



MISSOURI PUBLIC SERVICE COMMISSION

STAFF REPORT
COST OF SERVICE
APPENDICES

KCP&L GREATER MISSOURI OPERATIONS COMPANY

FILE NO. ER-2010-0356

Jefferson City, Missouri
November 2010

NP

MISSOURI PUBLIC SERVICE COMMISSION

**STAFF REPORT
COST OF SERVICE**

**APPENDIX 1
Staff Credentials**

KCP&L GREATER MISSOURI OPERATIONS COMPANY

FILE NO. ER-2010-0356

APPENDIX 1

STAFF CREDENTIALS TABLE OF CONTENTS

Bax, Alan J.	1
Beck, Daniel I.	4
Cecil, Walt	7
Elliott, David W.	9
Featherstone, Cary G.	11
Fred, Carol Gay	23
Gross, Randy S.	27
Harris, V. William	29
Harrison, Paul R.	35
Hyneman, Charles R.	46
Kang, Hojong	53
Lange, Shawn E.	54
Lyons, Karen	55
Majors, Keith A.	56
Maloney, Erin L.	57
Mantle, Lena M.	58
McMellen, Amanda C.	63
Murray, David	67
Prenger, Bret G.	73
Rice, Arthur W., PE	75
Rogers, John A.	77
Warren, Henry E., Ph.D	79
Wells, Curt	83
Won, Seoung Joun	86

ALAN BAX

I graduated from the University of Missouri - Columbia with a Bachelor of Science degree in Electrical Engineering in December 1995. Concurrent with my studies, I was employed as an Engineering Assistant in the Energy Management Department of the University of Missouri – Columbia from the Fall of 1992 through the Fall of 1995. Prior to this, I completed a tour of duty in the United States Navy, completing a course of study at the Navy Nuclear Power School and a Navy Nuclear Propulsion Plant. Following my graduation from the University of Missouri - Columbia, I was employed by The Empire District Electric Company (Empire or Company) as a Staff Engineer until August 1999, at which time I began my employment with the Staff of the Missouri Public Service Commission (Staff). I am a member of the Institute of Electrical/Electronic Engineers (IEEE).

ALAN BAX

TESTIMONY AND REPORTS BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION

<u>COMPANY</u>	<u>CASE NUMBER</u>
Aquila Networks – MPS	ER-2004-0034
Union Electric Company d/b/a AmerenUE	EO-2004-0108
Empire District Electric Company	ER-2002-0424
Kansas City Power and Light	EA-2003-0135
Union Electric Company d/b/a AmerenUE	EO-2003-0271
Aquila Networks – MPS	EO-2004-0603
Union Electric Company d/b/a AmerenUE	EC-2002-0117
Three Rivers and Gascoage Electric Coops	EO-2005-0122
Union Electric Company d/b/a AmerenUE	EC-2002-1
Empire District Electric Company	ER-2001-299
Aquila Networks – MPS	EA-2003-0370
Union Electric Company d/b/a AmerenUE	EW-2004-0583
Union Electric Company d/b/a AmerenUE	EO-2005-0369
Trigen Kansas City	HA-2006-0294
Union Electric Company d/b/a AmerenUE	EC-2005-0352
Missouri Public Service	ER-2001-672
Aquila Networks – MPS	EO-2003-0543
Kansas City Power and Light	ER-2006-0314
Macon Electric Coop	EO-2005-0076
Aquila Networks – MPS	EO-2006-0244
Union Electric Company d/b/a AmerenUE	EO-2003-0271
Union Electric Company d/b/a AmerenUE	EC-2004-0556
Union Electric Company d/b/a AmerenUE	EC-2004-0598
Empire District Electric Company	ER-2004-0570
Union Electric Company d/b/a AmerenUE	EC-2005-0110
Union Electric Company d/b/a AmerenUE	EC-2005-0177
Union Electric Company d/b/a AmerenUE	EC-2005-0313
Empire District Electric Company	EO-2005-0275
Aquila Networks – MPS	EO-2005-0270
Union Electric Company d/b/a AmerenUE	EO-2006-0145
Empire District Electric Company	ER-2006-0315
Aquila Networks – MPS	ER-2005-0436
Union Electric Company d/b/a AmerenUE	EO-2006-0096
Union Electric Company d/b/a AmerenUE	EO-2008-0031
Empire District Electric Company	ER-2008-0093
Missouri Rural Electric Cooperative	EO-2008-0332
Grundy Electric Cooperative	EO-2008-0414

ALAN BAX

<u>COMPANY</u>	<u>CASE NUMBER</u>
Osage Valley Electric Cooperative	EO-2009-0315
Union Electric Company d/b/a AmerenUE	EO-2008-0310
Aquila Networks – MPS	EA-2008-0279
West Central Electric Cooperative	EO-2008-0339
Empire District Electric Company	EO-2009-0233
Union Electric Company d/b/a/ AmerenUE	EO-2009-0272
Empire District Electric Company	EO-2009-0181
Union Electric Company d/b/a AmerenUE	ER-2008-0318
Kansas City Power and Light	ER-2009-0089
Kansas City Power and Light – GMO	ER-2009-0090
Union Electric Company d/b/a AmerenUE	ER-2010-0036
Union Electric Company d/b/a AmerenUE	ER-2010-0036
Empire District Electric Company	ER-2010-0130
Laclede Electric Cooperative	EO-2010-0125
Union Electric Company d/b/a AmerenUE	EC-2010-0364
Union Electric Company d/b/a AmerenUE	ER-2011-0052
Kansas City Power and Light	ER-2010-0355
Kansas City Power and Light – GMO	ER-2010-0356

Daniel I. Beck, P.E.

Supervisor of the Engineering Analysis Section of the Energy Department
Utility Operations Division

Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

I graduated with a Bachelor of Science Degree in Industrial Engineering from the University of Missouri at Columbia. Upon graduation, I was employed by the Navy Plant Representative Office in St. Louis, Missouri as an Industrial Engineer. I began my employment at the Commission in November, 1987, in the Research and Planning Department of the Utility Division (later renamed the Economic Analysis Department of the Policy and Planning Division) where my duties consisted of weather normalization, load forecasting, integrated resource planning, cost-of-service and rate design. In December, 1997, I was transferred to the Tariffs/Rate Design Section of the Commission's Gas Department where my duties include weather normalization, annualization, tariff review, cost-of-service and rate design. Since June 2001, I have been in the Engineering Analysis Section of the Energy Department, which was created by combining the Gas and Electric Departments. I became the Supervisor of the Engineering Analysis Section, Energy Department, Utility Operations Division in November 2005.

I am a Registered Professional Engineer in the State of Missouri. My registration number is E-26953.

**List of Cases in which prepared testimony was presented by:
DANIEL I. BECK**

<u>Company Name</u>	<u>Case No.</u>
Union Electric Company	EO-87-175
The Empire District Electric Company	EO-91-74
Missouri Public Service	ER-93-37
St. Joseph Power & Light Company	ER-93-41
The Empire District Electric Company	ER-94-174
Union Electric Company	EM-96-149
Laclede Gas Company	GR-96-193
Missouri Gas Energy	GR-96-285
Kansas City Power & Light Company	ET-97-113
Associated Natural Gas Company	GR-97-272
Union Electric Company	GR-97-393
Missouri Gas Energy	GR-98-140
Missouri Gas Energy	GT-98-237
Ozark Natural Gas Company, Inc.	GA-98-227
Laclede Gas Company	GR-98-374
St. Joseph Power & Light Company	GR-99-246
Laclede Gas Company	GR-99-315
Utilicorp United Inc. & St. Joseph Light & Power Co.	EM-2000-292
Union Electric Company d/b/a AmerenUE	GR-2000-512
Missouri Gas Energy	GR-2001-292
Laclede Gas Company	GR-2001-629
Union Electric Company d/b/a AmerenUE	GT-2002-70
Laclede Gas Company	GR-2001-629
Laclede Gas Company	GR-2002-356
Union Electric Company d/b/a AmerenUE	GR-2003-0517
Missouri Gas Energy	GR-2004-0209
Atmos Energy Corporation	GR-2006-0387
Missouri Gas Energy	GR-2006-0422
Union Electric Company d/b/a AmerenUE	GR-2007-0003
The Empire District Electric Company	EO-2007-0029/EE-2007-0030
Laclede Gas Company	GR-2007-0208
The Empire District Electric Company	EO-2008-0043

**List of Cases in which prepared testimony was presented by:
DANIEL I. BECK**

<u>Company Name</u>	<u>Case No.</u>
Missouri Gas Utility, Inc.	GR-2008-0060
The Empire District Electric Company	ER-2008-0093
Union Electric Company d/b/a AmerenUE	ER-2008-0318
Kansas City Power & Light Company	ER-2009-0089
KCP&L Greater Missouri Operations Company	ER-2009-0090
Missouri Gas Energy	GR-2009-0355
The Empire District Gas Company	GR-2009-0434
Union Electric Company d/b/a AmerenUE	ER-2010-0036
Laclede Gas Company	GR-2010-0171
Atmos Energy Corporation	GR-2010-0192
Kansas City Power & Light Company	ER-2010-0355

WALT CECIL

PRESENT POSITION:

I am a Regulatory Economist III in the Economic Analysis Section of the Energy Department, Utility Operations Division.

EDUCATIONAL BACKGROUND AND WORK EXPERIENCE:

I hold a B.A. in business administration from Baylor University and a M.A. in economics from the University of Kansas. I joined the Commission's Telecommunications Department Staff in 1999 and was assigned to the Energy Department in June 2008.

Cases in which Testimony was Filed and/or Cross Examination was Stood

<u>Case No.</u>	<u>Issues</u>
ER-2010-0130	Empire District Electric Company; Weather Normalization of Usage (Sales), 365-Days Adjustment, Weather normalization of Net System Input
ER-2010-0036	Union Electric Company d/b/a AmerenUE; Weather Normalization of Usage (Sales)
ER-2009-0090	KCP&L d/b/a Greater Missouri Operating Company; Weather Normalization of Sales and Rate Design
ER-2009-0089	KCP&L; Weather Normalization of Sales
TX-2008-0090	In the Matter of a Proposed Rulemaking to Amend 4 CSR 240-33.0160, Customer Proprietary Network Information
CO-2006-0464	Eligible Telecommunications Carrier Designation
IO-2006-0551	In the Matter of Embarq Missouri, Inc., for Competitive Classification under Section 392.245.5, RSMo 2005
TO-2005-0308	Recommendation Concerning the Surcharge for Deaf Relay Service and Equipment Distribution Program Fund
TO-2005-0035	Directory Assistance

Schedule WC1-1

WALT CECIL

<u>Case No.</u>	<u>Issues</u>
TO-2004-0207	Geographic Market Definition
TO-2002-227	Term Discounts
TO-2002-222	Arbitration Issues 9, 13, 15, 16, 17, 19, 20, 21, 23, 24, 26, 29, 30, 33, 48, 49, 50
TT-2002-108 and TT-2002-130	Tariff Winback Provisions; Multi-Year Contracts—Consolidated Cases
TO-2001-455	Physical Network Interconnection Issues; Inter-Carrier Compensation; Operations Support Services
TO-2001-347	Geographic Deaveraging
TO-2000-374	NPA Relief Plan for the 314 and 816 Area Codes

David W. Elliott

Educational Background and work Experience:

I am employed by the Missouri Public Service Commission (Commission) as a Utility Engineering Specialist III in the Energy Department of the Utility Operations Division.

I graduated from Iowa State University with a Bachelor of Science degree in Mechanical Engineering in May 1975. I was employed by Iowa-Illinois Gas and Electric Company (IIGE) as an engineer from July 1975 to May 1993. While at IIGE, I worked at Riverside Generating Station, first as an assistant to the maintenance engineer, and then as an engineer responsible for monitoring station performance. In 1982, I transferred to the Mechanical Design Division of the Engineering Department where I was an engineer responsible for various projects at IIGE's power plants. In September 1993, I began my employment with the Commission. While employed by The Commission I have been responsible for running a production cost model to determine variable fuel costs for generating units, and conducting engineering construction audits for construction of new generating units and power plant equipment.

Previous Testimony Filed

- 1) ER-94-163, St. Joseph Light & Power Co.
- 2) HR-94-177, St. Joseph Light & Power Co.
- 3) ER-94-174, The Empire District Electric Co.
- 4) ER-95-279, The Empire District Electric Co.
- 5) EM-96-149, Union Electric Co.
- 6) ER-99-247, St. Joseph Light & Power Co.
- 7) EM-2000-369, UtiliCorp United, Inc. and The Empire District Electric Co.
- 8) ER-2001-299, The Empire District Electric Co.
- 9) ER-2001-672, Utilicorp United, Inc.
- 10) ER-2002-424, The Empire District Electric Co.
- 11) ER-2004-0034, Aquila, Inc.
- 12) ER-2004-0570, The Empire District Electric Co.
- 13) HM-2004-0618, Trigen-Kansas City Energy Corp. and Thermal North America, Inc.
- 14) ER-2005-0436, Aquila, Inc.
- 15) HR-2005-0450, Aquila, Inc.
- 16) ER-2006-0314, Kansas City Power & Light Co.
- 17) ER-2006-0315, The Empire District Electric Co.
- 18) ER-2007-0004, Aquila, Inc.
- 19) ER-2007-0291, Kansas City Power & Light Co.
- 20) ER-2008-0093, The Empire District Electric Co.
- 21) ER-2009-0090, KCPL Greater Missouri Operations Co.
- 22) HR-2009-0092, KCPL Greater Missouri Operations Co.
- 23) ER-2010-0036, Union Electric Co. d/b/a AmerenUE

CARY G. FEATHERSTONE
SUMMARY OF RATE CASE INVOLVEMENT

<u>Year</u>	<u>Case No.</u>	<u>Utility</u>	<u>Type of Testimony/Issue</u>	<u>Case</u>
1980	ER-80-53	St. Joseph Light & Power Company (electric rate increase)	Direct	Stipulated
1980	OR-80-54	St. Joseph Light & Power Company (transit rate increase)	Direct	Stipulated
1980	HR-80-55	St. Joseph Light & Power Company (industrial steam rate increase)	Direct	Stipulated
1980	GR-80-173	The Gas Service Company (natural gas rate increase)	Direct	Stipulated
1980	GR-80-249 Coordinated	Rich Hill-Hume Gas Company (natural gas rate increase)	No Testimony filed- revenues & rate base	Stipulated
1980	TR-80-235	United Telephone Company of Missouri (telephone rate increase)	Direct- construction work in progress Rebuttal	Contested
1981	ER-81-42	Kansas City Power & Light Company (electric rate increase)	Direct-payroll & payroll related benefits; cash working capital Rebuttal	Contested
1981	TR-81-208	Southwestern Bell Telephone Company (telephone rate increase)	Direct-cash working capital; construction work in progress; income taxes-flow- through Rebuttal Surrebuttal	Contested
1981	TR-81-302	United Telephone Company of Missouri (telephone rate increase)	Direct- construction work in progress	Stipulated
1981	TO-82-3	Investigation of Equal Life Group and Remaining Life Depreciation Rates (telephone-- depreciation case)	Direct- construction work in progress	Contested

CARY G. FEATHERSTONE
SUMMARY OF RATE CASE INVOLVEMENT

<u>Year</u>	<u>Case No.</u>	<u>Utility</u>	<u>Type of Testimony/Issue</u>	<u>Case</u>
1982	ER-82-66 and HR-82-67	Kansas City Power & Light Company (electric & district steam heating rate increase)	Direct- fuel & purchased power; fuel inventories Rebuttal Surrebuttal	Contested
1982	TR-82-199	Southwestern Bell Telephone Company (telephone rate increase)	Direct- revenues & directory advertising	Contested
1983	EO-83-9	Investigation and Audit of Forecasted Fuel Expense of Kansas City Power & Light Company (electric-- forecasted fuel true-up)	Direct	Contested
1983	ER-83-49	Kansas City Power & Light Company (electric rate increase)	Direct- fuel & fuel inventories Rebuttal Surrebuttal	Contested
1983	TR-83-253	Southwestern Bell Telephone Company (telephone rate increase - ATT Divestiture Case)	Direct- revenues & directory advertising	Contested
1984	EO-84-4	Investigation and Audit of Forecasted Fuel Expense of Kansas City Power & Light Company (electric-- forecasted fuel true-up)	Direct	Contested
1985	ER-85-128 and EO-85-185 Coordinated	Kansas City Power & Light Company (electric rate increase- Wolf Creek Nuclear Generating Unit Case)	Direct- fuel inventories; coordinated construction audit	Contested
1987	HO-86-139 Coordinated	Kansas City Power & Light Company (district steam heating-- discontinuance of public utility and rate increase)	Direct- policy testimony on abandonment of steam service Rebuttal Surrebuttal	Contested
1988	TC-89-14 Coordinated Directory	Southwestern Bell Telephone Company (telephone-- rate complaint case)	Direct- directory advertising Surrebuttal	Contested

CARY G. FEATHERSTONE

SUMMARY OF RATE CASE INVOLVEMENT

<u>Year</u>	<u>Case No.</u>	<u>Utility</u>	<u>Type of Testimony/Issue</u>	<u>Case</u>
1989	TR-89-182 and TC-90-75	GTE North, Incorporated (telephone rate increase)	Direct- directory advertising Rebuttal Surrebuttal	Contested Decided Feb 9, 1990
1990	GR-90-50 Coordinated	Kansas Power & Light - Gas Service Division (natural gas rate increase)	Direct- prudency review of natural gas explosions	Stipulated
1990	ER-90-101 Coordinated	UtiliCorp United Inc., Missouri Public Service Division (electric rate increase- Sibley Generating Station Life Extension Case)	Direct- Corporate Costs and Merger & Acquisition Costs Surrebuttal	Contested
1990	GR-90-198 Coordinated	UtiliCorp United, Inc., Missouri Public Service Division (natural gas rate increase)	Direct- Corporate Costs and Merger & Acquisition Costs	Stipulated
1990	GR-90-152	Associated Natural Gas Company (natural gas rate increase)	Rebuttal- acquisition adjustment; merger costs/savings	Stipulated
1991	EM-91-213	Kansas Power & Light - Gas Service Division (natural gas-- acquisition/merger case)	Rebuttal- acquisition adjustment; merger costs/savings tracking	Contested
1991	EO-91-358 and EO-91-360 Coordinated	UtiliCorp United Inc., Missouri Public Service Division (electric-- accounting authority orders)	Rebuttal- plant construction cost deferral recovery; purchased power cost recovery deferral	Contested
1991	GO-91-359 Coordinated	UtiliCorp United Inc., Missouri Public Service Division (natural gas-- accounting authority order)	Memorandum Recommendation- Service Line Replacement Program cost recovery deferral	Stipulated

CARY G. FEATHERSTONE

SUMMARY OF RATE CASE INVOLVEMENT

<u>Year</u>	<u>Case No.</u>	<u>Utility</u>	<u>Type of Testimony/Issue</u>	<u>Case</u>
1993	TC-93-224 and TO-93-192 Coordinated Directory	Southwestern Bell Telephone Company (telephone-- rate complaint case)	Direct- directory advertising Rebuttal Surrebuttal	Contested
1993	TR-93-181	United Telephone Company of Missouri (telephone rate increase)	Direct- directory advertising Surrebuttal	Contested
1993	GM-94-40	Western Resources, Inc. and Southern Union Company (natural gas-- sale of Missouri property)	Rebuttal- acquisition adjustment; merger costs/savings tracking	Stipulated
1994	GM-94-252 Coordinated	UtiliCorp United Inc., acquisition of Missouri Gas Company and Missouri Pipeline Company (natural gas--acquisition case)	Rebuttal- acquisition of assets case	Contested
1994	GA-94-325 Coordinated	UtiliCorp United Inc., expansion of natural gas to City of Rolla, MO (natural gas-- certificate case)	Rebuttal- natural gas expansion	Contested
1995	GR-95-160 Coordinated	United Cities Gas Company (natural gas rate increase)	Direct- affiliated transactions; plant	Contested
1995	ER-95-279 Coordinated	Empire District Electric Company (electric rate increase)	Direct- fuel & purchased power; fuel inventories	Stipulated
1996	GA-96-130	UtiliCorp United, Inc./Missouri Pipeline Company (natural gas-- certificate case)	Rebuttal- natural gas expansion	Contested
1996	EM-96-149 Coordinated	Union Electric Company merger with CIPSCO Incorporated (electric and natural gas-- acquisition/merger case)	Rebuttal- acquisition adjustment; merger costs/savings	Stipulated
1996	GR-96-285 Coordinated	Missouri Gas Energy Division of Southern Union Company (natural gas rate increase)	Direct- merger savings recovery; property taxes Rebuttal Surrebuttal	Contested

CARY G. FEATHERSTONE

SUMMARY OF RATE CASE INVOLVEMENT

<u>Year</u>	<u>Case No.</u>	<u>Utility</u>	<u>Type of Testimony/Issue</u>	<u>Case</u>
1996	ER-97-82	Empire District Electric Company (electric-- interim rate increase case)	Rebuttal- fuel & purchased power	Contested
1997	GA-97-132	UtiliCorp United Inc./Missouri Public Service Company (natural gas—certificate case)	Rebuttal- natural gas expansion	Contested
1997	GA-97-133	Missouri Gas Company (natural gas—certificate case)	Rebuttal- natural gas expansion	Contested
1997	EC-97-362 and EO-97-144	UtiliCorp United Inc./Missouri Public Service (electric rate complaint case)	Direct- - fuel & purchased power; fuel inventories Verified Statement	Contested Commission Denied Motion
1997	ER-97-394 and EC-98-126 Coordinated	UtiliCorp United Inc./Missouri Public Service (electric rate increase and rate complaint case)	Direct- fuel & purchased power; fuel inventories; re-organizational costs Rebuttal Surrebuttal	Contested
1997	EM-97-395	UtiliCorp United Inc./Missouri Public Service (electric-application to spin-off generating assets to EWG subsidiary)	Rebuttal- plant assets & purchased power agreements	Withdrawn
1998	GR-98-140 Coordinated	Missouri Gas Energy Division of Southern Union Company (natural gas rate increase)	Testimony in Support of Stipulation And Agreement	Contested
1999	EM-97-515 Coordinated	Kansas City Power & Light Company merger with Western Resources, Inc. (electric acquisition/ merger case)	Rebuttal- acquisition adjustment; merger costs/savings tracking	Stipulated (Merger eventually terminated)
2000	EM-2000-292 Coordinated	UtiliCorp United Inc. merger with St. Joseph Light & Power Company (electric, natural gas and industrial steam acquisition/ merger case)	Rebuttal- acquisition adjustment; merger costs/savings tracking	Contested (Merger closed)

CARY G. FEATHERSTONE

SUMMARY OF RATE CASE INVOLVEMENT

<u>Year</u>	<u>Case No.</u>	<u>Utility</u>	<u>Type of Testimony/Issue</u>	<u>Case</u>
2000	EM-2000-369 Coordinated	UtiliCorp United Inc. merger with Empire District Electric Company (electric acquisition/ merger case)	Rebuttal-acquisition adjustment; merger costs/savings tracking	Contested (Merger eventually terminated)
2001	ER-2001-299 Coordinated	Empire District Electric Company (electric rate increase)	Direct- income taxes; cost of removal; plant construction costs; fuel- interim energy charge Surrebuttal True-Up Direct	Contested
2001	ER-2001-672 and EC-2002-265 Coordinated	UtiliCorp United Inc./Missouri Public Service Company (electric rate increase)	Verified Statement Direct- capacity purchased power agreement; plant recovery Rebuttal Surrebuttal	Stipulated
2002	ER-2002-424 Coordinated	Empire District Electric Company (electric rate increase)	Direct- fuel-interim energy charge Surrebuttal	Stipulated
2003	ER-2004-0034 and HR-2004-0024 (Consolidated) Coordinated	Aquila, Inc., (formerly UtiliCorp United Inc) d/b/a Aquila Networks-MPS and Aquila Networks-L&P (electric & industrial steam rate increases)	Direct- acquisition adjustment; merger savings tracking Rebuttal Surrebuttal	Stipulated
2004	GR-2004-0072 Coordinated	Aquila, Inc., d/b/a Aquila Networks-MPS and Aquila Networks-L&P (natural gas rate increase)	Direct- acquisition adjustment; merger savings tracking Rebuttal	Stipulated
2005	HC-2005-0331 Coordinated	Trigen Kansas City Energy [Jackson County Complaint relocation of plant for Sprint Arena] (steam complaint case)	Cross examination-relocation of plant assets	Contested

