# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of an Investigation into	)	
the Siting and Safety of a Proposed	)	Case No. EO-2012-0271
Transmission Line in Platte County, Missouri	)	

# KANSAS CITY POWER & LIGHT COMPANY AND KCP&L GREATER MISSOURI OPERATIONS COMPANY'S QUARTERLY REPORT - FIRST QUARTER OF 2012

### **Introduction**

In compliance with the Missouri Public Service Commission ("Commission" or "MPSC") Order in Case No. EO-2012-0271 dated March 14, 2012 ("3-14 Order"), Kansas City Power & Light Company ("KCP&L") and KCP&L Greater Missouri Operations Company ("GMO") (collectively referred to as "Company") submits this quarterly report for the first quarter of 2012 for the Iatan to Nashua 345kV Transmission Project ("I-N Project").

The Commission ordered KCP&L and GMO to file quarterly updates to provide:

- 1. The progress of the planning, design and construction of the proposed transmission line and any additional information that addresses the safety issues raised in the file;
- 2. The status of ownership of Line 62; and
- 3. A summary of KCP&L's and GMO's contact with the public during the previous quarter.

This initial report – in addition to the progress summary, owner status, and public contact information requested in the 3-14 Order - includes a summary of I-N Project History. This report and future quarterly reports will contain the following quarterly update sections to satisfy the 3-14 Order requirements:

# **Quarterly Updates**

- 1.0 Project Progress Summary
  - 1.1 Safety
  - 1.2 Overall Status
  - 1.3 Engineering and Design
  - 1.4 Procurement
  - 1.5 Construction
  - 1.6 Schedule
- 2.0 Status of Ownership of Line 62
- 3.0 Summary of KCP&L's and GMO's Contact with the Public

This report also includes the following attachments:

Attachment A SPP Notification to Construct – June 19, 2009

Attachment B Iatan – Nashua Transmission Line Project Public Workshop

Attachment C HIGHLY CONFIDENTIAL IN ITS ENTIRETY

Iatan – Nashua Registration – Smithville 11-9-10 Iatan – Nashua Registration – Weston 11-16-10

Iatan – Nashua Registration – Camden Point 11-18-10

Attachment D HIGHLY CONFIDENTIAL IN ITS ENTIRETY

Iatan – Nashua Registration – 10-17-11 and 10-18-11

Attachment E Platte County Commission Resolution: 2012-RES-07

Attachment F Iatan – Nashua Final Route Map

Attachment G HIGHLY CONFIDENTIAL IN ITS ENTIRETY

Iatan – Nashua Questionnaire Summary

Attachment H HIGHLY CONFIDENTIAL IN ITS ENTIRETY

Letters Received for the Iatan – Nashua Transmission Line Project

# **Project History**

The I-N Project was initiated as a result of the Southwest Power Pool's ("SPP") Balanced Portfolio Network Upgrades. The SPP, a Regional Transmission Organization ("RTO") with members in nine states and approved by the Federal Energy Regulatory Commission, has the obligation to plan and develop transmission solutions for the region in which it serves as an RTO. In 2008 and 2009, SPP began developing a more comprehensive approach to their transmission expansion planning which will result in traditional reliability-based benefits, as well as benefits of reduced regional market congestion, lower regional generation production costs and increased operating efficiencies. The first comprehensive set of such projects were developed as the Balanced Portfolio containing seven major transmission projects within the SPP region.

The SPP approved this set of projects in April 2009 and one of these was the I-N Project. A Notification to Construct ("NTC") was issued to KCP&L in June 2009 (Attachment A). The I-N Project will result in reduced congestion on the region's transmission system and will provide essential transmission capacity for long-term efficient delivery of energy within the region. Additionally, the I-N Project will provide an alternate transmission route during emergencies and greater service reliability for the northwest Missouri area.

After receiving the NTC, KCP&L engaged Burns & McDonnell to assist with the routing process. By the fall of 2010, enough preliminary work had been performed to present the numerous routing options (61 line segments) to the public and receive feedback. KCP&L held three public open houses one each in Smithville, Camden Point, and Weston during November 2010 to communicate the Company's plans for the I-N Project. The brochure for these meetings is contained in Attachment B. In general, these meetings followed an open workshop format where stations covering various aspects of the I-N Project were utilized to facilitate communications. To notify prospective attendees, letters were mailed to landowners within 300 feet of any of the proposed 61 line segments—over 500 landowners total. Over 300 people attended the meetings. The public also provided feedback by writing letters, calling our

dedicated I-N Project public outreach line, emailing our dedicated email address or visiting KCP&L's website. Surveys were offered at the public meetings as well as to those who contacted the Company through other methods. Personal meetings were held with several landowners on their property. The attendance list for the first round of public meetings is contained in Attachment C.

KCP&L reviewed survey results, letters, petitions, and other contact information obtained during the routing process. To address a concern shared by many of the respondents, in 2011, KCP&L took additional time to review the viability of additional segments and route suggestions, as well as to address additional concerns and questions through letters, phone calls and personal meetings (individual and group) as requested. The review determined that only one of the additional routes was viable – Segment 62.

Two additional public meetings were held in October 2011, one each in Dearborn and Weston to discuss the line routing, particularly Segment 62. Again, landowners within 300 feet of any proposed new segment were invited to the public meetings. Surveys were distributed at the public meetings as well as to individuals and groups not able to attend. Additionally, KCP&L received correspondence, petitions, telephone calls and emails from landowners. Landowners were offered individual meetings on site, as well as small group meetings. KCP&L attended all of the meetings requested. The attendance list for the second round of public meetings is contained in Attachment D.

