

Exhibit No.:  
Issue: True-Up Adjustments  
Witness: Ronald A. Klote  
Type of Exhibit: True-up Direct Testimony  
Sponsoring Party: Kansas City Power & Light Company  
Case No.: ER-2016-0285  
Date Testimony Prepared: March 1, 2017

**MISSOURI PUBLIC SERVICE COMMISSION**

**CASE NO.: ER-2016-0285**

**TRUE-UP DIRECT TESTIMONY**

**OF**

**RONALD A. KLOTE**

**ON BEHALF OF**

**KANSAS CITY POWER & LIGHT COMPANY**

**Kansas City, Missouri  
March 1, 2017**

**TRUE-UP DIRECT TESTIMONY**

**OF**

**RONALD A. KLOTE**

**Case No. ER-2016-0285**

1 **Q: Please state your name and business address.**

2 A: My name is Ronald A. Klotte. My business address is 1200 Main Street, Kansas City,  
3 Missouri, 64105.

4 **Q: Are you the same Ronald A. Klotte who pre-filed Direct, Rebuttal and Surrebuttal**  
5 **Testimony in this matter?**

6 A: Yes, I am.

7 **Q: What is the purpose of your True-Up Direct Testimony?**

8 A: The purpose of my testimony is to provide the true-up adjustment summary schedules  
9 and the resulting revenue requirement level after incorporating the actual changes in cost  
10 of service though the true-up period in this rate case proceeding. The True-Up date  
11 adopted by the Missouri Public Service Commission (“Commission”) for this proceeding  
12 was December 31, 2016 as was provided for in the *Order Adopting Procedural Schedule*  
13 *and Delegating Authority* issued August 10, 2016 in this rate case proceeding.

14 **Q: Please describe Kansas City Power & Light Company’s (“KCP&L” or the**  
15 **“Company”) revenue requirement calculation based on the True-Up through**  
16 **December 31, 2016.**

17 A: The revenue requirement as calculated in the true-up is \$65.15 million. The initial  
18 request as filed by the Company on July 1, 2016 was \$90.1 million. The true-up revenue  
19 requirement amount is set out in Schedule RAK--13. This schedule, referred to as the

1 Revenue Requirement Model, trues up estimates included in the Company’s direct filing  
2 and is consistent with the *Non-unanimous Partial Stipulation and Agreement* (“*Partial*  
3 *Stipulation and Agreement*”), filed February 10, 2017. The Revenue Requirement Model  
4 and associated true-up adjustments reflect the Company’s overall true-up case as of  
5 December 31, 2016. The components used in calculating the revenue requirement which  
6 include the rate base, the income statement components and summary of adjustments are  
7 included as Schedules RAK–14 through RAK–16.

8 **Q: Please describe the *Partial Stipulation and Agreement* referred to above and what is**  
9 **covered?**

10 A: The *Partial Stipulation and Agreement* was entered into by certain parties in this rate case  
11 proceeding to resolve several issues in this rate case. Several of the issues resolved had  
12 an impact on the revenue requirement calculation in this rate case. Paragraph 1 of the  
13 *Partial Stipulation and Agreement* identifies the issues that were resolved as a part of this  
14 agreement. It states the following:

15 This settlement resolves the following issues on the January 31,  
16 2017 List of Issues filed in this case: Transmission Fees Expense  
17 and Transmission Revenues (IV, sections B, C, D, F, H, and I),  
18 Transmission Revenue ROE adjustment (V), Property Tax  
19 Expense (VI, sections B and C), Incentive Compensation (VII),  
20 SERP (VIII) , Severance (IX), Kansas City Earnings Tax (X),  
21 Trackers in Rate Base (XI), Bad debt gross up (XII), Dues and  
22 Donations(Including EEI and EPRI) (XIII), Credit Card  
23 Acceptance Fees (XIV), Bank Fees (XV), Depreciation Study  
24 expense (XVII), Greenwood Solar Energy Center (XIX),  
25 Management Expense (XXV), Economic Relief Pilot Program  
26 (XXIII), CAM (XXIV), Rate Case Expense (XVI), and Customer  
27 Disclaimer (XXVI).

1 In addition to the above, there are other issues included in the *Partial Stipulation and*  
2 *Agreement* that do not directly impact the true-up revenue requirement calculated in this  
3 rate case.

