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October 13, 1999

FILED

OCT 13 1999

Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge  
Missouri Public Service Commission  
P.O. Box 3660  
Jefferson City, Missouri 65102

Missouri Public  
Service Commission

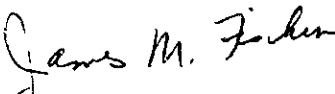
RE: *GST Steel Company v. Kansas City Power & Light Company*  
Case No. EC-99-553

Dear Mr. Roberts:

Enclosed for filing in the above-referenced matter are the original and fourteen (14) copies of Kansas City Power & Light Company's Motion to Compel GST Steel Company's Responses to the Second Set of Interrogatories and Requests for Production of Documents and Suggestions in Support. A copy of the foregoing Motion has been hand-delivered or mailed this date to each party of record.

Thank you for your attention to this matter.

Sincerely,

  
James M. Fischer

/jr  
Enclosures

cc: Paul S. DeFord, via Certified Mail, Return Receipt Requested  
James W. Brew and Christopher C. O'Hara, via Certified Mail, Return Receipt Requested  
Dana K. Joyce, Hand Delivered  
Steven Dottheim, Hand Delivered  
Lera L. Shemwell, Hand Delivered  
John B. Coffman, Hand Delivered

BEFORE THE PUBLIC SERVICE COMMISSION  
STATE OF MISSOURI

FILED

OCT 13 1999

Missouri Public  
Service Commission

GST STEEL COMPANY,

Complainant,

v.

KANSAS CITY POWER & LIGHT  
COMPANY,

Respondent.

Case No. EC-99-553

**KANSAS CITY POWER & LIGHT COMPANY'S MOTION TO COMPEL  
GST STEEL COMPANY'S RESPONSES TO THE SECOND SET  
OF INTERROGATORIES AND REQUESTS FOR PRODUCTION  
OF DOCUMENTS AND SUGGESTIONS IN SUPPORT**

Respondent Kansas City Power & Light Company ("KCPL") hereby requests that the Public Service Commission of the State of Missouri ("Commission") grant its Motion to Compel Responses to its Second Set of Interrogatories and Requests for Production of Documents propounded to GST Steel Company ("GST"). In support of its Motion to Compel, KCPL states as follows:

1. On May 11, 1999, GST filed a Petition with the Commission against KCPL. GST alleged in its Petition that its economic viability is "severely threatened" by increased electric rates. See Petition at ¶¶ 3-4. GST requested that the Commission take immediate steps to protect GST from exposure to the allegedly unjust and unreasonable charges contained in the Special Contract that it agreed to with KCPL in 1994 for its electric services. GST also requested an investigation of the overall adequacy and reliability of KCPL's services. Id. at ¶¶ 14-18, 24-26.

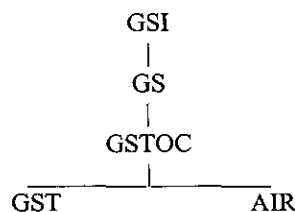
2. On or about June 8, 1999 KCPL filed its Answer to GST's Petition. The parties filed a Joint Proposed Procedural Schedule and Preliminary Statement of Issues on June 19, 1999, and the Commission adopted the Proposed Procedural Schedule by its Order dated June 22, 1999.

3. In its Answer KCPL articulated a variety of defenses to GST's allegations. KCPL noted that GST and KCPL entered a Special Contract governing the delivery and price of electric services to GST. KCPL's Answer pointed out that GST entered the Special Contract after extensive negotiations with KCPL and that GST received the benefit of legal counsel and expert advice from energy consultants during the negotiation process. KCPL's Answer, ¶ 33. KCPL observed that the Special Contract provides certain benefits to GST, such as lower average prices and flexibility. *Id.* at ¶¶ 34-35. KCPL's Answer stated that GST accepted these benefits as well as the risks accompanying the Special Contract terms that GST now complains of, and that GST was aware of those risks when it entered the Special Contract. *Id.* at ¶ 36.

4. In addition, KCPL averred that GST's economic viability is threatened by a number of factors other than its current electricity costs. *Id.* at ¶¶ 38-41. As part of its defense, KCPL asserted that GST and its affiliated entities<sup>1</sup> have suffered economically because of a variety of recent missteps and misfortunes unrelated to the Special Contract with KCPL. For example, KCPL pointed out that:

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<sup>1</sup> The current corporate operating structure of GST's affiliated entities demonstrates the potential economic impact each has on the other. GS Industries, Inc. ("GSI") is placed top of the corporate structure; GS Technologies ("GS") is directly below GSI. GS Technologies Operating Co. ("GSTOC") is directly below GSI. Both GST Steel and American Iron Reduction ("AIR") are directly below GSTOC. Schematically, the structure looks like this:



See Exhibit A of GST's Petition, at p. 4.

