayers, yes.

Q. Why is Staff raising these concerns in surrebuttal testimony?

A. The Kansas Corporation Commission ("KCC") proceeding, Docket No. 18-KCPE-095-MER is on a different procedural schedule than the Missouri proceeding. KCC Staff filed its direct case on January 29, 2018, roughly two weeks after the rebuttal testimony was filed in this case. Therefore, this is the first opportunity Staff has had to present a summary of the KCC Staff testimony and address any concerns raised by that testimony. In addition, witnesses for Great Plains Energy Incorporated, Kansas City Power & Light Company, Westar Energy, Inc. ("Applicants") filed rebuttal testimony in Kansas on February 19, 2018.

Q. Please summarize the KCC Staff testimony.

A. Through the direct testimony of several KCC Staff witnesses, and as summarized in the Direct Testimony of Jeffrey D. McClanahan, KCC Staff Director, Utilities Division, the KCC Staff views the merger of equals "very favorably" since the revised transaction addresses the concerns raised by the KCC Staff and the KCC related to the previous transaction. The KCC Staff indicates the applicants provided sufficient and credible data and supporting documentation to allow the KCC Staff to complete a comprehensive review of the transaction and merger savings. Mr. McClanahan summarizes the KCC Staff's overall recommendation as follows, "The merger transaction – with [KCC] Staff's additional conditions – meets the Commission's established merger standards and is in the public interest".[1] However, the KCC Staff raised concerns that the transaction "only provides ratepayer benefits through: (1) a $50 million upfront bill credit, (2) lower rates in future rate

[1] Direct Testimony Prepared By Jeffrey D. McClanahan, Utilities Division, Kansas Corporation Commission Staff. *In the Matter of the Application of Great Plains Energy Incorporated, Kansas City Power & Light Company, and Westar Energy, Inc., For Approval of the Merger of Westar Energy, Inc. and Great Plains Energy Incorporated.* Docket No. 18-KCPE-095-MER. January 29, 2018. Page 9, Lines 3-4.

cases – including the upcoming 2018 rate cases for both Westar and KCP&L – due to lower costs created by merger savings, (3) and delays in future rate cases due to merger savings that will be available to offset increased capital and operating costs".[2] KCC Staff recommend additional commitments to include: a regulatory plan that includes an Earnings Review and Sharing Plan ("ERSP"). The ERSP recommendation would include a 5-year rate moratorium, additional bill credits in years 2019-2022, a 50% earnings sharing mechanism for any actual earnings above an authorized return on equity less bill credits and other ratemaking conditions; merger integration reporting; affiliate transaction and cost allocation reporting, a capital resource plan ("CRP"); quality of service performance standards and monitoring; and, a most favored nation provision that states KCC Staff reserves the right to ask the KCC to issue an order including any additional Missouri retail customer benefits the Missouri Commission may order. The specific KCC Staff recommended commitments are attached as Schedule ND-s1. Language in red or strikeout represent changes the KCC Staff recommends to the commitments attached to company witness Darrin Ives' KCC Direct Testimony.

Q. Are the additional commitments recommended by the KCC Staff applicable to Missouri?

A. Some of the recommendations are similar to commitments contained in the Stipulation and Agreement ("Agreement") between Great Plains Energy Incorporated, Kansas City Power & Light Company, KCP&L Greater Missouri Operations Company, Westar Energy, Inc., Staff, Brightergy, LLC and Missouri Joint Municipal Electric Utility Commission that was filed in this case on January 12, 2018 and was the topic of my rebuttal

[2] *Id.*, Page 15, lines 9-13.

testimony. Other recommendations may provide clarification to the commitments in the Agreement, while others may not be necessary given the different merger standards between Missouri and Kansas.

Q. Did the Applicants accept the recommendations of the KCC Staff?

A. Mr. Ives summarizes the response of the Applicants in his rebuttal testimony. The Applicants modified their commitments to address some of the KCC Staff recommendations. In summary,

> 1. Applicants propose to increase bill credits by 50%. If the transaction is approved and closes, Applicants will provide $50 million to all customers shortly after closing and Kansas customers will receive their portion of an additional $25 million paid out equally over the subsequent four years.
>
> 2. The Applicants reduced the level of transition cost recovery.
>
> 3. The Applicants raise concern with the KCC Staff recommendation for a 5-year rate moratorium.
>
> 4. The Applicants raise concern with the KCC Staff recommendation for an ERSP.
>
> 5. The Applicants accept several other KCC Staff recommendations as outlined in Exhibit DRI-2 attached to Mr. Ives Rebuttal Testimony and attached as Schedule ND-s2 to my testimony.

Q You mention that some of the KCC recommendations may not be necessary in Missouri given the difference in the Missouri and Kansas merger standards. Please provide a summary of the Missouri merger standard and the Kansas merger standard.

A. In short, the Missouri merger standard is "not detrimental to the public interest" while the Kansas merger standard is "in the public interest". On January 18, 2017, in Case No. EE-2017-0113, Staff filed a report that contained a legal analysis of the Missouri and Kansas merger conditions. While I am not an attorney, I repeat that analysis here for ease of access to the information:

The Missouri Merger Standard:

> A Missouri public utility must obtain prior authorization from the Commission to sell, assign, lease, or transfer utility assets,[3] to merge or consolidate,[4] to raise capital by issuing stock, notes, or bonds, or by mortgaging property,[5] and to acquire the stock of another utility.[6]

Section 393.190.1, RSMo.,[7] provides:

> No gas corporation, electrical corporation, water corporation or sewer corporation shall hereafter sell, assign, lease, transfer, mortgage or otherwise dispose of or encumber the whole or any part of its franchise, works or system, necessary or useful in the performance of its duties to the public, nor by any means, direct or indirect, merge or consolidate such works or system, or franchises, or any part thereof, with any other corporation, person or public utility, without having first secured from the commission an order authorizing it so to do. Every such sale, assignment, lease, transfer, mortgage, disposition, encumbrance, merger or consolidation made other than in accordance with the order of the commission authorizing same shall be void. The permission and approval of the commission to the exercise of a franchise or permit under this chapter, or the sale, assignment, lease, transfer, mortgage or other disposition or encumbrance of a franchise or permit under this section shall not be construed to revive or validate any lapsed or invalid franchise or permit, or to enlarge or add to the powers or privileges contained in the grant of any franchise or permit, or to waive any forfeiture. * * * Nothing in this subsection contained shall be construed to prevent the sale, assignment, lease or other disposition by any corporation, person or public utility of a class designated in this subsection of property which is not necessary or useful in the performance of its duties to the public, and any sale of its property by such corporation, person or public utility shall be conclusively presumed to have been of

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[3] See Rule 4 CSR 240-3.110, electric utilities; Rule 4 CSR 240-3.210, gas utilities; Rule 4 CSR 240-3.310, sewer utilities; 4 CSR 240-3.405, steam heat utilities; 4 CSR 240-3.605, water utilities.

[4] See Rule 4 CSR 240-3.115, electric utilities; Rule 4 CSR 240-3.215, gas utilities; Rule 4 CSR 240-3.315, sewer utilities; 4 CSR 240-3.410, steam heat utilities; 4 CSR 240-3.610, water utilities.

[5] See §§ 393.180, 393.200, 393.210, and 393.220, RSMo.; and see Rule 4 CSR 240-3.120, electric utilities; Rule 4 CSR 240-3.220, gas utilities; Rule 4 CSR 240-3.320, sewer utilities; 4 CSR 240-3.415, steam heat utilities; 4 CSR 240-3.615, water utilities.

[6] See § 393.190.2, RSMo.; and see Rule 4 CSR 240-3.125, electric utilities; Rule 4 CSR 240-3.225, gas utilities; Rule 4 CSR 240-3.325, sewer utilities; 4 CSR 240-3.420, steam heat utilities; 4 CSR 240-3.620, water utilities.

[7] All statutory references are to the Revised Statutes of Missouri ("RSMo.") as currently revised, amended and effective.

> property which is not useful or necessary in the performance of its duties to the public, as to any purchaser of such property in good faith for value.

The lead case states:

> Before a utility can sell assets that are necessary or useful in the performance of its duties to the public it must obtain approval of the Commission. The obvious purpose of this provision is to ensure the continuation of adequate service to the public served by the utility. The Commission may not withhold its approval of the disposition of assets unless it can be shown that such disposition is detrimental to the public interest.[8]

> That case relied, in turn, on an older Missouri Supreme Court case, which stated:

> The owners of this stock should have something to say as to whether they can sell it or not. To deny them that right would be to deny to them an incident important to ownership of property. A property owner should be allowed to sell his property unless it would be detrimental to the public.

> The state of Maryland has an identical statute with Missouri's and the Supreme Court of that state . . . said: "To prevent injury to the public, in the clashing of private interest with the public good in the operation of public utilities, is one of the most important functions of Public Service Commissions. It is not their province to insist that the public shall be benefited, as a condition to change of ownership, but their duty is to see that no such change shall be made as would work to the public detriment. 'In the public interest,' in such cases, can reasonably mean no more than 'not detrimental to the public.'"[9]

> Given that the purpose of § 393.190.1 is to ensure the continuation of adequate service to the public, the Commission typically considers such factors as the applicant's experience in the utility industry; the applicant's history of service difficulties, if any; the applicant's general financial health and ability to absorb the proposed transaction; and the applicant's ability to operate the assets safely and efficiently.[10] The Commission has sometimes said that denial of such an application requires compelling evidence on the record that a public detriment is likely to occur[11] and that the mere risk of harm to the ratepayers is a

[8] *State ex rel. Fee Fee Trunk Sewer, Inc. v. Litz,* 596 S.W.2d 466, 468 (Mo. App., E.D. 1980) (citations omitted).

[9] *State ex rel. City of St. Louis v. P.S.C.,* 335 Mo. 448, 459-460, 73 S.W.2d 393, 400 (Mo. banc 1934).

[10] *See In the Matter of the Joint Application of Missouri Gas Energy, et al.,* Case No. GM-94-252 (*Report and Order,* issued Oct. 12, 1994), 3 Mo. P.S.C.3rd 216, 220.

[11] *See, e.g., In the Matter of KCP&L,* Case No. EM-2001-464 (*Order Approving Stipulation & Agreement and Closing Case,* issued Aug. 2, 2001).

detriment to the public interest.[12] The Commission has since determined that the applicable standard is a cost-benefit analysis:

> What is required is a cost-benefit analysis in which all of the benefits and detriments in evidence are considered. . . . Approval should be based upon a finding of no net detriment. * * * In considering whether or not the proposed transaction is likely to be detrimental to the public interest, the Commission notes that its duty is to ensure that UE provides safe and adequate service to its customers at just and reasonable rates. A detriment, then, is any direct or indirect effect of the transaction that tends to make the power supply less safe or less adequate, or which tends to make rates less just or less reasonable. The presence of detriments, thus defined, is not conclusive to the Commission's ultimate decision because detriments can be offset by attendant benefits. The mere fact that a proposed transaction is not the least cost alternative or will cause rates to increase is not detrimental to the public interest where the transaction will confer a benefit of equal or greater value or remedy a deficiency that threatens the safety or adequacy of the service. Additionally, "what constitutes the 'public interest'" is "a matter of policy to be determined by the Commission." In any proceeding on such an application, the applicant bears the burden of proof.[13]

> Additionally, "what constitutes the 'public interest'" is "a matter of policy to be determined by the Commission." In any proceeding on such an application, the applicant bears the burden of proof.[14]

> To summarize: the private proprietors of a Missouri regulated utility have the right to pursue a merger unless it can be shown that the proposed transaction is detrimental to the public interest; the "public interest" being primarily defined as the continuation of adequate service to the public served by the utility.[15] In making its determination, the Commission uses a cost benefit analysis.[16] Unless the detriments outweigh the benefits, the Commission must approve the transaction.[17]

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[12] *In the Matter of Aquila, Inc.,* Case No. EF-2003-0465 (*Report & Order,* issued Feb. 24, 2004) pp. 6-7.

[13] *In the Matter of Union Electric Company, d/b/a AmerenUE,* 13 MoPSC3d 266, 293 (2005); and see *In the Matter of Great Plains Energy, Inc., Kansas City Power & Light Company and Aquila, Inc.,* 17 Mo.P.S.C.3d 338, 541 (2008), "the Commission may not withhold its approval of the proposed transaction unless the Applicants fail in their burden to demonstrate that the transaction is not detrimental to the public interest, and detriment is determined by performing a balancing test where attendant benefits are weighed against direct or indirect effects of the transaction that would diminish the provision of safe or adequate of service or that would tend to make rates less just or less reasonable."