CARY G. FEATHERSTONE

SUMMARY OF RATE CASE INVOLVEMENT

<u>Year</u>	<u>Case No.</u>	<u>Utility</u>	<u>Type of Testimony/Issue</u>	<u>Case</u>
2005	EO-2005-0156 Coordinated	Aquila, Inc., d/b/a Aquila Networks- MPS (electric- South Harper Generating Station asset valuation case)	Rebuttal- plant valuation Surrebuttal	Stipulated
2005	ER-2005-0436 Coordinated	Aquila, Inc., d/b/a Aquila Networks- MPS and Aquila Networks- L&P (electric rate increase)	Direct- interim energy charge; fuel; plant construction; capacity planning Rebuttal Surrebuttal	Stipulated
2005	HR-2005-0450 Coordinated	Aquila, Inc., d/b/a Aquila Networks- L&P (industrial steam rate increase)	Direct	Stipulated
2006	ER-2006-0314 Coordinated	Kansas City Power & Light Company (electric rate increase)	Direct-construction audits Rebuttal- allocations Surrebuttal- allocations	Contested
2006	WR-2006-0425 Coordinated	Algonquin Water Resources (water & sewer rate increases)	Rebuttal- unrecorded plant; contributions in aid of construction Surrebuttal unrecorded plant; contributions in aid of construction	Contested
2007	ER-2007-0004 Coordinated	Aquila, Inc., d/b/a Aquila Networks- MPS and Aquila Networks- L&P (electric rate increase)	Direct-fuel clause, fuel, capacity planning Rebuttal Surrebuttal	Contested
2007	HO-2007-0419 Coordinated	Trigen Kansas City Energy [sale of coal purchase contract] (steam)	Recommendation Memorandum	Stipulated

CARY G. FEATHERSTONE
SUMMARY OF RATE CASE INVOLVEMENT

<u>Year</u>	<u>Case No.</u>	<u>Utility</u>	<u>Type of Testimony/Issue</u>	<u>Case</u>
2007	HR-2007-0028, HR-2007-0399 and HR-2008-0340 HC-2010-0235	Aquila, Inc., d/b/a Aquila Networks- L&P [Industrial Steam Fuel Clause Review] (industrial steam fuel clause review)		Pending
2008	HR-2008-0300 Coordinated	Trigen Kansas City Energy (steam rate increase)	Direct - sponsor Utility Services portion of the Cost of Service Report, overview of rate case, plant review and plant additions, fuel and income taxes	Stipulated
2009	ER-2009-0089 Coordinated	Kansas City Power & Light Company (electric rate increase)	Direct- sponsor Utility Services Cost of Service Report, Additional Amortizations and Iatan 1 construction Rebuttal- allocations Surrebuttal- allocations	Stipulated
2009	ER-2009-0090 Coordinated	KCPL Greater Missouri Operations Company (former Aquila, Inc. Missouri electric properties) (electric rate increase)	Direct- sponsor Utility Services Cost of Service Report Surrebuttal- capacity planning	Stipulated
2009	HR-2009-0092 Coordinated	KCPL Greater Missouri Operations Company (former Aquila, Inc. Missouri electric properties) (industrial steam rate increase)	Direct- sponsor Utility Services Cost of Service Report	Stipulated

CARY G. FEATHERSTONE
SUMMARY OF RATE CASE INVOLVEMENT

<u>Year</u>	<u>Case No.</u>	<u>Utility</u>	<u>Type of Testimony/Issue</u>	<u>Case</u>
2010	SR-2010-0110 and WR-2010-0111	Lake Region Water and Sewer Company (water & sewer rate increase)	Direct- sponsor Utility Services Cost of Service Report Surrebuttal True-up Direct Reports to Commission	Contested
	Coordinated			
2010	ER-2010-0355	Kansas City Power & Light Company (electric rate increase)	Direct- sponsor Utility Services Cost of Service Report	Pending
	Coordinated			

CARY G. FEATHERSTONE

SUMMARY OF RATE CASE INVOLVEMENT

CASES SUPERVISED AND ASSISTED:

<u>Year</u>	<u>Case No.</u>	<u>Utility</u>	<u>Type of Testimony</u>	<u>Case Disposition</u>
1986	TR-86-14 Coordinated	ALLTEL Missouri, Inc. (telephone rate increase)		Stipulated
1986	TR-86-55 Coordinated	Continental Telephone Company of Missouri (telephone rate increase)		Stipulated
1986	TR-86-55 Coordinated	Continental Telephone Company of Missouri (telephone rate increase)		Stipulated
1986	TR-86-63 Coordinated	Webster County Telephone Company (telephone rate increase)		Stipulated
1986	GR-86-76 Coordinated	KPL-Gas Service Company (natural gas rate increase)		Withdrawn
1986	TR-86-117 Coordinated	United Telephone Company of Missouri (telephone rate increase)	Withdrawn prior to filing	Withdrawn
1988	GR-88-115 Coordinated	St. Joseph Light & Power Company (natural gas rate increase)	Deposition	Stipulated
1988	HR-88-116	St. Joseph Light & Power Company (industrial steam rate increase)	Deposition	Stipulated

CARY G. FEATHERSTONE

SUMMARY OF RATE CASE INVOLVEMENT

CASES SUPERVISED AND ASSISTED:

<u>Year</u>	<u>Case No.</u>	<u>Utility</u>	<u>Type of Testimony</u>	<u>Case Disposition</u>
1994	ER-94-194	Empire District Electric Company (electric rate increase)		
2003	QW-2003-016 QS-2003-015	Tandy County (water & sewer informal rate increase)	Recommendation Memorandum	Stipulated
2004	HM-2004-0618 Coordinated	Trigen- Kansas City Energy purchase by Thermal North America (steam - sale of assets)		Stipulated
2005	GM-2005-0136 Coordinated	Partnership interest of DTE Enterprises, Inc. and DTE Ozark, Inc in Southern Gas Company purchase by Sendero SMGC LP (natural gas -- sale of assets)	Recommendation Memorandum	Stipulated
2005	Case No. WO-2005-0206 Coordinated	Silverleaf sale to Algonquin (water & sewer- sale of assets)		Stipulated
2006	WR-2006-0250	Hickory Hills (water & sewer- informal rate increase)	Recommendation Memorandum	Contested
2006	HA-2006-0294 Coordinated	Trigen Kansas City Energy (steam- expansion of service area)	Recommendation Memorandum & Testimony	Contested
2007	SR-2008-0080 QS-2007-0008	Timber Creek (sewer- informal rate increase)	Recommendation Memorandum	Stipulated

CARY G. FEATHERSTONE

SUMMARY OF RATE CASE INVOLVEMENT

CASES SUPERVISED AND ASSISTED:

<u>Year</u>	<u>Case No.</u>	<u>Utility</u>	<u>Type of Testimony</u>	<u>Case Disposition</u>
2008	QW-2008-0003	Spokane Highlands Water Company (water- informal rate increase)	Recommendation Memorandum	Stipulated
2009	WR-2010-0139 SR-2010-0140	Valley Woods Water Company	Recommendation Memorandum	Stipulated
2009	EO-2010-0060	KCPL Greater Missouri Operations— Blue Springs service center sale	Recommendation Memorandum	withdrawn
2010	EO-2010-0211	KCPL Greater Missouri Operations— Liberty service center sale	Recommendation Memorandum	Stipulated
2010	WR-2010-0202	Stockton Water Company	Recommendation Memorandum	Stipulated
2010	SA-2010-0219	Canyon Treatment Company Certificate	Recommendation Case Memorandum	Pending
2010	SR-2010-0320	Timber Creek Sewer Company	Testimony	Pending

Credentials and Background of

Carol “Gay” Fred

I am currently employed as the Consumer Services Department Manager, in the Staff Counsel Division of the Missouri Public Service Commission. I have been employed at the Missouri Public Service Commission since January 1987.

I received my Bachelor of Science Degree in Business Administration from Almeda University, at Wauconda, IL in May of 2002. I also received my Certification in Project Management from Boston University, at Boston, MA in December 1999.

Prior to joining the Commission, I was employed by United Telephone Company, now known as CenturyLink, from 1977 to 1987, as an internal consultant with primary functions that consisted of call center supervision, credit and collections, outside plant compliance audits, cable assignment specialist and central office switch conversion assistant.

My duties in the Commission have included my previous capacity as a Rate and Tariff Examiner II in the Telecommunications Department under the Operations Division of the Commission, Advisor/Policy Analyst to the Commission, EFIS Project Manager and in my current capacity as Manager of Consumer Services.

I have acquired general knowledge through my experience and analyses in prior rate, complaint, merger, rulemaking and working group cases before this Commission. I have also acquired knowledge of topics through review of Staff work papers for prior complaint and rate cases brought before this Commission. I have reviewed prior Commission decisions with regard to these areas.

I have attended various in-house training seminars and NARUC training seminars and conferences. I am an active member of the NARUC Subcommittee on Consumer Affairs. I have also participated in and supervised the work on a number of informal and formal

Credentials and Background of

Carol “Gay” Fred

complaint proceedings. As the manager of consumer services department I supervise and provide instructions to Consumer Specialist Is and IIs, on similar matters within the Staff Counsel Division.

**TESTIMONY AND REPORTS
BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION
OF
CAROL "GAY" SMITH FRED**

CASE NUMBER	COMPANY
TO868	INVESTIGATION FOR ALL ISSUES RELATED TO EAS
TO87143	UNITED TELEPHONE & SWB CALLING STUDY
TO87144	CONTINENTAL TELEPHONE & SWB CALLING STUDY
TO87145	CONTINENTAL TELEPHONE & CENTRAL TELEPHONE CALLING STUDY
TO87160	CONTINENTAL TELEPHONE & GENERAL TELEPHONE CALLING STUDY
TO87161	CONTINENTAL TELEPHONE CALLING STUDY
TO88229	CONTEL OF MO & SWB CALLING STUDY
TO8824	CONTINENTAL TELEPHONE CALLING STUDY
TO88240	UNITED TELEPHONE & SWB CALLING STUDY
TO88251	SWB CALLING STUDY
TO88267	CONTEL OF MO & SWB CALLING STUDY
TO88162	SWB CALLING STUDY
TO89163	CONTEL OF MO & UNTIED TELEPHONE CALLING STUDY
TO883	CONTINENTAL TELEPHONE & UNTIED TELEPHONE CO CALLING STUDY
TO8944	DISCONTINUANCE OF EAS –TEBBETTS EXCH TO JC
TO8952	GTE NORTH CALLING STUDY
TO8972	FIDELITY TELEPHONE CALLING STUDY
TO9064	CONTEL OF MO COS REQUEST
TR9034	NEW LONDON TELEPHONE RATE INCREASE
TO90107	UNITED TELEPHONE CALLING STUDY
TO90181	CONTEL & SWB COS
TO90182	SWB COS
TO90183	SWB COS
TO90184	SWB COS
TO90185	ORCHARD FARM TELEPHONE COS
TO90186	UNITED TELEPHONE COS
TO90187	CONTEL COS
TO90191	UNITED COS
TO90192	CONTEL & SWB COS
TO90194	MISSOURI TELEPHONE & SWB COS
TO90195	GTE NORTH & UNTIED TELEPHONE COS
TO90196	CONTEL & SWB COS
TO90197	SWB COS

CAROL "GAY" SMITH FRED

CASE NUMBER	COMPANY
TO90200	CONTEL COS
TO90201	CONTEL & SWB COS
TO90202	CONTEL COS
TO90203	KINGDOM TELEPHONE COS
TO90229	SWB COS
TO90230	CONTEL COS
TO90231	CONTEL COS
TO90238	CONTEL COS
TO90239	MID MO TELEPHONE & SWB COS
TO90241	GREEN HILLS & SWB COS
TO90242	WHEELING TELEPHONE COS
TO90337	SWB COS REQUEST
TO90317	SWB COS REQUEST
TO90328	SWB COS REQUEST
TO90329	CONTEL OF MO COS REQUEST
TO90329	CONTEL OF MO COS REQUEST
TO90331	SWB COS REQUEST
TO90332	CONTEL OF MO COS REQUEST
TR93181	UNITED TELEPHONE RATE CASE
TT94175	UNITED TELEPHONE TO OFFER NEW SERVICES
AX-2003-0574	RULEMAKING – CHAPTER 13 DENIAL OF SERVICE
GW-2004-0452	WORKING GROUP ON ENERGY AFFORDABILITY
GX-2004-0496	AMENDMENTS TO RULE 4 CSR 240-13.055
GC-2006-0318	STAFF COMPLAINT CASE AGAINST LACLEDE
GX-2006-0181	EMERGENCY AMENDMENT TO RULE 4 CSR 240-13.055
GC-2006-0390	USW 11-6 V. LACLEDE GAS COMPANY
GC-2006-0549	COMPLAINT CASE SHEWMAKER VS LACLEDE GAS COMPANY
EC-2007-0186	COMPLAINT CASE BUSH VS KCPL
GC-2007-0164	COMPLAINT CASE RAPP VS LACLEDE
GC-2007-0192	COMPLAINT CASE LIEBE VS LACLEDE
GW-2007-0099	INVESTIGATION INTO THE SERVICE AND BILLING PRACTICES FOR RESIDENTIAL CUSTOMER OF ELECTRIC, GAS AND WATER UTILITIES
GX-2006-0434	AMENDMENTS TO RULE 4 CSR 240-13.055
GC-2008-0042	COMPLAINT CASE BELTZ VS ATMOS
GT-2008-0374	LACLEDE ESTIMATED BILLING VS. ACTUAL USAGE
GT-2009-0026	LACLEDE GAS (QUALITY OF SERVICE ISSUE)
GR-2009-0434	EMPIRE DISTRICT GAS COMPANY RATE CASE
GR-2009-0355	MISSOURI GAS ENERGY RATE CASE
ER-2010-0130	EMPIRE DISTRICT ELECTRIC COMPANY RATE CASE
GC-2010-0121	COMPLAINT CASE BARNES-MAY VS LACLEDE
ER-2010-0355	KANSAS CITY POWER & LIGHT COMPANY RATE CASE

Randy S. Gross

Educational Background and Work Experience

I have Master and Bachelor of Science degrees in Electrical Engineering from the University of Missouri at Columbia. I am an active licensed Professional Engineer in the states of Kansas and Missouri with inactive licenses in Arizona and Illinois. I belong to the Institute of Electrical and Electronics Engineers (IEEE) and the Instrument Society of America (ISA) professional organizations and have co-authored nine technical papers in the areas of process instrumentation and controls, power plant performance monitoring and information technology. My work experience spans more than 38 years in electrical and instrumentation and control detailed design, information technology, training, software verification and validation, telecommunication, project management and controls, construction management, contract administration, plant start-up, project oversight, plant operating procedures, design basis reconstitution, equipment technical specifications and procurement, nuclear plant and site, detailed design engineering, plant modifications and engineering procedures. From 1972-1997, I was employed by Black & Veatch with responsibilities in electrical, instrumentation and control engineering and project management. From 1997-2001, I was employed by the Foxboro Company (Invensys) as a Principal Account Manager for Distributed Control Systems (DCS) that included hardware, software and instrumentation. From 2001-2002, I provided consulting services for the Argosy Console company in the areas of process engineering and re-engineering, supply chain management, Quality Assurance, Six Sigma and Safety program implementations. From 2002-2005, I provided contract engineering services to AmerenUE at the Callaway Nuclear Station in the areas of Software Verification and Validation, INPO accredited training, Project Management, Cost and Schedule controls, Digital Control System procedures and Plant Operation procedures. In 2005, I provided contract detailed instrumentation and

Randy S. Gross

control engineering services for the Process Division of Burns & McDonnell Engineering for the Conoco Phillips refinery in Amarillo, TX. In 2006, I was employed by CIBER as a Senior Strategist with responsibilities in Project Oversight for large software development projects and Continuity of Operations Plans. From 2007-2009, I provided staff augmentation contract engineering services for the Wolf Creek Nuclear Operating Company (WCNOC) at their Wolf Creek Nuclear Power Station as a Senior Design Professional Engineer for major design projects, emergent engineering issues and plant refueling outage engineering. In 2009, I was employed with Black & Veatch as the Nuclear Division Business Line Manager with responsibilities for business development, outside sale and marketing. I have been employed by the Missouri Public Service Commission since February 2010 as a staff Engineer to provide technical expertise in the areas of smart grid deployment and implementation, transmission, distribution, demand response, renewable/alternative energy sources, plug in hybrid and electric vehicles and coal carbon capture and sequestration.

Other cases I have been assigned to or participated are as follows:

Date Filed	Case Number	Company Name
11/10/2010	ER-2010-0355	Kansas City Power & Light Company

V. WILLIAM HARRIS, CPA, CIA

I graduated from Missouri Western State College at St. Joseph, Missouri in 1990, with a Bachelor of Science degree in Business Administration with a major in Accounting. I successfully completed the Uniform Certified Public Accountant (CPA) examination in 1991 and subsequently received the CPA certificate. I am currently licensed as a CPA in the state of Missouri. I also successfully completed the Uniform Certified Internal Auditor (CIA) examination in 1995 and am currently certified as a CIA by the Institute of Internal Auditors in Altamonte Springs, Florida.

From 1991 until I assumed my current position as a Regulatory Auditor with the Commission in 1994, I was employed as a Regulatory Auditor with the Federal Energy Regulatory Commission in Washington, DC. Prior to that, I was an Internal Auditor and Training Supervisor with Volume Shoe Corporation (d/b/a Payless ShoeSource).

Over the 15 plus years I have been employed by this Commission as a Regulatory Auditor, I have submitted testimony on revenue, expense, and rate base ratemaking matters several times before the Commission. I have also been responsible for the supervision of other Commission employees in rate cases and other regulatory proceedings.

I have received continuous training at in-house and outside seminars on technical ratemaking matters since I began my employment with the Commission. My responsibilities of auditing the books and records of the utilities regulated by the Commission require that I review statutes applicable to the Commission or the utilities regulated by the Commission, the Commission's rules, utility tariffs, and contracts and other documents relating to the utilities regulated by the Commission. A listing of the cases in which I have previously filed testimony before this Commission, and the issues I have addressed in testimony in cases from 1995 to the present, is attached as Schedule VWH-1.

CASE PROCEEDING PARTICIPATION

V. WILLIAM HARRIS, CPA, CIA

Rate Cases

Date Filed	Case Number	Company Name	Exhibit	Issue
09/01/1995	ER-95-279	Empire District Electric Company	Direct	Payroll, Payroll Taxes, Incentive Pay, 401K Retirement Plan
	GR-96-285	Missouri Gas Energy (Southern Union Company)	Direct	Plant In Service, Depreciation Expense, Depreciation Reserve, Service Line Replacement Program
	GR-96-285	Missouri Gas Energy (Southern Union Company)	Rebuttal	Service Line Replacement Program
	GR-96-285	Missouri Gas Energy (Southern Union Company)	Surrebuttal	Service Line Replacement Program
06/26/1997	GR-97-272	Associated Natural Gas Company and Division of Arkansas Western Gas Company	Direct	Revenues, Plant in Service, Customer Billing Expense, Normalized Bad Debt Expense, Depreciation Expense, Depreciation Reserve
10/8/1998	EC-98-573	St. Joseph Light and Power Company	Direct	Fuel Expense Adjustment, Miscellaneous Administrative and General Expenses, PSC Assessment, Capacity Demand Costs, Rate Case Expense, Fuel Inventory
12/16/1998	EC-98-573	St. Joseph Light and Power Company	Additional Direct	Fuel Expense Adjustment, Fuel Inventory, Insurance and Other Admin. Expenses
05/13/1999	ER-99-247 – EC-98-573	St. Joseph Light & Power Company	Direct	Purchased Power Demand Cost, Fuel Expense, Fuel Inventory, PSC Assessment, Rate Case Expense
05/13/1999	HR-99-245	St. Joseph Light & Power Company	Direct	Steam Revenues
06/10/1999	HR-99-245	St. Joseph Light & Power Company	Rebuttal	Fuel Inventories, Rate Case Expense
06/10/1999	GR-99-246	St. Joseph Light & Power Company	Rebuttal	Rate Case Expense
06/10/1999	ER-99-247 – EC-98-573	St. Joseph Light & Power Company	Rebuttal	Fuel Price, Fuel Inventories, Rate Case Expense
06/22/1999	HR-99-245	St. Joseph Light & Power Company	Surrebuttal	Fuel Inventory, Possible Loss on the Sale of No. 6 Fuel Oil, Rate Case Expense
06/22/1999	GR-99-246	St. Joseph Light & Power Company	Surrebuttal	Rate Case Expense
06/22/1999	ER-99-247 – EC-98-573	St. Joseph Light & Power Company	Surrebuttal	Fuel Price, Fuel Inventories, Possible Loss on the Sale of No. 6 Fuel Oil, Rate Case Expense
05/2/2000	EM-2000-292	UtiliCorp United Inc. / St. Joseph Light and Power	Rebuttal	Merger Savings

CASE PROCEEDING PARTICIPATION

V. WILLIAM HARRIS, CPA, CIA

Date Filed	Case Number	Company Name	Exhibit	Issue
06/21/2000	EM-2000-369	UtiliCorp United Inc. / Empire District Electric Company	Rebuttal	Merger Savings
10/11/2000	EO-2000-845	St. Joseph Light and Power Company	Rebuttal	Accounting Authority Order
10/23/2000	EO-2000-845	St. Joseph Light and Power Company	Revised Rebuttal	Accounting Authority Order
11/30/2000	TT-2001-115	Green Hills Telephone Corporation	Rebuttal	Revenue Requirements
2001	TC-2001-401	Green Hills Telephone Corporation	Direct	Revenue Requirement
04/03/2001	ER-2001-299	The Empire District Electric Company	Direct	Fuel Stock Inventory Levels
04/03/2001	ER-2001-299	The Empire District Electric Company	Direct	Fuel and Purchase Power Expenses
05/17/2001	ER-2001-299	The Empire District Electric Company	Surrebuttal	Fuel and Purchased Power
08/07/2001	ER-2001-299	The Empire District Electric Company	True-up Direct	Fuel and Purchased Power Expense
08/07/2001	ER-2001-299	The Empire District Electric Company	True-up Direct	Allowance for Funds Used During Construction
12/06/2001	ER-2001-672	UtiliCorp United Inc. d/b/a Missouri Public Service	Direct	Purchased Power Expense
01/08/2002	ER-2001-672/ EC-2002-265	UtiliCorp United Inc. d/b/a Missouri Public Service	Rebuttal	Purchase Power Expense, Fuel
01/22/2002	ER-2001-672/ EC-2002-265	UtiliCorp United Inc. d/b/a Missouri Public Service	Surrebuttal	Natural Gas Price
08/16/2002	ER-2002-424	The Empire District Electric Company	Direct	Rate Base, Plant in Service, Depreciation, Income Statement Adjustment, Income Taxes
12/09/2003	ER-2004-0034 HR-2004-0024	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks – L&P	Direct	Purchased Power Analysis, Off-System Interchange Sales, Income Tax Expense
01/06/2004	GR-2004-0072	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks – L&P	Direct	Revenue Annualization, Bad Debt Expense, Income Tax Expense
02/13/2004	GR-2004-0072	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks – L&P	Rebuttal	Bad Debt Expense

CASE PROCEEDING PARTICIPATION

V. WILLIAM HARRIS, CPA, CIA

Date Filed	Case Number	Company Name	Exhibit	Issue
03/11/2004	GR-2004-0072	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks – L&P	Surrebuttal	Bad Debt Expense
10/14/2005	ER-2005-0436	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks – L&P	Direct	Purchased Power Analysis, Off-System Interchange Sales, Income Tax Expense
10/14/2005	HR-2005-0450	Aquila, Inc, d/b/a Aquila Networks – L&P	Direct	Income Tax Expense
04/13/2006	HA-2006-0294	Trigen-Kansas City Energy Corporation	Rebuttal	Staff’s Position on Expansion
08/08/2006	ER-2006-0314	Kansas City Power and Light	Direct	Incentive Compensation, Supplemental Executive Retirement (SERP), Other Executive Bonuses, Maintenance Expense, Regulatory Expense, Accumulated Deferred Income Taxes – Rate Base Offset
10/6/2006	ER-2006-0314	Kansas City Power and Light	Surrebuttal	Incentive Compensation, Maintenance Expense
01/18/2007	ER-2007-0004	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks – L&P	Direct	Purchased Power Analysis, Off-System Interchange Sales, Incentive Compensation
02/11/09	ER-2009-0089	Great Plains Energy, Inc. - Kansas City Power & Light Company	Direct	Fuel and Purchased Power costs, Fuel Inventories, Off-system Sales
02/13/09	ER-2009-0090	Great Plains Energy, Inc. – Greater Missouri Operations Company	Direct	Fuel and Purchased Power costs, Fuel Inventories, Off-system Sales
03/11/09	ER-2009-0089	Great Plains Energy, Inc. - Kansas City Power & Light Company	Rebuttal	Off-system Sales Margin
03/13/09	ER-2009-0090	Great Plains Energy, Inc. – Greater Missouri Operations Company	Rebuttal	Off-system Sales Margin
01/14/10	SR-2010-0110 WR-2010-0111	Lake Region Water and Sewer Company	Direct	Executive Management Oversight
03/12/10	SR-2010-0110 WR-2010-0111	Lake Region Water and Sewer Company	Surrebuttal	Executive Management Oversight
11/10/10	ER-2010-0355	Kansas City Power & Light Company	Direct	Fuel and Purchased Power costs, Fuel Inventories, Off-system Sales

CASE PROCEEDING PARTICIPATION

V. WILLIAM HARRIS, CPA, CIA

**List of Informal Cases Processed Under the
Commission Informal Rate Case Procedure**

(Served as Lead Auditor or in a supervisory capacity on all but U.S. Water/Lexington and Raytown Water.)