- (1) GST and GSTOC suffered losses due to dramatic declines in the selling price for its products;
- (2) GST and its affiliated entities entered a joint venture with American Iron Reduction ("AIR") which obligated GST to purchase a certain amount of iron from AIR instead of from more competitively priced alternatives, resulting in multi-million dollar losses;
- (3) Strikes at GST and affiliated entities cost GST millions of dollars in pre-tax earnings. Id. at ¶¶ 38-40.

5. On September 17, 1999, KCPL propounded its Second Set of Interrogatories and Requests for Production of Documents to GST, attached as Exhibit A.

6. By letter dated September 27, 1999, GST responded to KCPL's requests and raised objections to nearly all of the Interrogatories and Requests for Production of Documents. See GST's Objections to KCPL's Second Set of Interrogatories and Requests for Production of Documents, attached as Exhibit B.

7. As the Commission has already stated, it is the parties' initial pleadings, including both the Petition and Answer, which frame the issues and determine the proper boundaries for discovery.<sup>2</sup> Since the Commission has already permitted broad discovery concerning GST's allegations, it is also appropriate to permit discovery regarding KCPL's defenses to the Petition. Unfortunately, GST has objected to several interrogatories and document requests which are relevant to the allegations contained in the Petition and to KCPL's defenses, and which are

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<sup>2</sup> "Order Regarding KCPL's Motion for Clarification, Reconsideration and Rehearing of the Commission's Order of July 29, 1999, and Regarding GST Steel Company's Second Motion to Compel Discovery," GST Steel Company v. Kansas City Power & Light Company, Case No. EC-99-553 (August 19, 1999) at 5-6.

otherwise designed to lead to admissible evidence. This Motion will explain why GST should be compelled to answer KCPL's interrogatories and document requests in this matter.

**GST's Objections to Requests Concerning Electricity Costs Tariff Rates, and Special Contract Terms Employed by its Affiliated Entities at Domestic Steel Mills.**

8. GST objects to requests 2.01-2.06 on the grounds that the information sought is not relevant to the issues set for hearing in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence. GST states that the requests are irrelevant because they do not relate to KCPL's management of the incremental costs charged to GST nor to KCPL's adequacy of service. Ex. B, pp. 1-2.

9. Requests 2.01-2.06 concern (1) the prices paid by GST affiliates for electric services from January 1994 through August 1999 for each domestic steel mill it owns or controls, (2) the names of the electric service providers for those domestic steel mills, as well as a copy of each steel mill's tariff and/or special contracts, and (3) whether domestic steel mills owned by the affiliated entities have ever purchased electricity under an agreement similar to the one in dispute in this proceeding, as well as a copy of each such agreement.

10. Requests 2.01-2.06 are relevant and discoverable. GST alleges it has been subject to "unjust and unreasonable" charges under the terms of the Special Contract with KCPL. Petition, ¶¶ 3-4, 24, 27. In order to thoroughly and accurately assess this allegation, KCPL should be permitted to examine how its charges for electric services to GST compared to the charges GST's affiliates have incurred for steel production during the appropriate time frame discussed in the requests. Such information is directly relevant to GST's allegation that it has been exposed to "unjust and unreasonable" rates. Moreover, KCPL noted in its Answer that GST accepted both the benefits and risks of the Special Contract. KCPL's Answer, ¶ 36. The requests are relevant to this defense because the information yielded could demonstrate GST's

prior experiences with such agreements and GST's responses to both the positive and negative financial outcome associated with such agreements.

**GST's Objections to Requests Relevant to the Consideration and Purchase  
of Financial Instruments to Hedge Against Electricity Price Risks it  
Accepted Under the Terms of the Special**

11. GST objects to Requests 2.13-2.49, 2.50-2.52, and 2.54-2.57 on the grounds that the requests are not relevant to the issues set for hearing nor reasonably calculated to lead to the discovery of admissible evidence. GST asserts that the requests are unrelated to KCPL's management of the incremental costs charged to GST or KCPL's adequacy of service.

