Exhibit No.:	
Issues:	Synergy Savings; Synergy Savings Tracking Mechanism and Process; Transition Costs
Witness:	Darrin R. Ives
Type of Exhibit:	Direct Testimony
Sponsoring Party:	Kansas City Power & Light Company
Case No.:	ER-2009-____
Date Testimony Prepared:	September 5, 2008

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2009-____

DIRECT TESTIMONY

OF

DARRIN R. IVES

ON BEHALF OF

KANSAS CITY POWER & LIGHT COMPANY

Kansas City, Missouri
September 2008

DIRECT TESTIMONY

OF

DARRIN R. IVES

Case No. ER-2009-____

Q: Please state your name and business address.

A: My name is Darrin R. Ives. My business address is 1201 Walnut, Kansas City, Missouri 64106.

Q: By whom and in what capacity are you employed?

A: I am employed by Great Plains Energy Services Incorporated as Assistant Controller of Great Plains Energy Incorporated ("Great Plains Energy"), the parent company of Kansas City Power & Light Company ("KCP&L"). I am also Assistant Controller of KCP&L and of Aquila, Inc. dba KCP&L Greater Missouri Operations Company ("GMO").

Q. What are your responsibilities?

A. I have primary responsibility for regulatory accounting and reporting activities undertaken by Accounting Services for the benefit of KCP&L and GMO in support of KCP&L's Regulatory Affairs group. I am also responsible for the management of Great Plains Energy's and KCP&L's external financial reporting to shareholders and various regulatory agencies.

Q. Please describe your education, experience and employment history.

A. I graduated from Kansas State University in 1992 with a Bachelor of Science in Business Administration with majors in Accounting and Marketing. I received my Master of Business Administration degree from the University of Missouri-Kansas City in 2001. I am a Certified Public Accountant. From 1992 to 1996, I performed audit services for the public accounting firm Coopers & Lybrand L.L.P. I was first employed by KCP&L in 1996 and have held positions of progressive responsibility in Accounting Services and was named Assistant Controller in 2007.

Q. Have you previously testified in a proceeding at the Missouri Public Service Commission ("MPSC" or "Commission") or before any other utility regulatory agency?

A. No, I have not.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to discuss synergies as they relate to the integration of the utility operations of Aquila, Inc. ("Aquila") and KCP&L after the acquisition of Aquila by Great Plains Energy through the merger of Aquila with Gregory Acquisition Corp., a wholly-owned subsidiary of Great Plains Energy, as a result of which the entity formerly known as Aquila, now GMO has become a wholly-owned subsidiary of Great Plains Energy. As presented by KCP&L in testimony in Case No. EM-2007-0374 (the "Merger case"), the utility operations of KCP&L and GMO are being operationally integrated, with KCP&L employees operating and managing the properties of both KCP&L and GMO. As part of this operational integration, approximately 900 former Aquila employees became employees of KCP&L. KCP&L management has identified synergy savings, which I will discuss later in my testimony. I also describe KCP&L's synergy savings tracking mechanism and process as ordered by the Commission in its Report and Order in the Merger case. Finally, I describe transition costs, and what costs have been or will be incurred to achieve the operational integration. My testimony will support Adj-78, which is included in Schedule JPW-2 attached to the direct testimony of

Company witness John P. Weisensee. This adjustment represents the synergy savings allocated to KCP&L Missouri operations and the transition costs amortization allocated to KCP&L Missouri operations, respectively, as requested by KCP&L in this proceeding.

SYNERGY SAVINGS CALCULATION

Q. Please describe Adj-78 as it relates to synergy savings.

A. The adjustment to A/C 921 included in Schedule DRI-1, which summarizes Adj-78, reflects an annualized, recurring level of synergy savings as determined from Schedule DRI-2 allocated to KCP&L Missouri operations.

Q. What is meant by the term "synergy savings"?

A. This term refers to reductions in costs, and avoided costs, as a result of the operational integration of the utility operations of KCP&L and GMO as compared to the combined costs of the entities operating standing alone absent the operational integration.

