BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Kansas City Power & Light Company for Approval to Make Certain Changes in its Charges for Electric Service to Implement its Regulatory Plan.	)))))	Case No. ER-2009-0089

STAFF'S POSITION STATEMENTS

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and states:

1. On April 13, 2009, the Staff filed a List of Issues, List of Witnesses and Order of Cross-Examination. Following in this pleading the Staff has shown by tracked changes, corrections and changes to each. Also following are the Staff's statement of the Staff's position on each issue appearing immediately following the statement of the issue:

LIST OF ISSUES

REVENUE REQUIREMENT

Rate Base

1. Iatan 1 Selective Catalytic Reduction ("SCR") facility, Flue Gas Desulphurization ("FGD") unit and Baghouse (collectively "Iatan 1 AQCS-Air Quality Control Systems-Rate Base Additions"):

a. What criteria should the Commission use to determine when the Iatan 1 AQCS Rate Base Additions are "fully operational and used for service?

Staff's position: The Commission should determine when the Iatan 1 AQCS Rate Base Additions are "fully operational and used for service" based on the Staff's in-service criteria developed in accordance with the Report and Order issued in Case No. EO-2005-0329 and whether there are meritorious legal challenges to the lawful operation of the Iatan 1 AQCS Rate Base Additions.

b. Are the Iatan 1 AQCS Rate Base Additions fully operational and used for service?

Staff's position: The Staff is unaware of any meritorious legal challenges to the lawful operation of the Iatan 1 AQCS Rate Base Additions, but the Staff's in-service criteria are not met at this time.

c. Has KCPL carried its burden of proving the costs of its Iatan 1 AQCS Rate Base Additions?

Staff's position: Not at this time.

d. Should the costs of the Iatan 1 AQCS Rate Base Additions that exceed KCPL's "definitive estimate" of $376.8 million before inclusion of Iatan 2 common costs and allocation be allocated and included in KCPL's rate base on an interim, subject to refund basis?

Staff's position: Yes. The KCPL Regulatory Plan provides in paragraph III.B.1.q.: "KCPL must develop and have a cost control system in place that identifies and explains any cost overruns above the definitive estimate during the construction period of the Iatan 2 project, the wind generation projects and the environmental investments." A definitive estimate is a bottom-up estimate, and the most accurate of estimate types.

e. Is it lawful for the Commission to designate a portion of the rates in this case "interim rates, subject to refund," if KCPL has not voluntarily agreed to any rates being interim, subject to refund?

Staff's position: Yes, after taking evidence.

f. Should a regulatory asset be established to defer carrying cost and depreciation expense associated with the Iatan 1 AQCS Rate Base Additions appropriately recorded to Electric Plant in Service that are not included in KCPL's rate base in the current rate case?

Staff's position: No. The Staff is opposed to special treatment for the costs of Iatan 1 AQCS Rate Base Additions that are not included in KCPL's rate base in the current rate case. These costs should be treated consistent with expenditures of other plant additions, and considered in KCPL's next rate case.

g. How should Iatan 1 test energy and emission credits during the testing of Iatan 1 be treated?

Staff's position: To the extent the Iatan 1 AQCS Rate Base Additions are in the testing stage while producing electricity, the value of that electricity less variable costs should be a credit to the cost of the Iatan 1 AQCS Rate Base Additions.

2. <u>Iatan Common Costs</u>:

a. Has KCPL carried its burden of proving the common costs of its Iatan 1 and Iatan 2 construction projects?

Staff's position: Not at this time.

b. What portion of the Common Costs of the Iatan 1 and Iatan 2 construction projects should be included in KCPL's rate base in this proceeding?

Staff's position: Currently, the Staff knows of no testimony filed in this case identifying the amount of common costs that KCPL is seeking to add to rate base.

c. Should a regulatory asset be established to defer carrying cost and depreciation expense associated with the portion of the Common Costs of the Iatan 1 and Iatan 2 construction projects appropriately recorded to Electric Plant in Service that are not included in KCPL's rate base in the current rate case, or should these costs be considered Iatan 2 project costs?