12. Requests 2.13-2.41 seek information regarding GST's, and its affiliates', purchase of financial instruments to hedge against the electricity price risks associated with the terms of the Special Contract executed between GST and KCPL. Request 2.42 asks for information and documentation regarding GST's evaluation of KCPL's proposals on methods to hedge against potential price spikes associated with the Special Contract. Requests 2.43-2.46 seek information and documentation from GST, and its affiliates, regarding the possible use of forward, future or options contracts to hedge the minimum load at the Kansas City facility. The requests also seek information regarding whether pricing models are used to evaluate such hedging instruments. Requests 2.47-2.49 seek information and documentation concerning GST's, and its affiliates', consideration of co-generation opportunities for domestic steel mills. Requests 2.50-2.52 seek information regarding GSI's, GSTOC's, and GST's analysis of the supply and capacity characteristics and net electric portfolio position of the KCPL territory that would exist during the 10-year term of the Special Contract. Requests 2.54-2.57 ask for GST's Annual Plan for 1994-1999<sup>3</sup> and for forecasts made by or for GST, GSI, or GSTOC regarding the cost of electricity for the years 1994-1999. Request 2.61 asks whether GST uses cost plus pricing in the

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<sup>3</sup>GST has already provided information regarding its Annual Plan pursuant to KCPL's First Set of Interrogatories and Request for Production of Documents, Request No. 1.34.

sale of any of its steel products. Request 2.62 asks whether any of GST's agreements for the sale of steel products contain a liquidated damage clause and, if so, requests that copies be provided. Request 2.64 seeks information regarding complaints filed by GSTOC, or by domestic steel mills controlled by GSTOC, against an electricity supplier.

13. These requests are directly relevant to allegations made in the pleadings. GST alleged that it has been subject to unjust and unreasonable charges for electric service and that it is not trying to alter or improve the terms of the Special Contract. Petition, ¶ 3; in its Answer, KCPL argued that GST is attempting to do precisely that. KCPL's Answer, ¶ 37. Moreover, KCPL stated that GST was fully aware of and accepted the price risks associated with the terms contained in the Special Contract. *Id.* at ¶¶ 35-36. Requests 2.13-2.52, 2.54-2.57, 2.61-2.62, and 2.64 are narrowly tailored to elicit information relevant to this allegation and defense. The information sought goes to whether GST has previously employed or considered different means of protecting itself in a variety of contexts from price risks inherent in contracts similar to the one currently in dispute. Similarly, documentation of GST or its affiliated entities employing similar contractual terms with its customers would demonstrate its knowledge of these risks, its conscious disregard for the risks in this case, and its obvious attempt to be relieved of an occasional outcome of its negative gamble. Such information is directly relevant to KCPL's defense that GST was aware of and accepted the risks associated with the Special Contract, and is therefore discoverable.

14. Finally, GST objects to Requests 2.58-2.60 and 2.63 on the grounds that the information sought is not irrelevant to the issues set for hearing in this proceeding, nor reasonably calculated to lead to the discovery of admissible evidence because they are unrelated to KCPL's management of the incremental costs charged to GST and unrelated to the adequacy of service issues in this proceeding. Moreover, because of the inextricable connection, impact,

and influence among and between GST and its affiliated entities, these requests are relevant to GST's allegations and KCPL's defenses as articulated in the pleadings and should be compelled.

15. Request 2.58 asks how GST managed its steel plant production schedules to minimize purchases of electricity in the summer months; Request 2.59 requests GST's yearly amounts of capital investments or expenditures; Request 2.60 asks for GST's annual budget for the years 1994-1999; and Request 2.63 asks how many days of production GST keeps in inventory by product line. These requests are relevant because GST alleged that its production is likely to decrease, that it will need to reduce its work force, and that its economic viability is "severely threatened" by the allegedly unjust and unreasonable rates charged by KCPL pursuant to the Special Contract. Petition, ¶¶ 3-4; 24-26. In its motion for interim relief GST alleged an increase in its electricity rates would present a "severe threat to the mill's economic viability," and that the prices for electricity may prove "financially ruinous" to GST. GST's Motion for Interim Relief and Expedited Hearings, ¶¶ 6,10. KCPL argued that a variety of other factors are affecting, to a greater degree, GST's current economic viability. KCPL's Answer ¶ 38-41. Requests 2.58-2.60 and 2.63 are relevant to this proceeding as they relate to other possible factors impacting GST's economic viability. Thus, the requests are related to a portion of KCPL's defense as articulated in the pleadings and KCPL should be permitted to engage in discovery to obtain this information.


