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

In the Matter of the Application of	)	
Kansas City Power & Light Company	)	
For Approval to Update the Investment	)	
Guidelines, Add an Investment Manager and	)	
Enter Into a New Agreement with the Existing	)	Case No. EO-2009-0439
Investment Manager for the Kansas City	)	
Power & Light Company Nuclear	)	
Decommissioning Trust Fund	)	

## KANSAS CITY POWER & LIGHT COMPANY'S <u>RESPONSE TO STAFF RECOMMENDATION</u>

COMES NOW Kansas City Power & Light Company ("KCP&L" or "Applicant"), pursuant to 4 CSR 240-2.080, and respectfully files its response to the Staff Recommendation filed on December 4, 2009 in this matter. In support of this response, KCP&L states:

1. On June 10, 2009, KCP&L filed its Application in this matter requesting, among other things, the authority to update the investment guidelines, add an investment manager and enter into a new agreement with the existing investment manager for the Kansas City Power & Light Company Nuclear Decommissioning Trust Fund.

After discussing the Application with the Commission Staff, on November
10, 2009, KCP&L supplemented its Application with additional information requested by
Staff.

3. On December 4, 2009, Staff filed its Staff Recommendation which recommended approval of the Company's application with certain conditions. The Staff Recommendation stated in part:

"The Staff recommends that the Commission approve Kansas City Power & Light Company's ("KCPL") Application and First Amended

Application to update the investment guidelines, add an investment manager and enter into a new agreement with the existing investment manager for the KCPL Nuclear Decommissioning Trust Fund, subject to three conditions set out in Appendix A. The three conditions are as follows:

- 1. That subsequent to KCPL's execution of the changes proposed under its Application and First Amended Application, KCPL or its trustee shall amend /revise on a going forward basis future quarterly Nuclear Decommissioning Trust Fund Performance Reports to include sub-accounts for each investment manager with performance data for each proposed asset class beginning with the establishment of the sub-account.
- 2. That the amended / revised future quarterly Nuclear Decommissioning Trust Fund Reports shall include performance data for the Performance Benchmarks identified in Attachment C of the KCP&L Wolf Creek Nuclear Decommissioning Trust Investment Guidelines.
- 3. That in addition to the aggregate "since inception" performance data of the Nuclear Decommissioning Trust Fund, the amended / revised quarterly Nuclear Decommissioning Trust Fund Reports shall disaggregate performance of the Nuclear Decommissioning Trust Fund to show performance from the execution date of the changes proposed under this Application to the most recent reporting period." (Staff Recommendation, pp. 1-2)
- 4. Having reviewed the Staff Recommendation, including the proposed conditions, KCP&L wishes to inform the Commission that the Staff Recommendation, with the three proposed conditions, is acceptable to KCP&L.

**WHEREFORE**, for the foregoing reasons, KCP&L respectfully requests the Commission accept the Staff Recommendation, with the three above-referenced conditions, and approve the Company's Application, as amended.

Respectfully submitted,

/s/ James M. Fischer

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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 7th day of November, 2009, to all counsel of record.

/s/ James M. Fischer James M. Fischer