Staff's position: Staff is not opposed to an accounting authority order with proper terms and conditions that maintains the same cost impacts as if these costs were not transferred from the Iatan 2 project.

3. Surface Transportation Board Litigation:

a. What is the appropriate assignment between Missouri and Kansas retail customers and the City of Independence of the Surface Transportation Board Litigation reparations KCPL received?

Staff's position: The allocation of the net proceeds (which include costs KCPL incurred to prosecute the Surface Transportation Board (STB) case less monies collected from its customers to that end and less reparations KCPL received from Union Pacific Railroad (UPRR)) should be allocated ratably to the parties who funded this litigation, which include Missouri ratepayers, Kansas ratepayers and the City of Independence. The allocation of the net proceeds, as reflected in the Staff's adjustment, should be based on the ratio funds contributed by each party to the total funds contributed. Missouri ratepayers should received 56 percent (56%) of the net proceeds received to date.

b. Should the amount of Missouri jurisdictional unrecovered Surface Transportation Board Litigation costs be adjusted for the amount related to the return included in the revenue requirements in the 2007 KCPL Rate Case?

Staff's position: All dollars contributed to KCPL by its customers to prosecute the STB case should be considered in the appropriate allocation of net STB proceeds. There is no distinction between return on or return of these expenses included in the revenue requirement in KCPL's last rate case, Case No. ER-2007-0291.

4. Materials & Supplies:

a. Does the thirteen-month average or the most current balance best predict

KCPL's material and supplies cost and, therefore, should be included in KCPL's rate base for setting rates in this case?

Staff's position: This is no longer an issue in this case.

5. Injuries & Damages:

a. Is there a mismatch between when KCPL pays Injuries & Damages and when it recovers those payments from its ratepayers such that Injuries and Damages should be a component of Cash Working Capital?

Staff's position: Yes. Staff's position with Injuries and Damages is it should be included in Cash Working Capital. Injuries and Damages is a cash flow issue from when the incident occurs and when the claim is paid. Staff considers the normalization amount and Cash working Capital are two different issues.

b. If so, what is the appropriate number of days of lag between when KCPL recovers Injuries & Damages payments from its ratepayers and when KCPL pays Injuries and Damages?

Staff's position: The appropriate lag is 185 days.

c. Should Injuries & Damage Reserve balance be used as a Rate Base reduction?

Staff's position: Staff takes no position on this issue.

6. Demand-Side Management:

a. Should the Commission waive the requirements of KCPL's Regulatory Plan and authorize a return on DSM unamortized costs different than the allowance for funds used during construction rate specified in the Regulatory Plan?

Staff's position: In accordance with its Regulatory Plan, KCPL agreed not to receive a return on DSM deferrals greater than its AFUDC rate. Any return higher than this amount is a violation of this multi-party agreement.

b. If the Commission authorizes a return on DSM unamortized costs different than the allowance for funds used during construction rate specified in KCPL's Regulatory Plan, then what return should the Commission authorize?

Staff's position: The Staff has no testimony on this question. However, in lieu of an AFUDC rate, the Staff would support KCPL's weighted cost of debt rate.

c. If the Commission authorizes a return on DSM unamortized costs different than the return specified in KCPL's Regulatory Plan, what impact will that have on KCPL's Regulatory Plan?

Staff's position: The Staff believes Commission authorization of a return on DSM unamortized costs different than the return specified in KCPL's Regulatory Plan is a violation of that plan.

d. Should the Commission require KCPL to use a net incremental reduction in annual energy usage of at least 1% resulting from the ongoing implementation of demand-side programs over a twenty-year planning horizon as a target for KCPL's programs to meet? Should the net incremental reduction incorporate free-ridership and spill over factors?

Staff position: Staff takes no position on this issue.

e. Should KCPL add its proposed Supplemental Weatherization and Minor Home Repair Program to the Affordability, Energy Efficiency and Demand Response programs established by KCPL's Regulatory Plan?

Staff position: Staff takes no position on this issue.

f. Should the weatherization program be modified so that KCPL's Call Center will refer customers to the program?