<u>Company Name</u>	<u>Case No.</u>	<u>Other Auditors</u>
Valley Woods Water Company	WR-2010-0139 SR-2010-0140	Karen Herrington
West 16 th Street Sewer Company	SR-2008-0389	Bret Prenger
WPC Sewer Company	SR-2008-0388	Bret Prenger
Spokane Highlands Water Company	WR-2008-0314	Karen Herrington Keith Majors
Timber Creek Sewer Company	SR-2008-0080	Graham Vesely (left) (then) Phil Williams
Timber Creek Sewer Company	SR-2004-0532	None
Taney County Utilities	WR-96-418 SR-96-418	David Mansfield David Mansfield
Ozark Mountain Water Company	WR-96-237	None
Hickory Hills Water and Sewer Co.	WR-95-432 SR-95-432	Robert O'Keefe Brett Peter
Raytown Water Company	WR-92-85	Phil Williams (Lead)
U.S. Water / Lexington	WR999	Phil Williams (Lead)

CASE PROCEEDING PARTICIPATION

V. WILLIAM HARRIS, CPA, CIA

Other Non-Rate Case Assignments

List of assigned cases with primary responsibility for the Auditing Department scope of work, but for which testimony was not required. (NOTE: Did not have primary responsibility in Cass County Telephone Company Case Nos. TO-2005-0237 and TC-2005-0357 which were performed by a team of several auditors and other Staff.)

<u>Company Name</u>	<u>Case No.</u>	<u>Docket / Case Type</u>
Canyon Treatment Facility	SA-2010-0219	Certificate
Timber Creek Sewer Company	SA-2010-0100	Certificate
Timber Creek Sewer Company	SA-2010-0063	Certificate
Savannah Heights Industrial Treatment	SO-2008-0094	Sale
Aquila, Inc.	EO-2006-0309	Certificate
Missouri Gas Energy	GO-2006-0201	ISRS
Aquila, Inc.	EO-2006-0036	Sale
Missouri Gas Energy	GO-2005-0273	ISRS
Kansas City Power & Light	EO-2005-0270	Sale
Cass County Telephone Company	TC-2005-0357	Complaint
Cass County Telephone Company	TO-2005-0237	Investigation
Sendero SMGC	GM- 2005-0136	Acquisition
Missouri Gas Energy	GA-2005-0107	Certificate
Missouri Gas Energy	GA-2005-0053	Certificate
Missouri Gas Energy	GO-2005-0019	Acquisition
Trigen-Kansas City Energy Corp.	HM-2004-0618	Sale
Atmos Energy Corporation	GM-2004-0607	Acquisition
Emerald Pointe Utility Company	WA-2004-0582	Certificate
Emerald Pointe Utility Company	WA-2004-0581	Certificate
DOD-CO Enterprise / Shell Rock	WM-2004-0449	Sale (Water & Sewer)
Missouri Gas Energy	GA-2003-0492	Certificate
Wilden Heights Water Company	WO-2003-0086	Sale
Aquila, Inc.	EM-2003-0091	Sale
Missouri Public Service Company	EM-99-551	Sale
Savannah Heights Industrial Treatment	SA-98-294	Certificate
Kansas City Power & Light Co.	EM-97-305	Sale
Oregon Farmer's Mutual Telephone	TO-00-049	Investigation

Paul R. Harrison

Education, Background and Case Participation

I am a Utility Regulatory Auditor IV with the Missouri Public Service Commission (PSC or Commission). I have performed duties as a Utility Regulatory Auditor within the Auditing Department at the Commission since January 18, 2000. I have also been responsible for the supervision of other Audit Department employees in rate cases and other regulatory proceedings before the Commission.

I graduated from Park College, Kansas City, Missouri, where I earned Bachelor of Science degrees in both Accounting and Management with Magna Cum Laude honors in July 1995. I also earned an Associate degree in Missile Maintenance Technology from the Community College of the Air Force in June 1990.

Prior to coming to work at the Commission, I was the manager for Tool Warehouse Inc. for four and one-half years. As the manager, I managed; supervised, coordinated and scheduled daily activities of personal assigned to the Tool Warehouse. In addition, I created and maintained corporate monthly budgets; performed monthly inventory and generated inventory loss reports to corporate headquarters. I was responsible for the daily sales volume and ordered all merchandise, (\$2.5million), for the tool warehouse in accordance with Tool Warehouse policy and procedures.

Prior to being the manager of the Tool Warehouse Inc, I was in the United States Air Force (USAF) for twenty-three years. During my career in the USAF, I was assigned many different duty positions with various levels of responsibility. I retired from active duty on May 1, 1994 as Superintendent of the 321st Strategic Missile Wing Missile Mechanical Flight. In that capacity, I supervised 95 missile maintenance technicians and managed assets valued in excess of \$50 million.

Paul R. Harrison

My duties at the Commission include performing audits of the books and records of regulated public utilities under the jurisdiction of the MoPSC, in conjunction with other Commission Staff (Staff) members. In this capacity, I am required to prepare testimony and serve as a Staff expert witness on rate cases concerning the ratemaking philosophy and methodology of issues that I am assigned.

I have acquired general knowledge of these topics through my experience and analyses in prior rate cases before this Commission. I have also acquired knowledge of these topics through review of Staff work papers for prior rate cases brought before this Commission. I have reviewed prior Commission decisions with regard to these areas. I have reviewed the Company's testimony, annual reports, work papers and responses to Staff's data requests addressing these topics. In addition, my college coursework included accounting and auditing classes. Since commencing employment with the Commission in January 2000, I have attended various in house training seminars and National Association of Regulatory Utility Commission (NARUC) conferences. I have participated in approximately twenty-five formal rate case proceedings. I have also participated in and supervised the work on a number of informal rate proceedings. As a senior auditor and the Lead Auditor on a number of cases, I have participated in the supervision and instruction of new accountants and auditors within the Utility Services Division.

The Schedule below lists the rate cases in which I filed testimony, the issues that I have successfully accomplished and the small informal rate cases that I have completed.

Paul R. Harrison

CASE PROCEEDING/PARTICIPATION

COMPANY	CASE NO.	TESTIMONY/ISSUES
SUMMARY OF FORMAL CASES		
Kansas City Power & Light Company	ER-2010-0355	November 2010 Cost of Service Report -Income Taxes, OPEBs
The Empire District Electric Company	ER-2010-0130	April 2010 Surrebuttal Testimony – Bad Debt Expense; Infrastructure Rule Expense; State Income Tax Flow Through Prior to 1994 – Tax Timing Differences Lead Auditor
The Empire District Electric Company	ER-2010-0130	April 2010 Rebuttal Testimony – State Income Tax Flow-Through Prior to 1994 – Tax Timing Differences Lead Auditor
The Empire District Electric Company	ER-2010-0130	February 2010 Cost of Service Report- Allocations; Pensions & OPEBS; DSM Program; Amortization Rate Base & Expense; Revenues; Bad Debt; Banking Fees; Infrastructure & Tree Trimming Expense; Employee Benefits; Lease Expense; O&M Expenses New Plant; Carrying Cost New Plant; Current Income & Deferred Taxes. Lead Auditor
The Empire District Gas Company	GR-2009-0434	October 2009 Cost of Service Report- Allocations/Rents; Right-of-Way Clearing; AAO-MGP Costs; Franchise Fees; Reconciliation; Current Income & Deferred Taxes. Lead Auditor
Kansas City Power & Light (KCPL)	ER-2009-0089	April 2009 Surrebuttal- Non-Talent Assessment Severance Costs True-Up - Pensions & OPEBS; Current Income & Deferred Taxes

Paul R. Harrison

COMPANY	CASE NO.	TESTIMONY/ISSUES
KCPL-GMO MPS & L&P Electric	ER-2009-0090	April 2009 Surrebuttal -Cost of Removal-Income Taxes, Regulatory Asset Amortization. True-Up - Pensions & OPEBS; Income & Deferred Taxes Lead Auditor
Kansas City Power & Light (KCPL)	ER-2009-0089	March 2009 Cost of Service Report - Pensions & OPEBS; Non-Talent Assessment Severance Costs; Officer Expenses; Meals & Entertainment Expense; Employee Relocation Expense; Lobbying Expense; Lease Expenses; Non-Operating Cost Adjustment; Income & Deferred Taxes
KCPL-GMO MPS & L&P Electric	ER-2009-0090	March 2009 Cost of Service Report - Pensions & OPEBS; Miscellaneous Adjustments; SJLP Merger Transition Costs; Employee Relocation Expense; Lease Expenses; Income & Deferred Taxes Lead Auditor
KCPL-GMO L&P Steam	HR-2009-0092	March 2009 Cost of Service Report - Pensions & OPEBS; Miscellaneous Adjustments; Income & Deferred Taxes Lead Auditor
Missouri American Water Company	WR-2008-0311	October 2008 Surrebuttal - Belleville Lab Allocations; Compensation for Services MAWC Provided to AWR Litigated- Corporate Allocations True-Up - Corporate Allocations; Income & Deferred Taxes Lead Auditor

Paul R. Harrison

COMPANY	CASE NO.	TESTIMONY/ISSUES
Missouri American Water Company	WR-2008-0311	August 2008 Cost of Service Report- Case Reconciliation; Corporate Allocations & Expenses; Belleville Lab Allocations; Compensation for Services MAWC Provided to AWR; Income & Deferred Taxes Lead Auditor
Laclede Gas Company		In Progress Investigation of Affiliated Transactions, Corporate Allocations & Appropriate Time Charges Between Laclede's Regulated & Unregulated Subsidiaries
Missouri Gas Utility	GR-2008-0060	February 2008 Cost of Service Report- Revenue Requirement Run (EMS) Merger & Acquisition Costs (Start-Up Costs); Corporate Allocations; Income & Deferred Taxes Lead Auditor
Missouri Gas Energy	GU-2007-0480	July 2008 Rebuttal- AAO Manufactured Gas Plant Litigated- Manufactured Gas Plant Lead Auditor
Missouri Gas Energy	GU-2007-0480	September 2007 Memorandum – AAO Manufactured Gas Plant Lead Auditor
Laclede Gas Company	GR-2007-0208	May 2007 Direct – Affiliated Operations; HVAC & Home Sale Inspection; Injuries & Damages; Insurance; 401 (k) Expenses; Pensions & OPEBS; Non-Qualified Pension Plan Expenses; Current & Deferred Income Taxes True-UP – Current & Deferred Income Taxes
Missouri Gas Energy	GR-2006-0422	November 2006

Paul R. Harrison

COMPANY	CASE NO.	TESTIMONY/ISSUES
		<p>Rebuttal- Environmental Response Fund, Manufactured Gas Plant</p> <p>Litigated- Manufactured Gas Plant</p>
Missouri Gas Energy	GR-2006-0422	<p style="text-align: center;">October 2006</p> <p>Direct– Revenues; Purchased Gas Adjustments; Bad Debt Expense; ECWR AAO Bad Debt: Rent; Pensions & OPEBS; Income Taxes; Franchise Taxes; Manufactured Gas Plant, and Case Reconciliation</p> <p>Litigated- Emergency Cold Weather Rule</p> <p>True-Up - Revenues; Bad Debt Expense; Pensions & OPEBS; Income Taxes</p>
Empire Electric Company	ER-2006-0315	<p style="text-align: center;">July 2006</p> <p>Rebuttal- Storm Damage Tracker</p>
Empire Electric Company	ER-2006-0315	<p style="text-align: center;">June 2006</p> <p>Direct- Tree Trimming Expense and Construction Over-Run Costs</p>
Missouri Pipeline & Missouri Gas Company LLC	GC-2006-0378	<p style="text-align: center;">November 2006</p> <p>Plant in Service, Depreciation Reserve, Depreciation Expense, Transactions & Acquisition Costs and Income Taxes</p>
New Florence Telephone	TC-2006-0184	<p style="text-align: center;">October 2006</p> <p>Plant in Service; Depreciation Reserve; Depreciation Expense; Plant Overage; and Materials & Supplies</p>
Cass County Telephone	TC-2005-0357	<p style="text-align: center;">July 2006</p> <p>Plant in Service; Depreciation Reserve; Depreciation Expense; Plant Overage; Plant Held for Future Use and Missouri Universal Service Fund</p>
Cass County Telephone & New Florence Telephone Fraud Investigation Case	TO-2005-0237	<p style="text-align: center;">May 2006</p> <p>Fraud Investigation case involving Cass County Telephone and New Florence Telephone</p>

Paul R. Harrison

COMPANY	CASE NO.	TESTIMONY/ISSUES
Missouri Gas Energy	GR-2004-0209	June 2004 Surrebuttal - Revenues and Bad Debt Expense True-Up - Revenues; Bad Debt Expense; Income Taxes
Missouri Gas Energy	GR-2004-0209	May 2004 Rebuttal - Revenues; Bad Debt Expense; and Manufactured Gas Plant Litigated- Manufactured Gas Plant
Missouri Gas Energy	GR-2004-0209	April 2004 Direct – Revenues; Purchased Gas Adjustments; Bad Debt Expense; Medical Expense; Rents; and Income Taxes
Union Electric Company d/b/a AmerenUE (Gas)	GR-2003-0517	October 2003 Direct – Corporate Allocations; UEC Missouri Gas Allocations; CILCORP Allocations; Rent Expense; Maintenance of General Plant Expense; Lease Agreements; and Employee Relocation Expense
Union Electric Company d/b/a AmerenUE	EC-2002-1	June 2002 Surrebuttal - Coal Inventory; Venice Power Plant Fire; Tree Trimming Expense; and Automated Meter Reading Service
Laclede Gas Company	GR-2002-356	June 2002 Direct - Payroll; Payroll Taxes; 401k Pension Plan; Health Care Expenses; Pension Plan Trustee Fees; and Clearing Account: True- Up – Payroll; Payroll Taxes; and Clearing Accounts

Paul R. Harrison

COMPANY	CASE NO.	TESTIMONY/ISSUES
Union Electric Company d/b/a AmerenUE (2 nd period, 3 rd EARP)	EC-2002-1025	April 2002 Direct - Revenue Requirement Run; Plant in Service; Depreciation Reserve; Other Rate Base items; Venice Power Plant Fire expenditures; Tree Trimming Expense; and Coal Inventory
2 nd Complaint Case, Union Electric Company d/b/a AmerenUE New Test Year ordered by the Commission.	EC-2002-1	March 2002 Direct - Materials and Supplies; Prepayments; Fuel Inventory; Customer Advances for Construction; Customer Deposits; Plant in Service; Depreciation Reserve; Venice Power Plant Fire Expenditures; Tree-Trimming Expense; Automated Meter Reading Expense; Customer Deposit Interest Expense; Year 2000 Computer Modification Expense; Regulatory Advisor's Consulting Fees; and Property Taxes Deposition – April 11, 2002
1 st Complaint Case, Union Electric Company d/b/a AmerenUE	EC-2002-1	July 2001 Direct - Materials and Supplies; Prepayments; Fuel Inventory; Customer Advances for Construction; Customer Deposits; Plant in Service; Depreciation Reserve; Power Plant Maintenance Expense; Tree-Trimming Expense; Automated Meter Reading Expense; Customer Deposit Interest Expense; Year 2000 Computer Modification Expense; Computer Software Expense; Regulatory Advisor's Consulting Fees; Board of Directors Advisor's Fees and Property Taxes. Deposition – November 27 2001
Union Electric Company d/b/a AmerenUE (2 nd period, 2 nd EARP)	EC-2001-431	February 2001 Coal Inventory
Union Electric Company d/b/a AmerenUE (Gas)	GR-2000-512	August 2000 Direct - Cash Working Capital; Advertising Expense; Missouri PSC Assessment; Dues and Donations; Automated Meter Reading Expenses; Computer System Software Expenses (CSS); Computer System Software Expenses (Y2K); Computer System Software Expenses (EMPRV); Generation Strategy Project Expenses; Regulatory Advisor's Consulting fees and Board of Directors Advisor's fees.

Paul R. Harrison

COMPANY	CASE NO.	TESTIMONY/ISSUES
SUMMARY OF INFORMAL CASES		
Tri-State Water Company	WR-2011-0037	<p style="text-align: center;">In Progress</p> <p>Cost of Service; Rate Case Expense; Medical; Insurance; Communications Expense; Transportation Expense; Office Expense; Miscellaneous maintenance expenses; Rate Base and Income Taxes.</p> <p>Lead Auditor</p>
Raytown Water Company	WR-2010-0304	<p style="text-align: center;">In Progress</p> <p>Cost of Service; Affiliated Transactions; Tank Painting; Hydrant Maintenance; City Permit Fees; EIERA Insurance Costs; I&D & Workers Comp; CIAC; Board of Directors Fees; DNR Fees; Education Expense; Software & IT Expenses; Office Expense & Lease Equipment; Franchise Taxes; Income & Deferred Taxes.</p> <p>Lead Auditor</p>
Noel Water Company	WR-2009-0395	<p style="text-align: center;">August 2009</p> <p>Cost of Service; All Revenues & Expenses related to Noel Water Company; Plant in Service; Depreciation Reserve & other Rate Base Items.</p> <p>Lead Auditor</p>
Tri-State Water Company	WR-2009-0058	<p style="text-align: center;">May 2008</p> <p>Cost of Service; Payroll; rent expense; miscellaneous maintenance expenses; Rate Base and Income Taxes.</p> <p>Lead Auditor</p>
Big Island Water & Sewer	WA-2006-0480 SA-2006-0482	<p style="text-align: center;">January 2007</p> <p>Direct - Certificate of Necessitate Application Case: Cost of Service; All Revenues & Expenses related to Big Island Water & Sewer; Plant in Service; Depreciation Reserve & other Rate Base Items.</p> <p>Lead Auditor</p>

Paul R. Harrison

COMPANY	CASE NO.	TESTIMONY/ISSUES
Aqua Missouri Water and Sewer	QS-2005-0008 QW-2005-009 QS-2005-0010 QW-2005-0011	<p style="text-align: center;">October 2006</p> <p>All Revenues & Expenses related to Aqua MO Water & Sewer; Plant in Service; Depreciation Reserve & other Rate Base Items.</p> <p>Lead Auditor</p>
Lake Region Water and Sewer Certificate Case	WA-2005-0463	<p style="text-align: center;">October 2006</p> <p>Certificate of Necessitate Application Case</p> <p>Lead Auditor</p>
Tri-State Utility Inc.	WA-2006-0241	<p style="text-align: center;">May 2006</p> <p>Certificate of Necessitate Application Case</p> <p>Lead Auditor</p>
Osage Water Company Environmental Utilities Missouri American Water	WO-2005-0086	<p style="text-align: center;">February 2005</p> <p>Rate Base; Cost of Service; Income Statement Items; Pre-Post Sale of OWC, Sale of EU Assets to MAWC</p>
North Suburban Water & Sewer	WF-2005-0164	<p style="text-align: center;">December 2004</p> <p>Sale of All Stocks of Lake Region Water & Sewer to North Suburban Water & Sewer, Value of Rate Base Assets, Acquisition Premium</p> <p>Lead Auditor</p>
Mill Creek Sewer	SR-2005-0116	<p style="text-align: center;">December 2004</p> <p>Cost of Service; All Revenues & Expenses related to Mill Creek Sewer; Plant in Service; Depreciation Reserve & other Rate Base Items.</p> <p>Lead Auditor</p>

Paul R. Harrison

COMPANY	CASE NO.	TESTIMONY/ISSUES
Roark Water and Sewer	WR-2005-0153 SR-2005-0154	September 2004 Cost of Service; All Revenues & Expenses related to Roark Water & Sewer; Plant in Service; Depreciation Reserve & other Rate Base Items. Lead Auditor
Osage Water Company	WT-2003-0583 SR-2003-0584	December 2003 Cost of Service; All Revenues & Expenses related to Osage Water; Plant in Service; Depreciation Reserve & other Rate Base Items
SUMMARY OF NON-CASE RELATED AUDITS		
January 2006 – Environmental Utilities and Osage Water Company Audit Concerning Provision of Service to Eagle Woods Subdivision and Disconnect Notice		
November 2004 - Internal Audit of Public Service Commission (PSC) Fixed Assets, Physical Inventory Control Process and Location of Assets		

CHARLES R. HYNEMAN

CASE PARTICIPATION

Date Filed	Case Name	Case Number	Issue	Exhibit
08/06/2010 11/03/2010	Kansas City Power and Light Company-Greater Missouri Operations	ER-2010-0356	Iatan 1 AQCS Construction Audit and Prudence Review	Staff's Construction Audit And Prudence Review Of Iatan 1 Environmental Upgrades (Air Quality Control System - AQCS) For Costs Reported As Of April 30, 2010
08/06/2010 11/03/2010	Kansas City Power and Light Company	ER-2010-0355	Iatan 1 AQCS Construction Audit and Prudence Review	Staff's Construction Audit And Prudence Review Of Iatan 1 Environmental Upgrades (Air Quality Control System - AQCS) For Costs Reported As Of April 30, 2010
11/10/2010			Overview Iatan Unit 1 AQCS, Iatan 2 and Iatan Common Plant; GAAS	Direct / Direct COS Report
01/01/2010	Kansas City Power and Light Company-Greater Missouri Operations	ER-2009-0090	Iatan 1 AQCS Construction Audit and Prudence Review	Staff's Report Regarding Construction Audit and Prudence Review of Environmental Upgrades to Iatan 1 and Iatan Common Plant

CHARLES R. HYNEMAN

CASE PARTICIPATION

Date Filed	Case Name	Case Number	Issue	Exhibit
12/31/2009	Kansas City Power and Light Company	ER-2009-0089	Iatan 1 AQCS Construction Audit and Prudence Review	Staff's Report Regarding Construction Audit and Prudence Review of Environmental Upgrades to Iatan 1 and Iatan Common Plant
04/09/2009	Kansas City Power and Light Company-Greater Missouri Operations	ER-2009-0090	Transition costs, SJLP SERP, Acquisition Detriments, Capacity Costs, Crossroads Deferred Taxes	Surrebuttal
03/13/2009	Kansas City Power and Light Company-Greater Missouri Operations	ER-2009-0090	Crossroads Energy Center, Acquisition Saving and Transition Cost Recovery	Rebuttal
02/27/2009	Kansas City Power and Light Company-Greater Missouri Operations	ER-2009-0090	Various Ratemaking issues	Direct COS Report
04/07/2009	Kansas City Power and Light Company	ER-2009-0089	Transition Costs, Talent Assessment Program, SERP, STB Recovery, Settlements, Refueling Outage, Expense Disallowance	Surrebuttal
03/11/2009	Kansas City Power and Light Company	ER-2009-0089	KCPL Acquisition Savings and Transition Costs	Rebuttal
02/11/2009	Kansas City Power and Light Company	ER-2009-0089	Corporate Costs, Merger Costs, Warranty Payments	Direct COS Report
09/24/2007	Kansas City Power and Light Company	ER-2007-0291	Miscellaneous A&G Expense	Surrebuttal
07/24/2007	Kansas City Power and Light Company	ER-2007-0291	Miscellaneous	Staff COS Report
07/24/2007	Kansas City Power and Light Company	ER-2007-0291	Talent Assessment, Severance, Hawthorn V Subrogation Proceeds	Direct
03/20/2007	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks-L&P	ER-2007-0004	Hedging Policy Plant Capacity	Surrebuttal
02/20/2007	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks-L&P	ER-2007-0004	Natural Gas Prices	Rebuttal

