

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

In the Matter of the Application of KCP&L)
Greater Missouri Operations Company for)
Approval to Make Certain Changes in its)
Charges for Electric Service.) Case No. ER-2010-0356

**RESPONSE OF KCP&L GREATER MISSOURI OPERATIONS COMPANY TO
ORDER DIRECTING FILING ISSUED ON JUNE 14, 2011**

KCP&L Greater Missouri Operations Company (“GMO” or “Company”), pursuant to 4 CSR 240-2.080, files its Response to the *Order Directing Filing* issued on June 14, 2011. In support of its response, the Company states as follows:

1. On June 14, 2011, the Commission issued its *Order Directing Filing* which stated in part:

On June 13, 2011, KCP&L Greater Missouri Operations Company filed a response to the Commission’s order further suspending the tariff sheets. In that response, GMO attaches a comparison of the company’s Iatan 2 allocation and the Commission’s Iatan 2 allocation with regard to the effects on revenue requirement of those allocations and the fuel adjustment clause rebasing issue. What GMO’s attachment does not show are the numbers for the Commission’s Iatan 2 Allocation with Rebasing. It would be helpful to the Commission to have these numbers in a similar format for an accurate comparison. (emphasis added)

The Commission’s *Order Directing Filing* also ordered the Company to “file a response setting out the additional numbers for comparison as stated above no later than 3:30 p.m., June 14, 2010.”

2. In response, the Company would note that the information requested by the Commission is already contained in Attachment No. 1 to the *Response Of KCP&L Greater Missouri Operations Company To Order Further Suspending Tariffs Sheets*; and is attached to this pleading. The first line of each of the tables contained in Attachment No. 1 contains the

requested information—the revenue requirement impact of the “Commission’s Iatan 2 Allocation with Rebasing” scenario that was contained in the original *Report And Order*. To clarify, the revenue requirement impact of the “Commission’s Iatan 2 Allocation with Rebasing” scenario is as follows:

| | <u>MPS</u> | <u>L&P</u> | <u>Total</u> |
|---|----------------|----------------|-----------------------------|
| Commission’s Iatan 2 Allocation with Rebasing: | \$35.72 | \$29.77 | \$ 65.49¹ |

3. In the tables contained on Attachment No. 1, adjustments are made to these revenue requirement numbers to show the impact if the Commission modified its original decision (i.e. “Commission’s Iatan 2 Allocation with Rebasing”) by using the Company’s Iatan 2 Allocation with, and without Rebasing, or the Commission’s Iatan 2 Allocation without Rebasing.

4. It should also be noted that the tariffs that have been filed by GMO and approved² by the Commission Staff for the MPS division produce \$35.72 million. In addition, the final year of the phase-in tariffs that were filed by GMO pursuant to the Commission’s *Order Of Clarification And Modification* issued on May 27, 2011 produce the \$29.77 million for the L&P division. Both sets of tariffs (i.e. MPS and L&P final year tariffs) combined would produce the \$65.49 million of additional revenue, as authorized by the Commission’s *Report And Order* in this proceeding.

5. Hopefully, the Company has clarified in this pleading that Attachment No. 1 contains the requested information related to the “Commission’s Iatan 2 Allocation with

¹ Expressed in millions of dollars.

² See *Staff Recommendation To Approve Tariffs* filed on June 2, 2011.

Rebasing” scenario, and regrets that it did not make its original presentation clearer.

WHEREFORE, KCP&L Greater Missouri Operations Company respectfully requests that the Commission accept this filing as its Response to the *Order Directing Filing* issued on June 10, 2011.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been hand delivered, emailed or mailed, postage prepaid, this 14th day of June, 2011 at 2:15 p.m. to all counsel of record.

/s/ James M. Fischer
James M. Fischer

KCP&L Greater Missouri Operations Company
Case No. ER-2010-0356
Alternatives

| | <u>MPS</u> | <u>L&P</u> | <u>Total</u> |
|---|-----------------|-----------------|-----------------|
| Company's Iatan 2 Allocation with Rebasing | | | |
| Revenue Requirement | \$ 35.72 | \$ 29.77 | \$ 65.49 |
| Adjustments: | | | |
| Non-fuel change due to Iatan 2 allocation | 2.66 | (2.66) | - |
| Fuel change due to Iatan 2 allocation | (2.17) | 2.24 | 0.07 |
| Non FAC Fuel change due to Iatan 2 allocation | 0.02 | (0.02) | - |
| Adjusted Revenue Requirement | \$ 36.23 | \$ 29.33 | \$ 65.56 |
| | | | |
| Commission Iatan 2 Allocation without Rebasing | | | |
| Revenue Requirement | \$ 35.72 | \$ 29.77 | \$ 65.49 |
| Adjustment: | | | |
| No-rebasing (Commission Iatan 2 allocation) | 0.51 | (6.70) | (6.19) |
| Adjusted Revenue Requirement | \$ 36.23 | \$ 23.07 | \$ 59.30 |
| | | | |
| Company's Iatan 2 Allocation without Rebasing | | | |
| Revenue Requirement | \$ 35.72 | \$ 29.77 | \$ 65.49 |
| Adjustments: | | | |
| Non-fuel change due to Iatan 2 allocation | 2.66 | (2.66) | - |
| No-rebasing (Company Iatan 2 allocation) | 2.68 | (8.94) | (6.26) |
| Non FAC Fuel change due to Iatan 2 allocation | 0.02 | (0.02) | - |
| Adjusted Revenue Requirement | \$ 41.08 | \$ 18.15 | \$ 59.23 |

Note: Non FAC fuel shift - the allocation for Iatan 2 unit trains as well as non-labor fuel handling charges change with the change in the Iatan 2 allocation.