Staff position: Staff takes no position on this issue.

g. Should LIHEAP recipients be directed to the weatherization program and required to participate?

Staff position: Staff takes no position on this issue.

7. Gross Receipts Taxes:

a. KCPL pays gross receipts taxes to the City of Kansas City and other Missouri cities. For each city that imposes a gross receipts tax, is there a mismatch between when KCPL pays the gross receipts tax and when it recovers for the tax payments from its ratepayers such that the gross receipt tax should be a component of Cash Working Capital?

Staff's position: Gross Receipts Tax is paid in the arrears by the Company. The tax is paid in a monthly, quarterly, or semi-annual basis after collecting revenues from the ratepayers the prior month, quarter, or semiannual revenues.

b. If so, for each such city, what is the appropriate number of days of lag between when KCPL recovers the gross receipts tax payments from its ratepayers and when KCPL pays the gross receipts tax?

Staff's position: Kansas City 6% tax is 71.61 days' lag, Kansas City 4% tax is 41.64 days' lag and all other cities is 42.34 days' lag.

8. Service Quality: Has Great Plains Energy's acquisition of Aquila affected the quality of KCPL's service?

Staff's position: Yes. During post-consolidation transition periods and periods of regulated utility financial constraint, opportunities for service declines are increased. Commission customer complaints have risen for KCPL but call center performance in two key indicator areas has generally improved, with the exception of performance immediately following the consolidation. The Staff intends to continue close monitoring of KCPL's call center performance and to continue quarterly meetings to address service quality topics.

COST OF CAPITAL

1. Return on Common Equity: What return on common equity should be used for determining KCPL's rate of return?

Staff's position: The appropriate return on common equity is 9.75%, which is the mid-point of Staff's estimated cost of common equity range of 9.25% to 10.25%.

2. Capital Structure: What capital structure should be used for determining KCPL's rate of return?

Staff's position: The appropriate capital structure ratios are 50.65 percent common equity, 48.60 percent long-term debt and 0.76 percent preferred stock. The common equity balance should be based on the September 30, 2008 balance reported to Great Plains Energy's investors.

EXPENSES

1. Fuel & Purchased Power Expense, and Off-System Sales Margins:

a. How should natural gas costs be determined?

Staff's position: Natural gas cost should be determined by using the 12 monthly 2-year weighted average natural gas prices for the period ended September 30, 2008. Natural gas costs should be normalized on a monthly basis taking into account information from the period up to and including the true-up period. One set of natural gas and purchased power costs should be used to determine both Fuel & Purchased Power Expense and Off-System Sales Margins.

b. How should Wolf Creek fuel oil expense be determined?

Staff's position: Wolf Creek fuel oil expense should be determined by using the average price of fuel oil burned at Wolf Creek for the 3-year period ended September 30, 2008.

c. How should the Commission determine the level of non-firm off-system sales margin to use for setting rates in this case?

Staff's position: The Commission should determine the level of non-firm off system sales margin to use for setting rates in this case by using the 25th percentile level developed by Staff (Witness Dr. Michael S. Proctor). One set of natural gas and purchased power costs should be used to determine both Fuel & Purchased Power Expense and Off-System Sales Margins.

d. Should non-asset-based off-system sales (also referred to as "Q Sales") be excluded from KCPL's revenue requirement (treated "below-the-line"), or should these Q Sales be included in KCPL's revenue requirement?

i. If these non-asset-based off-system sales are treated "below-the-line," has KCPL assigned an appropriate amount of its costs to the support of this non-regulated activity?

2. Staff's position: Off-system sales referred to as Q sales should not be excluded from KCPL's revenue requirement. Q sales (and all off-system sales) should be included in KCPL's revenue requirement. To Staff's knowledge, KCPL has not assigned an appropriate amount of its costs to the support of this non-regulated activity if these non-asset-based off-system sales are treated "below-the-line."Executive Compensation: What is the appropriate level of executive compensation to be included in KCPL's revenue requirement for setting KCPL's rates?

Staff's position: Staff takes no position on this issue.