In December 2011, KCP&L attended a Platte County Commission public session where about 20 members of Concerned Citizens Against Segment 62 addressed the County Commission. KCP&L addressed the concerns and answered individual questions from the public as well as the County Commission. The meeting lasted nearly three hours with most of the discussion focused on the I-N Project. Attachment E contains the Platte County Commission's "Resolution: 2012-RES-07 – KCP&L Commitment to Platte County Commission Regarding The Transmission Line Segment #62" which was issued based on the discussions held during this meeting.

In January 2012, KCP&L again offered onsite meetings to Segment 62 landowners. About 70 percent of the people contacted were either visited on their property for discussions or were able to discuss their concerns on telephone calls. The other 30 percent of contacted people either did not respond or did not want a meeting. For those that did not respond to calls or voicemail messages, letters were sent advising of the meeting offer.

Throughout the entire process, KCP&L made proactive calls to local officials and community leaders. Since late 2010, a number of articles and letters to the editor discussing the I-N Project have appeared in all of the local Platte County newspapers.

All of the information obtained in the public meetings, surveys, individual meetings, and through various forms of communication was utilized by KCP&L in making the final routing decision. Attachment F contains the final route map as well as all the options considered. Attachment G contains the "Iatan – Nashua Questionnaire Summary" and Attachment H contains "Letters Received for Iatan – Nashua Transmission Line Project." The final route selected was Segment 62. A letter announcing the final route was mailed to property owners within 300 feet of the final route on February 2, 2012.

This completes the "Project History" section of this initial report and current information will be reported in the subsequent sections.

# **Quarterly Updates**

# 1.0 Project Progress Summary

# 1.1 Safety

In this section of the report the Company will provide information on the safety issues associated with the I-N Project including worker injury statistics, landowner safety concerns, etc. At this point, no work-related safety issues have occurred.

During the public meetings an issue was raised with the final route being in the proximity of petroleum or gas pipelines. Pipelines and transmission lines are located near one another in other locations in the Company's transmission system. The Company is aware of the existing ONEOK pipeline near the final route and is working with ONEOK on easement and safety issues. Many of these issues cannot be totally resolved until the engineering design work is complete. The Company will follow all electric industry safety guidelines as well as those provided by ONEOK during construction of the transmission line. The Company will continue to report on this issue as the I-N Project progresses.

Notice of Construction was filed by KCP&L with the Federal Aviation Administration ("FAA") on November 4, 2011. The FAA issued a "Determination of No Hazard/Does Not Exceed (DNE)" letter on November 16, 2011. When the line design is complete (including pole location and height), the Company will request final study and determination from the FAA. However, the initial study, according to the FAA, "serves to verify" that a transmission line in this proximity would not create radio-frequency interference to the terminal Doppler weather radar.

#### 1.2 Overall Status

The final route has been determined and work has begun on detailed surveying of the proposed route to support the upcoming right-of-way/easement negotiations that will commence in mid-2012. The Company expects this phase of the survey work to be complete in early April.

# 1.3 Engineering and Design

Detailed design engineering work continues on the project with a bulk of the work being performed in-house by the KCP&L Transmission Engineering Department. The engineering work is currently focused on the west leg, or Iatan end, of the line where the Company is preparing for construction work to be performed in conjunction with Iatan unit outages in the spring of 2013 and 2014. Engineering/Design will not be finalized until all of the right-of-way/easements are obtained which is currently scheduled for first quarter 2014.

#### 1.4 Procurement

The Procurement team is working with the I-N Project team to select a contractor that will negotiate and obtain the various easements required to begin construction. A request for proposal ("RFP") for this scope of work was sent to prospective bidders on March 16, 2012 with the goal of making a final selection in April. The Procurement team will begin working on the construction RFP during the second quarter of 2012.

#### 1.5 Construction

Construction is scheduled to commence on the west leg, Iatan end, of the line late 2012 with foundation work for the structures to support the outage related work in the spring of 2013.

#### 1.6 Schedule

The overall I-N Project schedule is being refined and finalized. The schedule information will be summarized in a Level 1 Project Schedule that will be provided and updated in all future quarterly reports. This Level 1 Project Schedule will outline the major milestones, engineering, procurement, and construction activities that will need to be completed to support the current estimated in service date of June 2015.

#### 2.0 Status of Ownership of Line 62

The Company continues to analyze which company will build which portion of the I-N Project.

# 3.0 Summary of KCP&L's and GMO's Contact with the Public

For this initial report the "Summary of KCP&L's and GMO's Contact with the Public" is contained in the "Project History" section and its associated attachments. In future reports, this section will contain a summary of the I-N Project's pertinent contacts with the public during the previous quarter.

Throughout the life of the I-N Project, the Company will proactively meet with citizens, local and state officials and the local news media. Citizens can continue to contact the Company through the I-N Project team members that they have met, through the dedicated I-N Project public outreach line and email address, and the dedicated I-N Project website. The Company has and remains willing to meet with landowners as requested during any stage of the I-N Project. During the summer of 2012, landowners along the route will be contacted for easement negotiations. The Company will communicate with affected landowners prior to key activities (such as the beginning of easement negotiations, initial construction work, etc.).