

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Joint Application of Great Plains Energy Incorporated, Kansas City Power & Light Company, and Aquila, Inc., for Approval of the Merger of Aquila, Inc., with a Subsidiary of Great Plains Energy Incorporated and for Other Related Relief.)

Case No. EM-2007-0374

STAFF’S RESPONSE TO COMMISSION ORDER

COMES NOW the Staff of the Missouri Public Service Commission (Staff), and for its response to the Commission’s April 9, 2007, order in which the Commission, *inter alia*, ordered, “No later than April 19, 2007, the parties shall advise the Commission of the necessity to direct individual customer notice regarding this pending application,” states:

1. In their joint application the applicants request the Commission to approve the regulatory plan proposed in the application, “including Aquila’s use of the Additional Amortizations mechanism in its next general rate case after achieving the financial metrics necessary to support an investment-grade credit rating” and to “[authorize] KCPL and Aquila to establish a regulatory asset and amortize into cost of service costs associated with the Merger, including both transaction and transition-related costs, as properly allocated to KCPL’s and Aquila’s Missouri-regulated operations and excluding the non-incremental labor costs of the integration team, over a five (5) year period beginning on January 1, 2008, or the month immediately following consummation of the Merger, whichever occurs later.” Further, they ask the Commission to “[authorize] KCPL and Aquila, collectively, to retain for a five (5) year period fifty percent (50%) of the synergy savings that result from the Merger, as properly allocated to their Missouri-regulated operations.”

2. To the extent the joint applicants are requesting the Commission to make determinations in this case as to ratemaking treatment the Commission affords these matters in future rate cases, the Staff believes it necessary customers of Aquila and KCPL be afforded notice of the joint applicants' requests and that the Commission schedule local public hearings.

WHEREFORE the Staff advises the Commission that, to the extent the joint applicants are requesting the Commission to make determinations in this case on the ratemaking treatment to be afforded matters raised in this case, the Commission should direct Aquila and KCPL to issue individual customer notice regarding this pending application and the Commission should schedule local public hearings.

Respectfully submitted,

/s/ Nathan Williams

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronic mail to all counsel of record this 19th day of April 2007.

/s/ Nathan Williams