4 **Q: Have the results of the *Partial Stipulation and Agreement* been incorporated into the**  
5 **revenue requirement calculated for the true-up period in this rate case?**

6 A: Yes. The impact on revenue requirement adjustments on issues reflected in the *Partial*  
7 *Stipulation and Agreement* have been reflected in the Company's revenue requirement  
8 schedules filed as a part of this true-up Direct Testimony. The *Partial Stipulation and*  
9 *Agreement* required that issue values included in Staff's EMS run dated January 11, 2017  
10 would be frozen and not updated in the true-up phase of this rate case proceeding. The  
11 Company has reflected the applicable values included in Staff's January 11, 2017 EMS  
12 run in its revenue requirement model calculation. In addition, as provided for in the  
13 *Partial Stipulation and Agreement* an additional \$1,140,000 (One million one hundred  
14 forty thousand dollars) was posted to the Company's revenue requirement model.

15 **Q: Please describe the process used to true up the rate base and capital structure/cost**  
16 **of capital.**

17 A: Rate base items, including plant-related additions, additional accumulated reserve,  
18 associated accumulated deferred income taxes and non-plant items, were trued up to  
19 actuals as of December 31, 2016 on a Missouri jurisdictional basis. The capital  
20 structure/cost of capital was updated through December 31, 2016 consistent with the  
21 Company's proposal included in its direct filing which included the utilization of  
22 KCP&L's actual capital structure and cost of debt.

1 **Q: Please briefly describe the process used to true up revenue and expenses.**

2 A: The following were the more significant revenue and expense true-up adjustments:

3 Retail Revenues

4 The true-up adjustment for Retail Revenues reflects customer growth through  
5 December 31, 2016. The Company has used Staff's sales revenue amounts  
6 included in the Staff's EMS run provided to the Company on February 24, 2017  
7 less the Missouri Energy Efficiency Investment Act ("MEEIA") Cycle 1 impacts  
8 in its true-up filing. The MEEIA Cycle 1 impacts to sales revenue was discussed  
9 in the Rebuttal Testimony of Company witness Tim Rush.

10 Fuel and Purchased Power

11 The true-up adjustment for Fuel and Purchased Power reflects updated system  
12 load and unit availability, with fuel prices updated through December 31, 2016.

13 Payroll and Payroll-related Benefits

14 The true-up adjustment for Payroll and Payroll-related Benefits reflects the  
15 December 31, 2016 employee count and pay levels.

16 Pension and Other Post-Employment Benefits

17 The true-up adjustment for Pension and Other Post-Employment Benefits reflects  
18 the updated 2016 actuarial information. The adjustments were made consistent  
19 with the *Nonunanimous Stipulation and Agreement Regarding Pensions and*  
20 *Other Post Employment Benefits* ("Stipulation and Agreement Regarding  
21 *Pensions and OPEBS*") filed on February 22, 2017.

1           Other Benefits

2           The true-up adjustment for Other Benefits which include medical and dental  
3           benefits reflects the annualized cost calculated from the actual costs for these  
4           benefits incurred year-to-date December 31, 2016.

5           Transmission Revenue

6           The true-up adjustment for transmission revenue reflects the transmission  
7           revenues booked to FERC Account 456.1 for the 12-month period ending  
8           December 31, 2016, but with adjustments made to reflect:

- 9           1) Annualized amounts of transmission revenue clawed-back under  
10           Attachment Z2 (“Z2”) of the Southwest Power Pool, Inc. (“SPP”) Open  
11           Access Transmission Tariff (“OATT”), and  
12           2) Annualized amounts of transmission revenue related to the Midcontinent  
13           Independent System Operator, Inc. (“MISO”) Available System Capacity  
14           Usage (“ASCU”) of the SPP transmission system that are distributed as  
15           transmission revenue to KCP&L and other SPP transmission owners.

16           The transmission revenues booked in 2016 included a one-time claw-back of  
17           historical Z2-related revenues dating back to 2005. This one-time amount will be  
18           amortized over a nine-year period, which is consistent with the roughly nine-year  
19           historical period for which the historical Z2-related revenues are being clawed-  
20           back. This amount has been netted in the transmission expense adjustment. In  
21           addition, the on-going monthly Z2-related revenue claw-backs have been  
22           annualized to reflect an offset for the on-going annual transmission revenue that  
23           is being clawed-back under Attachment Z2.