Q. What are some examples of synergy savings?

A. Examples of synergy savings include consolidation of corporate back office functions (*e.g.*, accounting, human resources, information technology, etc.), call center consolidation and field support center consolidation. Further examples of synergy savings include transfer of best company operations or maintenance practices (*e.g.*, generation, transmission, distribution), migration to the better information technology platforms, or achieving lower supply chain costs through increased leverage over vendors. Attached as Schedule DRI-2 is a summary of major synergy savings categories expected to be realized by March 31, 2009.

Q. Please describe Schedule DRI-2.

A. This schedule reflects synergy savings as determined by comparing combined company budgets for the period after merger close through March 31, 2009, as prepared by the integration planning teams for each of the major operational areas, to base year 2006 operating costs of Aquila and KCP&L adjusted for known and measurable changes. Expected synergy savings through March 31, 2009, have been annualized to determine the total company synergy savings included on Schedule DRI-2. This schedule is the initial basis for determining synergy savings allocated to KCP&L Missouri operations as requested by KCP&L in this proceeding.

Q. Why did KCP&L utilize 2006 as the base year in its synergy savings tracking?

A. The most recent full year of stand alone financial results available for the integration teams to use when integration planning began and potential synergy savings began to be identified was 2006. Additionally, 2006 was the last full year of stand alone operations for the utility businesses of KCP&L and Aquila prior to announcement of the merger. As a result, 2006 was selected as the base year.

Q. Is use of 2006 as the base year consistent with KCP&L's filing in the Merger case and the Commission's Report and Order in that case?

A. Yes, it is.

Q. Why is it necessary to make adjustments to the 2006 base year?

A. Adjustments to the 2006 base year are needed to reflect the fact that the utility businesses operate in a dynamic rather than a static environment. Adjustments for cost escalations since 2006 and for other known costs not incurred in 2006 are necessary for synergy tracking in order for the 2006 base line data and the costs currently incurred to be an accurate comparison. The 2006 base year has been, and will continue to be, adjusted for cost escalations and other known costs not represented in the 2006 base year costs, as the costs become known or realized. Examples include new vegetation management compliance rules, costs to operate generating resources placed in service after the 2006 base year and other costs increasing at a rate higher than inflation such as employee medical benefits.

Q. Please discuss the categories of synergy savings reflected in Schedule DRI-2.

A. Schedule DRI-2 reflects the major synergy categories of:

1. Non-Fuel Operations and Maintenance ("NFOM")

NFOM synergy savings are comprised of labor and non-labor cost reductions identified by each integration team and reviewed across all teams through the integration process. Labor synergies are the annualized effect of reductions in payroll and benefits attributable to position reductions. Non-labor synergies generally result from economies of scale and the impacts of position reductions on related non-labor spend.

2. Specific NFOM Projects

The NFOM projects represent a few key projects that will reduce NFOM on a going forward basis. These projects were extracted from the NFOM identified in category one above due to the size of savings identified and the impact of the projects across multiple integration teams. NFOM projects identified by certain integration teams include the effect of facilities consolidation, closure of the 20 West 9th Street headquarters, and adoption of a consolidated insurance program.

3. Supply Chain

As identified by the Supply Chain integration team and consistent with the testimony provided by Wallace P. Buran in the Merger case, Supply Chain synergy savings can be broken down into four major categories: 1) Strategic Sourcing; 2) Improved Fleet Management; 3) Reductions in Supply Chain Inventory; and 4) Enhanced Reclamation and Asset Recovery.

4. Revenue Related Project

As identified by the billing/customer service integration team, this synergy savings represents the ability to leverage existing GMO skills, intellectual property, and processes to enhance KCP&L billing processes.

