

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

In the Matter of the Application of Kansas City	)	
Power & Light Company for Authority to	)	Case No. EO-2011-_____
Encumber Certain SmartGrid Equipment	)	

**APPLICATION AND  
REQUEST FOR EXPEDITED TREATMENT**

COMES NOW Kansas City Power & Light Company (“KCP&L” or “Applicant”), pursuant to Section 393.190, 4 CSR 240-2.060, 4 CSR 240-2.080(16) and 4 CSR 240-3.110 hereby respectfully submits to the Missouri Public Service Commission (“Commission”) its Application for Authority to Encumber Certain SmartGrid Equipment, and that it grant Applicant’s request for a Motion for Expedited Treatment. In support of its request, Applicant states as follows:

**I. APPLICANT**

1. Applicant is a Missouri corporation with its principal office and place of business at 1200 Main Street, Kansas City, Missouri 64105. Applicant is engaged in the generation, transmission, distribution, and sale of electricity in western Missouri and eastern Kansas, operating primarily in the Kansas City metropolitan area. KCP&L is an “electrical corporation” and “public utility,” as those terms are defined in Section 386.020 and, as such, is subject to the jurisdiction of the Commission as provided by law. KCP&L’s Certificate of Good Standing was filed in Case No. EM-2000-753 and is incorporated by reference.

2. Pleadings, notices, orders and other correspondence and communications concerning this Application should be addressed to the undersigned counsel and:

Curtis D. Blanc  
Senior Director, Regulatory Affairs  
Tim M. Rush  
Director, Regulatory Affairs  
Kansas City Power & Light Company  
1200 Main Street – 19<sup>th</sup> Floor  
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3. Applicant has three pending actions<sup>1</sup> against it from any state or federal agency or court which involve customer service rates, which has occurred within three years of the date of this Application.

4. Applicant has no overdue annual report or assessment fees.

**II. REQUEST FOR COMMISSION APPROVAL OF ENCUMBRANCE  
OF CERTAIN SMARTGRID EQUIPMENT**

5. KCP&L is seeking to allow the U.S. Department of Energy (“DOE”) to encumber certain SmartGrid equipment acquired with DOE funding. The total amount of SmartGrid equipment to be purchased subject to the encumbrance is \$10,783,848.

6. This Application seeks a determination by the Commission pursuant to 393.190, which states:

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...without having first secured from the commission an order authorizing it so to do. (emphasis added)

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<sup>1</sup> In the Matter of the Complaint Against Kansas City Power & Light Company by William Flohrs, Kansas Corporation Commission (“KCC”) Docket No. 10-KCPE-809-COM; In the Matter of the Complaint Against Kansas City Power & Light Company by C. Charles Cantor, KCC Docket No. 10-KCPE-820-COM; and In the Matter of the Complaint Against Kansas City Power & Light Company by Exclusive MD, P.A. Erica Catausan, KCC Docket No. 11-KCPE-031-COM).

7. Applicant and the DOE have entered into an Assistance Agreement (the “Agreement”). A copy of the Agreement is contained in Attachment No. 1, which is attached hereto and incorporated by reference. The Agreement, among other things, provides KCP&L with funding for purchase of certain SmartGrid equipment for use in a Green Impact Zone SmartGrid Demonstration Project.

8. Page 12 of the Agreement under the “Property” heading details DOE’s limited property interest in KCP&L’s SmartGrid equipment. Page 12 references 10 CFR § 600.321, which indicates that the title to the SmartGrid equipment purchased by KCP&L with DOE funds is subject to conditions that limit KCP&L’s ability to use the equipment for purposes outside of the Agreement and its ability to dispose of the equipment.

9. Pursuant to 4 CSR 240-3.110, a brief description of the SmartGrid equipment is contained in Attachment No. 2 which is attached hereto and incorporated herein by reference.

10. The proposed encumbrance of certain SmartGrid equipment should have no impact upon the tax revenues of the political subdivision in which the equipment is located.

11. DOE’s limited property interest in the SmartGrid equipment is not detrimental to the public interest as it is merely designed to ensure that the equipment is used for its intended purpose. The limited property interest only applies to property that was purchased with DOE funds.

### **III. REQUEST FOR EXPEDITED TREATMENT AND WAIVER OF 4 CSR 240-4.020**

12. Pursuant to 4 CSR 240-2.080(16), KCP&L requests expedited treatment of this Application.

13. Applicant requests approval of this request by October 12, 2010. There will be no negative effect on the Applicant’s customers or the general public if the Commission acts by the dates requested herein.

14. In order to get access to the majority of the grant money for the purchase of equipment, KCP&L must sign another Assistance Agreement (a draft is attached as Attachment 3). KCP&L anticipates signing this Agreement following the Commission's approval of the Application. A delay in Commission approval of this Application could delay the purchase of SmartGrid equipment. The Company only recently became aware of the encumbrance issue and filed this Application as soon as possible.

15. KCP&L is also not certain if this matter would be considered a "contested case" under the recently enacted 4 CSR 240-4.020 (Ex Parte and Extra Records Communications Rule). However, to the extent that a 60-day Notice of Filing would otherwise be required under 4 CSR 240-4.020(2), KCP&L respectfully requests that the notice requirement contained in 4 CSR 240-4.020(2) be waived since it was not known that it would be filing this Application sixty (60) days prior to the date that this Application is being filed.

**WHEREFORE**, for the foregoing reasons, Application requests that the Commission issue an order approving the encumbrance of certain SmartGrid equipment by October 12, 2010 as proposed herein, and for such other relief as may be granted warranted, or in the alternative, decline to assert jurisdiction over the proposed transaction, as requested in the Company's Application and Motion for Expedited Treatment.

Respectfully submitted,

/s/ Roger W. Steiner

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**Attorney for Kansas City Power &  
Light Company**

**CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing document has been hand delivered, emailed or mailed, postage prepared, this 21st day of September, 2010, to the Office of the General Counsel and the Office of the Public Counsel.

*/s/ Roger W. Steiner*

Roger W. Steiner

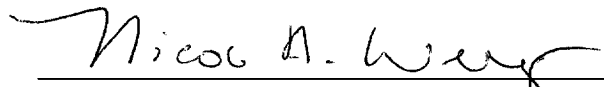
**VERIFICATION**

STATE OF MISSOURI       )  
  ) ss  
COUNTY OF JACKSON     )

I, Curtis D. Blanc, being duly sworn according to law, state that I am authorized to make this verification on behalf of Kansas City Power & Light Company as Senior Director, Regulatory Affairs, and that the facts set forth above are true and correct to the best of my knowledge, information and belief.

  
\_\_\_\_\_  
Curtis D. Blanc

Subscribed and sworn to before me this 21<sup>st</sup> day of September, 2010.

  
\_\_\_\_\_  
Notary Public

My commission expires:

Feb. 4, 2011