1 The transmission revenues booked in 2016 also include a one-time amount of  
2 MISO ASCU revenues for the historical period from January 29, 2014 through  
3 January 31, 2016. This one-time amount will be amortized over a two-year  
4 period, which is consistent with the two-year period from January 29, 2014  
5 through January 31, 2016. The transmission revenues booked in 2016 include 11  
6 months (February 1, 2016 – December 31, 2016) of on-going MISO ASCU  
7 revenues, which have been annualized to reflect a full 12 months of on-going  
8 MISO ASCU revenues.

#### 9 Transmission Expense

10 The true-up adjustment for transmission expense reflects an annualization based  
11 on actual costs booked during the three-month period ending December 31, 2016.  
12 The last three months of 2016 were utilized for the annualization, because only  
13 those months reflect all of the components of the on-going Z2-related charges and  
14 credits as well as the proper level of monthly charges related to the 2016  
15 Independence Power & Light (“IPL”) Annual Transmission Revenue  
16 Requirement (“ATRR”) that resulted from the stipulation and agreement in FERC  
17 Docket No. ER15-1499.

18 The on-going monthly Z2-related amounts include credits for other transmission  
19 customers’ use of KCP&L’s Sponsored Upgrades and other upgrades for which  
20 KCP&L has previously been directly assigned costs, KCP&L’s Directly Assigned  
21 Upgrade Costs (“DAUC”) for its transmission service requests, and KCP&L’s  
22 Z2-related Base Plan charges.

1 This annualization also reflects the amortization of the one-time historical Z2-  
2 related charges and credits dating back to 2005. This one-time amount will be  
3 amortized over a nine-year period, which is consistent with the roughly nine-year  
4 historical period to which the historical Z2-related charges and credits apply.

5 In addition, the annualization includes the removal of a Transmission Delivery  
6 Charge under recovery accrual/reversal, which is only applicable to KCP&L's  
7 Kansas retail customers.

8 Finally, the annualization includes two adjustments for known and measureable  
9 changes for 2017. The first adjustment is for a known and measurable change to  
10 reflect the known increase in IPL's ATRR for 2017 that is part of the Stipulation  
11 and Agreement in FERC Docket No. ER15-1499. The second adjustment is for a  
12 known and measurable change for 2017 and reflects the known increase in  
13 KCP&L's Z2-related DAUC for KCP&L's transmission service requests with  
14 start dates of December 31, 2016 and January 1, 2017.

#### 15 SPP Schedule 1A Administration Fees

16 The true-up adjustment for SPP Schedule 1A Administration Fees reflects an  
17 annualization based on the SPP Schedule 1A Administration Fee rate of \$0.419  
18 per MWh in effect at January 1, 2017. This rate was applicable to both Network  
19 Integration Transmission Service and point-to-point transmission service.

#### 20 Maintenance Expense

21 The Company included in its direct filing in this case, budgeted non-labor  
22 maintenance costs for 2016 for production, transmission, and distribution. The  
23 true-up now includes the actual non-labor maintenance costs incurred as of



1 December 31, 2016 for production, transmission, and distribution maintenance  
2 accounts. The Company's adjustments annualized expense for these maintenance  
3 accounts using actual costs for the year ended December 31, 2016.

4 Common Use Billings

5 The true-up adjustment for Common Use Billings reflects an annualization based  
6 on the December 2016 common use billing journal entries. These entries allocate  
7 common plant such as facilities and software from KCP&L to KCP&L Greater  
8 Missouri Operations Company based on net plant.

9 Property Tax Expense

10 The true-up adjustment for Property Tax Expense reflects the annualization of  
11 property taxes using plant balances as of January 1, 2017 multiplied by the  
12 calculated ratio of 2016 actual taxes paid compared to January 1, 2016 plant  
13 balances.

14 Depreciation and Amortization

15 The true-up adjustment for Depreciation and Amortization reflects December 31,  
16 2016 plant balances and the depreciation rates proposed by Company witness  
17 John Spanos in his Direct Testimony.

18 Income Taxes

19 Income Tax Expense and Accumulated Deferred Income Taxes were adjusted to  
20 reflect the income tax impacts of the various true-up adjustments discussed above.