[14] *Id.*

[15] *Fee Fee Trunk Sewer, supra.*

[16] *Union Electric, supra; Great Plains Energy, supra.*

[17] *Id.*

The Kansas Merger Standard:

> Helpfully, the KCC issued its Order on Merger Standards in Docket No. 16-KCPE-593ACQ on August 9, 2016.[18] Therein, the KCC stated:
>
> The Commission's central concern is whether the merger will promote the public interest."[19] In making this determination, the KCC stated that it will consider the following criteria:
>
> (a) The effect of the transaction on consumers, including:
>
> (i) the effect of the proposed transaction on the financial condition of the newly created entity as compared to the financial condition of the standalone entities if the transaction did not occur;
>
> (ii) reasonableness of the purchase price, including whether the purchase price was reasonable in light of the savings that can be demonstrated from the merger and whether the purchase price is within a reasonable range;
>
> (iii) whether ratepayer benefits resulting from the transaction can be quantified;
>
> (iv) whether there are operational synergies that justify payment of a premium in excess of book value; and
>
> (v) the effect of the proposed transaction on the existing competition.
>
> (b) The effect of the transaction on the environment.
>
> (c) Whether the proposed transaction will be beneficial on an overall basis to state and local economies and to communities in the area served by the resulting public utility operations in the state. Whether the proposed transaction will likely create labor dislocations that may be particularly harmful to local communities, or the state generally, and whether measures can be taken to mitigate the harm.
>
> (d) Whether the proposed transaction will preserve the jurisdiction of the KCC and the capacity of the KCC to effectively regulate and audit public utility operations in the state.
>
> (e) The effect of the transaction on affected public utility shareholders.
>
> (f) Whether the transaction maximizes the use of Kansas energy resources.

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[18] *In the Matter of the Joint Application of Great Plains Energy Incorporated, Kansas City Power & Light Company and Westar Energy, Inc. for approval of the Acquisition of Westar Energy, Inc. by Great Plains Energy Incorporated,* Docket No. 16-KCPE-593-ACQ (*Order on Merger Standards,* K.C.C., Aug. 9, 2016).

[19] *Id.*, ¶ 5.

(g) Whether the transaction will reduce the possibility of economic waste.

(h) What impact, if any, the transaction has on the public safety.[20]

The KCC went on to note that "the enumerated criteria can be supplemented to account for the unique facts and circumstances of each docket."[21] These criteria are merely "the beginning criteria to be used when evaluating a merger application, and are to be supplemented by any other considerations that are relevant given the circumstances existing at the time of the merger proposal."[22] The stated criteria can be modified as necessary and additional criteria and considerations can be added.[23] In the final analysis, "the question is whether the public interest is served by approving the merger as determined by the specific facts and circumstances of each case." [24]

To summarize: the private proprietors of a Kansas regulated utility evidently have no right to pursue a merger and the KCC will not permit it unless it can be shown that the proposed transaction "serves" or "promotes" the public interest;[25] the "public interest" being primarily defined by a list of eight criteria or factors.[26] In making its determination, the KCC appears to use a cost-benefit analysis.[27] Unless the benefits outweigh the costs, the Commission will not approve the transaction.[28]

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[20] *Id.*

[21] *Id.*, ¶ 6.

[22] *Id.*

[23] *Id.*, ¶ 7.

[24] *Id.*, ¶ 6.

[25] *In the Matter of the Application of Oneok, Inc. for an Order Authorizing Its Plan of Reorganization,* Docket No. 14-KGSG-100-MIS, 2013 WL 9571938 (*Order Approving the Unanimous Settlement Agreement,* K.C.C., Dec. 19, 2013): "Therefore, upon finding the public interest will be promoted, the Commission should grant a public utility the authority to transact business in the state of Kansas." This is exactly what the Missouri Supreme Court said the PSC cannot require. *City of St. Louis, supra.*

[26] *Id.*, ¶ 5.

[27] *Id., passim.*

[28] *Id.*, ¶ 5; *In Re Anadarko Nat. Gas Co.,* Docket No. 13-BHCG-509-ACQ, 2013 WL 6096364 (*Order Approving Joint Application,* K.C.C., Oct. 3, 2013): "To this end, the Commission must only grant a public utility the

Q. In light of your understanding of the different merger standards, what is Staff recommending at this time?

A. Similar to the "most favored nation" recommendation in KCC Staff testimony, and the "equal outcome" provision in Dr. Marke's testimony, Staff recommends any approval of the transaction by the Missouri Commission be conditioned upon a requirement that Missouri ratepayers not be harmed by any conditions imposed by the KCC.

Q. Does this complete your testimony?

A. Yes, it does.

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authority to transact business in the state of Kansas upon a finding that the public convenience will be promoted."

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Application of Great Plains Energy Incorporated for Approval of its Merger with Westar Energy, Inc.	)))	Case No. EM-2018-0012

AFFIDAVIT OF NATELLE DIETRICH

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW NATELLE DIETRICH and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing Surrebuttal Testimony; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

Natelle Dietrich
NATELLE DIETRICH

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 21st day of February 2018.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: December 12, 2020
Commission Number: 12412070

D Suzie Mankin
Notary Public

Condition No.	Staff's Recommended Revisions to Joint Applicants' Proffered Merger Commitments and Conditions (18-KCPE-095-MER)
	I. General Conditions
1	*Headquarters*: Holdco will maintain its corporate headquarters in Kansas City, Missouri and shall honor all terms and conditions of the existing lease for its headquarters office located at 1200 Main in Kansas City, Missouri, which expires in October 2032. Holdco will also maintain the current Westar Topeka downtown headquarters building at 800-818 South Kansas Avenue in Topeka, Kansas for its Kansas headquarters. Holdco shall honor all terms and conditions of the existing lease for the Westar headquarters building, which expires in April 2023. Holdco shall maintain staffing levels of no less than 500 employees based at 800-818 South Kansas Avenue, Topeka KS for at least five (5) years after the closing of the Merger. Thereafter, Holdco will maintain a Kansas headquarters somewhere in Topeka, Kansas (if not at 800-818 South Kansas Avenue) for a period of at least ten (10) years after the closing of the Merger. This Kansas operating headquarters will house all levels of technical, managerial, and executive talent and payroll (including a regulatory affairs staff) and should be reflective of the fact that the combined company will have more employees in Kansas than in Missouri.
2	*Executives*: Upon the closing of the Merger, Mark Ruelle will become the non-executive chairman of Holdco for a period of three (3) years. Terry Bassham will serve as president and chief executive officer.
3	*Charitable Giving and Community Involvement*: Holdco will continue charitable giving and community involvement in the Kansas service territory of KCP&L and Westar at levels equal to or greater than KCP&L's and Westar's respective 2015 levels for a minimum of five (5) years following the closing of the Merger.
4	*Low-Income Assistance Programs*: Holdco will maintain and promote all low-income assistance programs consistent with those in place at all operating utility companies prior to the Merger for at least five (5) years after closing.
	II. Employee Commitments
5	*Collective Bargaining Agreements*: Holdco will honor all existing collective bargaining agreements.
6	*Employee Compensation and Benefits*: Holdco will maintain substantially comparable compensation levels and benefits for all employees for two years after the closing of the Merger.
7	*Employee Headcount*: While Merger-related efficiencies will result in a lower employee headcount over time for the combined organization post-closing compared to the two stand alone organizations prior to closing, there will be no involuntary severance as a result of the Merger. There will also be no involuntary severance as a result of closing the following generating facilities: Sibley (units 1, 2 and 3), Montrose (units 1, 2 and 3), Lake Road (unit 4/6), Tecumseh (unit 7), Gordon Evans (units 3 and 4) and Murray Gill (units 1 and 2). Holdco will achieve headcount-related efficiencies (including any reduction in Kansas headquarters personnel) through normal attrition and other voluntary means over time in a gradual and generally balanced way across ~~both states~~the States of Kansas and Missouri.

Condition No.	Staff's Recommended Revisions to Joint Applicants' Proffered Merger Commitments and Conditions (18-KCPE-095-MER)
	III. Financing ~~and Ring-Fencing~~ Conditions
8	*Board of Directors:* Upon the closing of the Merger, the size of the Holdco board of directors will be mutually determined by GPE and Westar. In addition, as of the closing of the transaction, Holdco's board shall initially be composed of an equal number of directors designated by each of GPE and Westar, who shall be predominantly from the Kansas and Missouri region and the majority of whom shall be independent as defined by the New York Stock Exchange. Terry Bassham shall be a member of the board as a GPE nominee and Mark Ruelle shall be the non-executive Chairman of the board as a Westar nominee, with Mr. Ruelle serving as such for a term of three years. The initial lead independent director of Holdco will also be designated by Westar, with reasonable consultation with GPE. In addition, to the above, as of the closing, the board of directors will initially have five (5) standing board committees. Those committees will be composed of an equal number of directors designated by each of GPE and Westar. The initial chairpersons for three (3) of the five (5) standing committees shall be designated by GPE and the chairpersons for two (2) of the five (5) standing committees shall be designated by Westar.
9	*Financial Integrity*: Holdco will exercise management prudence to maintain the financial integrity of Westar and KCP&L in all respects, including matters relating to dividends capital investments and other financial actions in an effort to maintain investment grade credit ratings. The HoldCo acknowledges that it is ultimately responsible for maintaining the financial integrity of its public utility subsidiaries such that they are capable of meeting their statutory responsibilities to provide sufficient and efficient service.
10	*Capital Structures*: Holdco, KCP&L and Westar shall maintain separate capital structures to finance the respective activities and operations of each entity. Holdco, KCP&L and Westar shall maintain separate debt. Holdco, KCP&L and Westar shall also maintain separate preferred stock, if any. Holdco, KCP&L and Westar shall use reasonable and prudent investment grade capital structures. KCP&L and Westar will be provided with appropriate amounts of equity from Holdco to maintain such capital structures. Holdco shall maintain consolidated debt of no more than ~~65~~ 55 percent of total consolidated capitalization, and KCP&L's and Westar's debt shall be maintained at no more than ~~65~~ 55 percent. Holdco commits that Westar and KCP&L will not make any dividend payments to the parent company, equity repurchase, or other upstream cash payment to the extent that the payment would result in an increase in either utility's debt level above ~~65~~ 55 percent of its total capitalization, unless the Commission authorizes otherwise.

Condition No.	Staff's Recommended Revisions to Joint Applicants' Proffered Merger Commitments and Conditions (18-KCPE-095-MER)
11	*Separate Debt*: Holdco, KCP&L and Westar shall maintain separate debt so that Westar will not be liable (directly or through guarantees, cross-defaults or other provisions) for the debts of Holdco, KCP&L, or GMO or other subsidiaries of Holdco (excluding Westar and subsidiaries of Westar), and KCP&L, GMO and other subsidiaries of Holdco (excluding Westar and subsidiaries of Westar) will not be liable (directly or through guarantees, cross-defaults or other provisions) for the debts of Westar. For the avoidance of doubt consistent with past practice, Westar may guarantee certain obligations of its subsidiaries, and subsidiaries of Westar may guarantee certain obligations of Westar. Holdco, KCP&L and Westar shall also maintain adequate capacity under revolving credit facilities and commercial paper, if any, which capacity may be administered on a combined basis provided that capacity maintained for KCP&L and Westar shall be exclusively dedicated to the benefit of KCP&L and Westar, pricing is separated by entity, and that (i) Westar neither guarantees the debt of Holdco, KCP&L, GMO or other subsidiaries of GPE (excluding Westar and subsidiaries of Westar) nor is subject to a cross-default for such debt and (ii) Holdco, KCP&L, GMO and other subsidiaries of GPE (excluding Westar and subsidiaries of Westar) neither guarantee the debt of Westar nor are subject to a cross-default for such debt.
12	*Asset Conveyance*: Holdco, KCP&L and Westar shall not sell, lease, rent or otherwise convey, outside routine business practices, Westar and KCP&L assets necessary and useful in providing electric service to the public without Commission approval.
13	*Separation of Assets*: Holdco commits that KCP&L and Westar will not commingle their assets with the assets of any other person or entity, except as allowed under the Commission's Affiliate Transaction statutes or other Commission order. Holdco commits that KCP&L and Westar will conduct business as separate legal entities and shall hold all of their assets in their own legal entity name unless otherwise authorized by Commission order. Holdco, KCP&L and Westar affirm that the present legal entity structure that separates their regulated business operations from their unregulated business operations shall be maintained unless express Commission approval is sought to alter any such structure. Holdco, KCP&L and Westar further commit that proper accounting procedures will be employed to protect against cross-subsidization of Holdco's, KCP&L's and Westar's non-regulated businesses, or Holdco's other regulated businesses in Kansas or its regulated businesses in other jurisdictions by Westar's Kansas customers.
14	*Other Separation*: Westar (including subsidiaries of Westar), on the one hand, and Holdco and KCP&L, on the other hand, shall not grant or permit to exist any encumbrance claim, security interest, pledge or other right in their respective stock or assets in favor of any entity or person other than immaterial liens or encumbrances in the ordinary course of business, letters of credit issued on behalf of third-parties in the ordinary course of business and encumbrances resulting from regulatory requirements unless otherwise authorized by the Commission.
15	*Credit Rating*: ~~Both Standard & Poor's ("S&P") and Moody's have opined that the Merger is credit-positive and that Holdco will have improved credit metrics and financial ratios compared to GPE on a stand-alone basis.~~ GPE, KCP&L and Westar shall maintain separate issuer (i.e., Corporate Credit Ratings) and separate issue ratings for debt that is publicly placed.