3. Short-term Incentive Compensation: Should short-term incentive compensation plans be included in KCPL's revenue requirement for setting KCPL's rates?

Staff's position: No. The Staff has eliminated all short-term incentive compensation costs from the cost of service because the KCPL short-term incentive compensation plans did not pay awards for plan years 2007 and 2008. Additionally, if the Company's methodology averaging short-term incentive compensation costs over the three year period of 2005-2007 is used for inclusion in the cost of service then amounts removed by Staff and authorized by the Commission in KCPL Cases ER-2006-0314 and ER-2007-0291 should also be removed for the determination of this average.

4. Supplemental Executive Retirement Pension (SERP) Costs: What level of SERP costs should be included in KCPL's revenue requirement for setting KCPL's rates?

Staff's position: KCPL's normal recurring known and measurable SERP costs should be included in revenue requirement.

5. Talent Assessment: Should the amortization of severance costs and related costs associated with the Talent Assessment program be included in KCPL's revenue requirement for setting KCPL's rates?

Staff's position: No. As a result of its audit in Case No. ER-2009-0089, the Staff determined that this program has not produced any benefits to KCPL and, thus, KCPL should be allowed to keep the costs recovered until rates are changed in this rate case, but not continue the amortization of this deferral.

6. Non-Talent-Severance Costs: What level of severance costs of KCPL employees terminated for reasons other than KCPL's talent assessment program should be included in KCPL's revenue requirement for setting KCPL's rates?

Staff's position: None. In KCPL's last two rate cases, Nos. ER-2006-00314 and ER-2007-0291, the Commission rejected KCPL's proposed recovery of severance costs. In those cases the Commission agreed with the Staff that these costs provide no customer benefit and primary serve the interests of KCPL's shareholders. The Staff continues this position in this rate case.

7. Payroll Overtime: What level of payroll overtime should be included in KCPL's revenue requirement for purposes of setting KCPL's rates?

Staff's position: Staff did not include wage increases for their three year average of overtime expenses due to the year-to-year fluctuations of components of overtime costs. Additionally, it is Staff's recommendation that if wage increases are to be utilized for averaging historical overtime costs then those increases should be also be applied consistently on all historical labor costs.

8. Other Benefits: What amount of Other Benefits transferred to joint partners should be included in KCPL's revenue requirement for purposes of setting KCPL's rates?

Staff's position: Staff takes no position on this issue.

9. Hawthorn 5 SCR Warranty Settlement: Should a settlement payment from Hawthorn 5 SCR warranty litigation be used to offset the costs that KCPL seeks to charge customers now and into the future because the Hawthorn 5 SCR has not, does not and will not operate within its design parameters?

Staff's position: Yes. KCPL's customers have paid in the past, are currently paying, and will continue to pay for the costs of this defective plant in service

10. Hawthorn Transformer Settlement: Should a settlement payment from defective product litigation over the Hawthorn 5 transformer be used to offset the increased costs KCPL is seeking to recover from its customers through rates in this case for the more expensive replacement transformer and the premature retirement of the defective transformer?

Staff's position: Yes. KCPL's customers have paid in the past, are currently paying, and will continue to pay for the costs of this defective plant in service for additional maintenance and operational costs, and as such, should receive credit for the settlement received by the manufacturer and contractor.

11. Current Income Tax: Should the KCPL's current income tax expense be calculated on a KCPL stand-alone basis, or as part of a consolidated group that includes Great Plains Energy, Inc. and KCP&L Greater Missouri Operations Company among others?

Staff's position: Staff takes no position on this issue.

12. Property Tax Expense: Should property taxes in the amount of $1,043,890 (total company, i.e., Missouri and Kansas) assessed and paid in 2008, and capitalized into the cost of the new Air Quality Control System ("AQCS") at the Iatan 1 generating station (included in rate base) also be included as an annualized property tax expense to KCPL and included in KCPL's revenue requirement for setting KCPL's rates?