1 **Q: Was the Company informed of a potential change to Staff's revenue position in this**  
2 **case prior to the filing of this True-Up Direct Testimony?**

3 A: Yes. On the afternoon of March 1, 2017, I received a phone call from Staff auditors  
4 indicating that the Staff had identified a potential change to the revenue position  
5 identified in previous Staff EMS revenue requirement runs that had been provided to the  
6 Company. At the time of the filing of this testimony, the Company is unaware of the  
7 impact, if any, that this change will have on the revenues included in the Company's  
8 revenue requirement filed in Schedule RAK-13.

9 **Q: Does that conclude your testimony?**

10 A: Yes, it does.



**Kansas City Power & Light Company**  
**2016 RATE CASE - Dec 2016 True-Up**  
**Missouri Jurisdiction**  
**TY 12/31/15; Update 6/30/16; K&M 12/31/16**

**Revenue Requirement**

Line No.	Description	7.701% Return
	A	B
1	Net Orig Cost of Rate Base (Sch 2)	\$ 2,529,304,150
2	Rate of Return	<u>7.7008%</u>
3	Net Operating Income Requirement	\$ 194,776,654
4	Net Income Available (Sch 9)	<u>154,637,544</u>
5	Additional NOIBT Needed	40,139,110
6	Additional Current Tax Required	25,011,081
7	Gross Revenue Requirement	<u><u>\$ 65,150,191</u></u>

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**Rate Base**

Line No.	Description	Amount	Witness	Adj No.
	A	B	C	D
1	Total Plant :			
2	Total Plant in Service - Schedule 3	5,255,896,716	Klote	RB-20
3	Subtract from Total Plant:			
4	Depreciation Reserve - Schedule 6	2,077,490,163	Klote	RB-30
5	Net (Plant in Service)	<u>3,178,406,554</u>		
6	Add to Net Plant:			
7	Cash Working Capital - Schedule 8	(56,258,315)	Klote	Model
8	Materials and Supplies - Schedule 12	63,604,495	Klote	RB-72
9	Prepayments - Schedule 12	7,053,727	Klote	RB-50
10	Fuel Inventory - Oil - Schedule 12	4,920,566	Blunk	RB-74
11	Fuel Inventory - Coal - Schedule 12	30,512,666	Blunk	RB-74
12	Fuel Inventory - Additives - Schedule 12	519,399	Blunk	RB-74
13	Fuel Inventory - Nuclear - Schedule 12	31,025,349	Klote	RB-75
14	Regulatory Asset - EE/DR Deferral-MO	34,042,504	Klote	RB-100
15	Regulatory Asset - Iatan 1 and Com-MO	10,490,962	Klote	RB-25
16	Regulatory Asset - Iatan 2	25,646,700	Klote	RB-26
17	Regulatory Asset - Pensions	6,536,231	Klote	RB-65
18	Regulatory Asset - Prepaid Pension Exp	0	Klote	RB-65
19	Regulatory Asset (Liab) - OPEBs Tracker	(3,923,389)	Klote	RB-61
20	Subtract from Net Plant:			
21	Cust Advances for Construction-MO	1,667,781	Klote	RB-71
22	Customer Deposits-MO	4,307,901	Klote	RB-70
23	Deferred Income Taxes - Schedule 13	760,766,687	Klote	RB-125
24	Def Gain on SO2 Emissions Allowances-MO	35,271,034	Klote	RB-55
25	Def Gain (Loss) Emissions Allow-Allocated	0	Klote	RB-55
26	Income Eligible Weatherization	1,259,897	Klote	RB-100
27	Total Rate Base	<u><u>2,529,304,150</u></u>		

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**2016 RATE CASE - Dec 2016 True-Up**  
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**Income Statement**