Condition No.	Staff's Recommended Revisions to Joint Applicants' Proffered Merger Commitments and Conditions (18-KCPE-095-MER)
16	*Credit Rating Downgrade*: If S&P or Moody's downgrade the Corporate Credit Rating or senior secured or unsecured debt issue rating of Holdco, KCP&L or Westar (the "Impacted Utility") to below investment grade (i.e., below BBB- or Baa3), the "Impacted Utility" commits to file: i. Notice with the Commission within five (5) business days of such downgrade that includes specification of the affected credit rating(s), the pre- and post-downgrade credit ratings of each affected credit rating, and a full explanation of why the credit rating agency or agencies downgraded each of the affected credit ratings; ii. A filing with the Commission within sixty (60) days which shall include the following: • Actions the Impacted Utility and HoldCo may take to raise its S&P or Moody's credit rating to BBB- or Baa3, respectively, including the costs and benefits of such actions and any plan the Impacted Utility may have to undertake such actions. If the costs of returning Westar and/or KCP&L to investment grade are above the benefits of such actions, Westar and/or KCP&L shall be required to show and explain why it is not necessary, or cost-effective, to take such actions and how the utility(s) can continue to provide efficient and sufficient service in Kansas under such circumstances; • The change on the capital costs of the Impacted Utility due to its S&P or Moody's credit rating being below BBB- or Baa3, respectively; and • Documentation detailing how the Impacted Utility will not request from its Kansas customers, directly or indirectly, any higher capital costs incurred due to a downgrade of its S&P or Moody's credit rating below BBB- or Baa3, respectively; iii. File with the Commission, every forty-five (45) days thereafter until the Impacted Utility has regained its S&P or Moody's credit rating of BBB- or Baa3, respectively or above, an updated status report with respect to the items required in subparagraph ii above. iv. If the Commission determines that the decline of the Impacted Utility's S&P or Moody's credit rating to a level below BBB- or Baa3, respectively, has caused its quality of service to decline, then the Impacted Utility shall be required to file a plan with the Commission detailing the steps that will be taken to restore service quality levels that existed prior to the ratings decline. v. In the event KCP&L's or Westar's affiliation (ownership or otherwise) with Holdco or any of Holdco's affiliates is a primary factor for KCP&L's or Westar's S&P or Moody's Corporate credit rating to be downgraded to below BBB- or Baa3, respectively, KCP&L and/or Westar shall promptly undertake additional legal and structural separation from the affiliate(s) causing the downgrade. Notwithstanding Commitment No. 10's limitation on payment of dividends, the Impacted Utility shall not pay a common dividend without Commission approval or until the Impacted Utility's S&P or Moody's credit rating has been restored to BBB- or Baa3, respectively. vi. If Holdco, KCP&L's or Westar's respective S&P or Moody's credit rating declines below BBB- or Baa3, respectively, the Impacted Utility shall file with the Commission within 15 days a comprehensive risk management plan setting forth committed actions assuring the Impacted Utility's access to and cost of capital will not be further impaired. The plan shall include a non-consolidation opinion if required by ~~S&P or Moody's.~~ the Commission.

Condition No.	Staff's Recommended Revisions to Joint Applicants' Proffered Merger Commitments and Conditions (18-KCPE-095-MER)
17	*Cost of Capital*: Holdco commits that future cost of service and rates of KCP&L and Westar shall not be adversely impacted on an overall basis as a result of the Merger and that future cost of service and rates will be set commensurate with financial and business risks attendant to their individual regulated utility operations. Neither KCP&L nor Westar shall seek an increase to their cost of capital as a result of (i.e., arising from or related to) the Merger or KCP&L's and Westar's ongoing affiliation with Holdco and its affiliates after the Merger. The return on equity capital ("ROE") as reflected in Westar's and KCP&L's rates will not be adversely affected as a result of the Merger. Holdco agrees the ROE shall be determined in future rate cases, consistent with applicable law, regulations and practices of the Commission. The burden of proof that any increase to the cost of capital is not a result of the Merger shall be borne by KCP&L or Westar. Any net increase in the cost of capital that KCP&L or Westar seeks shall be supported by documentation that: (a) the increases are a result of factors not associated with the Merger or the post-Merger operations of Holdco or its non-KCP&L and non-Westar affiliates; (b) the increases are not a result of changes in business, market, economic or other conditions caused by the Merger or the post-Merger operations of Holdco or its non-KCP&L and non-Westar affiliates; and (c) the increases are not a result of changes in the risk profile of KCP&L or Westar caused by the Merger or the post-Merger operations of Holdco or its non-KCP&L and non-Westar affiliates. The provisions of this section are intended to recognize the Commission's authority to consider, in appropriate proceedings, whether this Merger or the post-Merger operations of Holdco or its non-KCP&L and non-Westar affiliates have resulted in capital cost increases for KCP&L or Westar. Nothing in this condition shall restrict the Commission from disallowing such capital cost increases from recovery in KCP&L or Westar's rates.
	IV. Ratemaking, Accounting, and Related Conditions
18	*Upfront Bill Credits*: Holdco agrees that its electric utility subsidiaries will provide ~~all~~ Westar and KCP&L retail electric customers with one-time bill credits totaling $26,840,000 million to Westar retail electric customers and $8,856,250 to KCP&L's Kansas retail electric customers. ~~50 million~~ within 120 days of the closing of the Merger. Thereafter Holdco agrees that its electric utility subsidiaries will provide Westar and KCP&L's Kansas retail electric customers with annual bill credits by March 31 in each year 2019, 2020, 2022, and 2022 in the amount of $10,065,000 for Westar retail electric customers and $3,321,094 for KCP&L's Kansas retail electric customers. ~~This amount shall be allocated among Applicants' electric rate jurisdictions in both Kansas and Missouri on the basis of the total MWH of all retail Sales of Electricity reported to FERC under Form 1 (or Form 3-Q) for the most recent full twelve calendar month period prior to the closing of the Merger for which such report is available.~~ The amounts identified herein ~~so allocated~~ shall be assigned to each retail electric customer within the applicable Kansas electric rate jurisdiction based upon methodology approved by the Commission.

Condition No.	Staff's Recommended Revisions to Joint Applicants' Proffered Merger Commitments and Conditions (18-KCPE-095-MER)
19	*Transition Costs*: Neither Westar nor KCP&L will ever include in cost of service, and shall never seek to recover in rates, any transition costs related to this Merger that are in excess of the benefits that these transition costs are intended to attain or were incurred prior to January 1, 2018. Transition costs are those costs incurred to integrate Westar and GPE, and include integration planning, execution, and "costs to achieve." Non-capital transition costs can be ongoing costs or one-time costs. KCP&L's and Westar's non-capital transition costs, which shall include but not be limited to severance payments made to employees other than those required to be made under change of control agreements, can be deferred on the books of either KCP&L or Westar to be considered for recovery over an amortization period of ten (10) years, in KCP&L and Westar future rate cases, as long as those costs were incurred subsequent to January 1, 2018. If subsequent rate recovery is sought, KCP&L and Westar will have the burden of proof to clearly identify where all transition costs are recorded and of proving that the recoveries of any transition costs are just and reasonable as their incurrence facilitated the ability to provide benefits in excess of those costs to its Kansas customers. Such benefits may be the result of avoiding or shifting costs and activities. KCP&L and Westar shall be required to attest in all future rate proceedings before the Commission that no transition costs in excess of their corresponding benefits are included in cost of service and rates, and to provide a complete explanation of the procedures used to ensure that transition costs, in excess of their corresponding benefits, are not included in cost of service or rates. This commitment shall be required until all transition costs are fully amortized. KCP&L and/or Westar, as applicable, shall bear the burden of proving and fully documenting that any transition costs for which rate recovery is sought have produced net benefits. Such benefits may be the result of avoiding or shifting costs and activities.
20	*Goodwill*: Goodwill associated with the Merger is the difference between the fair market value of GPE's assets and the exchange value of GPE's stock upon the closing of the Merger (referred to herein as "Merger Goodwill") and will be maintained on the books of Holdco. The amount of any such Merger Goodwill shall not be ever included in the revenue requirement of KCP&L or Westar in future Kansas rate cases. Neither KCP&L nor Westar will ever seek recovery through recognition in retail rates ~~and~~ or revenue requirements in future rate cases of any such Merger Goodwill.
21	*Goodwill Impairment*: Customers shall be held harmless from the risk or realization of any Merger Goodwill impairment. Holdco does not expect, and shall take prudent actions to avoid, Merger Goodwill from negatively affecting KCP&L's or Westar's cost of capital. If such Merger Goodwill becomes impaired and such impairment negatively affects KCP&L's or Westar's cost of capital or credit ratings, all costs associated with the decline in the Impacted Utility's credit quality specifically attributed to the Merger Goodwill impairment, considering all other capital cost effects of the Merger and the impairment, shall be excluded from the determination of the Impacted Utility's rates.

