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

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In the Matter of the Application of Kansas City Power & Light Company Regarding the Sale of Assets and Property Rights Located Near Spearville, Kansas

Case No. EO-2010-0353

### KANSAS CITY POWER & LIGHT COMPANY'S STATUS REPORT ON APPLICATION AND REQUEST FOR WAIVER

Pursuant to paragraph 6 of Commission's June 23<sup>rd</sup> Order in this case, Kansas City Power & Light Company ("KCP&L") provides the Commission with the following update regarding its application.

1. KCP&L appreciates the Commission's and Staff's efforts to process the Company's pending application on an expedited basis.

2. Unfortunately, the developer of the wind project, *i.e.*, the potential buyer of the wind turbines that are the subject of KCP&L's application, has indicated that it will not take any further steps toward negotiating the final terms of the Asset Sale Agreement, Purchased Power Agreement and Buy Back Agreement until the regulatory uncertainty regarding Commission approval is resolved. Therefore, the Company will not be able to provide a final agreement or term sheet as outlined in paragraph 6 of KCP&L's June 23 application. Nor is the developer willing to pursue arrangements for financing or other activities necessary to close the transaction until the regulatory uncertainty is resolved. KCP&L notes that the current transaction contemplated construction commencing on or about July 14, 2010. Since construction will not commence until some time after that date, KCP&L will need to reach agreement with the developer to continue with the transaction.

3. KCP&L requests a waiver of 4 CSR 240-3.110(1)(B) and (3) which require the applicant to provide a copy of the contract or agreement of sale to the Commission before it makes its decision. Under 4 CSR 240-2.015, the Commission can waive a rule for good cause.

As explained in this pleading, good cause exists because Staff has sufficient information to make a recommendation. In addition, the potential buyer will not proceed with negotiating the transaction until the uncertainty regarding Commission approval is resolved.

4. KCP&L still desires to pursue the transaction, and believes that the Staff has sufficient information to make a recommendation by July 13, 2010 based on the information already provided. KCP&L has provided Staff with drafts of the relevant agreements, as well as responded to data requests, provided four witnesses for deposition by Staff, and made additional KCP&L personnel available for informal interviews. KCP&L believes it has provided the best information it has at this time.

5. KCP&L remains committed to wind energy. If the Commission does not approve the sale of the wind turbines, declines to exercise jurisdiction, or otherwise finds that it has no statutory authority to disapprove a sale of property "which is not necessary or useful in the performance of its duties to the public" (Section 393.190(1)) on July 14, 2010, KCP&L will look for other ways to utilize those facilities.

Respectfully submitted,

## s Roger W. Steiner

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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 document has been hand

delivered, emailed, or mailed, postage prepaid, this 9<sup>th</sup> day of July, 2010, to all counsel of record.

|s| Roger W. Steiner\_

Roger W. Steiner

#### **VERIFICATION**

STATE OF MISSOURI ) ) ss COUNTY OF JACKSON )

I, Curtis D. Blanc, being duly sworn according to law, state that I am authorized to make this verification on behalf of Kansas City Power & Light Company as Senior Director, Regulatory Affairs, and that the facts set forth above are true and correct to the best of my knowledge, information and belief.

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Subscribed and sworn to before me this  $\underline{\mathcal{P}}^{\star}$  day of July, 2010.

Micol A. Wennotary Public

My commission expires:

Feb. 4 201

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1	δ Nicole A. Wehry, Notary Public ζ	
	Jackson County, State of Missouri	
	My Commission Expires 2/4/2011	
	Commission Number 07391200	