Line No.	Description	Total Company	Adjustment	Adjusted Total Company	Adjusted Jurisdictional
	A	B	C	D	F
1	Operating Revenue	1,713,813,201	311,081,645	2,024,894,846	1,112,252,254
2	Operating & Maintenance Expenses:				
3	Production	591,548,135	339,108,834	930,656,969	516,417,275
4	Transmission	82,561,690	3,408,028	85,969,718	47,972,242
5	Distribution	53,422,498	(2,122,736)	51,299,762	28,038,628
6	Customer Accounting	20,273,742	7,484,799	27,758,541	15,731,899
7	Customer Services	32,897,880	(10,799,943)	22,097,937	20,501,969
8	Sales	470,247	(10,530)	459,717	242,095
9	A & G Expenses	160,805,407	(19,174,419)	141,630,988	74,836,627
10	Total O & M Expenses	941,979,599	317,894,033	1,259,873,632	703,740,734
11	Depreciation Expense	214,206,624	32,127,742	246,334,366	129,834,646
12	Amortization Expense	22,446,386	1,543,740	23,990,126	16,440,895
13	Taxes other than Income Tax	163,528,030	(54,895,622)	108,632,408	58,279,825
14	Net Operating Income before Tax	371,652,562	14,411,752	386,064,315	203,956,153
15	Income Taxes Current	(17,380,041)	91,082,917	73,702,876	38,412,226
16	Income Taxes Deferred	99,346,571	(80,669,410)	18,677,161	11,482,887
17	Investment Tax Credit	(941,951)	(131,364)	(1,073,315)	(576,503)
18	Total Taxes	81,024,579	10,282,143	91,306,722	49,318,610
19	Total Net Operating Income	290,627,983	4,129,609	294,757,592	154,637,544

**Kansas City Power & Light Company**  
**2016 RATE CASE - Dec 2016 True-Up**  
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**Summary of Adjustments**

Line No.	Adj No.	Description	Witness	Increase (Decrease)			
				D	E	F	G
				<b>Adjust to 12-31-16 - Anticipated True Up Date</b>			
1		<b>JURISDICTIONAL COST OF SERVICE</b>		<b>Total Adjustments</b>	<b>Allocated Adjs</b>	<b>100% MO Adjs</b>	<b>100% KS &amp; Whsl Adjs (2)</b>
				<b>Incr (Decr)</b>	<b>Incr (Decr)</b>	<b>Incr (Decr)</b>	<b>Incr (Decr)</b>
2		<b>OPERATING REVENUE</b>					
3		<b>Retail Sales - Schedule 9, line</b>					
4	R-1	Remove Gross Receipts Tax revenue (MO only)	Klote	(62,145,119)		(62,145,119)	
5	R-11	Adjust test year revenue	Klote	0			
6	R-20	Normalize MO retail revenues (MO only)	Bass / Miller / Rush	25,075,486		25,075,486	
7	R-21a	Adjust MO forfeited disc for R-20a LPC (MO only)	Klote	(145,257)		(145,257)	
8	R-21b	Adjust MO forfeited disc for R-20b LPC - ASK (MO only)	Klote	178,344		178,344	
9	R-35	Normalize Bulk Power Sales	Crawford	347,818,754	347,818,754		
10	R-75	Allconnect	Klote	0	0		
11	R-78	Amortize bulk power margins in excess of 25th percentile (MO only)	Klote	10,129		10,129	
12	R-80	Transmission Revenues - ROE	Klote	(804,308)	(804,308)		
13	R-82	Transmission Revenues - Annualized	Klote	467,652	467,652		
14		Partial Settlement		625,964	804,308	(178,344)	
15		<b>Operating Revenue - Schedule 9, line</b>		<b>311,081,645</b>	<b>348,286,406</b>	<b>(37,204,761)</b>	<b>0</b>
16							
17		<b>OPERATING EXPENSES - Schedule 9</b>					
18	CS-4	Reflect KCREC test year bad debt expense in KCP&L's COS	Klote	7,246,480		5,298,857	1,947,623
19	CS-9	Reflect KCREC test year bank commitment fees in KCP&L's COS	Klote	1,011,437	1,011,437		
20	CS-10	Reflect test year interest on customer deposits in COS	Klote	158,840		156,818	2,022
21	CS-11	Reverse prior period and non-recurring test year amounts.	Klote	(7,084,630)	(2,280,038)	(4,804,592)	
22	CS-18	KCMO Earnings Tax (see Line 82)	Klote				
23	CS-20a	Normalize bad debt expense related to test year revenue	Klote	(981,828)		(981,828)	
24	CS-20b	Normalize bad debt expense related to jurisdictional "Ask"	Klote	445,618		445,618	
25	CS-22	Amortize deferred gain on sale of SO2 emissions allowances	Klote	1,671	0	1,671	