CHARLES R. HYNEMAN

CASE PARTICIPATION

Date Filed	Case Name	Case Number	Issue	Exhibit
01/18/2007	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks-L&P	ER-2007-0004	Fuel Prices Corporate Allocation	Direct
11/07/2006	Kansas City Power and Light Company	ER-2006-0314	Fuel Prices	True-Up
10/06/2006	Kansas City Power and Light Company	ER-2006-0314	Severance, SO ₂ Liability, Corporate Projects	Surrebuttal
08/08/2006	Kansas City Power and Light Company	ER-2006-0314	Fuel Prices Miscellaneous Adjustments	Direct
12/13/2005	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks-L&P	ER-2005-0436	Natural Gas Prices; Supplemental Executive Retirement Plan Costs; Merger Transition Costs	Surrebuttal
12/13/2005	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks-L&P	HR-2005-0450	Natural Gas Prices; Supplemental Executive Retirement Plan Costs; Merger Transition Costs	Surrebuttal
11/18/2005	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks-L&P	ER-2005-0436	Natural Gas Prices	Rebuttal
10/14/2005	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks-L&P	ER-2005-0436	Corporate Allocations, Natural Gas Prices Merger Transition Costs	Direct
10/14/2005	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks-L&P	HR-2005-0450	Corporate Allocations, Natural Gas Prices Merger Transition Costs	Direct
02/15/2005	Missouri Gas Energy	GU20050095	Accounting Authority Order	Direct
01/14/2005	Missouri Gas Energy	GU20050095	Accounting Authority Order	Direct
06/14/2004	Missouri Gas Energy	GR20040209	Alternative Minimum Tax; Stipulation Compliance; NYC Office; Executive Compensation; Corporate Incentive Compensation; True-up Audit; Pension Expense; Cost of Removal; Lobbying.	Surrebuttal

CHARLES R. HYNEMAN**CASE PARTICIPATION**

Date Filed	Case Name	Case Number	Issue	Exhibit
04/15/2004	Missouri Gas Energy	GR20040209	Pensions and OPEBs; True-Up Audit; Cost of Removal; Prepaid Pensions; Lobbying Activities; Corporate Costs; Miscellaneous Adjustments	Direct
02/13/2004	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks-L&P	HR20040024	Severance Adjustment; Supplemental Executive Retirement Plan; Corporate Cost Allocations	Surrebuttal
02/13/2004	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks-L&P	ER20040034	Severance Adjustment; Corporate Cost Allocations; Supplemental Executive Retirement Plan	Surrebuttal
01/06/2004	Aquila, Inc.	GR20040072	Corporate Allocation Adjustments; Reserve Allocations; Corporate Plant	Direct
12/09/2003	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks-L&P	HR20040024	Current Corporate Structure; Aquila's Financial Problems; Aquila's Organizational Structure in 2001; Corporate History; Corporate Plant and Reserve Allocations; Corporate Allocation Adjustments	Direct
12/09/2003	Aquila, Inc. d/b/a Aquila Networks-MPS and Aquila Networks-L&P	ER20040034	Corporate Plant and Reserve Allocations; Corporate Allocation Adjustments; Aquila's Financial Problems; Aquila's Organizational Structure in 2001; Corporate History; Current Corporate Structure	Direct
03/17/2003	Southern Union Co. d/b/a Missouri Gas Energy	GM20030238	Acquisition Detriment	Rebuttal

CHARLES R. HYNEMAN

CASE PARTICIPATION

Date Filed	Case Name	Case Number	Issue	Exhibit
08/16/2002	The Empire District Electric Company	ER2002424	Prepaid Pension Asset; FAS 87 Volatility; Historical Ratemaking Treatments-Pensions & OPEB Costs; Pension Expense-FAS 87 & OPEB Expense-FAS 106; Bad Debt Expense; Sale of Emission Credits; Revenues	Direct
04/17/2002	UtiliCorp United, Inc. d/b/a Missouri Public Service & St. Joseph Light & Power	GO2002175	Accounting Authority Order	Rebuttal
01/22/2002	UtiliCorp United, Inc. d/b/a Missouri Public Service	ER2001265	Acquisition Adjustment	Surrebuttal
01/22/2002	UtiliCorp United, Inc. d/b/a Missouri Public Service	EC2001265	Acquisition Adjustment; Corporate Allocations;	Surrebuttal
01/08/2002	UtiliCorp United, Inc. d/b/a Missouri Public Service	EC2002265	Acquisition Adjustment	Rebuttal
01/08/2002	UtiliCorp United, Inc. d/b/a Missouri Public Service	ER2001672	Acquisition Adjustment	Rebuttal
12/06/2001	UtiliCorp United, Inc. d/b/a Missouri Public Service	ER2001672	Corporate Allocations	Direct
12/06/2001	UtiliCorp United, Inc. d/b/a Missouri Public Service	EC2002265	Corporate Allocations	Direct
04/19/2001	Missouri Gas Energy, a Division of Southern Union Company	GR2001292	Revenue Requirement; Corporate Allocations; Income Taxes; Miscellaneous Rate Base Components; Miscellaneous Income Statement Adjustments	Direct
11/30/2000	Holway Telephone Company	TT2001119	Revenue Requirements	Rebuttal

CHARLES R. HYNEMAN

CASE PARTICIPATION

Date Filed	Case Name	Case Number	Issue	Exhibit
06/21/2000	UtiliCorp United, Inc. / Empire District Electric Company	EM2000369	Merger Accounting Acquisition	Rebuttal
05/02/2000	UtiliCorp United, Inc. / St. Joseph Light and Power	EM2000292	Deferred Taxes; Acquisition Adjustment; Merger Benefits; Merger Premium; Merger Accounting; Pooling of Interests	Rebuttal
03/01/2000	Atmos Energy Company and Associated Natural Gas Company	GM2000312	Acquisition Detriments	Rebuttal
09/02/1999	Missouri Gas Energy	GO99258	Accounting Authority Order	Rebuttal
04/26/1999	Western Resources Inc. and Kansas City Power and Light Company	EM97515	Merger Premium; Merger Accounting	Rebuttal
07/10/1998	Missouri Gas Energy, a Division of Southern Union Company	GR98140	SLRP AAOs; Reserve; Deferred Taxes; Plant	True-Up
05/15/1998	Missouri Gas Energy, a Division of Southern Union Company	GR98140	SLRP AAOs; Automated Meter Reading (AMR)	Surrebuttal
04/23/1998	Missouri Gas Energy, a Division of Southern Union Company	GR98140	Service Line Replacement Program; Accounting Authority Order	Rebuttal
03/13/1998	Missouri Gas Energy, a Division of Southern Union Company	GR98140	Miscellaneous Adjustments; Plant; Reserve; SLRP; AMR; Income and Property Taxes;	Direct
11/21/1997	UtiliCorp United, Inc. d/b/a Missouri Public Service	ER97394	OPEB's; Pensions	Surrebuttal
08/07/1997	Associated Natural Gas Company, Division of Arkansas Western Gas Company	GR97272	FAS 106 and FAS 109 Regulatory Assets	Rebuttal
06/26/1997	Associated Natural Gas Company, Division of Arkansas Western Gas Company	GR97272	Property Taxes; Store Expense; Material & Supplies; Deferred Tax Reserve; Cash Working Capital; Postretirement Benefits; Pensions; Income Tax Expense	Direct

CHARLES R. HYNEMAN**CASE PARTICIPATION**

Date Filed	Case Name	Case Number	Issue	Exhibit
10/11/1996	Missouri Gas Energy	GR96285	Income Tax Expense; AAO Deferrals; Acquisition Savings	Surrebuttal
09/27/1996	Missouri Gas Energy	GR96285	Income Tax Expense; AAO Deferrals; Acquisition Savings	Rebuttal
08/09/1996	Missouri Gas Energy	GR96285	Income Tax Expense; AAO Deferrals; Acquisition Savings	Direct
05/07/1996	Union Electric Company	EM96149	Merger Premium	Rebuttal
04/20/1995	United Cities Gas Company	GR95160	Pension Expense; OPEB Expense; Deferred Taxes; Income Taxes; Property Taxes	Direct
05/16/1994	St. Joseph Light & Power Company	HR94177	Pension Expense; Other Postretirement Benefits	Direct
04/11/1994	St. Joseph Light & Power Company	ER94163	Pension Expense; Other Postretirement Benefits	Direct
08/25/1993	United Telephone Company of Missouri	TR93181	Cash Working Capital	Surrebuttal
08/13/1993	United Telephone Company of Missouri	TR93181	Cash Working Capital	Rebuttal
07/16/1993	United Telephone Company of Missouri	TR93181	Cash Working Capital; Other Rate Base Components	Direct

Hojong Kang

Educational Background and Work Experience

I have a Ph.D degree in Economics from the University of Missouri, Columbia in 2005, a Master of Business Administration degree from California State University at East Bay in 1996 and a Bachelor of Science degree in Business Administration from Hong-Ik University, Korea in 1991. Prior to my current employment, I spent four years as the Associate Director for the International Economic Research Institute at the University of Missouri and facilitated government policy discussions with Korean government officials in the international scholar community at the University of Missouri. From 2006 to 2008, I taught economics classes including Money, Banking and Financial Market, Firm Theories, and Intermediate Macroeconomics as an Adjunct Assistant Teaching Professor. While I was in the Doctoral program, I worked as a Teaching Assistant for various economics classes and a Research Assistant of economic analysis projects for Missouri's social benefit programs. I have been employed by the Missouri Public Service Commission since March 2010 and am responsible for Staff's review of electric utility resource planning compliance filings and energy efficiency and demand response programs.

SHAWN E. LANGE

PRESENT POSITION:

I am a Utility Engineering Specialist III in the Engineering Analysis Section, Energy Department, Utility Operations Division.

EDUCATIONAL BACKGROUND AND WORK EXPERIENCE:

In December 2002, I received a Bachelor of Science Degree in Mechanical Engineering from the University of Missouri, at Rolla now known as the Missouri University of Science and Technology. I joined the Commission Staff in January 2005. I am a registered Engineer-in-Training in the State of Missouri.

TESTIMONY FILED:

Case Number	Utility	Testimony	Issue
ER-2005-0436	Aquila Inc.	Direct	Weather Normalization
		Rebuttal	Weather Normalization
		Surrebuttal	Weather Normalization
ER-2006-0314	Kansas City Power & Light Company	Direct	Weather Normalization
		Rebuttal	Weather Normalization
ER-2006-0315	Empire District Electric Company	Direct	Weather Normalization
		Surrebuttal	Weather Normalization
ER-2007-0002	Union Electric Company d/b/a AmerenUE	Direct	Weather Normalization
ER-2007-0004	Aquila Inc.	Direct	Weather Normalization
ER-2007-0291	Kansas City Power & Light Company	Staff Report	Weather Normalization
		Rebuttal	Weather Normalization
ER-2008-0093	Empire District Electric Company	Staff Report	Weather Normalization
ER-2008-0318	Union Electric Company d/b/a AmerenUE	Staff Report	Weather Normalization
ER-2009-0089	Kansas City Power & Light Company	Staff Report	Net System Input
ER-2009-0090	KCP&L Greater Missouri Operations Company	Staff Report	Net System Input
ER-2010-0036	Union Electric Company d/b/a AmerenUE	Staff Report	Net System Input
ER-2010-0130	Empire District Electric Company	Staff Report	Variable Fuel Costs
		Surrebuttal	Variable Fuel Costs
ER-2010-0355	Kansas City Power & Light Company	Staff Report	Variable Fuel Costs

**Educational and Employment Background and Credentials
of
Karen K. Lyons**

I am currently employed as a Utility Regulatory Auditor IV for the Missouri Public Service Commission (Commission). I was employed by the Commission in April 2007. Previously, I was employed by AT&T as a Regulatory Complaint Manager from December 1999 to February 2007. In that capacity I was responsible for addressing consumer and business complaints filed with various state and federal regulatory agencies. I earned a Bachelor of Science degree in Management Accounting and a Masters in Business Administration from Park University.

As a Utility Regulatory Auditor, IV I perform rate audits and prepare miscellaneous filings as ordered by the Commission. In addition, I review all exhibits and testimony on assigned issues, develop accounting adjustments and issue positions which are supported by workpapers and written testimony. For cases that do not require prepared testimony, I prepare Staff Recommendation Memorandums.

Cases I have been assigned are shown in the following table:

Case/Tracking Number	Company Name - Issue
QW-2008-0003	Spokane Highlands Water Company
GO-2008-0113	Missouri Gas Energy - Infrastructure Service Replacement Surcharge (ISRS).
ER-2008-0089	Kansas City Power and Light
ER-2008-0090 and HR-2008-0092	Kansas City Power and Light, Greater Missouri Operations
GR-2009-0355	Missouri Gas Energy
SR-2010-0110 and WR-2010-0111	Lake Region Water and Sewer
WR-2010-0139 and SR-2010-0140	Valley Woods Water Company
WR-2010-0202	Stockton Water Company
SA-2010-0219	Canyon Treatment Facility
ER-2010-0355	Kansas City Power & Light Company

Keith A. Majors

Educational and Employment Background and Credentials

I am currently employed as a Utility Regulatory Auditor IV for the Missouri Public Service Commission (Commission). I was employed by the Commission in June 2007. I earned a Bachelor of Science degree in Accounting from Truman State University in May 2007.

As a Utility Regulatory Auditor, I perform rate audits and prepare miscellaneous filings as ordered by the Commission. In addition, I review all exhibits and testimony on assigned issues, develop accounting adjustments and issue positions which are supported by workpapers and written testimony. For cases that do not require prepared testimony, I prepare Staff Recommendation Memorandums.

Prior Case Assignments:

Date Filed	Case Name	Case Number	Issues	Exhibit
12/31/2009 8/3/2010 11/3/2010	KCP&L Construction Audit and Prudence Review	EO-2010-0259	AFUDC, Property Taxes	Staff Report
2/13/2009 3/13/2009 4/9/2009	KCP&L - Greater Missouri Operations Company	HR-2009-0092	Payroll, Employee Benefits, Incentive Compensation	Direct COS Report, Rebuttal, Surrebuttal
2/13/2009 3/13/2009 4/9/2009	KCP&L - Greater Missouri Operations Company	ER-2009-0090	Payroll, Employee Benefits, Incentive Compensation	Direct COS Report, Rebuttal, Surrebuttal
2/11/2009 3/11/2009 4/7/2009	Kansas City Power & Light Company	ER-2009-0089	Payroll, Employee Benefits, Incentive Compensation	Direct COS Report, Rebuttal, Surrebuttal
8/1/2008	Trigen Kansas City Energy Corporation	HR-2008-0300	Fuel Inventories, Prepayments, Materials and Supplies, Property Taxes, Non-wage Maintenance, PSC Assessment Rate Case Expense	Direct COS Report
4/28/2008	Spokane Highlands Water Company	WR-2008-0314	Plant, CIAC	Staff Recommendation
12/17/2007	Missouri Gas Energy ISRS	GO-2008-0113		Staff Memorandum

Erin L. Maloney

Education

Bachelor of Science Mechanical Engineering
University of Las Vegas Nevada, May 1992

Professional Experience

Missouri Public Service Commission, Jefferson City, MO
January 2005 – Present
Utility Engineering Specialist III
Electronic Data Systems, Kansas City, Missouri
August 1995 – November 2002
System Engineer

Previous Testimony Filed Before the Commission

Case Number	Type of Testimony	Issue
ER-2005-0436	Direct	Reliability
ER-2006-0315	Direct	System Losses and Jurisdictional Demand and Energy Allocation
ER-2006-0314	Direct, Rebuttal, Surrebuttal, True-up Direct	System Losses and Jurisdictional Demand and Energy Allocation
ER-2007-0002	Direct	System Losses and Jurisdictional Demand and Energy Allocation
ER-2007-0004	Direct	System Losses and Jurisdictional Demand and Energy Allocation
ER-2007-0291	Staff Report	System Losses and Jurisdictional Demand and Energy Allocation
ER-2008-0093	Staff Report	System Losses and Jurisdictional Demand and Energy Allocation
ER-2008-0318	Staff Report, Rebuttal, Surrebuttal	Fuel and Purchased Power Prices
ER-2009-0090	Staff Report	Purchased Power Prices
ER-2009-0089	Staff Report	Allocation Factor for Fuel & Purchased Power
ER-2010-0036	Staff Report	Fuel and Purchased Power Prices
ER-2010-0355	Staff Report	Purchased Power Prices

Education and Work Experience Background for

Lena M. Mantle, P.E.

Energy Department Manager

Utility Operations Division

I received a Bachelor of Science Degree in Industrial Engineering from the University of Missouri, at Columbia, in May 1983. I joined the Research and Planning Department of the Missouri Public Service Commission in August 1983. I became the Supervisor of the Engineering Analysis Section of the Energy Department in August, 2001. In July 2005, I was named the Manager of the Energy Department. I am a registered Professional Engineer in the State of Missouri.

In my work at the Commission from May 1983 through August 2001 I worked in many areas of electric utility regulation. Initially I worked on electric utility class cost-of-service analysis. As a member of the Research and Planning Department, I participated in the development of a leading edge methodology for weather normalizing hourly class energy for rate design cases. I applied this methodology to weather normalize energy in numerous rate increase cases. I was actively involved in the writing of the Commission's Chapter 22, Electric Resource Planning rules in the early 1990's and am actively involved in updating the rules.

My responsibilities as the Supervisor of the Engineering Analysis section considerably broadened my work scope. This section of the Commission Staff is responsible for a wide variety of engineering analysis including electric utility fuel and purchased power expense estimation for rate cases, generation plant construction audits, review of territorial agreements and resolution of customer complaints. As the Manager of the Energy Department, I oversee the activities of the Engineering Analysis section, the electric and natural gas utility tariff filings, the Commission's natural gas safety staff, fuel adjustment clause filings, resource planning compliance review and the class cost-of-service and rate design for natural gas and electric utilities.

Lena M. Mantle, P.E.

In my work at the Commission I have participated in the development or revision of the following Commission rules:

- | | |
|------------------|---|
| 4 CSR 240-3.130 | Filing Requirements and Schedule of Fees for Applications for Approval of Electric Service Territorial Agreements and Petitions for Designation of Electric Service Areas |
| 4 CSR 240-3.135 | Filing Requirements and Schedule of Fees Applicable to Applications for Post-Annexation Assignment of Exclusive Service Territories and Determination of Compensation |
| 4 CSR 240-3.161 | Electric Utility Fuel and Purchased Power Cost Recovery Mechanisms Filing and Submission Requirements |
| 4 CSR 240-3.162 | Electric Utility Environmental Cost Recovery Mechanisms Filing and Submission Requirements |
| 4 CSR 240-3.190 | Reporting Requirements for Electric Utilities and Rural Electric Cooperatives |
| 4 CSR 240-14 | Utility Promotional Practices |
| 4 CSR 240-18 | Safety Standards |
| 4 CSR 240-20.015 | Affiliate Transactions |
| 4 CSR 240-20.090 | Electric Utility Fuel and Purchased Power Cost Recovery Mechanisms |
| 4 CSR 240-20.091 | Electric Utility Environmental Cost Recovery Mechanisms |
| 4 CSR 240-22 | Electric Utility Resource Planning |

I have testified before the Commission in the following cases:

<u>CASE NUMBER</u>	<u>TYPE OF FILING</u>	<u>ISSUE</u>
ER-84-105	Direct	Demand-Side Update
ER-85-128, et. al	Direct	Demand-Side Update
EO-90-101	Direct, Rebuttal & Surrebuttal	Weather Normalization of Sales; Normalization of Net System

Lena M. Mantle, P.E.

<u>CASE NUMBER</u>	<u>TYPE OF FILING</u>	<u>ISSUE</u>
ER-90-138	Direct	Normalization of Net System
EO-90-251	Rebuttal	Promotional Practice Variance
EO-91-74, et. al.	Direct	Weather Normalization of Class Sales; Normalization of Net System
ER-93-37	Direct	Weather Normalization of Class Sales; Normalization of Net System
ER-94-163	Direct	Normalization of Net System
ER-94-174	Direct	Weather Normalization of Class Sales; Normalization of Net System
EO-94-199	Direct	Normalization of Net System
ET-95-209	Rebuttal & Surrebuttal	New Construction Pilot Program
ER-95-279	Direct	Normalization of Net System
ER-97-81	Direct	Weather Normalization of Class Sales; Normalization of Net System; TES Tariff
EO-97-144	Direct	Weather Normalization of Class Sales; Normalization of Net System;
ER-97-394, et. al.	Direct, Rebuttal & Surrebuttal	Weather Normalization of Class Sales; Normalization of Net System; Energy Audit Tariff
EM-97-575	Direct	Normalization of Net System
EM-2000-292	Direct	Normalization of Net System; Load Research;
ER-2001-299	Direct	Weather Normalization of Class Sales; Normalization of Net System;
EM-2000-369	Direct	Load Research
ER-2001-672	Direct & Rebuttal	Weather Normalization of Class Sales; Normalization of Net System;

Lena M. Mantle, P.E.

<u>CASE NUMBER</u>	<u>TYPE OF FILING</u>	<u>ISSUE</u>
ER-2002-1	Direct & Rebuttal	Weather Normalization of Class Sales; Normalization of Net System;
ER-2002-424	Direct	Derivation of Normal Weather
EF-2003-465	Rebuttal	Resource Planning
ER-2004-0570	Direct	Reliability Indices
ER-2004-0570	Rebuttal & Surrebuttal	Energy Efficiency Programs and Wind Research Program
EO-2005-0263	Spontaneous	DSM Programs and Integrated Resource Planning
EO-2005-0329	Spontaneous	DSM Programs and Integrated Resource Planning
ER-2005-0436	Direct	Resource Planning
ER-2005-0436	Rebuttal	Low-Income Weatherization and Energy Efficiency Programs
ER-2005-0436	Surrebuttal	Low-Income Weatherization and Energy Efficiency Programs; Resource Planning
EA-2006-0309	Rebuttal & Surrebuttal	Resource Planning
EA-2006-0314	Rebuttal	Jurisdictional Allocation Factor
ER-2006-0315	Supplemental Direct	Energy Forecast
ER-2006-0315	Rebuttal	DSM and Low-Income Programs
ER-2007-0002	Direct	DSM Cost Recovery
GR-2007-0003	Direct	DSM Cost Recovery
ER-2007-0004	Direct	Resource Planning
ER-2008-0093	Rebuttal	Fuel Adjustment Clause, Low-Income Program
ER-2008-0318	Surrebuttal	Fuel Adjustment Clause
ER-2009-0090	Surrebuttal	Capacity Requirements

Lena M. Mantle, P.E.

<u>CASE NUMBER</u>	<u>TYPE OF FILING</u>	<u>ISSUE</u>
ER-2010-0036	Supplemental Direct, Surrebuttal	Fuel Adjustment Clause

Contributed to Staff Direct Testimony Report

ER-2007-0291	DSM Cost recovery
ER-2008-0093	Fuel Adjustment Clause, Experimental Low-Income Program
ER-2008-0318	Fuel Adjustment Clause
ER-2009-0090	Fuel Adjustment Clause, Capacity Requirements
HR-2009-0092	Fuel Adjustment Rider
ER-2010-0036	Environmental Cost Recovery Mechanism

Amanda C. McMellen
Utility Regulatory Auditor IV

EDUCATION

Bachelors of Science
DeVry Institute of Technology, Kansas City, MO-June 1998

PROFESSIONAL EXPERIENCE

Missouri Public Service Commission
Utility Regulatory Auditor IV
November 2006 – Present
Utility Regulatory Auditor III
June 2002 – November 2006
Utility Regulatory Auditor II
June 2000 – June 2002
Utility Regulatory Auditor I
June 1999 – June 2000

I am a Utility Regulatory Auditor for the Missouri Public Service Commission (Commission). I graduated from the DeVry Institute of Technology in June 1998 with a Bachelor of Science degree in Accounting. Before coming to work at the Commission, I worked as an accounts receivable clerk. I commenced employment with the Commission Staff in June 1999. As a Utility Regulatory Auditor, I am responsible for assisting in the audits and examinations of the books and records of utility companies operating within the state of Missouri.