Staff's position: No. Property Taxes are based on plant in service as of January 1 of any given year. The new Air Quality Control System is not currently in service and will not be assessed for property taxes until January 1 2010 with payments due December 31, 2010. Therefore, the property taxes of $1,043,890, assessed as CWIP, for the new environmental upgrades should not be included in property tax expense but will be capitalized and transferred to plant once it is placed in service.

13. Fleet Fuel Costs: What is the appropriate level of fleet fuel costs that should be included in KCPL's revenue requirement for setting KCPL's rates?

Staff's position: Staff takes no position on this issue.

14. Edison Electric Dues: What is the appropriate amount for EEI dues that should be included in KCPL's revenue requirement for setting KCPL's rates?

Staff's position: Staff takes no position on this issue.

15. Bad Debt Expense: What is the appropriate level of bad debt expense that should be included in KCPL's revenue requirement for setting KCPL's rates?

Staff's position: Staff has annualized bad debts using an appropriate factor. However, Staff does not believe there is sufficient direct relationship to bad debts and any increase in rates determined by the Commission to warrant an additional amount for bad debts.

16. Wolf Creek Depreciation:

a. What is the appropriate level of depreciation expense that should be included in KCPL's revenue requirement for setting KCPL's rates?

Staff's position: Staff takes no position on this issue.

b. Should DOE/NNSA's proposed adjustment of $4,429,884 to reduce depreciation expense be adopted?

Staff's position: Staff takes no position on this issue,

17. Accumulated Depreciation: Are the concerns raised by DOE/NNSA regarding the relationship between KCPL's accumulated depreciation adjustment and the depreciation adjustment valid?

Staff's position: Staff takes no position on this issue.

18. Comparison of O&M Expenses**:** Should the Commission investigate the reasonableness of the increases in operations and maintenance expense in Account 909?

Staff's position: Staff takes no position on this issue.

19. Forfeited Discount Revenue: What is the appropriate level of Forfeited Discount Revenue that should be included in KCPL's revenue requirement for setting KCPL's rates?

Staff's position: Staff believes that if the Commission allows an increase for bad debts for any additional rates determined by the Commission in this case (see 15 above) then on the same basis an additional amount of forfeited discount revenues (late payment charge) for the additional revenue increase determined in this case should be used as an offset to the additional bad debt expenses.

20. Merger Transition Costs:

a. Has the Company satisfied its commitment to only seek recovery of transition costs if its synergy tracker indicates overall savings equal to or greater than level of transition costs sought to be included in rates?

Staff's position: KCPL has not provided a synergy savings tracking mechanism using a 2006 base year compared to current actual post-acquisition costs. This was required by the Commission in its EM-2007-0374 Acquisition Order approving the acquisition. Therefore, KCPL should not only not be allowed to recover any transition costs directly in rates, but it should not even be seeking direct rate recovery of these costs

b. What is the appropriate level of merger transition costs that should be included in KCPL's revenue requirement for setting KCPL's rates?

Staff's position: Zero.

21. Rate Case Expenses: What is the appropriate amount of rate case expense that should be included in KCPL's revenue requirement for setting KCPL's rates?

Staff's position: The appropriate amount of rate case expense that should be included in rates are expenses incurred to the level the Company has actually incurred current to the case that Staff deemed necessary and prudent in the development of rate case ER-2009-0089. This amount will be updated for the true-up through April 30, 2009 with a deferral to next rate case for additional prudent and reasonable expenditures after the true-up.

22. What is the appropriate level of non-labor Production, Transmission, and Distribution Maintenance expenses that should be included in KCPL's revenue requirement for setting KCPL's rates?

Staff's position: The Company and Staff have come to an agreement with the non-labor Maintenance Expense.

23. What is the appropriate amount of Flow Accelerated Corrosion compliance costs that should be included in KCPL's revenue requirement for setting KCPL's rates?

Staff's position: Staff takes no position on this issue.

<u>JURISDICTIONAL ALLOCATIONS</u>:

1. <u>Allocation Methodology</u>**:**

a. What method should be used for allocating KCPL's fixed production and transmission plant and expense between the Missouri, Kansas and FERC jurisdictions?

