

Exhibit No.:
Issue:
Witness: Stanley J. Harris
Type of Exhibit: Rebuttal Testimony
Sponsoring Party: City of Kansas City, Missouri
Case No.: EM-2007-0374
Date Testimony Prepared: October 12, 2007

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: EM-2007-0374

REBUTTAL TESTIMONY

OF

STANLEY J. HARRIS

ON BEHALF OF

CITY OF KANSAS CITY, MISSOURI

**Kansas City, Missouri
October 2007**

**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
Requester Relief**

Case No. EM-2007-0374

AFFIDAVIT OF STANLEY J. HARRIS

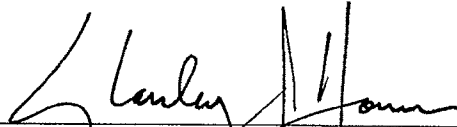
**STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)**

Stanley J. Harris, being first duly sworn on his oath, states:

1. My name is Stanley J. Harris. I work in the Kansas City, Missouri, and I am employed by the City of Kansas City, Missouri as the Director of Public Works.

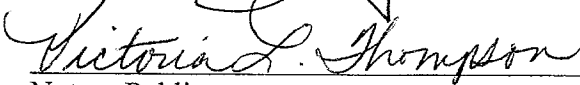
2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony on behalf of City of Kansas City, Missouri consisting of 5 pages, having been prepared in written form for introduction into evidence in the above-captioned docket.

3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.



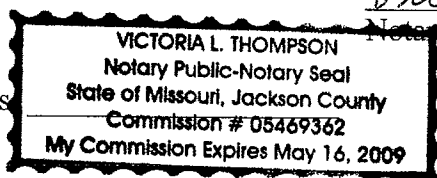
Stanley J. Harris

Subscribed and sworn before me this 11 day of October 2007.



Victoria L. Thompson
Notary Public

My commission expires



REBUTTAL TESTIMONY

OF

STANLEY J. HARRIS

Case No. EM-2007-0374

1 **What is your name and business address?**

2 My name is Stanley J. Harris. My business address is 414 E. 12th Street, 20th Floor, City Hall,
3 Kansas City, Missouri 64106.

4 **By whom and in what capacity are you employed?**

5 I serve as the Director of the Public Works Department for the City of Kansas City ("City").

6 **What are your responsibilities in this role?**

7 As Director of Public Works, I manage a broad scope of maintenance and operations functions
8 performed by the Public Works Department. They include Planning & Engineering, Program
9 Management & Development, Traffic Engineering & Operations, Street Maintenance,
10 Construction, Solid Waste, and Parking Services.

11 **Please describe your education, experience and employment history.**

12 Prior to my appointment as the Director of Public Works in 2003, I served as City Engineer in
13 the Engineering Services Division of the Public Works Department since 1998. My career with
14 the City also includes working in the Public Works Department in the Engineering Services
15 Division as assistant city engineer, manager of development services, and project manager. I
16 have also served as assistant manager of the Street and Traffic Division. My professional career
17 consists of structural and civil engineering positions with Burns and McDonnell Consulting in
18 Kansas City, R&D McDermott in New Orleans, and Proctor and Gamble Company in Green

1 Bay, Wisconsin and Cincinnati. My educational background includes a bachelor's degree in civil
2 engineering from the University of Missouri-Rolla, a master's degree in civil engineering from
3 the University of Missouri-Rolla, and a master's degree in public administration from the
4 University of Kansas.

5 **Have you previously testified before the Missouri Public Service Commission**
6 **("Commission") or before any other utility regulatory agency?**

7 No.

8 **Please describe the purpose of your testimony.**

9 The City views the merger as an opportunity for the City and the merged utility to possibly
10 reduce the City's energy use by ensuring it is availing itself of the right tariffs and by
11 consolidating its purchasing. Furthermore, the City's stated policy goals of conserving energy
12 and benefiting the environment can be aided by the Commission properly conditioning this
13 merger. The purpose of my testimony is to discuss the City's proposal that the merger approval
14 be conditioned on the utility funding a comprehensive energy audit by a third party to evaluate
15 the City's opportunities for lower costs, increased efficiency, consolidated purchasing and
16 cooperative siting or cogeneration with the utility.