Amanda C. McMellen

SUMMARY OF RATE CASE TESTIMONY FILED

<u>COMPANY</u>	<u>CASE NO.</u>	<u>ISSUES</u>
Osage Water Company	SR-2000-556	Plant in Service Depreciation Reserve Depreciation Expense Operation & Maintenance Expense
Osage Water Company	WR-2000-557	Plant in Service Depreciation Reserve Depreciation Expense Operation & Maintenance Expense
Empire District Electric Company	ER-2001-299	Plant in Service Depreciation Reserve Depreciation Expense Cash Working Capital Other Working Capital Rate Case Expense PSC Assessment Advertising Dues, Donations & Contributions
UtiliCorp United, Inc./ d/b/a Missouri Public Service	ER-2001-672	Insurance Injuries and Damages Property Taxes Lobbying Outside Services Maintenance SJLP Related Expenses
BPS Telephone Company	TC-2002-1076	Accounting Schedules Separation Factors Plant in Service Depreciation Reserve Revenues Payroll Payroll Related Benefits Other Expenses

Amanda C. McMellen

SUMMARY OF RATE CASE TESTIMONY FILED

<u>COMPANY</u>	<u>CASE NO.</u>	<u>ISSUES</u>
Aquila, Inc. d/b/a Aquila Networks-MPS & Aquila Networks-L&P	ER-2004-0034	Revenue Annualizations Uncollectibles
Fidelity Telephone Company	IR-2004-0272	Revenue Revenue Related Expenses
Aquila, Inc. d/b/a Aquila Networks-MPS & Aquila Networks-L&P	ER-2005-0436	Revenue Annualizations Uncollectibles
Empire District Electric Company	ER-2006-0315	Payroll Payroll Taxes 401(k) Plan Health Care Costs Incentive Compensation Depreciation Expense Amortization Expense Customer Demand Program Deferred State Income Taxes Income Taxes
Aquila, Inc. d/b/a Aquila Networks-MPS & Aquila Networks-L&P	ER-2007-0004	Revenue Annualizations Uncollectibles Maintenance Expenses Turbine Overhaul Maintenance
Empire District Electric Company	ER-2008-0093	Revenues Bad Debts Employee Benefits Tree Trimming Storm Costs Customer Programs Amortizations Current Income Taxes Deferred Income taxes Jurisdictional Allocations Corporate Allocations

Amanda C. McMellen

SUMMARY OF RATE CASE TESTIMONY FILED

<u>COMPANY</u>	<u>CASE NO.</u>	<u>ISSUES</u>
Missouri Gas Energy, a Division of Southern Union Company	GR-2009-0355	Staff Report Cost of Service Revenues-Customer Growth Corporate Allocations Other Rate Base Items Amortization Expense Interest expense on customer Deposits Rents and Leases
Missouri-American Water Company	WR-2010-0131	Staff Report Cost of Service Corporate and District Allocations Lobbying Costs Net Negative Salvage Amortization of Regulatory Assets Belleville Lab Expenses Comprehensive Planning Study Payroll Payroll Taxes
Kansas City Power & Light Company	ER-2010-0355	Staff Report Cost of Service Revenues-Customer Growth In-Field Service Fees Gross Receipts Taxes Forfeited Discounts Other Revenues Credit Card Acceptance Program Bad Debts

DAVID MURRAY

Educational and Employment Background and Credentials

I am currently the Acting Utility Regulatory Manager of the Financial Analysis Department for the Missouri Public Service Commission (Commission). I accepted the position of a Public Utility Financial Analyst in June 2000 and my position was reclassified in August 2003 to an Auditor III. I was promoted to the position of Auditor IV, effective July 1, 2006. I was employed by the Missouri Department of Insurance in a regulatory position before I began my employment at the Missouri Public Service Commission.

I was authorized in October 2010 to use the Chartered Financial Analyst (CFA) designation. The use of the CFA designation requires the passage of three rigorous examinations addressing many investment related areas such as valuation analysis, portfolio management, statistical analysis, economic analysis, financial statement analysis and ethical standards. In addition to the passage of the examinations a CFA charterholder must have four years of relevant professional work experience.

In May 1995, I earned a Bachelor of Science degree in Business Administration with an emphasis in Finance and Banking, and Real Estate from the University of Missouri-Columbia. I earned a Masters in Business Administration from Lincoln University in December 2003.

I have been awarded the professional designation Certified Rate of Return Analyst (CRRA) by the Society of Utility and Regulatory Financial Analysts (SURFA). This designation is awarded based upon experience and successful completion of a written examination, which I completed during my attendance at a SURFA conference in April 2007.

CASE PROCEEDING PARTICIPATION

DAVID MURRAY

Date Filed	Case Number	Company Name	Testimony Type	Issue(s)
05/06/10	WR-2010-0131	Missouri-American Water Company	Surrebuttal	Rate of Return Capital Structure
04/15/10	WR-2010-0131	Missouri-American Water Company	Rebuttal	Rate of Return Capital Structure
03/09/10	WR-2010-0131	Missouri-American Water Company	Cost of Service Report	Rate of Return Capital Structure
03/05/10	ER-2010-0036	Union Electric Company d/b/a AmerenUE	Surrebuttal	Rate of Return Capital Structure
02/11/10	ER-2010-0036	Union Electric Company d/b/a AmerenUE	Rebuttal	Rate of Return Capital Structure
12/18/09	ER-2010-0036	Union Electric Company d/b/a AmerenUE	Cost of Service Report	Rate of Return Capital Structure
10/14/09	GR-2009-0355	Missouri Gas Energy	Surrebuttal	Rate of Return Capital Structure
09/28/09	GR-2009-0355	Missouri Gas Energy	Rebuttal	Rate of Return Capital Structure
08/21/09	GR-2009-0355	Missouri Gas Energy	Cost of Service Report	Rate of Return Capital Structure
04/09/09	HR-2009-0092	KCP&L Greater Missouri Operations Company	Surrebuttal	Rate of Return Capital Structure
04/09/09	ER-2009-0090	KCP&L Greater Missouri Operations Company	Surrebuttal	Rate of Return Capital Structure
04/07/09	ER-2009-0089	Kansas City Power & Light Company	Surrebuttal	Rate of Return Capital Structure
03/13/09	HR-2009-0092	KCP&L Greater Missouri Operations Company	Rebuttal	Rate of Return Capital Structure
03/13/09	ER-2009-0090	KCP&L Greater Missouri Operations Company	Rebuttal	Rate of Return Capital Structure
03/11/09	ER-2009-0089	Kansas City Power & Light Company	Rebuttal	Rate of Return Capital Structure
02/13/09	HR-2009-0092	KCP&L Greater Missouri Operations Company	Cost of Service Report	Rate of Return Capital Structure

CASE PROCEEDING PARTICIPATION

DAVID MURRAY

Date Filed	Case Number	Company Name	Testimony Type	Issue(s)
02/13/09	ER-2009-0090	KCP&L Greater Missouri Operations Company	Cost of Service Report	Rate of Return Capital Structure
02/11/09	ER-2009-0089	Kansas City Power & Light Company	Cost of Service Report	Rate of Return Capital Structure
08/01/2008	HR-2008-0300	Trigen-Kansas City Energy Corporation	Cost of Service Report	Rate of Return Capital Structure
01/18/2008	GR-2008-0060	Missouri Gas Utility, Inc.	Cost of Service Report	Rate of Return Capital Structure
07/31/2007	WR-2007-0216	Missouri-American Water Company	Surrebuttal	Rate of Return Capital Structure
07/13/2007	WR-2007-0216	Missouri-American Water Company	Rebuttal	Rate of Return Capital Structure
06/05/2007	WR-2007-0216	Missouri-American Water Company	Direct	Rate of Return Capital Structure
12/27/2006	GR-2006-0422	Missouri Gas Energy	True-up Direct	Rate of Return Capital Structure
12/11/2006	GR-2006-0422	Missouri Gas Energy	Surrebuttal	Rate of Return Capital Structure
11/21/2006	GR-2006-0422	Missouri Gas Energy	Rebuttal	Rate of Return Capital Structure
10/13/2006	GR-2006-0422	Missouri Gas Energy	Direct	Rate of Return Capital Structure
08/18/2006	ER-2006-0315	Empire District Electric Co.	Surrebuttal	Rate of Return Capital Structure
07/28/2006	ER-2006-0315	Empire District Electric Co.	Rebuttal	Rate of Return Capital Structure
06/23/2006	ER-2006-0315	Empire District Electric Co.	Direct	Rate of Return Capital Structure
12/13/2005	ER-2005-0436	Aquila, Inc. dba Aquila Networks-MPS and Aquila Networks-L&P	Surrebuttal	Rate of Return Capital Structure
11/18/2005	ER-2005-0436	Aquila, Inc. dba Aquila Networks-MPS and Aquila Networks-L&P	Rebuttal	Rate of Return Capital Structure

CASE PROCEEDING PARTICIPATION

DAVID MURRAY

Date Filed	Case Number	Company Name	Testimony Type	Issue(s)
10/14/2005	ER-2005-0436	Aquila, Inc. dba Aquila Networks-MPS and Aquila Networks-L&P	Direct	Rate of Return Capital Structure
11/24/2004	ER-2004-0570	Empire District Electric Co.	Surrebuttal	Rate of Return Capital Structure
11/04/2004	ER-2004-0570	Empire District Electric Co.	Rebuttal	Rate of Return Capital Structure
09/20/2004	ER-2004-0570	Empire District Electric Co.	Direct	Rate of Return
07/19/2004	GR-2004-0209	Missouri Gas Energy	True-Up Direct	Rate of Return Capital Structure
06/14/2004	GR-2004-0209	Missouri Gas Energy	Surrebuttal	Rate of Return Capital Structure
05/24/2004	GR-2004-0209	Missouri Gas Energy	Rebuttal	Rate of Return Capital Structure
04/15/2004	GR-2004-0209	Missouri Gas Energy	Direct	Rate of Return Capital Structure
03/11/2004	IR-2004-0272	Fidelity Telephone Company	Direct	Rate of Return Capital Structure
02/13/2004	GR-2004-0072	Aquila, Inc. dba Aquila Networks-MPS and Aquila Networks-L&P	Rebuttal	Rate of Return Capital Structure
02/13/2004	ER-2004-0034	Aquila, Inc. dba Aquila Networks-MPS and Aquila Networks-L&P	Surrebuttal	Rate of Return Capital Structure
02/13/2004	HR-2004-0024	Aquila, Inc. dba Aquila Networks-MPS and Aquila Networks-L&P	Surrebuttal	Rate of Return Capital Structure
01/26/2004	HR-2004-0024	Aquila, Inc. dba Aquila Networks-MPS and Aquila Networks L&P	Rebuttal	Rate of Return Capital Structure
01/26/2004	ER-2004-0034	Aquila, Inc. dba Aquila Networks-MPS and Aquila Networks L&P	Rebuttal	Rate of Return Capital Structure
01/09/2004	WT-2003-0563	Osage Water Company	Rebuttal	Rate of Return Capital Structure
01/09/2004	ST-2003-0562	Osage Water Company	Rebuttal	Rate of Return Capital Structure
01/06/2004	GR-2004-0072	Aquila, Inc.	Direct	Rate of Return Capital Structure

CASE PROCEEDING PARTICIPATION

DAVID MURRAY

Date Filed	Case Number	Company Name	Testimony Type	Issue(s)
12/19/2003	ST-2003-0562	Osage Water Company	Direct	Rate of Return Capital Structure
12/19/2003	WT-2003-0563	Osage Water Company	Direct	Rate of Return Capital Structure
12/09/2003	ER-2004-0034	Aquila, Inc.	Direct	Rate of Return Capital Structure
12/09/2003	HR-2004-0024	Aquila, Inc.	Direct	Rate of Return Capital Structure
12/05/2003	WC-2004-0168	Missouri-American Water Co	Surrebuttal	Rate of Return Capital Structure
12/05/2003	WR-2003-0500	Missouri-American Water Co	Surrebuttal	Rate of Return Capital Structure
11/10/2003	WR-2003-0500	Missouri-American Water Company	Rebuttal	Rate of Return Capital Structure
11/10/2003	WC-2004-0168	Missouri-American Water Company	Rebuttal	Rate of Return Capital Structure
10/03/2003	WC-2004-0168	Missouri-American Water Company	Direct	Rate of Return Capital Structure
10/03/2003	WR-2003-0500	Missouri-American Water Company	Direct	Rate of Return Capital Structure
03/17/2003	GM-2003-0238	Southern Union Co. dba Missouri Gas Energy	Rebuttal	Insulation
10/16/2002	ER-2002-424	The Empire District Electric Company	Surrebuttal	Rate of Return Capital Structure
09/24/2002	ER-2002-424	The Empire District Electric Company	Rebuttal	Rate of Return Capital Structure
08/16/2002	ER-2002-424	The Empire District Electric Company	Direct	Rate of Return Capital Structure
08/06/2002	TC-2002-1076	BPS Telephone Company	Direct	Rate of Return Capital Structure
01/22/2002	ER-2001-672	UtiliCorp United Inc. dba Missouri Public Service	Surrebuttal	Rate of Return Capital Structure
01/22/2002	EC-2002-265	UtiliCorp United Inc. dba Missouri Public Service	Surrebuttal	Rate of Return Capital Structure
01/08/2002	ER-2001-672	UtiliCorp United Inc. dba Missouri Public Service	Rebuttal	Rate of Return Capital Structure
01/08/2002	EC-2002-265	UtiliCorp United Inc. dba Missouri Public Service	Rebuttal	Rate of Return Capital Structure

CASE PROCEEDING PARTICIPATION

DAVID MURRAY

Date Filed	Case Number	Company Name	Testimony Type	Issue(s)
12/06/2001	ER-2001-672	UtiliCorp United Inc. dba Missouri Public Service	Direct	Rate of Return Capital Structure
12/06/2001	EC-2002-265	UtiliCorp United Inc. dba Missouri Public Service	Direct	Rate of Return Capital Structure
05/22/2001	GR-2001-292	Missouri Gas Energy, A Division of Southern Union Company	Rebuttal	Rate of Return Capital Structure
04/19/2001	GR-2001-292	Missouri Gas Energy, A Division of Southern Union Company	Direct	Rate of Return Capital Structure
03/01/2001	TT-2001-328	Oregon Farmers Mutual Telephone Company	Rebuttal	Rate of Return Capital Structure
02/28/2001	TR-2001-344	Northeast Missouri Rural Telephone Company	Direct	Rate of Return Capital Structure
01/31/2001	TC-2001-402	Ozark Telephone Company	Direct	Rate of Return Capital Structure

Bret G. Prenger

Education and Employment Background and Credentials

I am currently employed as a Utility Regulatory Auditor III for the Missouri Public Service Commission (Commission). I began my employment with the Commission on June 2, 2008. I earned a Bachelor of Science in Accounting from Missouri State University, in Springfield, MO in May 2008. In earning this degree I completed numerous core Accounting and business classes. I look forward to earning my Masters in Business Administration in the near future.

As a Utility Regulatory Auditor, I perform rate audits and prepare miscellaneous filings as ordered by the Public Service Commission. In addition, I review all exhibits and testimony on my assigned issues, develop adjustments and issue positions which I then support by work papers and written testimony. For those cases that do not require prepared testimony, I prepare Staff Recommendation Memorandums.

Other cases I have been assigned to or participated are:

Case Number	Company Name - Issue
ER-2010-0356	KCP&L-Greater Missouri Operations Company-(GMO)
ER-2010-0355	Kansas City Power and Light Company-Electric
SR-2010-0320	Timber Creek Sewer Company
WR-2010-0202	Stockton Hills Water Company
WR-2010-0111	Lake Region Water and Sewer Company (LRWS)
SR-2010-0110	Lake Region Water and Sewer Company (LRWS)
GR-2009-0355	Missouri Gas Energy (MGE), a Division of Southern Union (Electric)
HR-2009-0092	KCP&L Greater Missouri Operations Company (GMO) - L&P (Steam)

Bret G. Prenger

Case Number	Company Name - Issue
ER-2009-0090	KCP&L Greater Missouri Operations Company (GMO) - MPS and L&P (Electric)
ER-2009-0089	Kansas City Power & Light Company – Direct Report- Material and Supplies, Prepayments, Advertising and Rate Case Expenses
GO-2009-0009	Missouri Gas Energy (MGE) – Infrastructure Service Replacement Surcharge (ISRS)
SR-2008-0389	West 16 th Sewer Company
SR-2008-0388	WPC Sewer Company

Educational and Employment Background and Credentials
Of
Arthur W. Rice PE

I am currently employed as a Utility Regulatory Engineer I for the Missouri Public Service Commission (Commission). I was employed by the Commission in April of 2008. Currently a Staff Expert on Utility Company Regulatory Depreciation for water, sewer, gas distribution, and electrical companies.

I received a Bachelors of Science in Chemical Engineering from the University of Massachusetts in 1979. I am a licensed professional engineer in the state of Missouri, License No. 028012

From 1998 to 2008 worked as a self employed business owner. I established Arthur Rice Contracting LLC and developed a residential subdivision on 270 Acres in Callaway County Missouri., obtained the appropriate permits, installed infrastructure and built residential homes. Thirty seven families have moved into the development resulting in approximately \$8,000,000 added to the Callaway County property tax base. I continue to be the President of the Homeowner's association, operate the subdivision sewer company, and maintain the subdivision roads.

From 1979 to 1998 I was employed by Monsanto Company and then Air Products and Chemicals as an engineer and project manager in an industrial equipment manufacture and sales division. I was assigned progressively responsible assignments in equipment and process development, plant operations and plant construction. The processes revolved around manufacturing, installation and operation of gas separation equipment for oil refineries, chemical plants and natural gas processing.

From 1972 to 1977 I was employed by General Electric Company as a tool and die maker apprentice. The facility I worked at produced power, distribution and pole transformers, plus electrical switch gear, surge arrestors and electrical connectors.

From 1966 to 1972 I was trained and employed by the U.S. Navy as a nuclear propulsion plant operator, plant water chemist, and radiological controls specialist. Qualified in submarines and served 3 ½ years on a nuclear submarine. I served the last six months of my tour of duty as an engine room supervisor on a large ammunitions transport ship which was powered by oil fired boilers.

**CASE PARTICIPATION of
Arthur W. Rice**

Case/Tracking Number	Company Name - Issue
SR-2008-0388	WPC Sewer, Depreciation Review
SR-2008-0389	West 16Th Street, Depreciation Review
WA-2008-0403	Seges Mobile Home Park, Depreciation Assignment
WR-2009-0098	Raytown Water Company, Depreciation Review
SR-2009-0144	Cannon Home Assoc. Depreciation Review
WR-2009-0145	Peaceful Valley Service Co., Depreciation Review
SR-2009-0146	Peaceful Valley Service Co., Depreciation Review
WR-2009-0218	Terre Du Lac Utilities Corp., Depreciation Review
SR-2009-0219	Terre Du Lac Utilities Corp., Depreciation Review
WR-2009-0227	Lakeland Heights Water, Depreciation Review
WR-2009-0228	Wispering Hills Water, Depreciation Review
WR-2009-0229	Oakbrier Water Company, Depreciation Review
SR-2009-0226	R. D. Sewer Company, Depreciation Review
GA-2009-0264	Missouri Gas Utilities, Depreciation Assignment
WA-2009-0316	Highway H Utilities, Depreciation Assignment
SA-2009-0317	Highway H Utilities, Depreciation Assignment
SA-2009-0319	Mid Mo Sanitation LLC, Depreciation Assignment
SR-2009-0298	Port Perry Service Company, Depreciation Review
WR-2009-0299	Port Perry Service Company, Depreciation Review
SA-2009-0401	Seges Mobile Home Park, Depreciation Assignment
SR-2009-0392	Highway H Utilities, Depreciation Review
WR2009-0393	Highway H Utilities, Depreciation Review
WR-2009-0418	Gladlo Water and Sewer, Depreciation Review
SR-2009-0419	Gladlo Water and Sewer, Depreciation Review
WR-2009-0395	Noel Water Co., Depreciation Review
ER-2010-0036	AmerenUE, Staff Expert for Depreciation
SR-2010-0095	Mid Mo Sanitation LLC, Depreciation Review
WR-2010-0139	Valley Woods Water Company, Depreciation Review
SR-2010-0140	Valley Woods Water Co., Depreciation Review
WA-2010-0281	Holtgrewe Farms Water, Depreciation Assignment
SA-2010-0282	Holtgrewe Farms Sewer, Depreciation Assignment
WR-2010-0304	Raytown Water Company, Depreciation Review
WR-2010-0309	Middlefork Water, Depreciation Review

John A. Rogers

Educational Background and Work Experience

I have a Master of Business Administration degree from the University of San Diego and a Bachelor of Science degree in Engineering Science from the University of Notre Dame and am a registered professional engineer. My work experience includes 34 years in energy utility engineering, system operations, strategic planning, regulatory affairs and management consulting. From 1974 to 1985, I was employed by San Diego Gas & Electric with responsibilities in gas engineering, gas system planning and gas system operations. From 1985 to 2000, I was employed by Citizens Utilities in leadership roles for gas operations in Arizona, Colorado and Louisiana. From 2000 to 2003, I was an executive consultant for Convergent Group (a division of Schlumberger) providing management consulting services to energy companies. From 2004 to 2008, I was employed by Arkansas Western Gas and was responsible for strategic planning and resource planning. I have provided expert testimony before the California Public Utilities Commission, Arizona Corporation Commission, Arkansas Public Service Commission and Missouri Public Service Commission in general rate cases, applications for special projects and gas resource plan filings. I have been employed by the Missouri Public Service Commission since December 2008 and am responsible for Staff's review of electric utility resource planning compliance filings, demand-side management programs and fuel adjustment clauses.

John A. Rogers
Testimony, Reports and Rulemakings

BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION

<u>File Number</u>	<u>Company/Organization</u>	<u>Issues</u>
ER-2010-0036	Ameren Missouri	Fuel Adjustment Clause Demand-Side Programs (DSM) DSM Cost Recovery
EX-2010-0368 EW-2010-0254	Missouri Public Service Commission	Missouri Energy Efficiency Investment Act Rulemaking
EX-2010-0254 EW-2009-0412	Missouri Public Service Commission	Electric Utility Resource Planning Rulemaking
EO-2009-0237	KCP&L Greater Missouri Operations Company	Electric Utility Resource Planning Compliance Filing
ER-2009-0090	KCP&L Greater Missouri Operations Company	Fuel Adjustment Clause

BEFORE THE ARKANSAS PUBLIC SERVICE COMMISSION

<u>Docket Number</u>	<u>Company</u>	<u>Issue</u>
07-079-TF	Arkansas Western Gas	Arkansas Weatherization Program
07-078-TF	Arkansas Western Gas	Initial Energy Efficiency Programs
07-041-P	Arkansas Western Gas	Special Contract
06-028-R	Arkansas Western Gas	Resource Planning Guidelines for Electric Utilities
05-111-P	Arkansas Western Gas	Gas Conservation Home Weatherization Program

HENRY WARREN, PHD

REGULATORY ECONOMIST
UTILITY OPERATIONS DIVISION
ENERGY DEPARTMENT

EDUCATION AND EXPERIENCE

I received my Bachelor of Arts and my Master of Arts in Economics from the University of Missouri-Columbia, and a Doctor of Philosophy (PhD) in Economics from Texas A&M University. Prior to joining the PSC Staff (Staff), I was an Economist with the U.S. National Oceanic and Atmospheric Administration (NOAA). At NOAA I conducted research on the economic impact of climate and weather. I began my employment at the Commission on October 1, 1992 as a Research Economist in the Economic Analysis Department. My duties consisted of calculating adjustments to test-year energy use based on test-year weather and normal weather, and I also assisted in the review of Electric Resource Plans for investor owned utilities in Missouri. From December 1, 1997, until May 2001, I was a Regulatory Economist II in the Commission's Gas Department, where my duties included analysis of issues in natural gas rate cases and were expanded to include reviewing tariff filings, applications and various other matters relating to jurisdictional gas utilities in Missouri. On June 1, 2001 the Commission organized an Energy Department and I was assigned to the Tariff/Rate Design Section of the Energy Department. My duties in the Energy Department include analysis of issues in rate cases of natural gas and electric utilities, tariff filings, applications, and various other matters relating to jurisdictional gas and electric utilities in Missouri, including review of Electric Resource Plans and Regulatory Plans for investor owned electric utilities in Missouri. I have also served on various task forces, collaboratives, and working groups dealing with issues relating to jurisdictional natural gas and electric utilities.

MISSOURI PUBLIC SERVICE COMMISSION
CASES IN WHICH PREPARED TESTIMONY,
REPORT, OR REVIEW WAS SUBMITTED BY:
HENRY E. WARREN, PHD

<u>COMPANY NAME</u>	<u>CASE NUMBER</u>
St. Joseph Light and Power Company	GR-93-042 ¹
Laclede Gas Co.	GR-93-149
Missouri Public Service	GR-93-172 ¹
Western Resources	GR-93-240 ¹
Laclede Gas Co.	GR-94-220 ¹
Kansas City Power & Light Co.	EO-94-3601 ²
United Cities Gas Co.	GR-95-160 ¹
UtiliCorp United, Inc.	EO-95-187 ²
The Empire District Electric Co.	ER-95-279 ¹
The Empire District Electric Co.	EO-96-56 ²
St. Joseph Light and Power Company	EO-96-198 ²
Laclede Gas Co.	GR-96-193 ¹
Missouri Gas Energy	GR-96-285 ¹
The Empire District Electric Co.	ER-97-081 ¹
Union Electric Co.	GR-97-393 ¹
Missouri Gas Energy	GR-98-140 ¹
Laclede Gas Co.	GR-98-374 ¹
St. Joseph Light & Power Company	GR-99-246 ¹
Laclede Gas Co.	GR-99-315 ¹
Union Electric Company (d/b/a AmerenUE)	GR-2000-512 ¹
Missouri Gas Energy	GR-2001-292 ¹
Laclede Gas Co.	GR-2001-629 ¹

¹Testimony includes computations to adjust test year volumes, therms, or kWh to normal weather.