### **Conclusion**

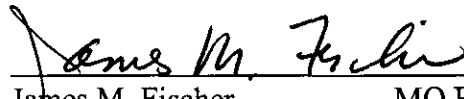
All of KCPL's requests that GST objects to, seek information which is relevant to proving or disproving allegations contained in the pleadings or address issues relevant to KCPL's defenses. Moreover, the Requests are as narrowly tailored as possible to the issues underlying the facts of this dispute, and are reasonably calculated to lead to the discovery of admissible evidence.

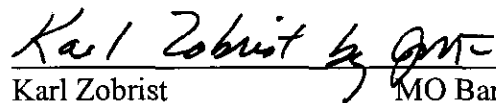


WHEREFORE, Kansas City Power and Light Company respectfully requests that the Commission overrule GST's specific objections to KCPL's Second Set of Interrogatories and Requests for Production of Documents and compel GST to respond to those requests.

Respectfully submitted,

  
Gerald A. Reynolds CT Bar #407871  
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Facsimile: (816) 983-8080

Attorneys for Kansas City Power & Light Company

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed via certified mail, return receipt requested, to the following counsel of record, this 13<sup>th</sup> day of October, 1999:

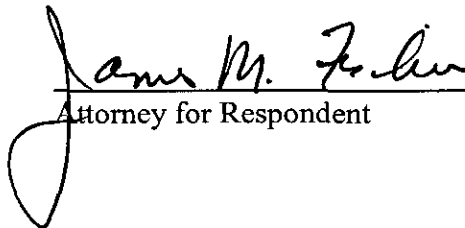
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1025 Thomas Jefferson Street, N.W.  
Washington, DC 20007  
Attorneys for Complainant GST Steel Company

I hereby certify that copies of the foregoing have been hand-delivered or mailed to the following counsel of record this 13<sup>th</sup> day of October 1999.

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Steven Dottheim  
Lera L. Shemwell  
Missouri Public Service Commission  
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P. O. Box 7800  
Jefferson City, MO 65102

  
\_\_\_\_\_  
Attorney for Respondent

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

GST STEEL COMPANY,	)	
	)	
Complainant,	)	
	)	
v.	)	Case No. EC-99-553
	)	
KANSAS CITY POWER & LIGHT COMPANY,	)	
	)	
Respondent.	)	

**SECOND SET OF INTERROGATORIES AND REQUESTS FOR  
PRODUCTION OF DOCUMENTS PROPOUNDED BY  
KANSAS CITY POWER & LIGHT COMPANY TO GST STEEL COMPANY**

Kansas City Power & Light Company ("KCPL") hereby propounds the following Interrogatories and Requests for Production of Documents (referred to hereafter as "Requests") in the captioned proceeding. Each request incorporates fully by reference each and every Definition and Instruction as if set forth fully herein. Any questions, comments, or objections should be directed as soon as possible to the undersigned counsel in order to expedite the discovery process. GST Steel Company ("GST") is requested to provide its responses on an as available basis no later than 20 days from service.

**INSTRUCTIONS**

Please refer to the Definitions and Instructions contained in KCPL's first set of discovery requests which are incorporated by reference as if fully set forth herein.

**REQUESTS**

2.01 For each domestic steel mill owned or controlled by GSI, please provide the average price paid for electric service for the calendar years 1994 through 1998, inclusive, and the average price paid for electric service for the first eight months of 1999.

2.02 For each domestic steel mill owned or controlled by GSTOC, please provide the average price paid for electric service for the calendar years 1994 through 1998, inclusive, and the average price paid for electric service for the first eight months of 1999.

2.03 For the years 1994 through 1999, inclusive, please identify the each electric supplier that provides electric service for each domestic steel mill owned or controlled by GSI. For each year, provide a copy of each domestic steel mill's tariff and/or special contract.

2.04 For the years 1994 through 1999, inclusive, please identify the electric supplier that provides electric service for each domestic steel mill owned or controlled by GSTOC. For each year, provide a copy of each domestic steel mill's tariff and/or special contract.

2.05 From January 1, 1994 to the present, has any other domestic steel mill owned or controlled by GSI purchased electricity under a contract or agreement similar to the Special Contract (*i.e.*, a contract in which the seller charges the buyer the incremental cost of electricity production, or system lambda)? If so, please provide a copy of each contract or agreement.

2.06 From January 1, 1994 to the present, has any other domestic steel mill owned or controlled by GSTOC purchased electricity under a contract similar to the Special Contract (*i.e.*, a contract in which the seller charges the buyer the incremental cost of electricity production, or system lambda)? If so, please provide a copy of each contract or agreement.

2.07 Prior to the execution of the Special Contract, was GSI aware that off system purchases of power could result in an increase in KCPL's incremental cost of production?