Condition No.	Staff's Recommended Revisions to Joint Applicants' Proffered Merger Commitments and Conditions (18-KCPE-095-MER)
22	*Transaction Costs*: Transaction costs include, but are not limited to, those costs relating to obtaining regulatory approvals, development of transaction documents, investment banking costs, costs related to raising equity incurred prior to the close of the Merger, severance payments required to be made by change of control agreements, internal labor and third party consultant costs incurred in performing any types of analysis or preparation (financial, tax, investment, accounting, legal, market, regulatory, etc.) to evaluate the potential sale or transfer of ownership, prepare for bid solicitation, analyze bids, conduct due diligence, compliance with existing contracts including change in control provisions, and compliance with any regulatory conditions, closing, and communication costs regarding the ownership change with customers and employees. Westar and KCP&L commit that they will not seek recovery through recognition in retail rates of transaction costs, that they shall have the burden of proof to clearly identify where all transaction costs related to this Merger are recorded and shall be required to attest in all future rate proceedings before the Commission that none of these costs are included in cost of service and rates, and to provide a complete explanation of the procedures used to ensure that these transaction costs are not included in cost of service or rates. This commitment shall be required until transaction costs of this Merger are no longer on Holdco's books in a test year for KCP&L and/or Westar, as applicable. Transaction costs shall be recorded on Holdco's books.
23	*Fuel and Purchased Power Costs*: KCP&L's and Westar's fuel and purchased power costs shall not be adversely impacted as a result of the Merger.
24	*Retail Rates and Five Year Rate Moratorium*: Holdco commits that retail rates for KCP&L and Westar customers shall not increase as a result of the Merger. Additionally Holdco, KCP&L and Westar commit to not change base rates in Kansas until the expiration of a five-year term that begins when the Merger closes. Additionally, Holdco, KCP&L and Westar agree to file a rate case to reflect in base rates all achieved merger savings (and update rates to reflect all other necessary and prudent costs associated with the provision of efficient and sufficient electric utility service) in the fifth year of the five-year term such that new rates will be effective immediately after the expiration of the five-year term.
25	Merger Savings in 2018 Rate Cases: Holdco, Westar, and KCPL commit to reflect as a cost of service reduction in the upcoming Kansas rate cases for Westar and KCP&L, Merger Savings in the amount of $7,173,551 for KCP&L's Kansas operations and $23,953,249 for Westar.
26	Earnings Review and Sharing Plan: Holdco, Westar and KCPL commit to abide by the terms of the Earnings Review and Sharing Plan (ERSP), attached as Exhibit A to the Direct Testimony of Justin T. Grady in this Docket. The purpose of this ERSP is to require both Westar and KCP&L to file a Earnings Review and Sharing Report, in the Compliance Docket established, in the years 2019, 2020, 2021, 2022, and 2023. The purpose of these reports will be to evaluate the earned Return on Equity (ROE) of both Westar and KCPL-KS on an annual basis, as calculated after making limited adjustments to present the financial results of the company on a traditional ratemaking (rate base, rate of return) basis. In the event that the earned ROE of Westar or KCPL-KS exceeds the Commission-authorized ROE (as determined in the 2018 Rate Cases) any earnings in excess of those necessary to pay for the annual fixed bill credits discussed above shall be split 50% to ratepayers, 50% to shareholders. The portion of excess earnings for ratepayers shall be by way of a bill credit.
27	*Future Rate Cases*: Holdco commits that in future rate case proceedings, KCP&L and Westar will support their assurances provided in this document with appropriate analysis testimony, and necessary journal entries fully clarifying and explaining how any such determinations were made.
	V. Affiliate Transactions and Cost Allocations Manual (CAM) Conditions
28	*Affiliate Service Agreements*: KCP&L and Westar commit that they will file with the Commission (1) within sixty (60) days of closing of the Merger and (2) with the first post-closing rate case, an executed copy of all additional relevant Affiliate Service Agreements related to the Merger, pursuant to K.S.A. 66-1402 and that includes the service agreement(s) between any service company or affiliate allocating costs to a regulated utility affiliate.

Condition No.	Staff's Recommended Revisions to Joint Applicants' Proffered Merger Commitments and Conditions (18-KCPE-095-MER)
29	*Affiliate Interests*: Holdco, KCP&L and Westar each expressly recognize that each represents an "Affiliated Interest" under K.S.A. 66-1401, 66-1402, and 66-1403. These statutes confer certain jurisdiction on the Commission regarding access to books and records, submission of contracts, review of affiliate transactions detail, etc.
30	*Affiliate Rules*: KCP&L and Westar will be operated after the closing of the Merger in compliance with the Commission's affiliate transaction rules as set forth in K.S.A. 66-1401 *et seq.*, and in compliance with the affiliate rules adopted in the Commission's December 3, 2010 Order in Docket No. 06-GIMX-181-GIV ("06-181 Order"), or will obtain any necessary variances from such rules, and the Commission's August 7, 2001 Order in Docket No. 01-KCPE-708-MIS ("01-708 Order"). Holdco and its subsidiaries commit that all information related to an affiliate transaction consistent with the affiliate statutes and the Commission's 06-181 and 01-708 Orders in the possession of Holdco will be treated in the same manner as if that information is under the control of either KCP&L or Westar.
31	*Intercompany Charges*: Holdco and its subsidiaries may seek recovery of intercompany charges to regulated utility affiliates in their first general rate proceedings following the closing of the Merger at levels equal to the lesser of actual costs or the costs allowed related to such functions in the cost of service of their most recent rate case prior to the closing of the Merger, as adjusted for inflation measured by the Gross Domestic Product Price Index. Billings for common-use assets shall be permitted consistent with GPE's current practices. Holdco and its subsidiaries shall have the burden of proof to demonstrate billings are prudent, in the usual course of business, and consistent with past practice.
32	*Separate Books and Records Available to Staff and Commission*: Holdco shall maintain separate books and records, systems of accounts, financial statements and bank accounts for Westar and KCP&L. The records and books of Westar and KCP&L will be maintained under the FERC Uniform System of Accounts ("USOA") applicable to investor-owned jurisdictional electric utilities, as adopted by the Commission. The financial books and records of Holdco's regulated utility affiliates will be made available to the Commission and its Staff. The records and books of any affiliate for which any direct or indirect charge is made to Westar and KCP&L, and included in said utilities' cost of service and rates on either a direct or indirect basis, will be made available, upon request, to the Commission and its Staff. Holdco, KCP&L and Westar shall facilitate access of the Commission Staff to its external auditors and endeavor to provide the Commission and its Staff with timely access to any relevant external audit work papers and/or reports. Holdco, KCP&L and Westar will maintain adequate records to support, demonstrate the reasonableness of, and enable the audit and examination of all centralized corporate costs that are allocated to or directly charged to KCP&L or Westar. Nothing in this condition shall be deemed a waiver of any rights of Holdco, KCP&L or Westar to seek protection of the information or to object, for purposes of submitting such information as evidence in any evidentiary proceeding, to the relevancy or use of such information by any party.

Condition No.	Staff's Recommended Revisions to Joint Applicants' Proffered Merger Commitments and Conditions (18-KCPE-095-MER)
33	***Variance From Missouri Affiliate Transaction Rule*** : The Merger is or will be the subject of a variance request before the Missouri Public Service Commission ("MPSC") and an order is expected from the MPSC no later than the second quarter of 2018. GPE and KCP&L commit to pursue this variance from the provisions of Missouri Affiliate Transaction Rule 4 CSR 240-20.015 and endeavor to have such variance in place by Merger close. The variance will provide for goods and services transactions between KCP&L, GMO and Westar to occur at cost except for wholesale power transactions, which will be based on rates approved by the Federal Energy Regulatory Commission ("FERC"). Within thirty (30) days of the issuance of a final MPSC order in that proceeding, KCP&L and Westar will cause to be filed in this docket a copy of the final order. If the MPSC has not granted the variance from the Missouri Affiliate Transaction Rule mentioned above at the time Staff and CURB file direct testimony regarding the Merger, Holdco, Westar and KCP&L commit that in Kansas retail rate proceedings of KCP&L and Westar after the closing of the Merger, neither utility will seek to recover more than actual costs incurred by Holdco, Westar or KCP&L in connection with affiliate transactions, provided, however, that annualizations and other customary and appropriate ratemaking adjustments may be used.
34	***Cost Allocation Manual*** : KCP&L and Westar agree to meet with Staff and CURB no later than sixty (60) days after the closing of the Merger to provide a description of its expected impact on the allocation of costs among Holdco's utility and non-utility subsidiaries as well as a description of its expected impact on the cost allocation manuals ("CAMs") of KCP&L and Westar. No later than six (6) months after the closing of the Merger but no less than two (2) months before the filing of a general rate case for either KCP&L or Westar, whichever occurs first, KCP&L and Westar agree to file updates to their existing CAMs reflecting process and recordkeeping changes necessitated by the Merger.
35	***Third Party Audit of Cost Allocations***: On January 12, 2018, Joint Applicants, the Staff of the Missouri Public Service Commission, and other parties filed a Stipulation and Agreement in the Joint Applicants' Application for Approval of Merger with the Public Service Commission of Missouri. The Stipulation and Agreement contains a commitment for an independent third-party management audit report of cost allocations between Holco, KCP&L and GMO. Within 30 days of issuance, Joint Applicants agree to file this Audit of Affiliate Transactions and Corporate Cost Allocations Report in the Compliance Docket to be established by the Commission to monitor achievement of Merger savings and other Merger-related issues.

Condition No.	Staff's Recommended Revisions to Joint Applicants' Proffered Merger Commitments and Conditions (18-KCPE-095-MER)
	VI. Quality of Service Conditions
36	*Service Quality and Reliability Performance Standards* ~~: Commencing with the beginning of the first full calendar year after closing, KCP&L and Westar will provide electric service reliability and call center service that meets or is better than the performance metric thresholds set forth in Exhibits BA-1, BA-2, BA-3.~~[1]. ~~If KCP&L or Westar fail to meet a particular performance metric threshold, then penalties will apply in accordance with these schedules and provisions.~~[2]. ~~KCP&L and Westar will work with Staff to report periodically on their performance relative to these service metrics following the closing of the Merger. If KCP&L or Westar perform without penalties on any metric for three consecutive years, then the reporting and penalty provisions for that metric for that utility will terminate.~~ Commencing with the beginning of the first full calendar year after closing, KCP&L and Westar will provide electric service reliability that meets or exceeds the 5-year system average value of SAIDI and SAIFI shown as KCP&L-Kansas and Westar Combined in Exhibit WPD-18 of the direct testimony of Staff witness Walter Drabinski. Commencing with the beginning of the first full calendar year after closing, KCP&L and Westar will provide call center service performance that meets or exceeds the performance thresholds described in Exhibit BA-3 and the direct testimony of Applicant witness Bruce Akin. If KCP&L or Westar fail to meet a particular performance metric threshold set forth in Exhibits BA-1, BA-2, BA-3 of the direct testimony of Bruce Akin, then penalties will apply in accordance with these schedules and provisions. Any penalty payment will be invested by the company as a Contribution in Aid of Construction and directed to improve reliability. If KCP&L or Westar perform without penalties on any metric for three consecutive calendar years, then the penalty provisions for that metric for that utility will terminate. KCP&L and Westar will work with Staff to report periodically on their performance relative to meeting the performance targets for the metrics listed in Exhibit WPD-19 of the direct testimony of Staff witness Walter Drabinski following the closing of the Merger.
	VII. Anticipatory Reliability Metrics Tracker
37	For the items listed in Attachment C of the direct testimony of Staff witness Walter Drabinski, KCP&L and Westar shall provide a report substantially similar to the template provided in the attachment and reporting on the listed categories. The report should be provided for each calendar year and shall be due by May 1 of the next calendar year.
	VIII. Capital Resource Plan Tracker
38	On an annual basis beginning in September of 2019, the combined company shall provide updates to each identified capital project cost, schedule, project justification and a verification or results section. The report shall be provided in a format substantially similar to that of the Capital Budget Trackers attached as Attachment D to the direct testimony of Staff witness Walter Drabinski. The Trackers to be updated are as follows: Generation CAPEX Budget Tracker (2018-2022).xlsx; TD CAPEX Budget Tracker (2018-2022).xlsx; IT CAPEX Budget Tracker (2018-2022).xlsx)
	IX. Generation Plant Closing Filing
39	Within 90 days before initiating a plant closure, Westar and KCP&L shall file the following information with the Commission: Updated IRP filed as basis for any long term generation plan. Transmission analysis and costs to mitigate transmission congestion that may be caused by the plant closure. Impact on staffing; reductions and retirement mitigations caused by the plant closure. Costs to dismantle and mothball the plant proposed for closure.