Q. What is the process employed for allocating synergy savings to KCP&L Missouri operations in this filing?

A. As indicated above, Schedule DRI-2 was used as the basis for determining total synergy savings to include in KCP&L's filing in this proceeding. Allocation factors were then applied to the synergy savings to allocate the savings to the various KCP&L and GMO regulatory jurisdictions and to GMO's non-regulated operations. The KCP&L regulatory jurisdictions include KCP&L-Missouri, KCP&L-Kansas and KCP&L-wholesale. The GMO regulatory jurisdictions include GMO MPS-retail, GMO MPS-wholesale, GMO L&P-electric and GMO L&P-industrial steam. This process is consistent with the process outlined in the Supplemental Direct Testimony of Tim Rush in the Merger case.

Q. What approach was taken to determine the appropriate allocation factors?

A. During the integration planning process and in preparation for the filing in the Merger case, an allocation team with representatives from Great Plains Energy, KCP&L and Aquila determined an allocation factor for each synergy savings category based on the most representative cost driver. The allocation team's approach was to keep the allocation factors relatively simple and easily auditable. For example, most of the factors utilize statistics based on information included in the Federal Energy Regulatory Commission Form 1.

Q. What is meant by the term "cost driver"?

A. A cost driver is a factor that is determined to be the most cost causative. In other words, as the volume changes the resulting cost changes. For example, meter reading costs vary in relation to the number of meters being read. Customer billing costs are driven by the number of bills produced. In some cases, costs may be directly assigned to a specific jurisdiction. For purposes of this testimony the terms "cost driver" and "allocation factor" are used interchangeably.

Q. What cost drivers did the allocation team determine to be most appropriate?

A. The cost drivers/allocation factors, shown on Schedule DRI-3, Page 2 of 2, are the most appropriate for the various synergy savings categories.

Q. Once the appropriate cost drivers/allocation factors were identified, how were the synergy savings allocated among the various regulatory jurisdictions and the GMO non-regulated operations?

A. A two-step approach was used. First, each synergy item was allocated among KCP&L, GMO-MPS, GMO-L&P and GMO-non-regulated operations, based on the applicable allocation factor. For many of the identified synergy savings, only certain of these entities were affected, as shown on Schedule DRI-3, Page 1 of 2 (the "Allocated to" column). The second step involved further allocation of the synergy savings identified in step one to KCP&L's three regulatory jurisdictions, GMO-MPS's two regulatory jurisdictions, and GMO-L&P's two regulatory jurisdictions, as applicable. The result of this two-step allocation process is presented on Schedule DRI-3, Page 1 of 2.

Q. What methodology is the Company proposing for the return of synergy savings to KCP&L's Missouri ratepayers in this rate proceeding?

A. Synergy savings will be "flowed through" to ratepayers in this case and in future rate proceedings as the savings are reflected in KCP&L's accounting records. Due to the timing of the Company's direct filing in this case and the closing date of the acquisition, the synergy savings included in this filing were based on budgeted combined company expenditures compared to base year 2006 operating costs of Aquila and KCP&L adjusted for known and measurable changes, as described earlier in my testimony. These total combined company synergy savings were allocated to determine the KCP&L Missouri jurisdictional amount to include in this filing.

Q. Do you intend to update the synergy savings in this case?

A. Yes. We will reflect annualized, recurring synergy savings based on actual known and measurable synergies realized up to the true-up date in this case.

SYNERGY SAVINGS TRACKING MECHANISM AND PROCESS

Q. Please describe the synergy savings tracking mechanism and process put in place as a result of the Commission's Report and Order in the Merger case.

A. The synergy savings tracking mechanism ("tracker") is maintained by KCP&L's Accounting Services Regulatory Accounting team under my direction. It is an Excel-based model that tracks synergy savings at a combined company level as identified and realized. Discreet tracking numbers are assigned to approved synergy savings categories (the starting point of which are the categories identified in Schedule DRI-2). Actual results (inputs) will be reported by the synergy savings owners to the Regulatory Accounting team to be included in the tracker. The tracker will compare these actual results to the 2006 base year, adjusted for known and measurable changes. When the tracker is updated with inputs for a given period, reporting will be generated from the results of the tracker and variances in reported synergy savings from projected synergy savings (based on the combined budget information used to determine synergy savings in this filing) will be analyzed by the synergy savings owner responsible for the input. Variance explanations will be provided back to the Regulatory Accounting team.