2.08 Prior to the execution of the Special Contract, was GSTOC aware that off system purchases of power could result in an increase in KCPL's incremental cost of production?

2.09 Prior to the execution of the Special Contract, was GST aware that off system purchases of power could result in an increase in KCPL's incremental cost of production?

2.10 After the summer of 1998, was GSI aware that off system purchases of power could result in an increase in KCPL's incremental cost of production?

2.11 After the summer of 1998, was GSTOC aware that off system purchases of power could result in an increase in KCPL's incremental cost of production?

2.12 After the summer of 1998, was GST aware that off system purchases of power could result in an increase in KCPL's incremental cost of production?

2.13 From January 1, 1994 to June 23, 1998, did GSI consider using financial instruments to hedge the electricity commodity price risk associated with the Special Contract? If so, please provide copies of all of the documents that GSI reviewed in its consideration of using said financial instruments.

2.14 From January 1, 1994 to June 23, 1998, did GSTOC consider using financial instruments to hedge the electricity commodity price risk associated with the Special Contract? If so, please provide copies of all of the documents that GSTOC reviewed in its consideration of using said financial instruments.

2.15 From January 1, 1994 to June 23, 1998, did GST consider using financial instruments to hedge the electricity commodity price risk associated with the Special Contract? If so, please provide copies of all of the documents that GST reviewed in its consideration of using said financial instruments.

2.16 From June 24, 1998 to February 16, 1999, did GSI consider using financial instruments to hedge the electricity commodity price risk associated with the Special Contract? If so, please provide copies of all of the documents that GSI reviewed in its consideration of using said financial instruments.

2.17 From June 24, 1998 to February 16, 1999, did GSTOC consider using financial instruments to hedge the electricity commodity price risk associated with the Special Contract? If so, please provide copies of all of the documents that GSTOC reviewed in its consideration of using said financial instruments.

2.18 From June 24, 1998 to February 16, 1999, did GST consider using financial instruments to hedge its electricity commodity price risk associated with the Special Contract? If so, please provide copies of all of the documents that GST reviewed in its consideration of using said financial instruments.

2.19 From February 17, 1999 to the present, has GSI considered using financial instruments to hedge the electricity commodity price risk associated with the Special Contract? If so, please provide copies of all of the documents that GSI reviewed in its consideration of using said financial instruments.

2.20 From February 17, 1999 to the present, has GSTOC considered using financial instruments to hedge the electricity commodity price risk associated with the Special Contract? If so, please provide copies of all of the documents that GSTOC reviewed in its consideration of using said financial instruments.

2.21 From February 17, 1999 to the present, has GST considered using financial instruments to hedge the electricity commodity price risk associated with the Special Contract? If so, please provide copies of all of the documents that GST reviewed in its consideration of using said financial instruments.

2.22 From January 1, 1994 to the present, has GSI considered using financial instruments to hedge the electricity commodity price risk at any other domestic steel mill owned

or controlled by GSI? If so, please provide copies of all of the documents that GSI reviewed in its consideration of using said financial instruments.

2.23 From January 1, 1994 to the present, has GSTOC considered using financial instruments to hedge the electricity commodity price risk at any other domestic steel mill owned or controlled by GSTOC? If so, please provide copies of all of the documents that GSTOC reviewed in its consideration of using said financial instruments.

2.24 From January 1, 1994 to the present, has GSI ever used financial instruments to hedge the electricity commodity price risk resulting from the Special Contract? If so, please provide copies of all of the documents, including, but not limited to, contracts relating to the financial instruments.

2.25 From January 1, 1994 to the present, has GSTOC ever used financial instruments to hedge the electricity commodity price risk associated with the Special Contract? If so, please provide copies of all of the documents, including, but not limited to, contracts relating to the financial instruments.

2.26 From January 1, 1994 to the present, has GST ever used financial instruments to hedge the electricity commodity price risk associated with the Special Contract? If so, please provide copies of all of the documents, including, but not limited to, contracts relating to the financial instruments.

2.27 What financial instruments has GSI used to hedge electricity commodity price risk at each of the domestic steel mills that it owns or controls?

2.28 What financial instruments has GSTOC used to hedge electricity commodity price risk at each of the domestic steel mills that it owns or controls?

2.29 What financial instruments has GST used to hedge the electricity commodity price risk associated with the Special Contract?

2.30 From January 1, 1994 to the present, has GSI ever bought or sold electricity forward contracts? If yes, provide details of the transaction in terms of date, location, quantity, buyer (or seller), term and price. In addition, please provide copies of each forward contract.