Condition No.	Staff's Recommended Revisions to Joint Applicants' Proffered Merger Commitments and Conditions (18-KCPE-095-MER)
	X. Reporting and Access to Records
40	*Merger Integration*: To keep Staff and the Commission apprised of the status of integration implementation after closing, a Compliance Docket shall be opened by the Commission a. KCP&L and Westar shall meet with Staff no later than 60 days after closing, and on a quarterly basis thereafter for a period of one year after closing, to provide an update on the status of integration implementation, including discussion of progress on organizational changes and consolidation of processes affecting the customer experience, including but not limited to: contact center operations, customer information and billing, remittance processing, credit and collections, and service order processes. In addition, updates provided to Staff shall include: (1) accomplishments, (2) challenges, (3) Efficiency Summary ($): Planned vs Actual by functional area, (4) Labor Summary (FTE): Planned vs Actual, and (5) Integration Team highlights. The frequency of such update meetings shall be reduced to every six months during the second year through the fifth year after closing of the Merger and shall cease thereafter, unless otherwise ordered by the Commission. KCP&L and Westar shall file the information provided in the above-referenced meetings with Staff in the Compliance docket. Regardless of the frequency of such meetings, KCP&L and Westar agree to continue their practice of promptly advising Staff in the event of material operational irregularities whether arising from systems, training, process change or any other cause that may affect the customer experience. Additionally, for a period of five years after the merger closes ~~no less than two years~~, unless otherwise ordered by the Commission, KCP&L and Westar shall, on a twice-yearly basis unless otherwise ordered by the Commission, appear and provide an update of the status of integration implementation, providing the Commissioners an opportunity to ask questions about the status of integration implementation. b. KCP&L and Westar shall, on a quarterly basis continuing for ~~two~~ five years after closing, provide Staff, no later than 45 days after the conclusion of the relevant quarter, with data on employee headcounts by physical work location (full- and part-time, including contingent labor retained through employment agencies) for Holdco, KCP&L, GMO and Westar as well as a complete listing of functions and/or positions that have been either outsourced (meaning that work is being performed on behalf of Holdco, KCP&L, GMO and/or Westar that is not under the direct management and supervision of Holdco, KCP&L, GMO or Westar employees) or converted to contingent labor as a result of the integration of Holdco, KCP&L, GMO and Westar. To the extent that job positions at Holdco, KCP&L, GMO or Westar have been eliminated, re-classified or transferred between Holdco, KCP&L, GMO or Westar, such eliminations, re-classifications or transfers shall be identified. c. KCP&L and Westar shall, for a period of ~~two~~ five years after closing, provide Staff any reports or presentations made to Holdco's board of directors regarding efficiencies attained as a result of the Merger. Such reports or presentations shall be provided to Staff within 30 days after being provided to Holdco's board of directors. d. The reporting and data provision agreed to herein by Holdco, KCP&L and Westar does not change any reporting obligations of GPE (which shall apply to Holdco post-merger), KCP&L or Westar that existed prior to the approval of this Merger. e. CURB shall be invited to any meetings scheduled in compliance with sub-paragraph a of this Commitment No. 34. CURB shall be provided with the materials identified in sub-paragraphs b and c of this Commitment No. 34 and if such material contains non-public information shall execute an appropriate non-disclosure agreement before receiving such information.
41	*Goodwill Impairment Analysis*: For the first five (5) full calendar years after the closing of the Merger, Holdco shall provide Staff and CURB its annual goodwill impairment analysis in a format that includes spreadsheets in their original format with formulas and links to other spreadsheets intact and any printed materials within thirty (30) days after the filing of Holdco's Form 10 Q for the period in which the analysis is performed, as well as all supporting documentation. Thereafter, this analysis will be made available to Staff and CURB upon request.
42	*Accounting Changes*: Holdco, KCP&L and Westar commit that any material Merger-related financial and accounting changes must be reported to the Commission.

Condition No.	Staff's Recommended Revisions to Joint Applicants' Proffered Merger Commitments and Conditions (18-KCPE-095-MER)
43	*Integrated Resource Plan:* KCP&L will provide to the KCC Staff its integrated resource plan (IRP) within seven (7) days of its filing in Missouri. The public version of such materials shall also be provided to CURB.
44	*Access to Materials Provided to Ratings Analysts*: KCP&L and Westar shall provide Staff and CURB with access, upon reasonable written notice during working hours and subject to appropriate confidentiality and discovery procedures, to all written information provided to common stock, bond or bond rating analysts which directly or indirectly pertains to HoldCo. KCP&L or Westar or any affiliate that exercises influence or control over KCP&L, Westar or Holdco. Such information includes, but is not limited to, common stock analyst and bond rating analyst reports. For purposes of this condition, "written" information includes, but is not limited to, any written and printed material, audio and video tapes, computer disks, and electronically stored information. Nothing in this condition shall be deemed a waiver of any entity's right to seek protection of the information or to object, for purposes of submitting such information as evidence in any evidentiary proceeding, to the relevancy or use of such information by any party.
45	*Access to Materials Regarding CAM Compliance*: Holdco, KCP&L and Westar shall make available to Staff and CURB, upon written notice during normal working hours and subject to appropriate confidentiality and discovery procedures, all books, records and employees as may be reasonably required to verify compliance with KCP&L's and Westar's CAM and any conditions ordered by this Commission. Holdco, KCP&L and Westar shall also provide Staff and CURB any other such information (including access to employees) relevant to the Commission's ratemaking, financing, safety, quality of service and other regulatory authority over KCP&L or Westar; provided that any entity producing records or personnel shall have the right to object on any basis under applicable law and Commission rules, excluding any objection that such records and personnel of affiliates (a) are not within the possession or control of either KCP&L or Westar or (b) are either not relevant or are not subject to, the Commission's jurisdiction and statutory authority by virtue of, or as a result of, the implementation of the proposed Merger.
46	*Access to Board of Director Materials*: KCP&L and Westar shall provide Staff and CURB access, upon reasonable request, the complete Holdco board of directors' meeting minutes, including all agendas and related information distributed in advance of the meeting, presentations and handouts, provided that privileged information shall continue to be subject to protection from disclosure and KCP&L and Westar shall continue to have the right to object to the provision of such information on relevancy grounds.
47	*Retention Period for Affiliate Transaction Records*: KCP&L and Westar will maintain records supporting their affiliated transactions for at least six (6) years.
48	*Journal Entries*: Within six months of the close of the Merger, Holdco, KCP&L and Westar will provide to the Commission Staff detailed journal entries recorded to reflect the Merger. Holdco, KCP&L and Westar shall also provide the final detailed journal entries to be filed with the Commission no later than 13 months after the date of the closing. These entries must show, and shall include but not be limited to, the entries made to record or remove from all utility accounts any Merger goodwill costs or transaction costs.
	Financial Conditions Remaining From 01-KCPE-701-MIS
49	GPE ("Holding Company") and its subsidiaries will not conduct any material business activities that are not part of the "electric industry or natural gas industry business" or are not reasonably related to business activities derived from changes in the electric industry or natural gas industry as a result of competition, without Commission approval. With regard to expansion of KCPL's current operations in the telecommunications and information businesses, activities will be limited to those considered reasonably related to current operations
50	KCPL's total long-term borrowings including all instruments shall not exceed KCPL's regulated rate base.

Condition No.	Staff's Recommended Revisions to Joint Applicants' Proffered Merger Commitments and Conditions (18-KCPE-095-MER)
51	The customers of KCPL shall be held harmless by KCPL and GPE if the reorganization creating GPE, with KCPL as a subsidiary, results in a higher revenue requirement for KCPL than if the reorganization had not occurred.
52	GPE and KCPL shall provide the Commission Staff and CURB unrestricted access to all written information provided to common stock, bond, or bond rating analysts, which directly, or indirectly, pertains to KCPL or any affiliate that exercises influence or control over KCPL or has affiliate transactions with KCPL. Such information includes, but is not limited to, reports provided to, and presentations made to, common stock analysts and bond rating analysts. For purposes of this condition, "written" information includes, but is not limited to, any written and printed material, audio and videotapes, computer disks, and electronically stored information. Nothing in this condition shall be deemed to be a waiver of GPE's or KCPL's right to seek protection of the information.
53	GPE shall not, directly or indirectly, acquire or merge with a public utility or public utility holding company, nor will it allow itself to be acquired by a public utility or public utility holding company unless GPE has requested prior approval for such a transaction from the Commission.
	VIII. Other Parent Company Conditions
54	*Prior Commitments of, and Orders Applicable to, GPE, KCP&L and Westar* : Holdco, KCP&L and Westar commit to reaffirm and honor any prior commitments made by GPE or Westar to the Commission to comply with any previously issued Commission orders applicable to KCP&L or Westar or their previous owners except as otherwise provided for herein. *01-KCPE-708-MIS (01-708): In the Matter of the Application of Kansas City Power & Light Company for an Order Authorizing Its Plan to Reorganize Itself Into a Holding Company Structure* : All of the commitments and conditions agreed to in the August 21, 2001 Amended Unanimous Stipulation and Agreement remain in place (see attached). With the exception of (1) Financial ratio reporting eliminated 6/22/12; (2) CAM filing eliminated 3/29/16 (continues to be filed in Ring Fencing Docket #06-GIMX-181-GIV each May). The minimum equity ratios of the 01-708 agreement are modified from 35% at KCPL and 30% at GPE (holding company) to a minimum equity ratio of 45% for the operating companies and holding company.
55	*Future Access to Capital* : Holdco acknowledges that its utility subsidiaries need significant amounts of capital to invest in energy supply and delivery infrastructure (including, but not limited to, renewable energy resources and other environmental sustainability initiatives such as energy efficiency and demand response programs) and acknowledges that meeting these capital requirements of its utility subsidiaries will be considered a high priority by Holdco's board of directors and executive management and that Holdco's access to capital post-transaction will permit it and its utility subsidiaries to meet their statutory obligation to provide sufficient and efficient service.

Condition No.	Staff's Recommended Revisions to Joint Applicants' Proffered Merger Commitments and Conditions (18-KCPE-095-MER)
56	**Most Favored Nation Provision**: Holdco shall file with the Commission a copy of any Settlement Agreements reached and the Final Order of the Missouri Public Service Commission (MPSC) in Case No. EM-2018-0012. In the event that the MPSC approves the Merger with conditions that provide more benefits (monetary or non-monetary) to Missouri retail customers than the Kansas retail electric customer benefits contained in the Order of the Kansas Corporation Commission approving the Merger; Staff reserves its right to request the Commission issue an additional Order including the requested benefits and Holdco, Westar and KCP&L shall agree to provide the additional benefits to Kansas retail electric customers such that the benefits afforded Kansas retail electric customers are equivalent to those provided to Missouri retail electric customers.

[1] Akin Direct Testimony, Exhibits BA 1, BA 2, BA 3.

[2] Ibid.

Condition No.	Staff's Recommended Revisions to Joint Applicants' Proffered Merger Commitments and Conditions (18-KCPE-095-MER)
	I. General Conditions
1	***Headquarters*:** Holdco will maintain its corporate headquarters in Kansas City, Missouri and shall honor all terms and conditions of the existing lease for its headquarters office located at 1200 Main in Kansas City, Missouri, which expires in October 2032. Holdco will also maintain the current Westar Topeka downtown headquarters building at 800-818 South Kansas Avenue in Topeka, Kansas for its Kansas headquarters. Holdco shall honor all terms and conditions of the existing lease for the Westar headquarters building, which expires in April 2023. Holdco shall maintain staffing levels of no less than 500 employees based at 800-818 South Kansas Avenue, Topeka KS for at least five (5) years after the closing of the Merger. **Thereafter, Holdco will maintain a Kansas headquarters somewhere in Topeka, Kansas (if not at 800-818 South Kansas Avenue) for a period of at least ten (10) years after the closing of the Merger. This Kansas operating headquarters will house all levels of technical, managerial, and executive talent and payroll (including a regulatory affairs staff) and should be reflective of the fact that the combined company will have more employees in Kansas than in Missouri.**
2	***Executives*:** Upon the closing of the Merger, Mark Ruelle will become the non-executive chairman of Holdco for a period of three (3) years. Terry Bassham will serve as president and chief executive officer.
3	***Charitable Giving and Community Involvement*:** Holdco will continue charitable giving and community involvement in the Kansas service territory of KCP&L and Westar at levels equal to or greater than KCP&L's and Westar's respective 2015 levels for a minimum of five (5) years following the closing of the Merger.
4	***Low-Income Assistance Programs*:** Holdco will maintain and promote all low-income assistance programs consistent with those in place at all operating utility companies prior to the Merger for at least five (5) years after closing.
	II. Employee Commitments
5	***Collective Bargaining Agreements*:** Holdco will honor all existing collective bargaining agreements.
6	***Employee Compensation and Benefits*:** Holdco will maintain substantially comparable compensation levels and benefits for all employees for two years after the closing of the Merger.
7	***Employee Headcount*:** While Merger-related efficiencies will result in a lower employee headcount over time for the combined organization post-closing compared to the two stand alone organizations prior to closing, there will be no involuntary severance as a result of the Merger. There will also be no involuntary severance as a result of closing the following generating facilities: Sibley (units 1, 2 and 3), Montrose (units 1, 2 and 3), Lake Road (unit 4/6), Tecumseh (unit 7), Gordon Evans (units 3 and 4) and Murray Gill (units 1 and 2). Holdco will achieve headcount-related efficiencies **(including any reduction in Kansas headquarters personnel)** through normal attrition and other voluntary means over time in a ~~gradual and~~ generally balanced way across **the States of Kansas and Missouri**.
	III. Financing Conditions
8	***Board of Directors:*** Upon the closing of the Merger, the size of the Holdco board of directors will be mutually determined by GPE and Westar. In addition, as of the closing of the transaction, Holdco's board shall initially be composed of an equal number of directors designated by each of GPE and Westar, who shall be predominantly from the Kansas and Missouri region and the majority of whom shall be independent as defined by the New York Stock Exchange. Terry Bassham shall be a member of the board as a GPE nominee and Mark Ruelle shall be the non-executive Chairman of the board as a Westar nominee, with Mr. Ruelle serving as such for a term of three years. The initial lead independent director of Holdco will also be designated by Westar, with reasonable consultation with GPE. In addition, to the above, as of the closing, the board of directors will initially have five (5) standing board committees. Those committees will be composed of an equal number of directors designated by each of GPE and Westar. The initial chairpersons for three (3) of the five (5) standing committees shall be designated by GPE and the chairpersons for two (2) of the five (5) standing committees shall be designated by Westar.

