

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

In the Matter of Kansas City Power & Light)
Company's Request for Authority to Implement) File No. ER-2014-0370
A General Rate Increase for Electric Service)

**KANSAS CITY POWER & LIGHT COMPANY'S RESPONSE TO STAFF REVENUE
REQUIREMENT ESTIMATE FILING OF AUGUST 21, 2015**

COMES NOW Kansas City Power & Light Company ("Company" or KCP&L") and hereby submits to the Missouri Public Service Commission ("Commission") its Response to Staff Revenue Requirement Estimate Filing of August 21, 2015.

1. On August 21, 2015, the Staff of the Commission, in compliance with a Commission order dated August 19, 2015 ("August 19 Order"), filed a revenue requirement estimate based on a number of assumptions set forth in the Commission's August 19 Order. As explained in more detail below, KCP&L believes that one of the assumptions set forth in the August 19 Order – the cost rate for long-term debt – is in error, and requires correction to the revenue requirement included in the Staff Revenue Requirement Estimate Filing of August 21, 2015.

2. The cost rate for long-term debt was never disputed in this proceeding, nor was the Company's proposal to true-up the cost rate for long-term debt as of the end of the true-up period (May 31, 2015). Prior to true-up, KCP&L and Staff agreed that the cost rate for long-term debt was 5.55%. Ex. 115, Hevert Direct at 53; and Ex. 201, Staff Accounting Schedules, Schedule 12. KCP&L and Staff also agreed that the cost rate for long-term debt changed upon true-up. The cost rate for long-term debt KCP&L used at true-up was 5.557% (Ex. 166, Klote True-up Rebuttal at 2) while Staff used a rounded cost rate for long-term debt of 5.56%. Ex. 259, Revised True-up Accounting Schedules, Schedule 12. Correcting the cost rate for long-

term debt increases revenue requirement by approximately \$126,794 above the revenue requirement estimate of \$89,332,464 shown in the Staff Revenue Requirement Estimate Filing of August 21, 2015.

WHEREFORE, KCP&L respectfully submits this Response to Staff Revenue Requirement Estimate Filing of August 21, 2015 and asks that the revenue requirement estimate be corrected as described herein.

Respectfully submitted,

/s/ Robert J. Hack

Robert J. Hack, MBE# 36496
Roger W. Steiner, MBE #39586
Kansas City Power & Light Company
1200 Main Street
Kansas City, MO 64105
(816) 556-2785
(816) 556-2787 (Fax)
Rob.Hack@kcpl.com
Roger.Steiner@kcpl.com

Attorneys for Kansas City Power & Light Company

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 21st day of August, 2015, to all parties of record.

/s/ Robert J. Hack

Robert J. Hack