2.31 From January 1, 1994 to the present, has GSTOC ever bought or sold electricity forward contracts? If yes, provide details of the transaction in terms of date, location, quantity, buyer (or seller), term and price. In addition, please provide copies of each forward contract.

2.32 From January 1, 1994 to the present, has GST ever bought or sold electricity forward contracts? If yes, provide details of the transaction in terms of date, location, quantity, buyer (or seller), term and price. In addition, please provide copies of each forward contract.

2.33 From January 1, 1994 to the present, has GSI ever bought or sold electricity futures contracts? If yes, please provide details of the transaction by date, location (exchange), term and price. In addition, please provide copies of each futures contract.

2.34 From January 1, 1994 to the present, has GSTOC ever bought or sold electricity futures contracts? If yes, please provide details of the transaction by date, location (exchange), term and price. In addition, please provide copies of each futures contract.

2.35 From January 1, 1994 to the present, has GST ever bought or sold electricity futures contracts? If yes, please provide details of the transaction by date, location (exchange), term and price. In addition, please provide copies of each futures contract.

2.36 From January 1, 1994 to the present, has GSI ever bought or sold electricity option contracts? If yes, please provide details of the transaction by date, location (exchange),



term and price. In addition, please provide copies of each option contract, and a synopsis of the purpose of the option contract.

2.37 From January 1, 1994 to the present, has GSTOC ever bought or sold electricity option contracts? If yes, please provide details of the transaction by date, location (exchange), term and price. In addition, please provide copies of each option contract, and a synopsis of the purpose of the option contract.

2.38 From January 1, 1994 to the present, has GST ever bought or sold electricity option contracts? If yes, please provide details of the transaction by date, location (exchange), term and price. In addition, please provide copies of each option contract, and a synopsis of the purpose of the option contract.

2.39 Has GSI performed any analysis on how the New York Mercantile Exchange ("NYMEX") electricity futures market could be used to hedge against price risk at any domestic mill owned or controlled by GSI? Please provide any documents relating to said analysis.

2.40 From January 1, 1994 to the present, has GSTOC performed any analysis on how the NYMEX electricity futures market could be used to hedge against price risk at any domestic mill owned or controlled by GSTOC? Please provide any documents relating to said analysis.

2.41 From January 1, 1994 to the present, has GST performed any analysis on how the NYMEX electricity futures market could be used to hedge against the price risk associated with the Special Contract? Please provide any documents relating to said analysis.

2.42 KCPL has offered GST proposals that would have hedged against "price spikes" associated with the Special Contract. How did GST evaluate these proposals? Please provide any documents that relate to said proposals.

2.43 From January 1, 1994 to the present, has GST considered using forward, futures or options contracts to hedge the approximately 10MW Firm Power Level (minimum load) at the Kansas City facility? Please provide any documents that relate to GST's analysis of hedging its minimum electric load.

2.44 Does GSI use pricing models to evaluate electricity forward, futures or options instruments? If so, what pricing models does GSI use to evaluate said instruments? Please provide a copy of all software associated with each pricing model.

2.45 Does GSTOC use pricing models to evaluate electricity forward, futures or options instruments? If so, what pricing models does GSTOC use to evaluate said instruments? Please provide a copy of all software associated with each pricing model.

2.46 Does GST use pricing models to evaluate electricity forward, futures or options instruments? If so, what pricing models does GST use to evaluate said instruments? Please provide a copy of all software associated with each pricing model.

2.47 Has GSI ever consider any co-generation opportunities for any domestic steel mill that it owns or controls. If yes, please provide any documents relating to any co-generation opportunities that GSI has considered.

2.48 Has GSTOC ever consider any co-generation opportunities for any domestic steel mill that it owns or controls. If yes, please provide any documents relating to any co-generation opportunities that GSTOC has considered.

2.49 Has GST ever consider any co-generation opportunities. If yes, please provide any documents relating to any co-generation opportunities that GST has considered.

2.50 Prior to executing the Special Contract, what analysis did GSI perform to determine the supply and capacity characteristics and net electric portfolio position of the KCPL

territory that would exist during the 10-year term of the Special Contract? Please provide any documents relating to said analysis.

2.51 Prior to executing the Special Contract, what analysis did GSTOC perform to determine the supply and capacity characteristics and net electric portfolio position of the KCPL territory that would exist during the 10-year term of the Special Contract? Please provide any documents relating to said analysis.