²Staff Report or Review

**MISSOURI PUBLIC SERVICE COMMISSION
CASES IN WHICH PREPARED TESTIMONY,
REPORT OR REVIEW WAS SUBMITTED BY:**

**HENRY E. WARREN, PHD
(CONTINUED)**

<u>COMPANY NAME</u>	<u>CASE NUMBER</u>
Laclede Gas Company	GC-2002-0110 ²
Laclede Gas Company	GR-2002-0356 ¹
Aquila, Inc.	GC-2003-0131 ²
Laclede Gas Company	GC-2003-0212 ²
Laclede Gas Company	GT-2003-0117
Aquila, Inc., (d/b/a Aquila Networks MPS and L&P)	GR-2004-0072 ¹
Missouri Gas Energy	GR-2004-0209
Laclede Gas Company	GC-2004-0240 ²
Kansas City Power & Light Company	EO-2005-0329 ²
Union Electric Company (d/b/a AmerenUE)	EO-2006-0240 ²
The Empire District Electric Company	ER-2006-0315
The Atmos Energy Corporation	GR-2006-0387 ¹
Missouri Gas Energy	GR-2006-0422 ¹
Union Electric Company (d/b/a AmerenUE)	GR-2007-0003 ¹
Kansas City Power & Light Company	EO-2007-0008 ²
Aquila, Inc., (d/b/a Aquila Networks MPS and L&P)	EO-2007-0298 ²
Laclede Gas Company	GR-2007-0208 ²
Missouri Gas Energy – The Empire District Gas Company	GA-2007-0289, et al
Union Electric Company (d/b/a AmerenUE)	EO-2007-0409 ²

¹Testimony includes computations to adjust test year volumes, therms, or kWh to normal weather.

²Staff Report or Review

**MISSOURI PUBLIC SERVICE COMMISSION
CASES IN WHICH PREPARED TESTIMONY,
REPORT OR REVIEW WAS SUBMITTED BY:**

**HENRY E. WARREN, PHD
(CONTINUED)**

The Empire District Electric Company	EO-2008-0069 ²
Union Electric Company (d/b/a AmerenUE)	ER-2008-0318
Missouri Gas Energy	GR-2009-0355 ¹
The Empire District Gas Company	GR-2009-0434
The Empire District Electric Company	ER-2010-0130
Laclede Gas Company	GR-2010-0171 ²
Atmos Energy Corporation	GR-2010-0192

¹Testimony includes computations to adjust test year volumes, therms, or kWh to normal weather.

²Staff Report or Review

Curt Wells

Present Position:

I am a Regulatory Economist in the Economic Analysis Section, Energy Department, Operations Division of the Missouri Public Service Commission.

Educational Background and Work Experience:

I have a Bachelor's degree in Economics from Duke University, a Master's degree in Economics from The Pennsylvania State University, and a Master's degree in Applied Economics from Southern Methodist University. I have been employed by the Missouri Public Service Commission since February, 2006. Prior to joining the Commission, I completed a career in the U.S. Air Force, which included assignments as an aircraft navigator, and later in the Purchasing/Contracting area as Contract Negotiator and Administrator, Installation Purchasing Department Chief, Contracting Policy Manager, Director of the Air Force warranty center, and Program Manager responsible for developing and awarding technical support contracts.

CURT WELLS

TESTIMONY/REPORTS FILED BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION

<u>Case Number</u>	<u>Company</u>	<u>Issue</u>
ER-2006-0314 Direct/ True-up Direct	Kansas City Power & Light Company	Calculation of Normal Weather, Revenue
ER-2006-0315 Direct/Rebuttal	Empire District Electric	Revenue
GR-2006-0387 Direct	ATMOS Energy Corporation	Calculation of Normal Weather
GR-2006-0422 Direct/Rebuttal/ Surrebuttal	Missouri Gas Energy	Calculation of Normal Weather
ER-2007-0002 Direct/Rebuttal	Union Electric d/b/a AmerenUE	Calculation of Normal Weather, Large Customer Annualization
GR-2007-0003 Direct	Union Electric d/b/a AmerenUE	Calculation of Normal Weather
ER-2007-0004 Direct/ Supplemental Direct	Aquila, Inc	Calculation of Normal Weather, Revenue
GR-2007-0208 Direct	Laclede Gas Company	Calculation of Normal Weather
ER-2007-0291 Direct/Rebuttal	Kansas City Power & Light Co.	Calculation of Normal Weather, Large Power Revenue
ER-2008-0093 Direct(Report)/ Surrebuttal True-up Direct	Empire District Electric	Revenue, Rate Design
HR-2008-0300 Direct(Report)	Trigen-Kansas City Energy Corp.	Rate Design

CURT WELLS

TESTIMONY/REPORTS FILED BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION

<u>Case Number</u>	<u>Company</u>	<u>Issue</u>
ER-2008-0318 Direct(Report)	Union Electric d/b/a AmerenUE	Revenue
ER-2009-0089 Direct	Kansas City Power & Light Co.	[Coordinator]
ER-2009-0090 Direct(Report)	KCP&L Greater Missouri Operations	Revenue, [Coordinator]
HR-2009-0092 Direct	KCP&L Steam Greater Missouri Operations	[Coordinator]
ER-2010-0036 Direct(Report)	Union Electric d/b/a AmerenUE	Revenue
ER-2010-0130 Direct(Report)	Empire District Electric	Revenue

Credentials and Background of

Seoung Joun Won

I am currently employed as a Regulatory Economist I in the Economic Analysis Section, Energy Department, Utility Operation Division of the Missouri Public Service Commission. I have been employed at the Missouri Public Service Commission since May 2010.

I received my Bachelor of Arts, Master of Arts, and Doctor of Philosophy in Mathematics from Yonsei University in Seoul, South Korea, and earned my Doctor of Philosophy in Economics from the University of Missouri - Columbia. Also, I passed several certificate examinations for Finance Specialist in South Korea such as Enterprise Resource Planning Consultant, Financial Risk Management, Derivatives Consultant, and Financial Planner.

Prior to joining the Commission, I taught both undergraduate and graduate level mathematics in the Korean Air Force Academy and Yonsei University for 13 years. I served as the director of the Education and Technology Research Center in NeoEdu for 5 years.

My duties in the Commission include managing weather data, calculating normal weather, and analyzing revenues and rate designs.

MISSOURI PUBLIC SERVICE COMMISSION

**STAFF REPORT
COST OF SERVICE**

**APPENDIX 2
Support for Staff Cost
of
Capital Recommendations**

KCP&L GREATER MISSOURI OPERATIONS COMPANY

FILE NO. ER-2010-0356

Slump Over, Pain Persists

Bureau Calls End to Recession, Longest Since 1930s; Jobs Recovery Still Slow

By SARA MURRAY

It's official: The 2007-2009 recession, which wiped out 7.3 million jobs, cut 4.1% from economic output and cost Americans 21% of their net worth, marked the longest slump since the Great Depression.

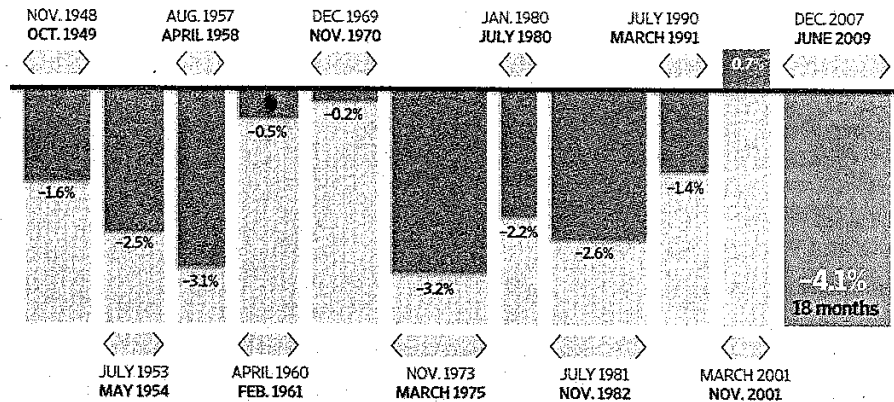
The end of the recession occurred in June 2009, 18 months after the economy began sliding into a downturn in December 2007, said the National Bureau of Economic Research's Business Cycle Dating Committee, a group of academic economists that determines the widely accepted benchmarks for U.S. recessions. The next-longest postwar slumps were those of the early 1970s and the early 1980s, both of which lasted 16 months.

But while the declaration marks a milestone, the economy still faces stubbornly slow growth and thus persistently high joblessness. That point was driven home by a report Monday from the Organization for Economic Cooperation and Development in Paris, which said it doesn't expect the U.S.'s unemployment rate to fall to prerecession levels until at least 2013.

Yet the economy is also showing signs that it has at least avoided a swoon back into recession, including a recent string of better-than-expected data on housing, manufacturing and em-

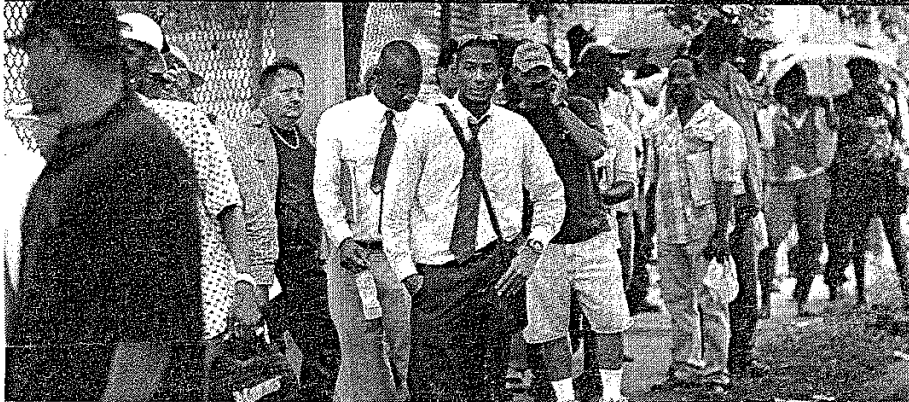
Please turn to page A2

Measuring Losses | Peak-to-trough contraction in GDP during recessions



Note: Changes based on quarterly data from the Commerce Department. Recessions are defined by other indicators in addition to GDP.

Source: Commerce Department; National Bureau of Economic Research

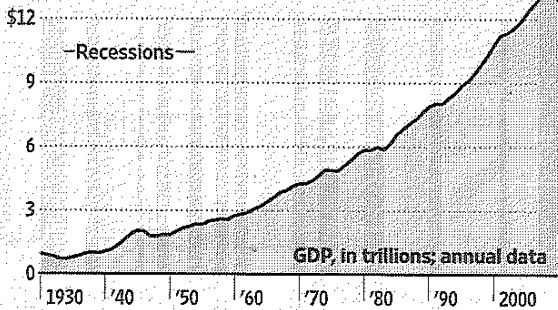


Unemployment rates are still high. Hundreds of applicants turned out for work at the Port of Miami Tunnel.

THE ECONOMY

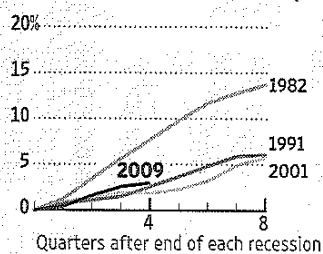
GDP and Jobs | In and out of recession

Economic output

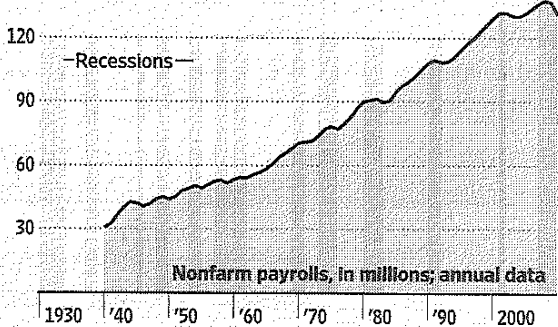


The recovery

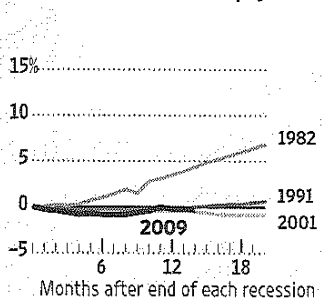
Percentage change from trough, the point declared to be the end of the recession, in economic output



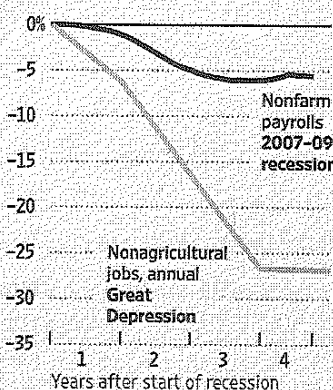
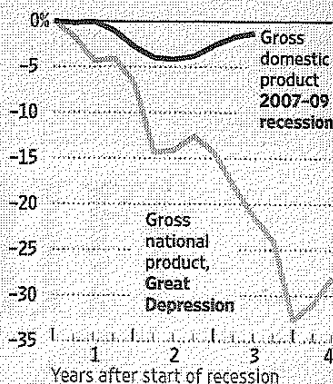
Jobs



Percentage change from trough in the number of nonfarm payrolls



Perspective on the decline



Notes: GNP and GDP are adjusted for inflation and the seasons
Sources: Commerce Department; Labor Department; National Bureau of Economic Research Macrohistory Database

Recession Declared Over but Pain Persists

Continued from Page One

ployment. Another upbeat signal is that companies have notched strong earnings in recent quarters—and are expected to do so again when they start reporting third-quarter results next month—raising hopes that firms might soon crank up hiring.

Stocks continued their recent rebound yesterday, with the Dow Jones Industrial Average rising 145.77 points to close at 10753.62. Stock-market investors have taken heart from the good signals, pushing up the Dow nearly 74% this month.

Monday's close was the highest for the Dow since May 13, just one week after the May 6 "flash crash." At the time, the Dow was on its way to a 14% tumble from its highs for the year. The Dow has since erased most of those losses, as the market's worst fears of the spring and early summer—including the risk of a European financial crisis, another computer-driven stock-market debacle and a double-dip recession in the U.S.—have gradually faded.

The market has also gotten a lift recently from a rising tide of corporate merger activity, which promises big payoffs for shareholders. Companies have been luring investors to buy stock with dividends and share buybacks.

But the uncertainties that

■ Obama hints at changes to his economic team A5

haunted investors earlier this year haven't entirely faded, and the stock market is still off its highs for the year, and even further below the levels before the Lehman Brothers bankruptcy in 2008.

News of the recession's official end point was greeted with near silence in Washington. Republicans weren't keen to say the economy has been growing for more than a year now. And Democrats, with ordinary Americans feeling little relief, weren't trumpeting the findings either. The White House has taken considerable heat for launching "recovery summer" in June and aren't about to hoist a "Mission Accomplished" banner now, White House officials say.

Popular frustration with the economy was on display at a town hall meeting in Washington, aired by CNBC, where President Barack Obama was peppered with questions. The chief financial officer of AmVets, a veterans organization, stood to tell him, "quite frankly, I'm exhausted. I'm exhausted of defending you, defending your administration, defending the mantle of change that I voted for and deeply disappointed with where we are right now."

A man who described himself as a 30-year-old recent law-school graduate struggling to make interest payments on his student loans asked: "Is the American Dream dead to me?"

The president was careful to

express more sympathy than confidence. "Even though economists may say that the recession officially ended last year, obviously, for the millions of people who are still out of work, people who have seen their home values decline, people who are struggling to pay the bills day to day, it's still very real for them," President Obama said.

The NBER acknowledged in its announcement that the end of the recession doesn't signify a healthy economy, only that the period of declining economic activity, measured by indicators such as economic output and incomes, has come to an end.

Robert Hall, chair of the NBER committee and an economics professor at Stanford University, said the group was conscious that announcing the recession ended over a year ago could be confusing. Many people "think recession means bad time, and there's no question we're [still] in bad times," he said.

The economy has a long way to go to regain the levels it hit before the downturn.

The U.S. only recently began adding jobs, at a very low rate, which means the country has lost 7.6 million positions since the start of the recession in December 2007. That's about 300,000 more than were lost by the recession's June 2009 end point.

Meanwhile, real gross domestic product has made up only 2.9 percentage points of the 4.1%

lost during the recession, while household net worth has recovered only 4 percentage points of the 21% lost.

"We see low growth and high unemployment and high deficits for a few years to come," Angel Gurría, secretary general for the OECD, said in an interview, "a rather mediocre scenario in the absence of policy intervention."

That means the government may need to continue providing extraordinary support for the labor market, according to the OECD's recommendations, contained in the group's report on the U.S. economy. Steps would include additional job training and education programs to better match workers' skills to business needs and to update the skills of the long-term unemployed, the OECD wrote.

Some 6.2 million unemployed American workers have been out of a job for at least 27 weeks. The longer they're unemployed, the more their skills can degrade and the more difficult it can be for them to rejoin the labor market, presenting a long-term employment problem. "Previous U.S. recessions have exhibited no long-term damage to the economy or long-term increase in unemployment, but it is possible this recession will trigger these effects," the OECD report states.

—Jonathan Weisman, Jonathan Cheng and Mark Gongloff contributed to this article.

CORRECTIONS & AMPLIFICATIONS

The global telecom equipment market is set to grow to €150 billion (\$196 billion) by 2013, according to Idate, a French research group. A Monday Corporate News article about Alcatel-Lucent incorrectly gave the dollar conversion as \$196 million.

The surnames of designers Joseph Altuzarra and Yigal Azrouel were misspelled, respectively, as Altazurra and Azruel in a Sept. 16 Fashion Week article about a new Dolce & Gabbana store in Milan.

Mike Pence is a member of

the House of Representatives. In some editions Monday, a photo caption accompanying a U.S. News article about the congressman incorrectly identified him as a senator. In addition, Mr. Pence was incorrectly referred to as Mr. Pace in one instance in the article.

Michelle Obama wore a red-and-black dress by designer Thakoon Panichgul at the Democratic National Convention in 2008. A Sept. 16 Fashion Week article about the designer incorrectly said Ms. Obama wore the dress on the night of her husband's election.

Readers can alert The Wall Street Journal to any errors in news articles by emailing wsjcontact@wsj.com or by calling 888-410-2667.

U.S. NEWS

Fed Hints at Move To Boost Recovery

By JON HILSENBRATH AND LUCA DI LEO

Federal Reserve officials offered their clearest signal yet that they are laying the work for new steps to the recovery if they don't see growth pick up soon or if inflation falls further.

The central bank held its regular policy-setting session Tuesday in Washington amid a growing internal debate over whether to restart a controversial bond-purchase program aimed at driving down long-term interest rates and lowering borrowing costs for households, businesses and the U.S. government.

The Fed "is prepared to provide additional accommodation if needed to support the economic recovery," officials said in a statement at the conclusion of the meeting. Inflation, they said, is below the Fed's long-run objective and growth is likely to be "modest" in the near term. The statement echoed comments by Fed Chairman Ben Bernanke last month in Jackson Hole, Wyo.

Central-bank officials have grown uneasy about a disappointingly slow recovery, which has failed to bring down unem-

The Fed's next steps depend in part on how its outlook for growth and inflation evolves.

ployment. And while many officials dismiss the possibility of a Japan-style deflation, they are worried inflation is getting too low for comfort.

Deflation is seen as an especially pernicious threat because it can be accompanied by falling wages, which reduce the ability of consumers to spend, and because it raises the inflation-adjusted cost of borrowing.

Tuesday's statement was widely seen in financial markets as a sign Mr. Bernanke is building consensus toward restarting bond purchases to counter slow growth and very low inflation.

Stocks initially rallied after the statement was released before finishing the day nearly flat. The Dow Jones Industrial Average is now up 8% since Mr. Bernanke formally opened the door to a new Fed program of bond purchases in the speech at Jackson Hole. Bond prices also rose, pushing the yield on 10-year Treasury notes down to 2.607%. The dollar fell and gold prices rose amid signs the Fed wants more inflation.

Several Fed officials are reluctant to restart the program of purchasing Treasury bonds or mortgage-backed securities because long-term interest rates are already very low and it isn't clear such a program would be very effective. Mr. Bernanke said in Jackson Hole that he was weighing the costs and benefits of such a program.

"This could be viewed as a setup statement to another round of asset purchases," said Stuart Hoffman, chief economist at PNC Financial Services Group.

The Fed concluded a bond-purchase program at the end of March, which added \$1.7 trillion of mortgage debt and Treasury securities to its portfolio. A new program may not be as aggressive because the economy and financial system aren't in as much jeopardy as they were in March 2009, when the last bond-purchase program ramped up.

The central bank has already pushed short-term interest rates to near zero, so it can't use this traditional lever for managing the economy to stimulate growth any further.

The Fed's next steps depend in part on how its outlook for growth and inflation evolves in the weeks ahead.

The central bank wants to keep inflation from getting too low to keep the economy from slipping into a Japan-like period of outright price declines, or deflation. The latest statement elevates this concern.

Most Fed officials have an informal inflation goal between 1.7% and 2%, though some can tolerate it as low as 1.5%. The consumer-price index, excluding volatile food and energy prices, has been below that for several months, up just 0.9% from a year earlier in August.

"This statement was significant because it put the low level of inflation at the center of the debate," said Roberto Perli, a former Fed economist who is an analyst with ISI Group, a Wall Street research firm. He said the Fed could announce the beginning of a bond-buying program when it next meets Nov. 2 and 3.

Mr. Bernanke has noted that the course of inflation is dependent in part on how much slack there is in the economy and on how fast a growing economy takes up that slack—an economy with lots of slack tends to put downward pressure on inflation. One example of slack is high unemployment, which puts downward pressure on wages. This connection between growth and inflation is likely to bring the Fed's growth outlook under increased scrutiny.

The Fed's last official forecast was in June, when it said it expected 2010 growth between 3.0% and 3.5% and 2011 growth between 3.5% and 4.2%. Officials will update their forecast when they next meet.

Those June projections look increasingly out of line with mainstream expectations. A Wall Street Journal poll of forecasters earlier this month put 2010 growth at 2.5% and 2011 at 2.8%. Fed officials have acknowledged the risks to their 2010 outlook, by pointing to modest growth in the "near term."

- Investors brace for prospect of further Fed action C1
- Heard on the Street: Central bank guns for inflation C18

Economy Czar Summers to Step Down

Continued from Page One

Tyson, an economist at the University of California, Berkeley, who served in the Clinton administration as chair of the Council of Economic Advisers.

Mr. Summers' resignation is partially driven by a personal concern, friends say. If he doesn't return to Harvard by January, he will have overstayed a two-year leave of absence and his tenure would be revoked. He would then have to reapply.

"I will miss working with the President and his team on the daily challenges of economic policy making," Mr. Summers said in a written statement.

A senior administration official said Mr. Summers had expected to be named Treasury secretary, a post he held under President Clinton. When he instead was offered a job inside the White House, he initially thought he would stay for a year, then possibly be named chairman of the Federal Reserve Board. Instead, Mr. Obama decided to re-nominate Ben S. Bernanke to head the Fed, and with health-care and financial-regulation bills still in flux, he decided to stay for another year.

As a campaign adviser, Mr. Summers—a former president of Harvard, a former Treasury Secretary and an accomplished academic economist—gave heft to then-candidate Obama. But as he

became more prominent in the Obama inner circle, liberals attacked him as too conservative and too tied to Wall Street. Women's groups continued to grumble about his time at Harvard, when he clashed with women faculty over a comment that women might not be as suited to the rigors of the hard sciences. That controversy led to his stepping down as president.

The criticism has only grown louder, from both the left and the right. House Minority Leader John A. Boehner (R, Ohio) called on the president to fire him and Treasury Secretary Tim Geithner earlier this month as a first step toward remaking his economic policies. Some Democrats have also called for his ouster.

A senior administration official said such criticism didn't figure in his departure. "I think Larry's pretty used to being in the public eye with all its pros and cons," said the official, who is also a friend of Mr. Summers.

With the long list of recent departures, Treasury Secretary Timothy Geithner appears to be the last of the top "economic principals" who came into the White House with Mr. Obama. The Treasury secretary had to survive reconfirmations over his failure to pay all his taxes even before he was confirmed. When he unveiled the administration's plan to stem the fiscal crisis,



Lawrence Summers, Harvard bound

stock prices plunged on fears that he had no real plans.

But his handling of the complex financial-regulation bill buoyed his stature in the White House, and administration officials say he isn't about to leave.

Mr. Summers was one of the chief architects of the giant economic stimulus plan signed into law in February 2009. He was a key advocate even before the president's inauguration of a larger, more robust package than the one that eventually passed. Mr. Summers also helped guide the rescue of General Motors and Chrysler, a move White House officials regard as a major success but that remains highly

GOP Halts Repeal of Military

Continued from Page One

Reid (D, Nev.) voted "no" in a tactic that leaves him the option to revive the bill later.