Staff's position: Staff has based its jurisdictional allocations on the same basis it has used in the past KCPL rate cases and the Commission has ordered; that is using the 4 CP method of allocation. This demand allocator is used to allocate the fixed production and transmission plant costs and related maintenance expenses to the Missouri jurisdiction.

b. What methodology should be used for allocating KCPL's environmental control plant and expense between the Missouri, Kansas and FERC jurisdictions?

Staff's position: Staff believes that all fixed production plant costs and related maintenance expenses should be allocated using the demand allocator making no distinction between environmental and non-environmental plant for KCPL's coal-fired units.

c. What methodology should be used for allocating KCPL's off-system sales margins between the Missouri, Kansas and FERC jurisdictions?

Staff's position: Staff has used the energy allocation factor to allocate the variable component of off-system sales for fuel and purchased power. The same energy allocation factor should be used to allocate the resulting off-system sales margins to the various jurisdictions in which KCPL operates.

d. What methodology should be used for allocating KCPL's steam plant non-labor boiler maintenance expense between the Missouri, Kansas and FERC jurisdictions?

Staff's position: Staff believes that the demand allocation factor used to allocate the fixed production plant costs should also be used to allocate all maintenance expenses which includes the steam plant non-labor boiler maintenance expense to the applicable jurisdictions.

RATE DESIGN/TIMING OF NEXT CLASS COST OF SERVICE STUDY

1. All Electric/Space Heating for General Service:

   a. Should the general service all-electric winter energy rates be increased by 10% before applying the equal percentage increase allocated to the class as a whole?

Staff's position: Yes, however, the increase to the second winter energy block of the All-Electric Small General Service rate should be limited so as not to exceed the corresponding rate component of the non-all-electric rate and there should be no revenue-neutral increase to the third winter energy block of the Small General Service All-Electric rate.

   b. Should the general service separately-metered space heating classes' winter energy rate and the service charge be increased by 5% before applying the equal percentage increase allocated to the class as a whole?

Staff's position: Yes, the General Service Separately-Metered rates should be increased by 5% before applying the equal percentage increase to the class as a whole.

   c. Should those frozen general Service All-Electric and separately-metered space heating rate schedules currently serving no customers be eliminated?

Staff's position: Yes, those frozen General Service All-Electric and Separately-Metered space heating rate schedules currently serving no customers should be eliminated.

2. Large Power Rate Design: Should the proposal of the Industrials to adjust Rate LP by increasing the middle energy blocks by one-half of the system average percentage increase, maintaining the third energy blocks at their current levels, and applying an equal percent increase to all other charges, be adopted?

Staff's position: No. Each rate component should be increased by the same percentage.

3. Timing of Future Class Cost of Service Study: Should the Commission order KCPL to perform a Class Cost of Service Study as a part of the next rate case or after the next rate case?

Staff's position: The Staff takes no position on this issue at this time.

REGULATORY AMORTIZATIONS

1. What is the appropriate level of amortization (True-up Issue)?

Staff's position: Staff has not calculated any additional amortization in its case because any amount computed at this point would be meaningless exercise. The Commission should determine the appropriate increase in cost of service in this case based on the true-up amounts and then determine the proper additional amortization, if any, should be determined at the time. Staff will compute an amount for the additional amortization at the time of the true-up.

ORDER OF WITNESSES AND ORDER OF CROSS-EXAMINATION

1. In its *Order Setting Procedural Schedule*, as requested by the parties, the Commission scheduled the evidentiary hearings in this case for April 20-24 and April 27-May 1, 2009. Following is the hearing schedule the parties' propose:

ORDER OF ISSUES AND WITNESSES

Following are known witness conflict dates:

KCP&L: Chris Giles - unavailable April 30 and May 1; William Downey—April 23-24; April 28 and April 30; Kris Nielsen – unavailable April 20-24, April 30; Michael Schnitzer – unavailable April 20-22 and April 27-29; Hadaway-unavailable April 27.

Industrials: Maurice Brubaker - unavailable April 29- May 1

Staff: Mike Proctor – unavailable May 13; Kofi Boateng – unavailable 4/24 and 5/1

Monday, April 20, 2009 8:30 a.m.