2.52 Prior to executing the Special Contract, what analysis did GST perform to determine the supply and capacity characteristics and net electric portfolio position of the KCPL territory that would exist during the 10-year term of the Special Contract? Please provide any documents relating to said analysis.

2.53 For each production delay at GST's Kansas City facility that GST attributes to KCPL, please state the net profits lost due to each production delay.

2.54 For the years 1994 through 1999, inclusive, please provide a copy of GST's Annual Plan.

2.55 For the years 1994 through 1999, inclusive, please provide copies of any forecasts prepared by or for GSI relating to the cost of electricity at GST.

2.56 For the years 1994 through 1999, inclusive, please provide copies of any forecasts prepared by or for GSTOC relating to the cost of electricity at GST.

2.57 For the years 1994 through 1999, inclusive, please provide copies of any forecasts prepared by or for GST relating to the cost of electricity at its Kansas City facility.

2.58 How has GST managed its steel plant production schedules to minimize purchases of electricity in the summer months?

2.59 For the years 1994 through 1999, inclusive, please provide GST's yearly amounts of capital investments or expenditures.

2.60 For the years, 1994 through 1999, inclusive, please provide GST's annual budget.

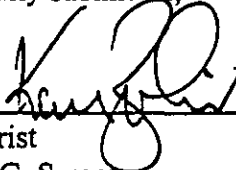
2.61 With respect to the sale of any steel product sold by GST, does GST use cost plus pricing?

2.62 For the years 1994 through 1999, inclusive, does any of GST's agreements or contracts for the sale of its steel products contain a liquidated damages clause? If so, please provide copies of each agreement or contract.

2.63 How many days of production does GST keep in inventory by product line?

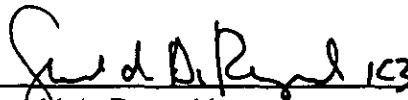
2.64 Has GSTOC and/or any of the domestic steel mills owned or controlled by GSTOC, with the exception of GST, filed any type of complaint against a supplier of electricity? If so, please provide a copy of each pleading filed in the case, including discovery requests.

Respectfully submitted,




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Karl Zobrist Mo. # 28325  
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Mo. # 27543

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed to the following counsel of record, this 10 day of September, 1999:

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BRICKFIELD  
BUCKETT  
RITTS

GST objects to this Request as being irrelevant because identifying each electric supplier providing service to GSI and GSTOC domestic steel making facilities is in no way related to KCPL's management of its incremental costs charged to GST or the adequacy of service issues in this proceeding.

**KCPL-2.05, 2.06:**

**Response:**

GST objects to KCPL's Request on the grounds that the information sought is neither relevant to the issues set for hearing in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

GST objects to this Request as being irrelevant because contracts by other GSI and GSTOC domestic steel making facilities are in no way related to KCPL's management of its incremental costs charged to GST or the adequacy of service issues in this proceeding.

**KCPL-2.13, 2.14, 2.15, 2.16, 2.17, 2.18, 2.19, 2.20, 2.21, 2.22, 2.23, 2.24, 2.25, 2.26, 2.27, 2.28, 2.29, 2.30, 2.31, 2.32, 2.33, 2.34, 2.35, 2.36, 2.37, 2.38, 2.39, 2.40, 2.41:**

**Response:**

GST objects to KCPL's Request on the grounds that the information sought is neither relevant to the issues set for hearing in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

GST objects to this Request as being irrelevant because whether GSI, GSTOC or GST considered using or used financial hedge instruments is in no way related to KCPL's management of its incremental costs charged to GST or the adequacy of service issues in this proceeding.

**KCPL-2.42:**

**Response:**

GST objects to KCPL's Request on the grounds that the information sought is neither relevant to the issues set for hearing in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

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BURCHETTE  
K. T. P.C.

GST objects to this Request as being irrelevant because whether or how GST may have evaluated hedge proposals is in no way related to KCPL's management of its incremental costs charged to GST or the adequacy of service issues in this proceeding.

**KCPL-2.43:**

**Response:**

GST objects to KCPL's Request on the grounds that the information sought is neither relevant to the issues set for hearing in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

GST objects to this Request as being irrelevant because whether GST considered financial hedge instruments is in no way related to KCPL's management of its incremental costs charged to GST or the adequacy of service issues in this proceeding.

**KCPL-2.44, 2.45, 2.46:**

**Response:**

GST objects to KCPL's Request on the grounds that the information sought is neither relevant to the issues set for hearing in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

GST objects to this Request as being irrelevant because whether GSI, GSTOC or GST use pricing models to evaluate electricity forward, futures, or options instruments is in no way related to KCPL's management of its incremental costs charged to GST or the adequacy of service issues in this proceeding.