Q. Please explain what is meant by synergy savings owner?

A. Each approved synergy savings with an assigned tracking number will have an owner with principal accountability for realizing the projected synergy savings. A listing of owners for the synergy savings categories listed in Schedule DRI-2 is provided in Schedule DRI-4. This direct line of sight for realization of an identified synergy savings is a key step in the successful achievement of the projected synergy savings.

Q. Are there other activities to ensure realization of the projected synergy savings?

A. Yes. For the upcoming year, or as long as the team remains in place, the Integration Planning Leadership Team (“IPLT”) led by John Marshall, Executive Vice President of Utility Operations, consisting of eight primary team leads covering the major operational areas of the company, will provide the governance over the synergy savings tracking process. After the IPLT is disbanded, a specific synergy savings process oversight team will be put in place comprised of five to seven members of the executive team to provide oversight of the synergy savings process through the duration of synergy savings tracking. Key responsibilities of the governance team will include:

1) Approval of recommendations for adjustment of 2006 base year costs for known and measurable changes;

2) Approval of newly-identified synergy savings as appropriate to be included in the tracker; and

3) Review of actual synergy savings as reported from the tracker and variances to projected synergy savings.

Q. Can you please summarize your testimony regarding synergy savings?

A. To summarize, total company synergy savings based on comparison of combined company budgets to an adjusted 2006 stand alone base line have been allocated in order to determine the synergy savings adjustment to be included in the Company's direct filing in this case. We will reflect annualized, recurring synergy savings based on actual known and measurable synergies realized up to the true-up date in this case.

ALLOCATED TRANSITION COSTS

Q. Please describe Adj-78 as it relates to allocated transition costs.

A. The adjustment to A/C 923 included in Schedule DRI-1, which summarizes Adj-78, reflects an annualized level of transition costs, allocated to KCP&L Missouri operations based on a 5-year amortization period. This is consistent with the Commission's Report and Order in the Merger case.

Q. Have you included any transaction costs in this case?

A. No, we have not. In the Merger case, the Company defined transaction costs as costs to consummate the merger. Examples of transaction costs include investment bankers' fees, consulting and legal fees associated with the evaluation, bid, negotiation and structure of the deal. Consistent with the Commission's Report and Order in that case, no transaction costs are included in this case.

Q. How do you define "transition costs"?

A. These are costs incurred to successfully complete transition and integrate the utility operations of KCP&L and GMO. These costs are necessary to achieve the synergy savings previously discussed in my testimony. These costs include non-executive severance costs for employees severed as a result of the merger, facilities integration costs and incremental third-party and other non-labor expenses incurred to support the integration from legal, human resources, information technology, and including similar, specific costs identified by the integration planning teams related specifically to the operational integration of the companies. A listing of transition cost categories is included as Schedule DRI-5 to my testimony.

Q. Please elaborate on the major categories of transition costs listed on Schedule DRI-5 and why they were deemed necessary to integrate operations and achieve synergy savings?

A. Schedule DRI-5 reflects the transition cost categories of:

1. Great Plains Energy's share of non-executive severance costs

This represents severance costs for Aquila employees severed as a result of the acquisition. Severance payments due to Aquila employees were made pursuant to Aquila's Severance Plan or individual employment or other agreements, as applicable, in effect at the time of the acquisition. These costs were necessary to achieve the position reductions included in the synergy savings.

2. Great Plains Energy's retention payments to key Aquila employees

These costs represent amounts paid by Great Plains Energy to retain certain previous employees of Aquila that were identified as key resources to the combined operations and successful integration of the utility operations of KCP&L and GMO.

