

**MDNR Company-Specific Contemporary Issues  
For KCP&L/Greater Missouri Operations (GMO)**

**Issue 1: Clarifying the assumptions and structural form of weather normalization models**

In its annual update, GMO should elaborate on the assumptions, functional form used in the equations to estimate the effect of weather on system loads and report the R-squared statistic and other goodness of fit measures to comply with the rule. GMO should investigate if there are any other variables that can better explain the weather trends or consider using non-linear models as an estimation technique.

**Issue 2: Adjusting its load forecast to reflect current economic conditions.**

In its annual update, GMO should recalibrate its forecast of the number of households to reflect the existing economic situation. The analysis should describe and document any changes in the components of the load forecast made to account for changes in the economic situation.

**Issue 3: Provide justification for the use of first-order autoregressive models in its weather normalization models**

In its annual update, GMO needs to provide a rationale for the use of first-order autoregressive models, specify the model and explain why autoregressive moving average or autoregressive integrated moving average models were not used, especially in the wake of using time-series models. Use of specific monthly variables need to be justified in the modeling process and any tests results for serial correlation and stationarity need to be reported.

**Issue 4: Provide a more detailed analysis of distributed generation and combined heat and power (CHP) sources.**

In its annual update, GMO should provide a more detailed analysis of the market status of a number of distribution technologies as well as their potential impacts. GMO should also explore more opportunities with customer-side CHP.

**Issue 5: Provide complete metrics for “aggressive”, “very aggressive” and “stipulated” DSM portfolios.**

In its annual update GMO should provide the program metrics described in 4 CSR 240-22.050(G) for each of its DSM portfolios.

**Issue 6: Changing GMO's approach to estimating aggressive DSM portfolios.**

In its 2012 IRP GMO estimated three “aggressive”, “very aggressive” and “stipulated” DSM portfolios by adding unknown technologies (“Technology X” in the case of its “aggressive” DSM portfolio, “Technology Y” in the case of its “very aggressive” DSM portfolio, and what MDNR identified as “Technology Z” in the case of its stipulated DMS portfolio). GMO should describe and document changes in its program designs, measure offerings and customer incentive levels that would achieve the savings levels of its “aggressive” and “very aggressive” DSM portfolios without relying on unknown technologies.

**Issue 7: GMO should describe and document the legal and administrative steps necessary to allow for IRP planning on a combined company basis.**

**Issue 8: GMO should describe and document its methodology for allocating combined company resources to its component companies.**

In its annual update, GMO should describe and document its approach to constructing combined plans and its allocation procedures. If the Company uses a combined planning approach in the future, the combined plan should include an articulated methodology for sharing demand side, supply side and renewable resources between companies.

**Issue 9: Address deficiencies in the analysis of Special Contemporary Issues B, C, H, I, J and L from File No. EO-2012-0042.**

The specific deficiencies and concerns raised by MDNR are described in its filing in response to GMO's 2012 IRP (File No. EO-2012-0324).