Ms. Lincoln expressed frustration at limits placed by Mr. Reid on amendments, as did Sen. Susan Collins (R, Maine), one of the moderate Republicans that Democrats had hoped would support the bill.

Mr. Pryor said the bill had become a "political football."

The vote highlights a significant difference between the two parties on a controversial social issue just weeks before a hard-fought election, and it could spur activists on both sides.

Republicans may use the vote to argue that Democrats are out of touch with mainstream values. Some among the Democrats' liberal base, meanwhile, have been galvanized by the issue.

But unlike gay marriage, the debate over allowing gays and lesbians to serve in the military has become less divisive than in 1993, when the "Don't Ask, Don't Tell" ban was put in place.

A majority of the public now supports ending the prohibition, opinion polls show. Republican objections to the bill Tuesday centered on its timing and other aspects of the legislation.

Beyond that, strategists don't believe either party has much to gain from campaigning hard on the issue.

The current election campaign has centered on economic issues, and leaders of both parties have concluded that voters will punish politicians who appear to be focusing on anything

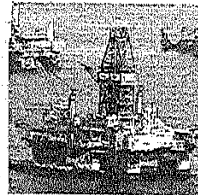


Democrats had hoped Republican Senator Susan Collins of Maine, shown Tuesday, would support the bill.

MONEY & INVESTING



**Dollar vs. Yen:
15-Year Low Is Hit**
STOCKS & CURRENCIES C5



**BP's Private Road
To Public Value**
HEARD ON THE STREET C12

Florida's BankUnited is preparing an IPO, and a push into the Big Apple — GLOBAL FINANCE.....C3
Assured Guaranty units lose their AAA ratings; plus, Goldman's 50-year issue — CREDIT MARKETS.....C7
Roth reversals keep options open for investors; plus, money-fund overhaul — PERSONAL FINANCE.....C11

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THE WALL STREET JOURNAL.

Tuesday, October 26, 2010 C1

1164.05 ▲ 31.49 0.28% S&P 1185.62 ▲ 0.21% NASDAQ 2490.85 ▲ 0.46% 10-YR. TREAS. ▲ 3/32, yield 2.554% OIL \$82.52 ▲ \$0.83 EURO \$1.3970 YEN 80.81 See more on C5 and at WSJMarkets.com

AME

Protectionist Ads Blow Against BHP

By K. BERMAN



If money were a measure of muscle, the world's largest mining company could askatchewan with its funds. BHP Billiton Ltd. \$54 billion in revenue a past 12 months, some later than the Canadian e's entire 2009 gross ic product.
t is Saskatchewan now ng BHP, as it hopes to biggest running deal in verse: the Anglo-Austra- ner's \$40 billion hostile f Saskatchewan. Last he province's leader, 'all, said he wouldn't t a takeover. The pre- en got punchy, publish- al newspaper ads and

Yields on TIPS Go Negative

Big Demand for Bonds Suggests Fed Is Winning Deflation Battle; It 'Is Striking'

By MARK GONGLOFF
AND DEBORAH LYNN BLUMBERG

A COMBINATION OF LOW interest rates and growing fears of rising prices enabled the U.S. government to sell inflation-protected Treasury bonds with a negative yield for the first time ever on Monday.

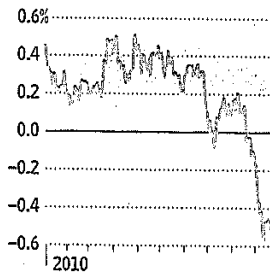
That means if inflation doesn't appear as investors expect, they could end up paying to lend money to the government.

CREDIT MARKETS The Treasury sold \$10 billion of five-year Treasury inflation protected securities, or TIPS, at an auction on Monday with a yield of negative 0.55%.

The big demand is a sign the Federal Reserve is gaining some traction in its efforts to kickstart

Tippling Over

Yield on five-year Treasury
inflation-protected securities,
or TIPS



Source: Thomson Reuters

the economy and nudge inflation higher. TIPS are designed to protect investors against inflation, offering a return that rises as

the cost of goods increase. In times of inflation, they are more attractive than standard Treasury bonds, whose fixed income stream is worth less as other prices are rising.

"While the yield on many TIPS is negative, investors in these securities expect a positive return overall," Tony Crescenzi, portfolio manager at Pacific Investment Management Co. in Newport Beach, Calif.

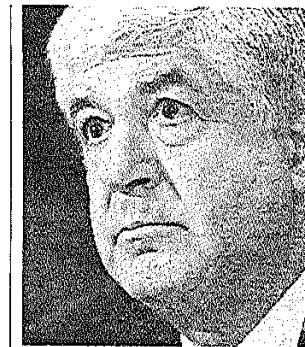
Financial-market investors, economists and even Federal Reserve officials have been engaged in a months-long debate over whether inflation or deflation is the bigger threat to the economy. In some ways, Monday's auction is a sign that some investors are tilting in favor of inflation. There are other signs, too. Gold, a traditional hedge

against inflation, is trading near record highs and the U.S. dollar has been falling.

TIPS investors won't lose money as long as the economy avoids deflation for the next five years, as TIPS investors get extra money every year to keep up with the inflation rate. If inflation is high enough to offset the negative yield, investors will end up with a positive return.

Yields on Treasuries have turned negative before, particularly at the depth of the financial crisis. Then, investors in short-term Treasuries did pay a small amount of money to lend to the government, but were willing to do so because they were able to protect most of their investment from market turmoil.

Today's extraordinarily low
Please turn to the next page



AIG's Robert Benmosche, shown on May 25, said that 'I feel fine.'

AIG Chief Is Being Treated For Cancer

By SERENA NG
AND JOANN S. LUBLIN

Robert Benmosche, chief exec-

Negative TIPS Yield Seems to Be a Positive Sign

Continued from the prior page
yields are a result of Fed efforts to fend off deflation by buying up Treasuries and TIPS to push their yields to rock-bottom levels. Investors expect the Fed to announce another round of Treasury purchases after its policy meeting on Nov. 3. Investors have been buying both TIPS and Treasuries in anticipation, but

lately TIPS have outperformed. If negative TIPS yields reflect anxiety about inflation, then that suggests the Fed may be succeeding. Deflation is partly a result of consumers delaying purchases because they think prices are going to fall. The negative yield on five-year TIPS owes partly to the fact that nominal five-year Treasuries

yield just 1.18%, which is barely higher than consumer price inflation for the past year. The difference between regular Treasury yields and TIPS yields, often called the "breakeven inflation rate," is a rough measure of the market's inflation expectations for the future. That breakeven inflation rate has grown since the Fed

made it clear it was going to re-start its bond buying, an effort known as quantitative easing. In the case of five-year TIPS, the negative yield suggests inflation expectations of about 1.70%—hardly runaway inflation, but better than deflation.

■ Auction results C7
■ Heard on the Street C12

WHICH HAS THAT SAY OVER THE NIGHT FOLLOW.

Head to Head

Canada's Saskatchewan province opposes BHP's nearly \$40 billion offer for Potash Corp. of Saskatchewan. How the company and province compare:

	SASKATCHEWAN	BHP
GDP/Revenues	\$36.9 billion	\$54.2 billion
Labor force/Employees	535,000	100,000
Founded	1905	1885

Source: WSJ research

FINANCIAL BRIEFING BOOK: OCT. 26

◆ CORPORATE BOARDS

Caterpillar's Owens to Join Morgan Stanley's Board

Morgan Stanley said it has named outgoing Caterpillar Inc. Chairman James Owens to its board, effective Jan. 1.

Mr. Owens, 64 years old, served as chief executive of Caterpillar from 2004 until June 2010, and will step down from the chairman role at the maker of construction equipment on Nov. 1.

His addition to the board brings the number of directors at the investment bank back up to 13. In May, Charles Noski, chief financial officer of Northrop Grumman Corp., left the board when he was named Bank of America Corp.'s finance chief.

Mr. Owens's election brings the number of independent directors at Morgan Stanley to 10 from nine on Jan. 1.

Brett Philbin

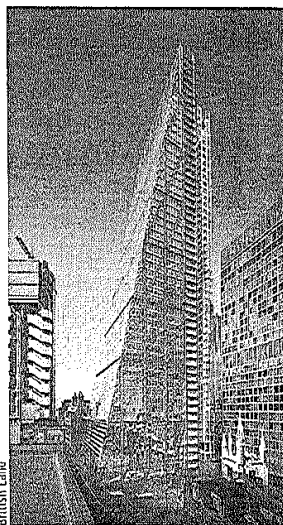
◆ DEAL & DEAL MAKERS

Autotrader.com Buys Kelley Blue Book

Autotrader.com is expected to announce Tuesday the \$500 million-plus acquisition of venerable Kelley Blue Book Co., the best-known provider of information about the value of new and used cars. The deal will unite two closely held companies in an effort to create the leading player for car buyers using the Internet to research purchases.

AutoTrader.com acts as a middleman for car sellers and buyers. Originally known for its blue-bound guides, Kelley Blue Book now does most of its business on the Internet, where it provides vehicle information, including up-to-date resale values and what buyers are paying for new vehicles.

Gina Chon



SAY CHEESE: A rendering of the Leadenhall building in London.

◆ COMMERCIAL REAL ESTATE

British Land Signs 'Cheese Grater' Pact

The U.K.'s second-largest landlord, British Land Co. PLC, on Monday said it has signed a joint-venture agreement with Oxford Properties—the real-estate arm of the Omers Worldwide Group of Cos., one of Canada's largest pension funds—to develop the Leadenhall Building, dubbed the "cheese grater" because of its tapered design.

The 47-story Leadenhall building, which will cost £340 million to develop, will combine public space, retail and leisure facilities with office space.

The building, which will be one of the tallest in the City of London, is to be raised on stilts, opening up the space below to the public.

Anita Likus

◆ REGULATION

Berkshire Defends Accounting to SEC

Berkshire Hathaway defended its decision not to write down \$1.86 billion in unrealized losses sustained for more than a year in its share holdings of Kraft Foods and U.S. Bancorp.

The SEC said in an April letter to Berkshire that the losses appeared to be more than temporary.

"We believe it is reasonably possible that the market prices of Kraft Foods and U.S. Bancorp will recover to our cost within the next one to two years assuming that there are no material adverse events affecting these companies or the industries in which they operate," Berkshire Chief Financial Officer Marc Hamburg wrote.

Liz Moyer and Brett Philbin

◆ DERIVATIVES

Credit Agricole Unit S Over Marketing of CC

A group of Channel Island investment companies sued Agricole SA's investment bank, claiming fraud in the market and sale of three collateral debt obligations.

The lawsuit claims Credit Agricole Corporate and Inve Bank secretly allowed a hedge to select weak and poor quality assets underlying two of them.

The hedge fund then brought a lawsuit against the success of the investments, according to a complaint. A Credit Agricole spokeswoman said the suit related to Credit Agricole's litigation against IKB in the "We are confident this court action by IKB is without merit," she said.

Chc



**EDISON ELECTRIC
INSTITUTE**

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www.eei.org

Stock Performance

**Q3 2010
FINANCIAL UPDATE**

QUARTERLY REPORT
OF THE U.S. SHAREHOLDER-OWNED
ELECTRIC UTILITY INDUSTRY

About EEI

The Edison Electric Institute is the association of U.S. shareholder-owned electric companies. Our members serve 95% of the ultimate customers in the shareholder-owned segment of the industry, and represent approximately 70% of the U.S. electric power industry. We also have 79 international electric companies as Affiliate members and more than 190 industry suppliers and related organizations as Associate members.

About EEI's Quarterly Financial Updates

EEI's quarterly financial updates present industry trend analyses and financial data covering 63 U.S. shareholder-owned electric utility companies. These 63 companies include 58 electric utility holding companies whose stocks are traded on major U.S. stock exchanges and eleven electric utilities who are subsidiaries of non-utility or foreign companies. Financial updates are published for the following topics:

Dividends	Rate Case Summary
Stock Performance	SEC Financial Statements (Holding Companies)
Credit Ratings	FERC Financial Statements (Regulated Utilities)
Construction	Fuel

For EEI Member Companies

The EEI Finance and Accounting Division is developing current year and historical data sets that cover a wide range of industry financial and operating metrics. We look forward to serving as a resource for member companies who wish to produce customized industry financial data and trend analyses for use in:

- Investor relations studies and presentations
- Internal company presentations
- Performance benchmarking
- Peer group analyses
- Annual and quarterly reports to shareholders

We Welcome Your Feedback

EEI is interested in ensuring that our financial publications and industry data sets best address the needs of member companies and the financial community. We welcome your comments, suggestions and inquiries.

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Future EEI Finance Meetings

45th EEI Financial Conference
October 31-November 3, 2010
Desert Springs JW Marriott Resort & Spa
Palm Desert, California

EEI International Utility Conference
March 13-15, 2011
London Hilton on Park Lane
London, United Kingdom

For more information about EEI Finance Meetings, please contact Debra Henry, (202) 508-5496, dhenry@eei.org

The 63 U.S. Shareholder-Owned Electric Utilities

The companies listed below all serve a regulated distribution territory. Other utilities, such as transmission provider ITC Holdings, are not shown below because they do not serve a regulated distribution territory. However, their financial information is included in relevant EEL data sets, such as transmission-related construction spending.

Allegheny Energy, Inc. (AYE)	FirstEnergy Corp. (FE)	<i>Puget Energy, Inc.</i>
ALLETE, Inc. (ALE)	Great Plains Energy Incorporated (GXP)	SCANA Corporation (SCG)
Alliant Energy Corporation (LNT)	Hawaiian Electric Industries, Inc. (HE)	Sempra Energy (SRE)
Ameren Corporation (AEE)	IDACORP, Inc. (IDA)	Southern Company (SO)
American Electric Power Company, Inc. (AEP)	Integrys Energy Group, Inc. (TEG)	TECO Energy, Inc. (TE)
Avista Corporation (AVA)	<i>IPALCO Enterprises, Inc.</i>	UIL Holdings Corporation (UIL)
Black Hills Corporation (BKH)	Maine & Maritimes Corporation (MAM)	UniSource Energy Corporation (UNS)
CenterPoint Energy, Inc. (CNP)	MDU Resources Group, Inc. (MDU)	Unitil Corporation (UTL)
Central Vermont Public Service Corporation (CV)	MGE Energy, Inc. (MGEE)	Vectren Corporation (VVC)
CH Energy Group, Inc. (CHG)	<i>MidAmerican Energy Holdings Company</i>	Westar Energy, Inc. (WR)
Cleco Corporation (CNL)	NextEra Energy, Inc. (NEE)	Wisconsin Energy Corporation (WEC)
CMS Energy Corporation (CMS)	NiSource Inc. (NI)	Xcel Energy, Inc. (XEL)
Consolidated Edison, Inc. (ED)	Northeast Utilities (NU)	
Constellation Energy Group, Inc. (CEG)	NorthWestern Corporation (NWE)	
Dominion Resources, Inc. (D)	NSTAR (NST)	
DPL, Inc. (DPL)	NV Energy, Inc. (NVE)	
DTE Energy Company (DTE)	OGE Energy Corp. (OGE)	
Duke Energy Corporation (DUK)	Otter Tail Corporation (OTTR)	
Edison International (EIX)	Pepco Holdings, Inc. (POM)	
El Paso Electric Company (EE)	PG&E Corporation (PCG)	
Empire District Electric Company (EDE)	Pinnacle West Capital Corporation (PNW)	
<i>Energy East Corporation</i>	PNM Resources, Inc. (PNM)	
<i>Energy Future Holdings Corp. (formerly TXU Corp.)</i>	Portland General Electric Company (POR)	
Entergy Corporation (ETR)	PPL Corporation (PPL)	
Exelon Corporation (EXC)	Progress Energy (PGN)	
	Public Service Enterprise Group Inc. (PEG)	

Companies Listed by Category

(as of 12/31/09)

Please refer to the Quarterly Financial Updates webpage for previous years' lists.

Given the diversity of utility holding company corporate strategies, no single company categorization approach will be useful for all EEI members and utility industry analysts. Nevertheless, we believe the following classification provides an informative framework for tracking financial trends and the capital markets' response to business strategies as companies depart from the traditional regulated utility model.

Regulated	80%+ of total assets are regulated
Mostly Regulated	50% to 80% of total assets are regulated
Diversified	Less than 50% of total assets are regulated

Categorization of the 58 publicly traded utility holding companies is based on year-end business segmentation data presented in 10Ks, supplemented by discussions with company IR departments. Categorization of the five non-publicly traded companies (*shown in italics*) is based on estimates derived from FERC Form 1 data and information provided by parent company IR departments.

The EEI Finance and Accounting Division continues to evaluate our approach to company categorization and business segmentation. In addition, we can produce customized categorization and peer group analyses in response to member company requests. We welcome comments, suggestions and feedback from EEI member companies and the financial community.

Regulated (38 of 63)

ALLETE, Inc.
 Alliant Energy Corporation
 Ameren Corporation
 American Electric Power Company, Inc.
 Avista Corporation
 Central Vermont Public Service Corporation
 CH Energy Group, Inc.
 Cleco Corporation
 CMS Energy Corporation
 Consolidated Edison, Inc.
 DPL, Inc.
 DTE Energy Company
 El Paso Electric Company
 Empire District Electric Company
Energy East Corporation
 Great Plains Energy Incorporated
 IDACORP, Inc.
IPALCO Enterprises, Inc.
 Maine & Maritimes Corporation
 Northeast Utilities
 NorthWestern Energy
 NSTAR
 NV Energy, Inc.

PG&E Corporation
 Pinnacle West Capital Corporation
 PNM Resources, Inc.
 Portland General Electric Company
 Progress Energy
Puget Energy, Inc.
 Southern Company
 TECO Energy, Inc.
 UIL Holdings Corporation
 UniSource Energy Corporation
 Unitil Corporation
 Vectren Corporation
 Westar Energy, Inc.
 Wisconsin Energy Corporation
 Xcel Energy, Inc.

Mostly Regulated (20 of 63)

Allegheny Energy, Inc.
 Black Hills Corporation
 CenterPoint Energy, Inc.
 Dominion Resources, Inc.
 Duke Energy Corporation
 Edison International
 Entergy Corporation
 Exelon Corporation

First Energy Corp.
 Integrys Energy Group
 MGE Energy, Inc.
MidAmerican Energy Holdings
 NextEra Energy, Inc.
 NiSource Inc.
 OGE Energy Corp.
 Otter Tail Corporation
 Pepco Holdings, Inc.
 Public Service Enterprise Group, Inc.
 SCANA Corporation
 Sempra Energy

Diversified (5 of 63)

Constellation Energy Group, Inc.
Energy Future Holdings
 Hawaiian Electric Industries, Inc.
 MDU Resources Group, Inc.
 PPL Corporation

Note: Based on assets at 12/31/09

Stock Performance

HIGHLIGHTS

■ The EEI Index returned 12.5% during Q3, slightly outpacing the Dow Jones Industrials' 11.1% return, the S&P 500's 11.3% return and the Nasdaq Composite's 12.3% gain. This was the second consecutive quarter that the EEI Index outperformed the broad market, reversing the underperformance seen during Q1.

■ Regulated companies returned an average 10.5% during the first nine months of 2010 versus the Mostly Regulated group's 7.0% and the Diversified group's negative 4.9%. Dividends boosted regulated shares and weak natural gas prices weighed on competitive generators.

■ EEI Index companies averaged a strong 4.5% dividend yield on September 30, two percentage points more than the 10-year Treasury bond's 2.5% yield.

■ Electricity demand jumped 6.9% during Q3 due in part to a hotter-than-average summer, and grew 4.5% year-to-year during the first nine months of 2010. Strong capex programs seem likely to produce reasonable earnings growth for many Regulated utilities, contingent upon maintenance of constructive regulatory relationships.

COMMENTARY

The EEI Index produced a 12.5% return for the third quarter of 2010, slightly outpacing the Dow Jones Industrials' 11.1% return, the S&P 500's 11.3% return and the Nasdaq Composite's 12.3% gain. The third quarter of 2010 represented the second consecutive quarter that the EEI Index outperformed the broad market, reversing the underperformance seen during the first quarter.

The late summer's market rally was powered by an eas-

I. Index Comparison (% Return)

Index	2004	2005	2006	2007	2008	2009	9 mo. 2010
EEI Index	22.8	16.0	20.8	16.6	-25.9	10.7	5.6
Dow Jones Inds.	5.3	1.7	19.1	8.9	-31.9	22.7	5.6
S&P 500	10.9	4.9	15.8	5.5	-37.0	26.5	3.9
Nasdaq Comp.^	8.6	1.4	9.5	9.8	-40.5	43.9	4.4

Calendar year returns shown for all periods.

^Price gain/loss only. Other indices show total return.

Full year, except where noted.

Source: EEI Finance Department

II. Category Comparison (% Return)

U.S. Shareholder-Owned Electric Utilities

Index	2004	2005	2006	2007	2008	2009	9 mo. 2010
All Companies	18.9	9.9	22.5	9.8	-20.9	14.1	8.3
Regulated	14.4	2.7	22.6	7.8	-15.6	14.2	10.5
Mostly Regulated	16.4	12.9	22.4	9.9	-27.0	15.6	7.0
Diversified	36.7	24.7	22.2	18.5	-33.9	8.1	-4.9

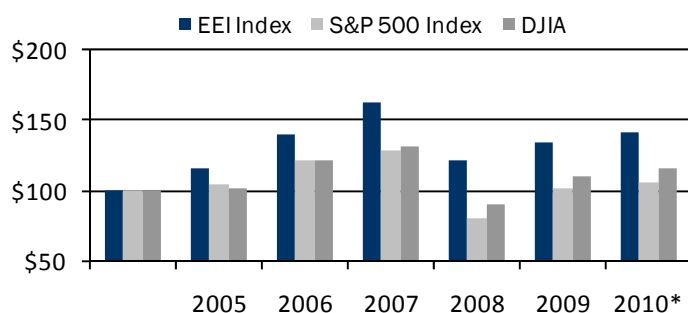
Calendar year returns shown for all periods.

Returns shown here are unweighted averages of constituent company returns. The EEI Index return shown in Table I above is cap-weighted.

Source: EEI Finance Department, SNL Financial and company annual reports.

III. Total Return Comparison

Value of \$100 invested at close on 12/31/2004

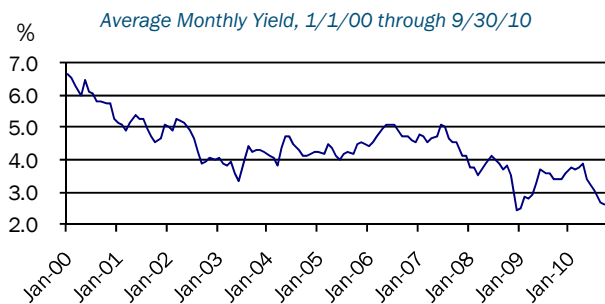


* at September 30, 2010

Note: Full year, except where noted.