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9	***Financial Integrity*:** Holdco will exercise management prudence to maintain the financial integrity of Westar and KCP&L in all respects, including matters relating to dividends, capital investments and other financial actions in an effort to maintain investment grade credit ratings. **The HoldCo acknowledges that it is ultimately responsible for maintaining the financial integrity of its public utility subsidiaries such that they are capable of meeting their statutory responsibilities to provide sufficient and efficient service.**
10	***Capital Structures*:** Holdco, KCP&L and Westar shall maintain separate capital structures to finance the respective activities and operations of each entity. Holdco, KCP&L and Westar shall maintain separate debt. Holdco, KCP&L and Westar shall also maintain separate preferred stock, if any. Holdco, KCP&L and Westar shall use reasonable and prudent investment grade capital structures. KCP&L and Westar will be provided with appropriate amounts of equity from Holdco to maintain such capital structures. Holdco shall maintain consolidated debt of no more than ~~55~~ 65 percent of total consolidated capitalization, and KCP&L's and Westar's debt shall be maintained at no more than ~~55~~ 65 percent. Holdco commits that Westar and KCP&L will not make any dividend payments to the parent company, ~~equity repurchase,~~ **or other upstream cash payment,** to the extent that the payment would result in an increase in either utility's debt level above ~~55~~ 65 percent of its total capitalization, unless the Commission authorizes otherwise.
11	***Separate Debt*:** Holdco, KCP&L and Westar shall maintain separate debt so that Westar will not be liable (directly or through guarantees, cross-defaults or other provisions) for the debts of Holdco, KCP&L, or GMO or other subsidiaries of Holdco (excluding Westar and subsidiaries of Westar), and KCP&L, GMO and other subsidiaries of Holdco (excluding Westar and subsidiaries of Westar) will not be liable (directly or through guarantees, cross-defaults or other provisions) for the debts of Westar. For the avoidance of doubt, consistent with past practice, Westar may guarantee certain obligations of its subsidiaries, and subsidiaries of Westar may guarantee certain obligations of Westar. Holdco, KCP&L and Westar shall also maintain adequate capacity under revolving credit facilities and commercial paper, if any, which capacity may be administered on a combined basis provided that capacity maintained for KCP&L and Westar shall be exclusively dedicated to the benefit of KCP&L and Westar, pricing is separated by entity, and that (i) Westar neither guarantees the debt of Holdco, KCP&L, GMO or other subsidiaries of GPE (excluding Westar and subsidiaries of Westar) nor is subject to a cross-default for such debt and (ii) Holdco, KCP&L, GMO and other subsidiaries of GPE (excluding Westar and subsidiaries of Westar) neither guarantee the debt of Westar nor are subject to a cross-default for such debt.
12	***Asset Conveyance*:** Holdco, KCP&L and Westar shall not sell, lease, rent or otherwise convey, outside routine business practices, Westar and KCP&L assets necessary and useful in providing electric service to the public without Commission approval.
13	***Separation of Assets*:** Holdco commits that KCP&L and Westar will not commingle their assets with the assets of any other person or entity, except as allowed under the Commission's Affiliate Transaction statutes or other Commission order. Holdco commits that KCP&L and Westar will conduct business as separate legal entities and shall hold all of their assets in their own legal entity name unless otherwise authorized by Commission order. Holdco, KCP&L and Westar affirm that the present legal entity structure that separates their regulated business operations from their unregulated business operations shall be maintained unless express Commission approval is sought to alter any such structure. Holdco, KCP&L and Westar further commit that proper accounting procedures will be employed to protect against cross-subsidization of Holdco's, KCP&L's and Westar's non-regulated businesses, or Holdco's other regulated businesses in Kansas or its regulated businesses in other jurisdictions by Westar's Kansas customers.
14	***Other Separation*:** Westar (including subsidiaries of Westar), on the one hand, and Holdco and KCP&L, on the other hand, shall not grant or permit to exist any encumbrance, claim, security interest, pledge or other right in their respective stock or assets in favor of any entity or person other than immaterial liens or encumbrances in the ordinary course of business, letters of credit issued on behalf of third-parties in the ordinary course of business and encumbrances resulting from regulatory requirements unless otherwise authorized by the Commission.
15	***Credit Rating*:** GPE, KCP&L and Westar shall maintain separate issuer (i.e., Corporate Credit Ratings) and separate issue ratings for debt that is publicly placed.

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16	***Credit Rating Downgrade***: If S&P or Moody's downgrade the Corporate Credit Rating or senior secured or unsecured debt issue rating of ~~Holdco,~~ KCP&L or Westar (the "Impacted Utility") to below investment grade (i.e., below BBB- or Baa3), the "Impacted Utility" commits to file: i. Notice with the Commission within five (5) business days of such downgrade that includes specification of the affected credit rating(s), the pre- and post-downgrade credit ratings of each affected credit rating, and a full explanation of why the credit rating agency or agencies downgraded each of the affected credit ratings; ii. A filing with the Commission within sixty (60) days which shall include the following: • Actions the Impacted Utility ~~and HoldCo~~ may take to raise its S&P or Moody's credit rating to BBB- or Baa3, respectively, including the costs and benefits of such actions and any plan the Impacted Utility may have to undertake such actions. If the costs of returning Westar and/or KCP&L to investment grade are above the benefits of such actions, Westar and/or KCP&L shall be required to show and explain why it is not necessary, or cost-effective, to take such actions and how the utility(s) can continue to provide efficient and sufficient service in Kansas under such circumstances; • The change on the capital costs of the Impacted Utility due to its S&P or Moody's credit rating being below BBB- or Baa3, respectively; and • Documentation detailing how the Impacted Utility will not request from its Kansas customers, directly or indirectly, any higher capital costs incurred due to a downgrade of its S&P or Moody's credit rating below BBB- or Baa3, respectively; iii. File with the Commission, every forty-five (45) days thereafter until the Impacted Utility has regained its S&P or Moody's credit rating of BBB- or Baa3, respectively or above, an updated status report with respect to the items required in subparagraph ii above. iv. If the Commission determines that the decline of the Impacted Utility's S&P or Moody's credit rating to a level below BBB- or Baa3, respectively, has caused its quality of service to decline, then the Impacted Utility shall be required to file a plan with the Commission detailing the steps that will be taken to restore service quality levels that existed prior to the ratings decline. v. In the event KCP&L's or Westar's affiliation (ownership or otherwise) with Holdco or any of Holdco's affiliates is a primary factor for KCP&L's or Westar's S&P or Moody's Corporate credit rating to be downgraded to below BBB- or Baa3, respectively, KCP&L and/or Westar shall promptly undertake additional legal and structural separation from the affiliate(s) causing the downgrade. Notwithstanding Commitment No. 10's limitation on payment of dividends, the Impacted Utility shall not pay a common dividend without Commission approval or until the Impacted Utility's S&P or Moody's credit rating has been restored to BBB- or Baa3, respectively. vi. If ~~Holdco,~~ KCP&L's or Westar's respective S&P or Moody's credit rating declines below BBB- or Baa3, respectively, the Impacted Utility shall file with the Commission within 15 days a comprehensive risk management plan setting forth committed actions assuring the Impacted Utility's access to and cost of capital will not be further impaired. The plan shall include a non-consolidation opinion if required by ~~the Commission.~~ S&P or Moody's in order for the Impacted Utility to be able to restore its credit ratings to investment grade.
17	***Cost of Capital***: Holdco commits that future cost of service and rates of KCP&L and Westar shall not be adversely impacted on an overall basis as a result of the Merger and that future cost of service and rates will be set commensurate with financial and business risks attendant to their individual regulated utility operations. Neither KCP&L nor Westar shall seek an increase to their cost of capital as a result of (i.e., arising from or related to) the Merger or KCP&L's and Westar's ongoing affiliation with Holdco and its affiliates after the Merger. The return on equity capital ("ROE") as reflected in Westar's and KCP&L's rates will not be adversely affected as a result of the Merger. Holdco agrees the ROE shall be determined in future rate cases, consistent with applicable law, regulations and practices of the Commission. The burden of proof that any increase to the cost of capital is not a result of the Merger shall be borne by KCP&L or Westar. Any net increase in the cost of capital that KCP&L or Westar seeks shall be supported by documentation that: (a) the increases are a result of factors not associated with the Merger or the post-Merger operations of Holdco or its non-KCP&L and non-Westar affiliates; (b) the increases are not a result of changes in business, market, economic or other conditions caused by the Merger or the post-Merger operations of Holdco or its non-KCP&L and non-Westar affiliates; and (c) the increases are not a result of changes in the risk profile of KCP&L or Westar caused by the Merger or the post-Merger operations of Holdco or its non-KCP&L and non-Westar affiliates. The provisions of this section are intended to recognize the Commission's authority to consider, in appropriate proceedings, whether this Merger or the post-Merger operations of Holdco or its non-KCP&L and non-Westar affiliates have resulted in capital cost increases for KCP&L or Westar. Nothing in this condition shall restrict the Commission from disallowing such capital cost increases from recovery in KCP&L or Westar's rates.

	IV. Ratemaking, Accounting, and Related Conditions
18	***<u>Upfront</u> <u>Bill</u> <u>Credits</u>*:** Holdco agrees that its electric utility subsidiaries will provide **Westar and KCP&L** retail electric customers with one-time bill credits totaling $<u>23,065,299</u> ~~26,840,000million~~**to Westar retail electric customers and $<u>7,514,220</u> ~~8,856,250~~ to KCP&L's Kansas retail electric customers**, within 120 days of the closing of the Merger. **Thereafter Holdco agrees that its electric utility subsidiaries will provide Westar and KCP&L's Kansas retail electric customers with annual bill credits by March 31 in each year 2019, 2020, 202<u>1</u>~~2~~, and 2022 in the amount of $<u>2,883,162</u> ~~10,065,000~~ for Westar retail electric customers and $<u>939,277</u> ~~3,321,094~~ for KCP&L's Kansas retail electric customers.** The amounts identified herein shall be assigned to each retail electric customer within the applicable Kansas electric rate jurisdiction based upon methodology approved by the Commission.
19	***<u>Transition</u> <u>Costs</u>*:** Neither Westar nor KCP&L will ever include in cost of service, and shall never seek to recover in rates, any transition costs related to this Merger that are in excess of the benefits that these transition costs are intended to attain~~-or were incurred prior to January 1, 2018.~~ <u>subject to the $7.3 million total company reduction described below.</u> Transition costs are those costs incurred to integrate Westar and GPE, and include integration planning, execution, and "costs to achieve." Non-capital transition costs can be ongoing costs or one-time costs. KCP&L's and Westar's non-capital transition costs, which shall include but not be limited to severance payments made to employees other than those required to be made under change of control agreements, can be deferred on the books of either KCP&L or Westar to be considered for recovery ~~over an amortization period of ten (10) years - to be updated.~~ <u>after a total company reduction of $7.3 million of non-capital transition costs incurred prior to completion of the Merger ($1,123,035 KCP&L-Kansas and $3,384,737 Westar)</u> in KCP&L and Westar future rate cases~~, as long as those costs were incurred subsequent to January 1, 2018~~. If subsequent rate recovery is sought, KCP&L and Westar will have the burden of proof to clearly identify where all transition costs are recorded and of proving that the recoveries of any transition costs are just and reasonable as their incurrence facilitated the ability to provide benefits in excess of those costs to its Kansas customers. Such benefits may be the result of avoiding or shifting costs and activities. KCP&L and Westar shall be required to attest in all future rate proceedings before the Commission that no transition costs in excess of their corresponding benefits are included in cost of service and rates, and to provide a complete explanation of the procedures used to ensure that transition costs, in excess of their corresponding benefits, are not included in cost of service or rates. This commitment shall be required until all transition costs are fully amortized. KCP&L and/or Westar, as applicable, shall bear the burden of proving and fully documenting that any transition costs for which rate recovery is sought have produced net benefits. Such benefits may be the result of avoiding or shifting costs and activities.
20	***<u>Goodwill</u>*:** Goodwill associated with the Merger is the difference between the fair market value of GPE's assets and the exchange value of GPE's stock upon the closing of the Merger (referred to herein as "Merger Goodwill") and will be maintained on the books of Holdco. The amount of any such Merger Goodwill shall not be ever included in the revenue requirement of KCP&L or Westar in future Kansas rate cases. Neither KCP&L nor Westar will ever seek recovery through recognition in retail rates or revenue requirements in future rate cases of any such Merger Goodwill.
21	***<u>Goodwill Impairment</u>*:** Customers shall be held harmless from the risk or realization of any Merger Goodwill impairment. Holdco does not expect, and shall take prudent actions to avoid, Merger Goodwill from negatively affecting KCP&L's or Westar's cost of capital. If such Merger Goodwill becomes impaired and such impairment negatively affects KCP&L's or Westar's cost of capital or credit ratings, all costs associated with the decline in the Impacted Utility's credit quality specifically attributed to the Merger Goodwill impairment, considering all other capital cost effects of the Merger and the impairment, shall be excluded from the determination of the Impacted Utility's rates.