3. Legal, HR and Integration Support costs

These costs represent third party costs to support the integration from legal, human resources, information technology and process integration perspectives. These costs were necessary to provide supplemental expertise and support in the identification of and transition planning for capture of the synergy savings. Also included are non-labor incremental costs incurred by the companies' joint integration teams throughout the transition period. These teams had principal accountability for the identification of and planning for capture of the synergy savings.

4. Team Identified Transition costs

These costs were specifically identified by the integration teams as necessary in achieving operational integration of the utility businesses of KCP&L and GMO. This includes items such as information technology systems integration costs, specific third-party contractor costs during the transition necessary for the successful integration of utility operations and identification and planning for synergy savings.

5. Facilities Integration costs

These costs are related to synergy savings for facilities consolidation, the closure of the headquarters building at 20 West 9th Street and operational integration of the utility businesses of KCP&L and GMO. Examples of these costs include moving costs associated with facilities consolidation and people integration.

6. Internal and External Integration Communication costs

These costs represent the incremental costs required to effectively communicate with employees and external stakeholders during the transition period through the operational integration of the utility businesses of KCP&L and GMO. Frequent communications through multiple sources were critical to maintaining understanding and credibility with all stakeholders. This was essential to consistency in integration planning and effectiveness of the operational integration, a critical factor to success in achieving the synergy savings.

Q. How did you determine amortization of transition costs to KCP&L Missouri operations in this filing?

A. Schedule DRI-5 was used as the basis for determining total transition costs to include in KCP&L's filing in this case. Consistent with the Report and Order in the Merger case, we amortized these costs over a period of five years

Q. Do you intend to update the amortization of transition costs in this case?

A. Yes. We will reflect KCP&L Missouri operations allocated share of incurred transition costs up to the true-up date in this case. Any transition costs incurred after the true-up date will continue to be deferred for inclusion in KCP&L's next rate case.

Q: How did you allocate the amortized transition costs to KCP&L Missouri rate payers?

A: We allocated the amortized costs to each jurisdiction based on the resulting synergy savings allocation factors discussed earlier in my testimony. Because the transition effort and resulting costs are necessary in order to achieve the synergy savings, a consistent allocation process was deemed appropriate.

Q. Will the allocation percentages be updated in the future?

A. Yes, the allocation percentages will be updated for the true up in this proceeding and in future rate proceedings for allocation of transition costs incurred after the true–up date.

Q. What process does the Company have in place to identify and track transition costs?

A. Identification of transition costs has been the responsibility of integration planning teams with governance and accountability for the transition costs maintained by the IPLT under the leadership of John Marshall. At the beginning of the integration planning process, accounting distribution was established specifically for the tracking of transition costs and the accounting distribution was communicated to the IPLT and all integration planning teams. Throughout the integration process, the teams have identified the transition costs and coded with the appropriate accounting distribution. Accounting Services has been analyzing, tracking and reporting these transition costs over the course of the integration process. After close of the transaction, this initial accounting distribution was inactivated for use; however, operational areas continuing to incur transition costs have been provided new accounting distribution in order to be able to specifically track future transition costs.

Q. Will the Company request transition cost recovery if synergy savings realized are insufficient to cover the annualized amortization of the transition costs?

A. No. Consistent with the Additional Supplemental Direct Testimony of Terry Bassham in the Merger case and described in the Commission's Report and Order in that case, to the extent that the synergy savings do not cover the transition cost amortization, the costs would continue to be deferred until such time that the demonstrated savings from the acquisition exceed the related cost.

Q. Does that conclude your direct testimony?

A. Yes.

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

In the Matter of the Application of Kansas City Power & Light Company to Modify Its Tariff to Continue the Implementation of Its Regulatory Plan	)))	Case No. ER-2009-____

AFFIDAVIT OF DARRIN R. IVES

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

Darrin R. Ives, being first duly sworn on his oath, states:

1. My name is Darrin R. Ives. I work in Kansas City, Missouri, and I am employed by Great Plains Energy Services, Incorporated as Assistant Controller.

