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Missouri Public Service Commission

May 1, 2001

Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission 200 Madison Street, Suite 100 P.O. Box 360 Jefferson City, Missouri 65102

Case No. ES-99-581

Kansas City Power & Light Company

Dear Mr. Roberts:

RE:

Enclosed for filing in the above-referenced matter are the original and eight (8) copies of Kansas City Power & Light Company's Response to Order Directing Filing, which Order was issued by the Commission on April 19, 2001. A copy of the foregoing Response of Kansas City Power & Light Company 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

Enclosure(s)

cc:

Lera L. Shemwell

Office of the Public Counsel

BEFORE THE PUBLIC SERVICE COMMISSION MAY OF THE STATE OF MISSOURI

FILED<sup>2</sup>
MAY 1 2001 N Sarvice Commission Case No. ES-99-581

In the Matter of Kansas City Power & Light Company Regarding an Incident at the Hawthorn Station, Kansas City, Missouri, on February 17, 1999

## KANSAS CITY POWER & LIGHT COMPANY'S RESPONSE TO ORDER DIRECTING FILING

COMES NOW Kansas City Power & Light Company ("KCPL") in response to the Order Directing Filing issued by the Public Service Commission of the State of Missouri ("Commission") dated April 19, 2001 ("Order"). In support of its Response, KCPL states the following:

- 1. The explosion that occurred at the Hawthorn Station on February 17, 1999, resulted in losses to KCPL that exceed \$450 million. After the Commission opened the instant case, KCPL informed the Commission's Staff ("Staff") that there were several companies whose acts and/or omissions contributed to the explosion. KCPL also informed Staff that it would investigate these companies' liability and file a lawsuit against these companies to recover its losses. Finally, KCPL informed Staff that the premature and piecemeal disclosure of the information derived from its investigation prior to litigation eventually could harm KCPL's customers in light of the responsibility of third parties for the explosion. In other words, KCPL and its customers would be harmed if premature disclosures interfered with KCPL's preparation of its lawsuit.
- 2. On December 18, 2000, KCPL provided Staff its Investigation Report. The Investigation Report contains information that relates to the causes of the Hawthorn Incident. KCPL designated the Investigation Report highly confidential. No party to the



case challenged the designation. To the extent it cited to or quoted from the highly confidential information contained in KCPL's Investigation Report, Staff designated the information highly confidential in its Final Electric Incident Report ("Incident Report") and Evaluation of Kansas City Power & Light Company's System Performance and Employee Safety and Training Programs ("Evaluation").

- 3. KCPL has completed its investigation. On April 3, 2001, KCPL filed a lawsuit against numerous companies that it believes contributed to the Hawthorn Incident. Consequently, much of KCPL's need for confidentiality no longer exists.
- 4. KCPL, Staff, and the Office of Public Counsel filed their Stipulation and Agreement ("Stipulation") that calls for KCPL to test and review the fuel-trip logic of the Burner Management System and Fuel Management Control System for each of its non-nuclear power plants ("BMS System"). The Burner Management System Testing Schedules for the years 2001 and 2002 that are attached to the Stipulation as Attachment A-1 and A-2 ("Testing Schedules"), respectively, contain: 1) marketing analyses or other market-specific information relating to services offered in competition with others, and 2) strategies employed, to be employed, or under consideration in contract negotiations.
- 5. Assuming the Commission approves the Stipulation, and in accordance with said stipulation, KCPL will review and test the BMS System for each of its non-nuclear power plants. During a portion of the review, KCPL will have to shutdown each power plant being tested. The Testing Schedules provide the time periods when the plants are scheduled to be tested. If KCPL has to purchase power on the wholesale market during these periods, the Testing Schedules will provide potential sellers a significant advantage during the negotiations for purchased power.

WHEREFORE, for the foregoing reasons, KCPL respectfully requests that the Commission maintain the highly confidential designation with respect to the Testing Schedules that are attached to the Stipulation as Attachment A-1 and A-2. KCPL has no objections if the Commission elects to remove the highly confidential designation from the remaining documents.

Respectfully submitted,

James M. Fischer, Esq.

MBN 27543

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ATTORNEYS FOR KANSAS CITY **POWER & LIGHT COMPANY** 

## **CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing Response has been hand delivered or mailed via U.S. Mail, postage prepaid, this 1<sup>st</sup> day of May 2001, to:

Lera L. Shemwell Assistant General Counsel Missouri Public Service Commission P.O. Box 360 Jefferson City, MO 65102

Office of the Public Counsel P.O. Box 7800 Jefferson City, Missouri 65102

James M. Fischer