22	***Transaction Costs*:** Transaction costs include, but are not limited to, those costs relating to obtaining regulatory approvals, development of transaction documents, investment banking costs, costs related to raising equity incurred prior to the close of the Merger, severance payments required to be made by change of control agreements, internal labor and third party consultant costs incurred in performing any types of analysis or preparation (financial, tax, investment, accounting, legal, market, regulatory, etc.) to evaluate the potential sale or transfer of ownership, prepare for bid solicitation, analyze bids, conduct due diligence, compliance with existing contracts including change in control provisions, and compliance with any regulatory conditions, closing, and communication costs regarding the ownership change with customers and employees. Westar and KCP&L commit that they will not seek recovery through recognition in retail rates of transaction costs, that they shall have the burden of proof to clearly identify where all transaction costs related to this Merger are recorded and shall be required to attest in all future rate proceedings before the Commission that none of these costs are included in cost of service and rates, and to provide a complete explanation of the procedures used to ensure that these transaction costs are not included in cost of service or rates. This commitment shall be required until transaction costs of this Merger are no longer on Holdco's books in a test year for KCP&L and/or Westar, as applicable. Transaction costs shall be recorded on Holdco's books.
23	***Fuel and Purchased Power Costs*:** KCP&L's and Westar's fuel and purchased power costs shall not be adversely impacted as a result of the Merger.
24	***Retail Rates* ~~*and Five Year Rate Moratorium*~~:** Holdco commits that retail rates for KCP&L and Westar customers shall not increase as a result of the Merger. - ~~Addition Holdco, KCP&L and Westar commit to not change base rates in Kansas until the expiration of a five-year term that begins when the Merger closes. Additionally, Holdco, KCP&L and Westar agree to file a rate case to reflect in base rates all achieved merger savings (and update rates to reflect all other necessary and prudent costs associated with the provision of efficient and sufficient electric utility service) in the fifth year of the five-year term such that new rates will be effective immediately after the expiration of the five-year term.~~
25	~~**Merger Savings in 2018 Rate Cases:** Holdco, Westar, and KCPL commit to reflect as a cost of service reduction in the upcoming Kansas rate cases for Westar and KCP&L, Merger Savings in the amount of $7,173,551 for KCP&L's Kansas operations and $23,953,249 for Westar.~~
26	~~**Earnings Review and Sharing Plan:** Holdco, Westar and KCPL commit to abide by the terms of the Earnings Review and Sharing Plan (ERSP), attached as Exhibit A to the Direct Testimony of Justin T. Grady in this Docket. The purpose of this ERSP is to require both Westar and KCP&L to file a Earnings Review and Sharing Report, in the Compliance Docket established, in the years 2019, 2020, 2021, 2022, and 2023. The purpose of these reports will be to evaluate the earned Return on Equity (ROE) of both Westar and KCPL-KS on an annual basis, as calculated after making limited adjustments to present the financial results of the company on a traditional ratemaking (rate base, rate of return) basis. In the event that the earned ROE of Westar or KCPL-KS exceeds the Commission-authorized ROE (as determined in the 2018 Rate Cases) any earnings in excess of those necessary to pay for the annual fixed bill credits discussed above shall be split 50% to ratepayers, 50% to shareholders. The portion of excess earnings for ratepayers shall be by way of a bill credit.~~
27	***Future Rate Cases*:** Holdco commits that in future rate case proceedings, KCP&L and Westar will support their assurances provided in this document with appropriate analysis, testimony, and necessary journal entries fully clarifying and explaining how any such determinations were made.
	V. Affiliate Transactions and Cost Allocations Manual (CAM) Conditions
28	***Affiliate Service Agreements*:** KCP&L and Westar commit that they will file with the Commission (1) within sixty (60) days of closing of the Merger and (2) with the first post-closing rate case, an executed copy of all additional relevant Affiliate Service Agreements related to the Merger, pursuant to K.S.A. 66-1402 and that includes the service agreement(s) between any service company or affiliate allocating costs to a regulated utility affiliate.
29	***Affiliate Interests*:** Holdco, KCP&L and Westar each expressly recognize that each represents an "Affiliated Interest" under K.S.A. 66-1401, 66-1402, and 66-1403. These statutes confer certain jurisdiction on the Commission regarding access to books and records, submission of contracts, review of affiliate transactions detail, etc.
30	***Affiliate Rules*:** KCP&L and Westar will be operated after the closing of the Merger in compliance with the Commission's affiliate transaction rules as set forth in K.S.A. 66-1401, *et seq.*, and in compliance with the affiliate rules adopted in the Commission's December 3, 2010 Order in Docket No. 06-GIMX-181-GIV ("06-181 Order"), or will obtain any necessary variances from such rules, and the Commission's August 7, 2001 Order in Docket No. 01-KCPE-708-MIS ("01-708 Order"). Holdco and its subsidiaries commit that all information related to an affiliate transaction consistent with the affiliate statutes and the Commission's 06-181 and 01-708 Orders in the possession of Holdco will be treated in the same manner as if that information is under the control of either KCP&L or Westar.

31	***Intercompany Charges*:** Holdco and its subsidiaries may seek recovery of intercompany charges to regulated utility affiliates in their first general rate proceedings following the closing of the Merger at levels equal to the lesser of actual costs or the costs allowed related to such functions in the cost of service of their most recent rate case prior to the closing of the Merger, as adjusted for inflation measured by the Gross Domestic Product Price Index. Billings for common-use assets shall be permitted consistent with GPE's current practices. Holdco and its subsidiaries shall have the burden of proof to demonstrate billings are prudent, in the usual course of business, and consistent with past practice.
32	***Separate Books and Records Available to Staff and Commission*:** Holdco shall maintain separate books and records, systems of accounts, financial statements and bank accounts for Westar and KCP&L. The records and books of Westar and KCP&L will be maintained under the FERC Uniform System of Accounts ("USOA") applicable to investor-owned jurisdictional electric utilities, as adopted by the Commission. The financial books and records of Holdco's regulated utility affiliates will be made available to the Commission and its Staff. The records and books of any affiliate for which any direct or indirect charge is made to Westar and KCP&L, and included in said utilities' cost of service and rates on either a direct or indirect basis, will be made available, upon request, to the Commission and its Staff. Holdco, KCP&L and Westar shall facilitate access of the Commission Staff to its external auditors and endeavor to provide the Commission and its Staff with timely access to any relevant external audit work papers and/or reports. Holdco, KCP&L and Westar will maintain adequate records to support, demonstrate the reasonableness of, and enable the audit and examination of all centralized corporate costs that are allocated to or directly charged to KCP&L or Westar. Nothing in this condition shall be deemed a waiver of any rights of Holdco, KCP&L or Westar to seek protection of the information or to object, for purposes of submitting such information as evidence in any evidentiary proceeding, to the relevancy or use of such information by any party.
33	***Variance From Missouri Affiliate Transaction Rule*:** The Merger is or will be the subject of a variance request before the Missouri Public Service Commission ("MPSC") and an order is expected from the MPSC no later than the second quarter of 2018. GPE and KCP&L commit to pursue this variance from the provisions of Missouri Affiliate Transaction Rule 4 CSR 240-20.015 and endeavor to have such variance in place by Merger close. The variance will provide for goods and services transactions between KCP&L, GMO and Westar to occur at cost except for wholesale power transactions, which will be based on rates approved by the Federal Energy Regulatory Commission ("FERC"). Within thirty (30) days of the issuance of a final MPSC order in that proceeding, KCP&L and Westar will cause to be filed in this docket a copy of the final order. If the MPSC has not granted the variance from the Missouri Affiliate Transaction Rule mentioned above at the time Staff and CURB file direct testimony regarding the Merger, Holdco, Westar and KCP&L commit that in Kansas retail rate proceedings of KCP&L and Westar after the closing of the Merger, neither utility will seek to recover more than actual costs incurred by Holdco, Westar or KCP&L in connection with affiliate transactions, provided, however, that annualizations and other customary and appropriate ratemaking adjustments may be used.
34	***Cost Allocation Manual*:** KCP&L and Westar agree to meet with Staff and CURB no later than sixty (60) days after the closing of the Merger to provide a description of its expected impact on the allocation of costs among Holdco's utility and non-utility subsidiaries as well as a description of its expected impact on the cost allocation manuals ("CAMs") of KCP&L and Westar. No later than six (6) months after the closing of the Merger but no less than two (2) months before the filing of a general rate case for either KCP&L or Westar, whichever occurs first, KCP&L and Westar agree to file updates to their existing CAMs reflecting process and recordkeeping changes necessitated by the Merger.
35	***Third Party Audit of Cost Allocations*:** **On January 12, 2018, Joint Applicants, the Staff of the Missouri Public Service Commission, and other parties filed a Stipulation and Agreement in the Joint Applicants' Application for Approval of Merger with the Public Service Commission of Missouri. The Stipulation and Agreement contains a commitment for an independent third-party management audit report of cost allocations between Holdco, KCP&L and GMO. Within 30 days of issuance,** KCP&L and Westar~~Joint Applicants~~ **agree to file this Audit of Affiliate Transactions and Corporate Cost Allocations Report in the Compliance Docket to be established by the Commission to monitor achievement of Merger savings and other Merger-related issues.**

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	VI. Quality of Service Conditions
36	***Service Quality and Reliability Performance Standards*** : ~~Commencing with the beginning of the first full calendar year after closing, KCP&L and Westar will provide electric service reliability that meets or exceeds the 5-year system average value of SAIDI, SAIFI, and CAIDI shown as KCP&L-Kansas and Westar Combined in Exhibit WPD-20 of the direct testimony of Staff witness Walter Drabinski.~~ ~~Commencing with the beginning of the first full calendar year after closing, KCP&L and Westar will provide call center service performance that meets or exceeds the performance thresholds described in Exhibit BA-3 and the direct testimony of Applicant witness Bruce Akin.~~ **If KCP&L or Westar fail to meet a particular performance metric threshold set forth in Exhibits BA-1, BA-2, BA-3 of the direct testimony of Bruce Akin, then penalties** would be used to pay for system upgrades to improve reliability and will not be recovered in cost of service. ~~will apply in accordance with these schedules and provisions.~~ **If KCP&L or Westar perform without penalties on any metric for three consecutive calendar years, then the reporting and penalty provisions for that metric for that utility will terminate.** KCP&L and Westar will report the particular performance metrics as set forth in Exhibits BA-4 and BA-5 of the direct testimony of Bruce Akin. ~~KCP&L and Westar will work with Staff to report periodically on their performance relative to meeting the performance targets for the metrics listed in Exhibit WPD-21 of the direct testimony of Staff witness Walter Drabinski following the closing of the Merger.~~
	VII. Worst Performing Circuit Reporting Condition~~VII. Anticipatory Reliability Metrics Tracker~~
37	Applicants agree to work with Staff to review and consolidate worst performing circuit reporting into a standardized document. This reporting will replace the reporting requirements in docket 02-GIME-365-GIE (the "365 docket"). Once these worst performing circuit reporting requirements are established and agreed upon, the Applicants and Staff will file a motion to close the 365 docket. ~~For the items listed in Appendix B of the direct testimony of Staff witness Walter Drabinski, KCP&L and Westar shall provide a report substantially similar to the template provided in the appendix and reporting on the listed categories. The report should be provided for each calendar year and shall be due by May 1 of the next calendar year.~~
	~~VIII. Capital Resource Plan Tracker~~
38	~~On an annual basis beginning in September of 2019, the combined company shall provide updates to each identified capital project cost, schedule, project justification and a verification or results section. The report shall be provided in a format substantially similar to that of the Capital Budget Trackers attached to the direct testimony of Staff witness Walter Drabinski. The Trackers to be updated are as follows: Generation CAPEX Budget Tracker (2018-2022).xlsx; TD CAPEX Budget Tracker (2018-2022).xlsx; IT CAPEX Budget Tracker (2018-2022).xlsx)~~