2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Kansas City Power & Light Company consisting of fourteen (14) 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.

Darrin R. Ives

Subscribed and sworn before me this 5th day of ~~August~~ September 2008.

Nicole A. Wehry
Notary Public

My commission expires: Feb 4, 2011

" NOTARY SEAL "
Nicole A. Wehry, Notary Public
Jackson County, State of Missouri
My Commission Expires 2/4/2011
Commission Number 07391200

Kansas City Power & Light
Case No. ER-2009-______
Schedule DRI-1

Net Annualized Synergy Savings

Line No.	Reference	Total	KCPL- MO	MPS Retail	SJLP- Elec	SJLP - Ind. Steam
	(A)	(B)	(C)	(D)	(E)	(F)
1	**Allocation percentages per DRI-3**	Note (1)	31.50%	31.30%	8.90%	0.90%
2						
3	**Annualized synergy savings per DRI-2**	$ (43,500,000)	$ (13,702,500)	$ (13,615,500)	$ (3,871,500)	$ (391,500)
4						
5	**Annual transition cost allocation**	$ 11,780,000	$ 3,710,700	$ 3,687,140	$ 1,048,420	$ 106,020
6						
7	**Net Synergy Savings**	**$ (31,720,000)**	**$ (9,991,800)**	**$ (9,928,360)**	**$ (2,823,080)**	**$ (285,480)**
8						
9						
10	(1) percentages do not add to 100% because of amounts for other jurisdictions and non-regulated activities					

Kansas City Power & Light
Case No. ER-2009-______
Schedule DRI-2

Annualized Synergy Savings

Line No.	Synergy Group (A)	Description (B)	Total Amount ($ Millions) (C)
1	**Non-Fuel O&M (NFOM)**	Eliminated Positions and Benefits	$ 8.840
2		Other NFOM Savings	0.124
3			$ 8.964
4			
5	**NFOM Projects**	Headquarters Consolidation	1.260
6		Service Center Consolidations	1.052
7		AMR	-
8		Insurance	$ 3.680
9		20 W. 9th Rate Base	4.040
10			$ 10.032
11			
12	**Supply Chain**	Sourcing and Best Practices Spend	$ 14.832
13		Inventory	1.424
14		Fleet	2.740
15		Avoided Cost of Capital	2.944
16			$ 21.940
17			
18	**Revenue Projects**	Billing Enhancements	$ 2.564
19			
	Utility Total		$ 43.500

Kansas City Power & Light
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Schedule DRI-3

Schedule of Allocation Percentages

Line No.	Synergy Category	Synergies- 5 Yr	KCPL- MO	KCPL-KS	KCPL- Wholesale	MPS- Retail	MPS- Wholesale	L&P- Electric	L&P- Industrial Steam	Merchant
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
1	**Non-Fuel O&M (NFOM)**									
2	Shared Services	17.478	6.395	5.369	0.066	4.124	0.022	1.183	0.070	0.249
3	Supply	15.809	5.821	4.311	0.093	4.359	0.024	0.964	0.237	-
4	Delivery	24.503	8.172	7.101	0.000	7.196	0.039	1.883	0.111	-
5	Total NFOM	57.790	20.388	16.782	0.159	15.680	0.085	4.030	0.418	0.249
6										
7	**Supply Chain**									
8	Shared Services	59.997	20.36	16.33	0.51	14.21	0.08	4.72	0.72	3.06
9	Supply	31.906	11.77	11.52	0.19	5.88	0.03	2.18	0.33	
10	Delivery	56.258	17.21	13.30	0.07	19.79	0.11	5.02	0.77	
11	Total Supply Chain	148.161	49.34	41.15	0.77	39.88	0.22	11.92	1.82	3.06
12										
13	**NFOM Projects**									
14	Facilities Consolidation	8.647	4.070			3.584		0.993		
15	AMR	6.567				5.157		1.410		-
16	Insurance	21.603	7.904	6.636	0.081	5.098	0.028	1.462	0.087	0.249
17	20 W. 9th	25.694				18.761	0.102	5.380	0.319	1.132
18	Total NFOM Projects	62.511	11.974	6.636	0.081	32.600	0.130	9.246	0.405	1.380
19										
20	**Revenue Projects**									
21	Billing Enhancements	13.158	7.040	6.117						
22	Total Revenue Projects	13.158	7.040	6.117	-	-	-	-	-	-
23										
24	**Synergy allocation**	281.620	88.744	70.686	1.015	88.159	0.431	25.194	2.642	4.692
25										
26	**Percentage**	100.0%	**31.5%**	25.1%	0.4%	**31.3%**	**0.2%**	**8.9%**	**0.9%**	1.7%