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				<b>Adjust to 12-31-16 - Anticipated True Up Date</b>			
				<b>Total Adjustments</b>	<b>Allocated Adjs</b>	<b>100% MO Adjs</b>	<b>100% KS &amp; Whsl Adjs (2)</b>
				<b>Incr (Decr)</b>	<b>Incr (Decr)</b>	<b>Incr (Decr)</b>	<b>Incr (Decr)</b>
1		<b>JURISDICTIONAL COST OF SERVICE</b>					
26	CS-24	Normalize fuel and purchase power energy (on system)	Crawford	337,536,077	336,088,597	1,447,480	
27	CS-25	Normalize purchased power capacity costs	Crawford	(2,965,200)	(2,965,200)		
28	CS-35	Defer & Amortize Wolf Creek Mid-Cycle Outage (See Line 83)	Klote				
29	CS-36	Annualize Wolf Creek refueling outage amortization	Klote	(1,973,154)	(1,973,154)	0	
30	CS-37	Adjust Nuclear decommissioning expense	Klote	0			
31	CS-39	IT Software Maintenance	Klote	131,312	131,312		
32	CS-40	Normalize Transmission maintenance expense	Klote	67,364	67,364		
33	CS-41	Normalize Distribution maintenance expense	Klote	(1,156,209)	(1,156,209)		
34	CS-42	Normalize Generation maintenance expense	Klote	3,913,639	3,913,639		
35	CS-44	Adjust cost of Economic Relief Pilot Program (ERPP) (MO only)	Klote	195,022		195,022	
36	CS-45	Normalize transmission of electricity by others	Carlson / Klote / Rush	6,420,468	6,420,468		
37	CS-48	Annualize non-labor O&M expenses for Iatan 2	Klote	192,223	0	192,223	
38	CS-50	Annualize salary and wage expense for changes in staffing levels and base pay rates	Klote	(2,228,087)	(2,160,667)	(38,464)	(28,956)
39	CS-51	Normalize incentive compensation costs- Value Link	Klote	406,410	406,410		
40	CS-52	Normalize 401k costs	Klote	342,867	342,867		
41	CS-53	Payroll Taxes (see Line 84)	Klote				
42	CS-60	Annualize other benefit costs	Klote	850,328	850,328		
43	CS-61	Annualize OPEB expense	Klote	(4,451,124)	(4,451,124)		
44	CS-62	Normalize SERP expense	Klote	(680,355)	(680,355)		
45	CS-65	Annualize FAS 87 and FAS 88 pension expense	Klote	(659,834)	(659,834)		
46	CS-70	Annualize Insurance Premiums	Klote	(532,819)	(532,819)		
47	CS-71	Normalize injuries and damages expense	Klote	(2,179,218)	(2,179,218)		
48	CS-75	Allconnect	Klote	0	0		
49	CS-76	Annualize interest on customer deposits	Klote	47,807		47,807	
50	CS-77	Annualize Customer Accounts expense for credit card payment costs	Klote	191,638	191,638		
51	CS-78	Annualize KCREC bank fees related to sale of receivables	Klote	768,049	768,049		
52	CS-80	Amortize MO, KS and FERC rate case expenses	Klote	(1,169,266)		(1,169,266)	