Make Entries of Appearance Take Up Outstanding Matters
Opening Statements

KCPL
Staff
Public Counsel
MIEC
Praxair
DOE/NNSA
FEA
Hospitals
MDNR
Kansas City
Trigen-Kansas City
MJMEUC
Empire
MGE
AmerenUE

Overview and Policy
Giles (KCPL)
Featherstone (Staff)

Iatan 1 Rate Base Additions

Giles (KCPL)
Downey (KCPL)
Nielsen (KCPL)
Roberts (KCPL)
Meyer (KCPL)
Churchman (KCPL)
Davis (KCPL)
Jones (KCPL)
Featherstone (Staff)
Schallenberg (Staff)
Dittmer (Hospitals)
Kumar (DOE/NNSA/FEA)

<u>Tuesday, April 21, 2009 8:30 a.m.</u>

Iatan 1 Issues (continued)

<u>Wednesday, April 22, 2009 8:30 a.m.</u>

Iatan 1 Issues (continued)

Iatan Common Plant Valuation
Jones (KCPL)
Davis (KCPL)
Featherstone (Staff)

In-Service Criteria
Davis (KCPL)
Nielsen (KCPL)
Roberts (KCPL)
Kumar (DOE/NNSA)
Taylor (Staff)

<u>Thursday, April 23, 2009 8:30 a.m.</u>

Rate Design/Timing of Next CCOS Study
Rush (KCPL)
Scheperle (Staff)
Meisenheimer (OPC)
Brubaker (MIEC/Praxair)

Jurisdictional Allocations
Loos (KCPL)
Bax (Staff)
Featherstone (Staff)

Brubaker (MIEC/Praxair)
Kumar (DOE/NNSA)

<u>Friday, April 24, 2009 8:30 a.m.</u>

Cost of Capital
Return on Common Equity
Capital Structure

Hadaway (KCPL)
Cline (KCPL)
Murray (Staff)
Gorman (OPC)
Kumar (DOE/NNSA)

Amortizations
Giles (KCPL)
Cline (KCPL)
Featherstone (Staff)

Rate Case Expenses Staff attorney conflict
Giles (KCPL)
Trippensee (Public Counsel)

Surface Transportation Board Litigation Staff attorney conflict
Blunk (KCPL)
Weisensee (KCPL)
Hyneman (Staff)

<u>Monday, April 27, 2009 8:30 a.m.</u>

Executive Compensation
Curry (KCPL)
Kumar (DOE/NNSA)

Severance Costs-Talent Assessment
Giles (KCPL)
Curry (KCPL)
Hyneman (Staff)

Severance Costs-Non-Talent Assessment
Curry (KCPL)
Harrison (Staff)

Short-Term Incentive Compensation

Curry (KCPL)
Majors (Staff)
Kumar (DOE/NNSA)

Supplemental Executive Retirement Pension (SERP) Costs
Curry (KCPL)
Hyneman (Staff)

<u>Tuesday, April 28, 2009 8:30 a.m.</u>

Current Income Tax
Hardesty (KCPL)
Kumar (DOE/NNSA)

Property Taxes
Hardesty (KCPL)
Herrington (Staff)

Gross Receipts Taxes
Hardesty (KCPL)
Weisensee (KCPL)
Herrington (Staff)
Prenger (Staff)

Merger Synergy Tracking and Transition Cost Recovery
Giles (KCPL)
Ives (KCPL)
Hyneman (Staff)

Fleet Fuel Costs
Herdegan (KCPL)
Trippensee (OPC)

Wolf Creek Depreciation Expense
Weisensee (KCPL)
Kumar (DOE/NNSA)

Demand-Side Management
Weisensee (KCPL)
Hyneman (~~MDNR~~Staff)

Weatherization/Minor Home Repair Program
Dennis (KCPL)
Kind (OPC)
Jackson (KCMO)

<u>Wednesday, April 29, 2009 8:30 a.m.</u>

Injuries & Damages
Weisensee (KCPL)
Herrington (Staff)
Kumar (DOE/NNSA)