Kansas City Power & Light
Case No. ER-2009-______
Schedule DRI-3

Synergy Allocation Cost Drivers

Line No.	Synergy Category	Cost Driver	Allocated to
	(A)	**(B)**	**(C)**
1	**Non-Fuel O&M (NFOM)**		
2	Shared Services	General Allocator (1)	all units
3	Supply	MwH total (generation and purchased)	all units except Merchant
4	Delivery	Customers	all units except Merchant
5			
6	**Supply Chain**		
7	Shared Services	Corporate Spend- Corporate O&M expenses (excl. payroll)	all units
8	Supply	Generation Spend- Supply O&M expenses (excl. fuel and payroll)	all units except Merchant
9	Delivery	Delivery Spend- Delivery O&M expenses (excl. payroll)	all units except Merchant
10			
11	**NFOM Projects**		
12	Facilities Consolidation	Customers	All retail units
13	AMR	Meters	MPS- retail; L&P- electric
14	Insurance	General Allocator (1)	all units
15	20 W. 9th	General Allocator (1)	MPS, L&P, Merchant
16			
17	**Revenue Projects**		
18	Billing Enhancements	Customers	KCPL- retail units
19			
20			
21	(1) General Allocator- equal weighting of net plant, retail revenue and payroll costs		

Kansas City Power & Light
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Schedule DRI-4

Principal Accountability for Projected Synergy Savings

Line No.	Owner (A)	Functional Area (B)
1	Jim Alberts	AMR
2		Billing Enhancements
3	Kevin Bryant	Energy Efficiency
4	Chuck Caisley	Advt & Public Relations
5		Dues, Donations and Subscriptions
6	Lora Cheatum	Procurement/Supply Chain
7	Michael Cline	Finance/Insurance
8	Dana Crawford	Generation, including inventory
9		Revenue Projects
10	Barbara Curry	HR and Temp Labor
11	Stephen Easley	Engineering
12	Chris Giles	Regulatory
13	Scott Heidtbrink	General Management
14		Facilities, including 20 West 9th
15		Security
16	William Herdegen	Central Services & Safety
17		Transmission & Delivery, including inventory
18		Service Center Consolidation
19		Fleet
20	William Riggins	Environmental & Legal
21	Charles Tickles	Information Technology
22	Lori Wright	Accounting Services

Kansas City Power & Light
Case No. ER-2009-______
Schedule DRI-5

Projected Transition Costs Thru 2009

Line No.	Category (A)	Total Amount ($ Millions) (B)		Description (C)
1	People:			
2	Non-Executive Severance	$	13.6	GPE share of severance paid to non-executive Aquila employees
3	Retention		3.0	Retention payments necessary to enable transition to combined company
4	Legal, HR & Integration Support		24.1	Legal, HR, and other additional outside resources to enable transition to combined company
5	Team Transition Projects		9.3	Specifically identified third party costs
6	Other:			
7	Facilities Integration		7.4	Miscellaneous facilities and security needs associated with new staffing levels
8	Internal & External Communication		1.5	Customer, employee and other external media communications
9				
10	**Total**	**$**	**58.9**	