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				<b>Total Adjustments</b>	<b>Allocated Adjs</b>	<b>100% MO Adjs</b>	<b>100% KS &amp; Whsl Adjs (2)</b>
				<b>Incr (Decr)</b>	<b>Incr (Decr)</b>	<b>Incr (Decr)</b>	<b>Incr (Decr)</b>
1		<b>JURISDICTIONAL COST OF SERVICE</b>					
53	CS-85	Annualize regulatory assessments	Carlson / Klote / Rush	152,778	(49,271)	202,049	
54	CS-86	SPP Schedule 1 Admin Fee's	Carlson / Klote / Rush	(1,094,778)	(1,094,778)		
55	CS-88	CIPS/Cyber Security O&M	Klote / Roper / Rush	(2,008,973)	(2,008,973)		
56	CS-89	Meter Replacement O&M	Klote	206,930	206,930		
57	CS-91	Amortize advertising MO regulatory asset	Klote	0			
58	CS-98	MEEIA	Klote / Rush	(19,950,803)		(19,950,803)	
59	CS-99	Flood Reimbursement Amortization	Klote	(135,630)		(135,630)	
60	CS-100	Amortize EE/DR regulatory assets	Klote	3,304,889		3,304,889	
61	CS-107	Transource Account Review Amortization	Klote	(34,220)		(34,220)	
62	CS-108	Transource CWIP/FERC Incentives	Klote	(1,807,735)	(1,807,735)		
63	CS-109	Adjust Lease Expense - Corporate Headquarters	Klote	397,030		397,030	
64	CS-114	Amortize LaCygne Obsolete Inventory	Klote	71,336		71,336	
65	CS-115	Amortize Legal Fee Reimbursement	Klote	362,978		362,978	
66	CS-116	Adjust Costs of Renewable Energy Standards	Klote / Rush	5,735,585		5,735,585	
67	CS-117	Common-use Billings	Klote	(1,836,118)	(1,836,118)		
68	CS-120	Annualize depr exp based on jurisdictional depr rates applied to jurisdictional plant-in-service at indicated period - unit trains & transportation equipment	Klote	362,690	362,690		
69		Partial Settlement		(2,220,393)	(2,683,126)	462,733	
70				315,371,092	322,243,111	(8,792,707)	1,920,689
71		<b>Depreciation Expense - Schedule 9, line</b>					
72	CS-120	Annualize depreciation expense based on jurisdictional depreciation rates applied to jurisdictional plant-in-service at indicated period	Klote / Spanos	34,040,668	34,040,668		
73				34,040,668	34,040,668	0	0
74		<b>Amortization Expense - Schedule 9, line</b>					
75	CS-110	Amortize 2011 Flood	Klote	0			
76	CS-111	Amortize Iatan 1/Common Regulatory Asset	Klote	0			
77	CS-112	Amortize Iatan 2 Regulatory Asset	Klote	0			

**Kansas City Power & Light Company**  
**2016 RATE CASE - Dec 2016 True-Up**  
**Missouri Jurisdiction**  
**TY 12/31/15; Update 6/30/16; K&M 12/31/16**

**Summary of Adjustments**

Line No.	Adj No.	Description	Witness	Increase (Decrease)			
				D	E	F	G
				<b>Adjust to 12-31-16 - Anticipated True Up Date</b>			
1		<b>JURISDICTIONAL COST OF SERVICE</b>		<b>Total Adjustments</b>	<b>Allocated Adjs</b>	<b>100% MO Adjs</b>	<b>100% KS &amp; Whsl Adjs (2)</b>
				<b>Incr (Decr)</b>	<b>Incr (Decr)</b>	<b>Incr (Decr)</b>	<b>Incr (Decr)</b>
78	CS-121	Annualize plant amortization expense based on jurisdictional amortization rates applied to unamortized jurisdictional plant-in-Service at indicated period	Klote	1,543,740	1,543,740		
79				1,543,740	1,543,740	0	0
80		<b>Taxes Other than Income - Schedule, line</b>					
81	R-1	Remove Gross Receipts Tax expense (MO only)	Klote	(61,157,241)		(61,157,241)	
82	CS-18	Reverse test year Kansas City, Missouri Earnings Tax (MO only)	Klote	695,552		695,552	
83	CS-35	Defer & Amortize Wolf Creek Mid-Cycle Outage	Klote	369,648		369,648	
84	CS-53	Annualize Payroll tax expense	Klote	800,929	800,929		
85	CS-126	Adjust property tax expense	Klote / Rush	5,005,505	5,005,505		
86				(54,285,607)	5,806,434	(60,092,041)	0
87		<b>Income Tax Expense- Schedule 9, line</b>					
88	CS-125	Reflect adjustments to Schedule 9, Allocation of Current and Deferred Income Taxes	Klote	10,282,143	9,927,705	354,438	
89				10,282,143	9,927,705	354,438	0
90							
91		<b>Total Electric Oper. Expenses - Schedule 9, line</b>		<b>306,952,036</b>	<b>373,561,658</b>	<b>(68,530,310)</b>	<b>1,920,689</b>
92							
93		<b>Net Electric Operating Income - Schedule , line</b>		<b>4,129,609</b>	<b>(25,275,252)</b>	<b>31,325,549</b>	<b>(1,920,689)</b>
				0			

(1) All amounts are total company; if an adjustment is applicable to only KS or MO, it is so indicated

(2) These adjustments affect Kansas or Wholesale jurisdictions and are not discussed in testimony supporting the Missouri rate case.