Hawthorn 5 SCR Warranty Settlement
Giles (KCPL)
Hyneman (Staff)

Hawthorn Transformer Settlement
Giles (KCPL)
Hyneman (Staff)

<u>Thursday, April 30 8:30 a.m.</u>

Bad Debt Expense
Weisensee (KCPL)
Kumar (DOE/NNSA)
Boateng (Staff)

Forfeited Discount Revenue
Weisensee (KCPL)
Boateng (Staff)
Kumar (DOE/NNSA)

Fuel & Purchased Power, and Off-System Sales
Giles (KCPL)(unavailable April 30 and May 1)
Schnitzer (KCPL)
Crawford, Burton (KCPL)
Blunk (KCP&L)
Proctor (Staff)
Harris (Staff)
<u>Beck (Staff)</u>
<u>Bender (Staff)</u>
Meisenheimer (Public Counsel)
Kind (Public Counsel)
Brubaker (MIEC)(unavailable on April 29-May 1)
Meyer (MIEC/Praxair/NNSA)
Kumar (DOE/NNSA/FEA)

Q Sales
Crawford, Burton (KCPL)
Harris (Staff)
Kind (OPC)

Meyer (MIEC/Praxair/NNSA)

<u>Friday, May 1, 8:30 a.m.</u>

Accumulated Depreciation
Weisensee (KCPL)
Kumar (DOE/NNSA)

Comparison of O & M Expenses
Weisensee (KCPL)
Kumar (DOE/NNSA)

Other Benefits
Weisensee (KCPL)
Kumar (DOE/NNSA)

EEI Dues
Weisensee (KCPL)
Kumar (DOE/NNSA)

Overtime Costs
Weisensee (KCPL)
Majors (Staff)

Revenue
McCollister (KCPL)
Kumar (DOE/NNSA)

<u>Service Quality</u>
<u>Alberts(KCPL)</u>
<u>Kremer(Staff)</u>

ORDER OF CROSS-EXAMINATION

While for specific issues a different order of cross-examination may be more appropriate, generally, the order of cross-examination, based on adversity, is the following:

KCPL witnesses
AmerenUE, MGE, Aquila, Empire, MJMEUC, Kansas City, DNR, DOE-NNSA, FEA, Trigen-Kansas City, MIEC, Praxair, Hospitals, Public Counsel, Staff

Staff witnesses
AmerenUE, MGE, Aquila, Empire, MJMEUC, Kansas City, DNR, DOE-NNSA, FEA, Trigen-Kansas City, MIEC, Praxair, Hospitals, Public Counsel, KCPL

Public Counsel witnesses
AmerenUE, MGE, Aquila, Empire, MJMEUC, Kansas City, DNR, DOE-NNSA, FEA, Trigen-Kansas City, MIEC, Praxair, Hospitals, Staff, KCPL

Praxair and MIEC witness
AmerenUE, MGE, Aquila, Empire, MJMEUC, Kansas City, DNR, DOE-NNSA, FEA, Trigen-Kansas City, Hospitals, Staff, Public Counsel, KCPL

DOE-NNSA/FEA witnesses
AmerenUE, MGE, Aquila, Empire, MJMEUC, Kansas City, DNR, Trigen-Kansas City, MIEC, Praxair, Hospitals, Staff, Public Counsel, KCPL

Hospitals' witness
AmerenUE, MGE, Aquila, Empire, MJMEUC, Kansas City, DNR, DOE-NNSA, FEA, Trigen-Kansas City, MIEC, Praxair, Staff, Public Counsel, KCPL

WHEREFORE, the Staff submits the foregoing position statements and updated list of issues, order of witnesses and order of cross-examination in response to the Commission's November 20, 2008 *Order Setting Procedural Schedules* and April 13, 2009 *Notice and Order Regarding Issues and Witness List*.

Respectfully submitted,

/s/ Nathan Williams

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Missouri Bar No. 35512

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or emailed to all counsel of record this 15th day of April, 2009.

/s/ Nathan Williams