**KCPL-2.47, 2.48, 2.49:**

**Response:**

GST objects to KCPL's Request on the grounds that the information sought is neither relevant to the issues set for hearing in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

GST objects to this Request as being irrelevant because whether GSI, GSTOC or GST have considered co-generation opportunities is in no way related to KCPL's management of its incremental costs charged to GST or the adequacy of service issues in this proceeding.



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BURCHETT  
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**KCPL-2.50, 2.51, 2.52:**

**Response:**

GST objects to KCPL's Request on the grounds that the information sought is neither relevant to the issues set for hearing in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

GST objects to this Request as being irrelevant because whether GST, GSTOC or GST performed any analysis of KCPL's electric portfolio is in no way related to KCPL's management of its incremental costs charged to GST or the adequacy of service issues in this proceeding.

**KCPL-2.54:**

**Response:**

GST objects to KCPL's Request on the grounds that the information sought is neither relevant to the issues set for hearing in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

GST objects to this Request as being irrelevant because GST's Annual Plan is in no way related to KCPL's management of its incremental costs charged to GST or the adequacy of service issues in this proceeding.

**KCPL-2.55, 2.56, 2.57:**

**Response:**

GST objects to KCPL's Request on the grounds that the information sought is neither relevant to the issues set for hearing in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

GST objects to this Request as being irrelevant because forecasts prepared by or for GST with respect to the cost of electricity at GST are in no way related to KCPL's management of its incremental costs charged to GST or the adequacy of service issues in this proceeding.

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**KCPL-2.58:**

**Response:**

GST objects to KCPL's Request on the grounds that the information sought is neither relevant to the issues set for hearing in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

GST objects to this Request as being irrelevant because how GST has managed its steel production schedules is in no way related to KCPL's management of its incremental costs charged to GST or the adequacy of service issues in this proceeding.

**KCPL-2.59:**

**Response:**

GST objects to KCPL's Request on the grounds that the information sought is neither relevant to the issues set for hearing in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

GST objects to this Request as being irrelevant because GST's yearly amounts of capital investments or expenditures are in no way related to KCPL's management of its incremental costs charged to GST or the adequacy of service issues in this proceeding.

**KCPL-2.60:**

**Response:**

GST objects to KCPL's Request on the grounds that the information sought is neither relevant to the issues set for hearing in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

GST objects to this Request as being irrelevant because GST's Annual Budget is in no way related to KCPL's management of its incremental costs charged to GST or the adequacy of service issues in this proceeding.

**KCPL-2.61:**

**Response:**

GST objects to KCPL's Request on the grounds that the information sought is neither relevant to the issues set for hearing in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

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BRICKFIELD  
BUNCHETTE  
K. T. F. C.

GST objects to this Request as being irrelevant because whether GST uses cost plus pricing is in no way related to KCPL's management of its incremental costs charged to GST or the adequacy of service issues in this proceeding.

**KCPL-2.62:**

**Response:**

GST objects to KCPL's Request on the grounds that the information sought is neither relevant to the issues set for hearing in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

GST objects to this Request as being irrelevant because whether any of GST's contracts for steel contain liquidated damages clauses is in no way related to KCPL's management of its incremental costs charged to GST or the adequacy of service issues in this proceeding.

**KCPL-2.63:**

**Response:**

GST objects to KCPL's Request on the grounds that the information sought is neither relevant to the issues set for hearing in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

GST objects to this Request as being irrelevant because GST's inventory by product line is in no way related to KCPL's management of its incremental costs charged to GST or the adequacy of service issues in this proceeding.

**KCPL-2.64:**

**Response:**

GST objects to KCPL's Request on the grounds that the information sought is neither relevant to the issues set for hearing in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence.

GST objects to this Request as being irrelevant because complaints filed by GSTOC against a supplier of electricity are in no way related to KCPL's management of its incremental costs charged to GST or the adequacy of service issues in this proceeding.

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RITTS, P.C.

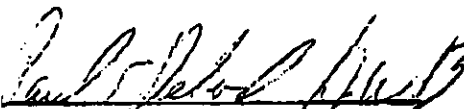
Notwithstanding the objections asserted here, GST reserves the right to invoke claims of privilege and confidentiality with respect to any and all Requests submitted, and to object to any Request for which the requested materials prove to be voluminous when preparing the response.

Sincerely,



James W. Brew

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cc: L. Shemwell