	~~IX. Generation Plant Closing Filing~~
39	~~Within 90 days before initiating a plant closure, Westar and KCP&L shall file the following information with the Commission:~~ ~~Updated IRP filed as basis for any long term generation plan.~~ ~~Transmission analysis and costs to mitigate transmission congestion that may be caused by the plant closure.~~ ~~Impact on staffing; reductions and retirement mitigations caused by the plant closure.~~ ~~Costs to dismantle and mothball the plant proposed for closure.~~
	X. Reporting and Access to Records
40	***Merger Integration*:** To keep Staff and the Commission apprised of the status of integration implementation after closing, **a Compliance Docket shall be opened by the Commission.** a. KCP&L and Westar shall meet with Staff no later than 60 days after closing, and on a quarterly basis thereafter for a period of one year after closing, to provide an update on the status of integration implementation, including discussion of progress on organizational changes and consolidation of processes affecting the customer experience, including but not limited to: contact center operations, customer information and billing, remittance processing, credit and collections, and service order processes. **In addition, updates provided to Staff shall include: (1) accomplishments, (2) challenges, (3) Efficiency Summary ($): Planned vs Actual by functional area, (4) Labor Summary (FTE): Planned vs Actual, and (5) Integration Team highlights.** The frequency of such update meetings shall be reduced to every six months during the second year ~~through the fifth year~~ after closing of the Merger and shall cease thereafter, unless otherwise ordered by the Commission. **KCP&L and Westar shall file the information provided in the above-referenced meetings with Staff in the Compliance docket.** Regardless of the frequency of such meetings, KCP&L and Westar agree to continue their practice of promptly advising Staff in the event of material operational irregularities – whether arising from systems, training, process change or any other cause – that may affect the customer experience. Additionally, for a period of ~~five years after the merger closes~~ no less than two years, unless otherwise ordered by the Commission, KCP&L and Westar shall, on a twice-yearly basis unless otherwise ordered by the Commission, appear and provide an update of the status of integration implementation, providing the Commissioners an opportunity to ask questions about the status of integration implementation. b. KCP&L and Westar shall, on a quarterly basis continuing for two ~~five~~ years after closing, provide Staff, no later than 45 days after the conclusion of the relevant quarter, with data on employee headcounts **by physical work location** (full- and part-time, including contingent labor retained through employment agencies) for Holdco, KCP&L, GMO and Westar as well as a complete listing of functions and/or positions that have been either outsourced (meaning that work is being performed on behalf of Holdco, KCP&L, GMO and/or Westar that is not under the direct management and supervision of Holdco, KCP&L, GMO or Westar employees) or converted to contingent labor as a result of the integration of Holdco, KCP&L, GMO and Westar. To the extent that job positions at Holdco, KCP&L, GMO or Westar have been eliminated, re-classified or transferred between Holdco, KCP&L, GMO or Westar, such eliminations, re-classifications or transfers shall be identified. c. KCP&L and Westar shall, for a period of two ~~five~~ years after closing, provide Staff any reports or presentations made to Holdco's board of directors regarding efficiencies attained as a result of the Merger. Such reports or presentations shall be provided to Staff within 30 days after being provided to Holdco's board of directors. d. The reporting and data provision agreed to herein by Holdco, KCP&L and Westar does not change any reporting obligations of GPE (which shall apply to Holdco post-merger), KCP&L or Westar that existed prior to the approval of this Merger. e. CURB shall be invited to any meetings scheduled in compliance with sub-paragraph a of this Commitment No. 34. CURB shall be provided with the materials identified in sub-paragraphs b and c of this Commitment No. 34 and if such material contains non-public information shall execute an appropriate non-disclosure agreement before receiving such information.
41	***Goodwill Impairment Analysis*:** For the first five (5) full calendar years after the closing of the Merger, Holdco shall provide Staff and CURB its annual goodwill impairment analysis in a format that includes spreadsheets in their original format with formulas and links to other spreadsheets intact and any printed materials within thirty (30) days after the filing of Holdco's Form 10 Q for the period in which the analysis is performed, as well as all supporting documentation. Thereafter, this analysis will be made available to Staff and CURB upon request.
42	***Accounting Changes*:** Holdco, KCP&L and Westar commit that any material Merger-related financial and accounting changes must be reported to the Commission.
43	***Integrated Resource Plan:*** KCP&L will provide to the KCC Staff its integrated resource plan (IRP) within seven (7) days of its filing in Missouri. The public version of such materials shall also be provided to CURB. In addition, Applicants commit that, as part of the KCP&L and GMO 2019 IRP Updates, a combined KCP&L/GMO/Westar analysis will be conducted.

44	***Access to Materials Provided to Ratings Analysts*:** KCP&L and Westar shall provide Staff and CURB with access, upon reasonable written notice during working hours and subject to appropriate confidentiality and discovery procedures, to all written information provided to common stock, bond or bond rating analysts which directly or indirectly pertains to Holdc~~C~~o, KCP&L or Westar or any affiliate that exercises influence or control over KCP&L, Westar or Holdco. Such information includes, but is not limited to, common stock analyst and bond rating analyst reports. For purposes of this condition, "written" information includes, but is not limited to, any written and printed material, audio and video tapes, computer disks, and electronically stored information. Nothing in this condition shall be deemed a waiver of any entity's right to seek protection of the information or to object, for purposes of submitting such information as evidence in any evidentiary proceeding, to the relevancy or use of such information by any party.
45	***Access to Materials Regarding CAM Compliance*:** Holdco, KCP&L and Westar shall make available to Staff and CURB, upon written notice during normal working hours and subject to appropriate confidentiality and discovery procedures, all books, records and employees as may be reasonably required to verify compliance with KCP&L's and Westar's CAM and any conditions ordered by this Commission. Holdco, KCP&L and Westar shall also provide Staff and CURB any other such information (including access to employees) relevant to the Commission's ratemaking, financing, safety, quality of service and other regulatory authority over KCP&L or Westar; provided that any entity producing records or personnel shall have the right to object on any basis under applicable law and Commission rules, excluding any objection that such records and personnel of affiliates (a) are not within the possession or control of either KCP&L or Westar or (b) are either not relevant or are not subject to, the Commission's jurisdiction and statutory authority by virtue of, or as a result of, the implementation of the proposed Merger.
46	***Access to Board of Director Materials*:** KCP&L and Westar shall provide Staff and CURB access, upon reasonable request, the complete Holdco board of directors' meeting minutes, including all agendas and related information distributed in advance of the meeting, presentations and handouts, provided that privileged information shall continue to be subject to protection from disclosure and KCP&L and Westar shall continue to have the right to object to the provision of such information on relevancy grounds.
47	***Retention Period for Affiliate Transaction Records*:** KCP&L and Westar will maintain records supporting their affiliated transactions for at least six (6) years.
48	***Journal Entries*:** Within six months of the close of the Merger, Holdco, KCP&L and Westar will provide to the Commission Staff detailed journal entries recorded to reflect the Merger. Holdco, KCP&L and Westar shall also provide the final detailed journal entries to be filed with the Commission no later than 13 months after the date of the closing. These entries must show, and shall include but not be limited to, the entries made to record or remove from all utility accounts any Merger goodwill costs or transaction costs.
	Financial Conditions Remaining From 01-KCPE-701-MIS
49	**GPE ("Holding Company") and its subsidiaries will not conduct any material business activities that are not part of the "electric industry or natural gas industry business" or are not reasonably related to business activities derived from changes in the electric industry or natural gas industry as a result of competition, without Commission approval. With regard to expansion of KCP&L's current operations in the telecommunications and information businesses, activities will be limited to those considered reasonably related to current operations**
50	**KCP&L's total long-term borrowings including all instruments shall not exceed KCP&L's regulated rate base.**
51	**The customers of KCP&L shall be held harmless by KCP&L and GPE if the reorganization creating GPE, with KCP&L as a subsidiary, results in a higher revenue requirement for KCP&L than if the reorganization had not occurred.**
52	**GPE and KCP&L shall provide the Commission Staff and CURB unrestricted access to all written information provided to common stock, bond, or bond rating analysts, which directly, or indirectly, pertains to KCP&L or any affiliate that exercises influence or control over KCP&L or has affiliate transactions with KCP&L. Such information includes, but is not limited to, reports provided to, and presentations made to, common stock analysts and bond rating analysts. For purposes of this condition, "written" information includes, but is not limited to, any written and printed material, audio and videotapes, computer disks, and electronically stored information. Nothing in this condition shall be deemed to be a waiver of GPE's or KCP&L's right to seek protection of the information.**
53	**GPE shall not, directly or indirectly, acquire or merge with a public utility or public utility holding company, nor will it allow itself to be acquired by a public utility or public utility holding company unless GPE has requested prior approval for such a transaction from the Commission.**

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	VIII. Other Parent Company Conditions
54	***Prior Commitments of, and Orders Applicable to, GPE, KCP&L and Westar*:** Holdco, KCP&L and Westar commit to reaffirm and honor any prior commitments made by GPE or Westar to the Commission to comply with any previously issued Commission orders applicable to KCP&L or Westar or their previous owners except as otherwise provided for herein. ***01-KCPE-708-MIS (01-708): In the Matter of the Application of Kansas City Power & Light Company for an Order Authorizing Its Plan to Reorganize Itself Into a Holding Company Structure*:** **All of the commitments and conditions agreed to in the August 21, 2001 Amended Unanimous Stipulation and Agreement remain in place (see attached). With the exception of (1) Financial ratio reporting eliminated 6/22/12; (2) CAM filing eliminated 3/29/16 (continues to be filed in Ring Fencing Docket #06-GIMX-181-GIV each May).** **The minimum equity ratios of the 01-708 agreement are modified from 35% at KCP&L and 30% at GPE (holding company) to a minimum equity ratio of ~~45~~ 35% for the operating companies and holding company.**
55	***Future Access to Capital*:** Holdco acknowledges that its utility subsidiaries need significant amounts of capital to invest in energy supply and delivery infrastructure (including, but not limited to, renewable energy resources and other environmental sustainability initiatives such as energy efficiency and demand response programs) and acknowledges that meeting these capital requirements of its utility subsidiaries will be considered a high priority by Holdco's board of directors and executive management and that Holdco's access to capital post-transaction will permit it and its utility subsidiaries to meet their statutory obligation to provide sufficient and efficient service.
56	~~**Most Favored Nation Provision**: Holdco shall file with the Commission a copy of any Settlement Agreement reached and the Final Order of the Missouri Public Service Commission (MPSC) in Case No. EM-2018-0012. In the event that the MPSC approves the Merger with conditions that provide more benefits (monetary or non-monetary) to Missouri retail customers than the Kansas retail electric customer benefits contained in the Order of the Kansas Corporation Commission approving the Merger, Staff reserves its right to request the Commission issue an additional Order including the requested benefits and Holdco, Westar and KCP&L shall agree to provide the additional benefits to Kansas retail electric customers such that the benefits afforded Kansas retail electric customers are equivalent to those provided to Missouri retail electric customers.~~
	[1] Akin Direct Testimony, Exhibits BA-1 through BA-5~~, BA-2, BA-3.~~ **[2] Ibid.**

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