17 **Please describe the City's objectives as an intervening party in this matter.**

18 The City has four main objectives as an intervening party in this matter, including (1) an interest
19 in being a good steward for its citizens by increasing energy efficiency in its operations while
20 doing so in an environmentally responsible manner; (2) fostering affordable electricity rates and
21 charges for its citizens either directly or indirectly; and (3) an interest in contributing to
22 homeland security and public safety by lowering the City's energy demand; and (4) cooperating

1 with the utility to help in siting generation and transmission, as well as availing itself of mutually
2 beneficial opportunities for cogeneration with the utility. As one of the largest single customers
3 of the merged-entity's system, the City wants to both be a smart purchaser and efficient steward.
4 A comprehensive energy audit would help achieve that goal.

5 **Please comment further on the City's interest in cogeneration and facility siting**
6 **opportunities.**

7 A number of the City's departments have looked into the possibility of generating energy in the
8 past. For various reasons, either due to a lack of support from Aquila and/or KCP&L, or due
9 simply to feasibility issues, these project opportunities have not come to fruition. Given the
10 City's potential capabilities to create additional power, I believe the entrance of the newly
11 merged utility provides an opportunity to explore this potential venture. In addition to
12 cogeneration, the City is also interested in evaluating opportunities to site generating facilities on
13 its property. For instance, City-owned property at or near the airport would be excellent for siting
14 new generation. In general, the City is highly interested in working with the merged utility to
15 address these areas of opportunity for both parties. A comprehensive third-party audit would
16 help identify those opportunities.

17 **Please describe the City's need for a comprehensive energy audit.**

18 KCP&L has stated that it intends to realize energy efficiency through offering its Affordability,
19 Energy Efficiency and Demand Response programs within Aquila's service territory and
20 augmenting this customer service program with additional Aquila offerings as appropriate. The
21 City is also extremely interested in achieving a greater level of energy efficiency that has not
22 been possible for the City in the past given its service from two providers. It is important to the

1 City to ensure as the newly merged entity begins providing service to the City, that the City be
2 assured that it continues to acquire and utilize energy as efficiently as possible. In addition, the
3 City will need to understand how the single entity bills the City and how the City pays for that
4 use. In particular, as one of the utilities' largest customers, the City should have the opportunity
5 to receive an aggregate rate for all of its uses, or at the very least take adequate advantage of its
6 consolidated purchasing power. In short, given the merger and the circumstances leading up to
7 the merger, the City has been brought into a position where it needs assistance from the utility. A
8 comprehensive energy audit would address the City's concerns and allow for the City and the
9 newly merged utility to begin from a "clean slate" as to the City's energy profile. This would
10 help conserve resources and give the utility a better opportunity with the City to explore
11 cooperative opportunities.

12 **Please describe what would be gained from an energy audit.**

13 As I mentioned earlier, an energy audit would ensure that the City is utilizing and paying for
14 energy in the most efficient manner possible. Many of our departments appear to be on separate
15 billing and separate rates with each of the utilities, circumstances which indicate that the City is
16 not operating as efficiently as may be possible. Additionally, it's my understanding that in the
17 past, the utilities have not disclosed the City's load profile due to the utilities' use of digital
18 meters. As one of the utilities' largest customers, the City should be provided this information.
19 A comprehensive energy audit will provide an analysis as to the City's current rates and tariffs
20 and opportunities for cogeneration, potentially allowing us to create an aggregate tariff to
21 accurately and fairly reflect the City's use, thereby reducing our costs and increasing our energy

1 efficiency. Ultimately, an energy audit will result in a reduction in taxpayer burden, and increase
2 the City's role as a green citizen of the environment.

3 **What do you want from the Commission?**

4 Should the Commission determine to approve the merger application, I would request that the
5 Commission condition such approval on the requirement that a comprehensive energy audit be
6 conducted by an independent party mutually selected by the City and the newly merged utility
7 within six months following the completion of these proceedings. The cost of the audit would be
8 paid for out of the proceeds from the merger.

9 **Does this conclude your testimony?**

10 Yes, it does.