

April 5, 2007

Secretary of the Commission
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102-0360

RE: Requesting Commission Approval of Revised MPower Tariff - Sheet Nos. 21, 21A, 21B, 21C, and 21D

Dear Secretary:

Kansas City Power & Light Company (KCP&L) seeks approval from the Missouri Public Service Commission of the enclosed MPower tariff revision.. All suggested changes are intended to increase customer participation in the program and to increase the overall effectiveness of the program as an operational resource to KCP&L.

Since approval, the MPower program has garnered limited customer interest and participation. The program was available to Missouri customers for the 2006 curtailment season with only one customer committed 3,000 kW for the 2006 season, and one more signed a contract at the beginning of 2007 for 5,500 kW.

With nearly a year of MPower customer feedback and market research acquired, it is our opinion that some changes need to be made to the MPower tariff for the program to be accepted by customers and help the program achieve its intended results. Toward this end, KCP&L has conducted several market studies related to the program, examined successful Demand Response programs around the country, and most importantly, held formal meetings with our customers for the specific purpose of designing a program which meets their needs and fulfills KCP&L's capacity objectives.

This research, taken in aggregate, revealed several common issues with the existing program:

- Program payments were too low to cover many C&I customers' variable cost of curtailing.
- Penalties were perceived as being too high to justify the risk of participation.
- Customers were not comfortable committing to 25 to 30 events or 120 hours of potential curtailment per season.
- Customers felt their performance was unfairly measured against their May through September average peak demand, when curtailments typically occur during the months of July and August.

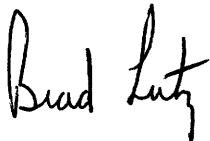
- Many first-time program participants were unwilling to commit to a multi-year contract due to their lack of experience with demand response programs and uncertainty about their ability to perform during a curtailment. Additionally, it is becoming increasingly common for corporate purchasing and finance departments to disallow the signing of multi-year contracts.

The proposed modified tariff is designed to address these points and achieve the desired level of customer participation and peak load reduction. The primary changes are as follows:

- Customers pick the maximum number of annual curtailments for which they will commit.
- Enrollment payments are based on the number of events for which a customer commits.
- Event payments are based on kWh rather than kW.
- Customers can sign up for one, three and five-year contracts. Those who can't commit to a multi-year contract can "earn their way" into the benefits of a multi-year contract through signing consecutive one-year contracts.
- Penalties are assessed in the form of reduced enrollment and event payments.
- Performance is measured against June through September peak demand. (The shoulder month of May is no longer included.)
- Minimum curtailable load is reduced to 25 kW.

We appreciate your consideration of this revised tariff and look forward to providing you with timely responses to any questions or data requests you may have.

Sincerely,



Brad Lutz
Regulatory Affairs

Enclosures

1 – Proposed Tariff Sheet Nos. 21, 21A, 21B, 21C, and 21D

CC: C Giles
T Rush
L Liehti
D Nickleson
OPC