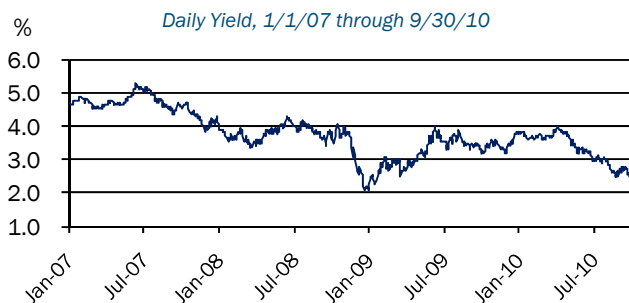
Source: EEI Finance Department

IV. 10-Year Treasury Yield — Monthly



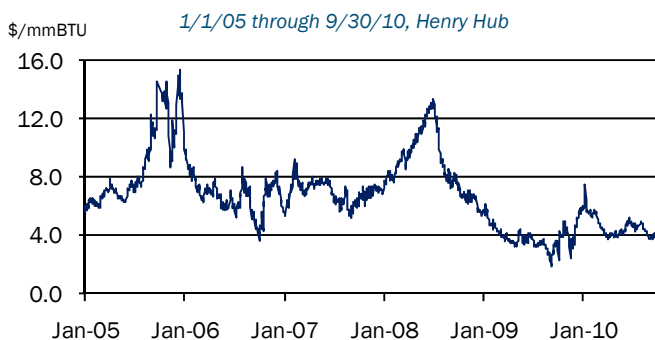
Source: U.S. Federal Reserve

V. 10-Year Treasury Yield — Daily



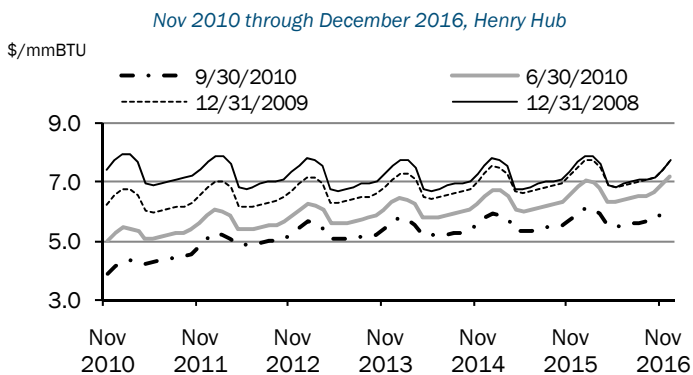
Source: U.S. Federal Reserve

VI. Natural Gas Spot Prices



Source: SNL Financial

VII. NYMEX Natural Gas Futures



Source: SNL Financial

VIII. Returns by Quarter

Index	2008 Q1	2008 Q2	2008 Q3	2008 Q4	2009 Q1	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3
EEL Index	-10.4	7.1	-14.3	-9.9	-11.0	9.1	5.5	8.0	-2.5	-3.7	12.6
Dow Jones Ind.	-7.0	-6.9	-3.7	-18.4	-12.5	12.0	15.8	8.1	4.8	-9.4	11.1
S&P 500	-9.5	-2.7	-8.4	-21.9	-11.0	15.9	15.6	6.0	5.4	-11.4	11.3
Nasdaq Comp.^	-14.1	0.6	-9.2	-24.3	-3.1	20.0	15.7	6.9	5.7	-12.0	12.3

^Price gain/loss only. Other indices show total return.
Source: EEL Finance Department

Category*	2008 Q1	2008 Q2	2008 Q3	2008 Q4	2009 Q1	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3
All Companies	-12.4	6.1	-6.2	-9.3	-12.6	9.8	9.0	9.0	0.3	-3.7	12.1
Regulated	-13.6	4.9	-0.3	-5.9	-11.5	7.5	9.6	9.6	1.3	-2.7	12.0
Mostly Regulated	-10.1	8.7	-13.9	-14.0	-11.9	11.3	8.9	8.3	-0.8	-5.2	13.7
Diversified	-11.6	6.7	-15.5	-17.0	-22.8	22.8	5.6	8.0	-2.6	-7.1	5.1

* Returns shown here are unweighted averages of constituent company returns. The EEL Index return shown above is cap-weighted.
Source: EEL Finance Department, SNL Financial and company annual reports.

IX. Sector Comparison, Trailing 12 mo. Total Return

For the twelve-month period ending 9/30/10

Sector	Total Return
Basic Materials	20.2%
Consumer Services	18.8%
Industrials	17.5%
Telecommunications	17.4%
Consumer Goods	15.3%
EEL Index	14.1%
Utilities	12.6%
Technology	11.9%
Aggregate Index	11.0%
Healthcare	9.3%
Oil & Gas	3.4%
Financials	0.3%

Note: Sector Comparison page based on the Dow Jones U.S. Indexes, which are market-capitalization-weighted indices. Find more information at http://www.djindexes.com/mdsidx/downloads/fact_info/Dow_Jones_US_Indexes_Industry_Indexes_Fact_Sheet.pdf

X. Sector Comparison, Q3 2010 Total Return

For the three-month period ending 9/30/10

Sector	Total Return
Basic Materials	21.2%
Telecommunications	20.7%
Consumer Services	14.0%
Industrials	13.5%
Oil & Gas	13.2%
EEL Index	12.5%
Utilities	12.2%
Technology	12.1%
Aggregate Index	11.7%
Consumer Goods	11.5%
Healthcare	9.2%
Financials	5.6%

Note: Sector Comparison page based on the Dow Jones U.S. Indexes, which are market-capitalization-weighted indices. Find more information at http://www.djindexes.com/mdsidx/downloads/fact_info/

XI. Market Capitalization at September 30, 2010 (in \$ Mil.)

U.S. Shareholder-Owned Electric Utilities

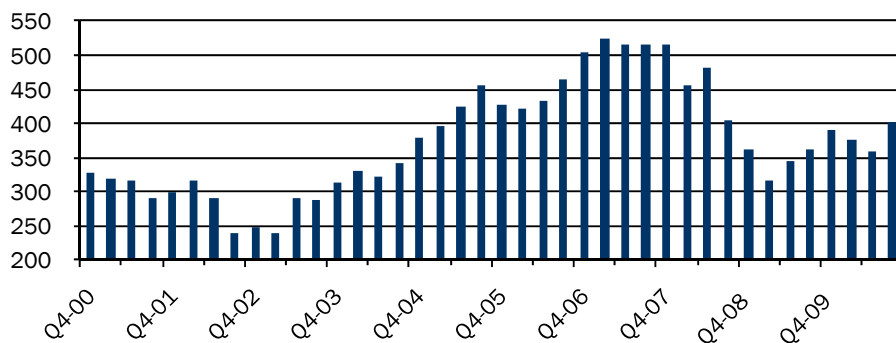
Company	Stock Symbol	\$ Market Cap	% Total	Company	Stock Symbol	\$ Market Cap	% Total
Southern Company	SO	30,848.2	7.67%	Alliant Energy Corporation	LNT	4,013.4	1.00%
Exelon Corporation	EXC	28,145.4	7.00%	OGE Energy Corp.	OGE	3,879.4	0.96%
Dominion Resources, Inc.	D	25,776.9	6.41%	MDU Resources Group, Inc.	MDU	3,753.2	0.93%
Duke Energy Corporation	DUK	23,270.9	5.79%	TECO Energy, Inc.	TE	3,680.5	0.92%
NextEra Energy, Inc.	NEE	22,219.6	5.53%	NV Energy, Inc.	NVE	3,090.2	0.77%
Amer. Elec. Power Comp., Inc.	AEP	17,356.0	4.32%	DPL Inc.	DPL	3,023.2	0.75%
PG&E Corporation	PCG	16,941.7	4.21%	Westar Energy, Inc.	WR	2,702.2	0.67%
Public Service Enter. Group Inc.	PEG	16,742.1	4.16%	Great Plains Energy Inc.	GXP	2,553.4	0.64%
Entergy Corporation	ETR	14,447.0	3.59%	Hawaiian Electric Ind. Inc.	HE	2,099.8	0.52%
Consolidated Edison, Inc.	ED	13,598.0	3.38%	Vectren Corporation	VVC	2,095.5	0.52%
Sempra Energy	SRE	13,277.0	3.30%	Cleco Corporation	CNL	1,790.0	0.45%
Progress Energy, Inc.	PGN	12,881.8	3.20%	IDACORP, Inc.	IDA	1,720.1	0.43%
FirstEnergy Corp.	FE	11,716.2	2.91%	Portland Gen. Elec. Co.	POR	1,526.6	0.38%
Edison International	EIX	11,211.1	2.79%	ALLETE, Inc.	ALE	1,242.3	0.31%
Xcel Energy Inc.	XEL	10,567.1	2.63%	UniSource Energy Corp.	UNS	1,214.2	0.30%
PPL Corporation	PPL	10,399.0	2.59%	Black Hills Corporation	BKH	1,214.1	0.30%
DTE Energy Company	DTE	7,762.2	1.93%	Avista Corporation	AVA	1,149.0	0.29%
Ameren Corporation	AEE	6,770.6	1.68%	PNM Resources, Inc.	PNM	1,041.0	0.26%
Wisconsin Energy Corp.	WEC	6,756.8	1.68%	EI Paso Electric Company	EE	1,033.5	0.26%
Constellation Energy Group	CEG	6,473.8	1.61%	NorthWestern Corporation	NWE	1,031.1	0.26%
CenterPoint Energy, Inc.	CNP	6,280.4	1.56%	MGE Energy, Inc.	MGEE	915.1	0.23%
Northeast Utilities	NU	5,221.2	1.30%	UIL Holdings Corporation	UIL	847.4	0.21%
SCANA Corporation	SCG	5,048.1	1.26%	Empire District Elec. Comp.	EDE	818.6	0.20%
NiSource Inc.	NI	4,829.6	1.20%	Otter Tail Corporation	OTTR	729.9	0.18%
Pinnacle West Capital Corp.	PNW	4,434.8	1.10%	CH Energy Group, Inc.	CHG	696.9	0.17%
NSTAR	NST	4,170.9	1.04%	Central Vermont Pub. Svc.	CV	243.6	0.06%
Allegheny Energy, Inc.	AYE	4,160.6	1.03%	Unitil Corporation	UTL	237.5	0.06%
Pepco Holdings, Inc.	POM	4,147.8	1.03%	Maine & Maritimes Corp.	MAM	75.6	0.02%
CMS Energy Corporation	CMS	4,112.2	1.02%				
Integrus Energy Group, Inc.	TEG	4,029.4	1.00%				
				Total Industry		\$402,013.9	100.0%

Source: EEI Finance Department and Wall Street Journal

XII. EEI Index Market Capitalization (at Period End)

U.S. Shareholder-Owned Electric Utilities

\$ Billions



Note: Change in EEI Index market capitalization reflects the impact of buyout and spin-off activity in addition to stock market performance.

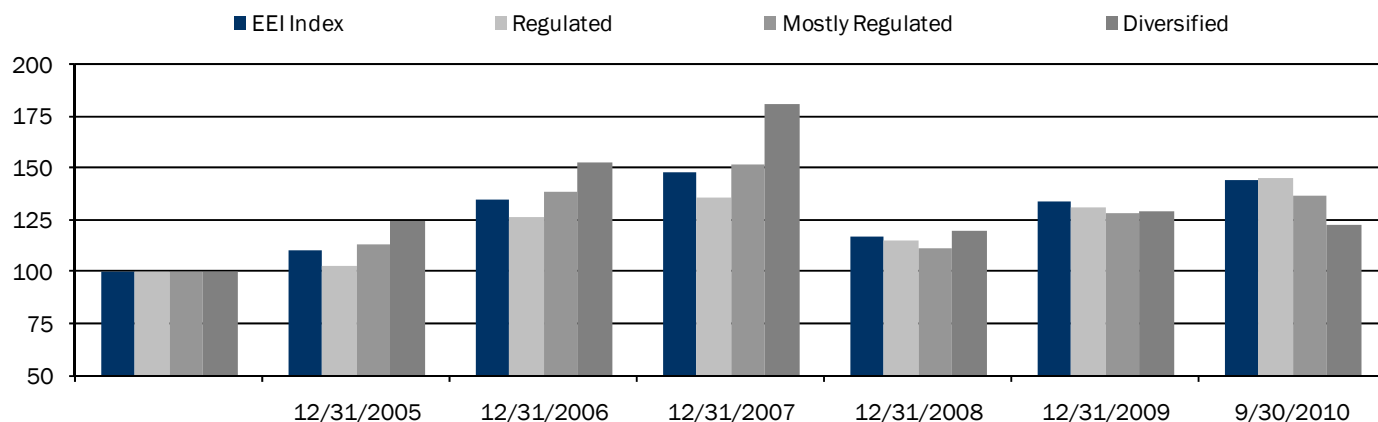
Source: EEI Finance Department and Wall Street Journal

EEI Index Market Cap (in \$Billions)

Q1-01	319,484	Q1-06	422,899
Q2-01	317,546	Q2-06	432,848
Q3-01	291,035	Q3-06	464,281
Q4-01	300,200	Q4-06	503,858
Q1-02	317,668	Q1-07	525,088
Q2-02	292,238	Q2-07	515,565
Q3-02	238,331	Q3-07	514,946
Q4-02	249,553	Q4-07	514,486
Q1-03	240,598	Q1-08	456,711
Q2-03	289,454	Q2-08	482,024
Q3-03	288,073	Q3-08	404,472
Q4-03	314,324	Q4-08	361,921
Q1-04	329,601	Q1-09	316,070
Q2-04	323,193	Q2-09	343,844
Q3-04	342,460	Q3-09	363,185
Q4-04	380,305	Q4-09	389,672
Q1-05	395,663	Q1-10	377,281
Q2-05	425,989	Q2-10	360,044
Q3-05	454,727	Q3-10	402,014
Q4-05	428,825		

XIII. Comparative Category Total Annual Returns

U.S. Shareholder-Owned Electric Utilities, Value of \$100 invested at close on 12/31/2004



	2004	2005	2006	2007	2008	2009	9/30/10
EEI Index Annual Return (%)		9.89	22.47	9.83	(20.93)	14.13	8.25
EEI Index Cumulative Return (\$)	100	109.89	134.57	147.81	116.87	133.38	144.38
Regulated EEI Index Annual Return		2.73	22.65	7.81	(15.59)	14.25	10.46
Regulated EEI Index Cumulative Return	100	102.73	126.00	135.84	114.66	131.00	144.70
Mostly Regulated EEI Index Annual Return		12.87	22.37	9.93	(27.00)	15.58	6.96
Mostly Regulated EEI Index Cumulative Return	100	112.87	138.11	151.83	110.84	128.11	137.02
Diversified EEI Index Annual Return		24.73	22.16	18.46	(33.90)	8.07	(4.94)
Diversified EEI Index Cumulative Return	100	124.73	152.37	180.49	119.30	128.93	122.56

Calendar year returns shown, except where noted.
Returns are unweighted averages of constituent company returns.

ing of concern about slowing U.S. economic growth and the impact of European sovereign debt loads on the stability of European banks, which drove stock prices down during May and June. Investors instead became more confident as the summer progressed about the U.S. economy's ability to avoid a dip back into recession, while European leaders pieced together a rescue plan that backstopped, at least for now, its most fragile economies and the banks that lent to them.

In such a strong quarter for the market, one might expect utilities to underperform, but continued declines during the third quarter in already low interest rates, the group's strong 4.5% dividend yield, and reasonably healthy prospects for rate base and earnings growth among regulated utilities helped the group keep pace with the major averages. Moreover, second quarter earnings were generally above expectation across the industry, buoyed by the recovery in demand and rate relief in recent rate cases.

The EEI Index likewise slightly outpaced the broad market for the first nine months of 2010, returning 5.6% versus the Dow Jones Industrials' 5.6%, the S&P 500's 3.9% and the Nasdaq Composite's gain of 4.4%.

XIV. EEI Index Top Ten Performers

For the 9-month period ending 9/30/10

Company	Category	% Return
Maine & Maritimes Corporation	R	29.5
Integrus Energy Group, Inc.	MR	29.4
Alliant Energy Corporation	R	24.4
Black Hills Corporation	MR	21.5
CMS Energy Corporation	R	18.7
Wisconsin Energy Corporation	R	18.7
NiSource Inc.	MR	18.1
Northeast Utilities	R	17.9
Pinnacle West Capital Corporation	R	17.6
El Paso Electric Company	R	17.3

Note: Return figures include capital gains and dividends.
R = Regulated, MR = Mostly Regulated, D = Diversified
Source: EEI Finance Department

Regulated Group's Strength Continues

The Regulated group of companies continued to outperform competitive power generators during the quarter, extending for the fifth consecutive quarter a trend that began in Q3 2009. As shown in Table VIII, EEI's Regulated group (80% of assets are regulated) returned 12.0% during Q3 while the Diversified group (less than 50% of assets are regulated) returned 5.1%. The Mostly Regulated group (50% to 80% of assets are regulated), a mix of companies that balance regulated and competitive operations to varying degrees, returned 13.7%. However, due to the migration of company strategies toward traditional regulated operations in recent years, the Diversified group is down to only four publicly traded companies from ten in 2004, while the Mostly Regulated group has decreased from 26 companies to 20. A more telling comparison comes against independent power producers, which are not included in the EEI Index and which generally saw negative returns during the quarter as natural gas prices eroded further, remaining at multi-year lows.

For the first nine months of 2010, the Regulated group's dominance is clear in the data, with a total return of 10.5% versus 7.0% for the Mostly Regulated group and a negative 4.9% return for the Diversified group. And as shown in Table XIV, seven out of the EEI Index's top ten

gainers for the first nine months of 2010 are members of the Regulated group, while the other three are in the Mostly Regulated group.

Natural Gas Prices Remain Depressed

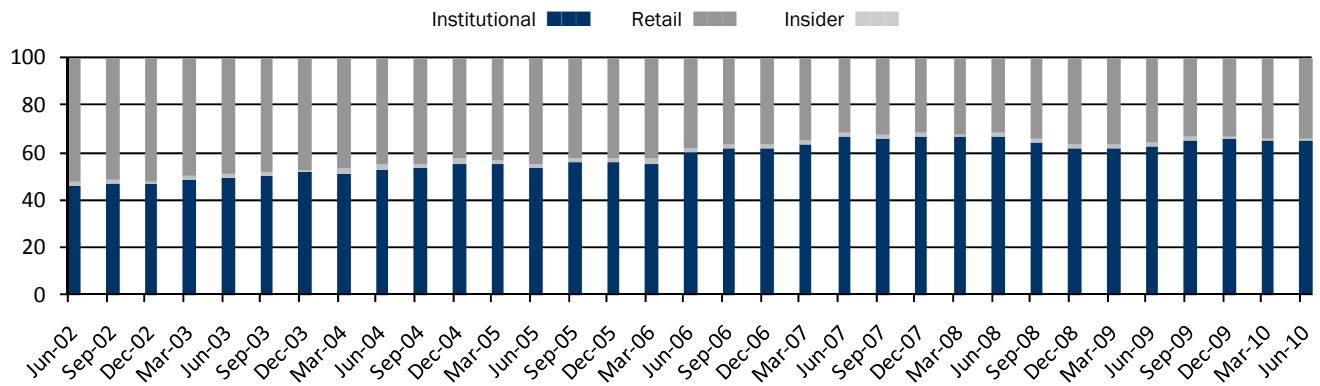
The most significant trend in terms of overall macroeconomic fundamentals impacting the industry during 2010 continues to be the ongoing softness in natural gas spot and futures prices. Natural gas-fired generators are typically the marginal price setters in many competitive power markets across the country and natural gas prices, therefore, exert a strong influence on competitive power prices.

As shown in Chart VI, spot gas prices drifted further downward in Q3, falling under \$4/mm BTU by September 30 from \$4.50/mm BTU in early July. Chart VII shows the marked decline in futures prices during Q3 and over the past two years, which has resulted in analysts ratcheting down the longer-term outlook for competitive power pricing and related earnings estimates for competitive power producers, contributing to the group's share price weakness.

Domestic natural gas supply has been boosted by production from low-cost shale reserves, creating a supply glut. As a result, analysts have become increasingly bearish about the prospects for natural gas prices and long-term competitive power prices, even in a sustainable economic rebound.

XV. Share Ownership by Investor Category (% of total)

U.S. Shareholder-Owned Electric Utilities



	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04	Sep-04	Dec-04	Mar-05	Jun-05	Sep-05	Dec-05	Mar-06	Jun-06
Institutional	47.2	46.6	48.6	49.6	50	51.5	51.4	53.1	53.5	55.6	54.9	53.3	56.1	55.9	55.6	60.2
Insider	1.5	1.5	1.6	1.6	1.6	1.6	1.7	1.7	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8
Retail	51.3	51.9	49.7	48.8	48.4	46.9	47.1	45.4	45.1	43.0	43.3	44.9	42.2	42.3	42.7	38.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

	Sep-06	Dec-06	Mar-07	Jun-07	Sep-07	Dec-07	Mar-08	Jun-08	Sep-08	Dec-09	Mar-09	Jun-09	Sep-09	Dec-09	Mar-10	Jun-10
Institutional	61.8	61.7	63.4	66.9	65.7	66.7	66.4	66.7	64.0	61.8	61.9	63.0	65.4	65.7	64.7	64.8
Insider	1.8	1.8	1.8	1.7	1.7	1.5	1.5	1.5	1.5	1.4	1.4	1.4	1.4	1.3	1.2	1.2
Retail	36.4	36.5	34.8	31.4	32.6	31.8	32.1	31.8	34.5	36.9	36.7	35.6	33.2	33.0	34.0	34.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: SNL Financial and EEI Finance Department. Note: Institutional figures represent end-of-quarter, unweighted average of the 58 publicly traded EEI Index companies.

Power Demand Boosted by Hot Summer

After declining nearly 4% on an annual basis in 2009, nationwide electricity output has rebounded this year, rising 4.5% during the first nine months of 2010. Helped by a generally hot summer across the country (cooling degree days, a measure of air conditioning usage, were 22% higher than the historical average), power demand jumped 6.9% in Q3 and hit record levels in some cities, which likely contributed to the industry's share price strength. Nevertheless, the long-term outlook for power demand remains uncertain, dependent not only on the strength of economic growth, which has slowed as 2010 has progressed, but on the impact that energy efficiency, smart grid and demand response technologies, along with general conservation measures, will have on power usage.

Utility Dividends Offer Relief from Low Interest Rates

Interest rates continue to be a wildcard for the industry and its investors, most directly impacting regulated utility shares, which often appeal to income-oriented investors as a bond substitute with dividend growth potential. Widespread predictions by economists in recent years that interest rates will rise have continually been confounded by declining rates, and this trend continued during the third quarter.

As shown in Table V, the 10-year Treasury yield fell from 3.0% at the start of the quarter to 2.5% by quarter-end. With bond yields low, the strong dividends offered by many utilities are no doubt one important source of support for utility stocks. At September 30, the average dividend yield for the EEI Index's 63 publicly traded utilities stood at 4.5%, about two full percentage points higher than the 10-year Treasury yield, representing the widest gap in 20 years. The gap is likely exaggerated by the government bond's status as a risk-free haven in a time of global macro uncertainty and market anticipation of additional Federal Reserve buying designed to hold down risk-free rates and force capital to flow to corporate investments, but its magnitude clearly supports the sector's investment appeal.

Industry Prospects Appear to Be Sound

Many regulated utilities are engaged in capital spending programs that should help drive solid 6% to 8% earnings growth over the next several years, which analysts point to as an ongoing source of attraction for investors in addition to the sector's dividends. Moreover, recent EPA moves to limit coal plant emissions through the Clean Air Transport Rule (CATR) — which will target SO_x and NO_x emission — and a Maximum Achievable Control Technology (MACT) rule for mercury will conceivably force the retirement of 50 to 60 gigawatts of older, inefficient coal plants

within the next five to ten years, according to many Wall Street analysts who follow the industry. This represents a sizeable slice of a total coal fleet that totals approximately 340 gigawatts.

Replacing this capacity and upgrading other coal plants with emissions control technology offers the potential for extended strong rate base growth at regulated utilities. However, as is always the case in this most political of industries, maintaining healthy regulatory relationships will be a key to achieving reasonable returns for investors. The sharp decline in natural gas prices in recent years has helped to moderate the rise in end-user rates required to finance the industry's elevated capital spending. While most analysts now predict that natural gas prices will remain low over the next few years, any significant uptrend has the potential to boost the fuel cost component of rates and renew the more confrontational regulatory politics as seen in some jurisdictions several years ago, when power prices were forced upward by surging natural gas prices.

However, utilities have important political strengths as well. Their capital investment programs are a source of high-quality jobs and they are often among the largest employers in a given state. In a weak economy burdened by chronically high unemployment and considerable nervousness about job stability — even among those who are employed — regulators, utility managements, company employees and local communities all agree that financially healthy utilities and the good jobs they offer serve everyone's best interest. Nevertheless, the judicious management of regulatory relationships will likely be among the most important factors in achieving success for shareholders and all stakeholders in the years ahead.

By late in the third quarter, most industry analysts were commenting that utility price earnings multiples had returned to near their average levels and that the undervaluation evident earlier in the year had largely closed. However, with interest rates as low as they are and the risk of a return to broad economic weakness still very much in play, there was a general sense of confidence that the sector's capital investment growth potential and strong dividend yields offer a floor of support for its stock prices. There were even some suggestions that the bear market in competitive power may be nearing a bottom, and that investors willing to wait for gains might take advantage of today's depressed stocks, with an eye to anticipating a lift in shares as the stock market begins in 2011 to discount a tightening in power markets driven by coal plant retirements. But such advice also came with the usual admonition that being early into an investment theme often comes hand-in-hand with a painfully long waiting period. ■

Summary:

KCP&L Greater Missouri Operations Co.

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Table Of Contents

Rationale

Outlook

Related Criteria And Research

Summary:

KCP&L Greater Missouri Operations Co.

Credit Rating: BBB/Stable/NR

Rationale

The ratings on KCP&L Greater Missouri Operations Co. (GMO) reflect the consolidated credit profile of Great Plains Energy Inc. Great Plains' regulated subsidiaries include Kansas City Power and Light Co. (KCP&L) and GMO. The ratings also reflect the company's 'excellent' business risk profile and 'aggressive' financial risk profile. As of Dec. 31, 2009, the Kansas City-based Great Plains had about \$3.7 billion of total debt outstanding.

Through its regulated subsidiaries, Great Plains distributes electricity to about 820,000 customers in Kansas and Missouri. The company's electric generating capacity is approximately 6,100 megawatts (MW), and in 2009 about 80% of the energy generated was from coal and 17% from nuclear.

The 'excellent' business risk profile reflects the company's pure regulated strategy, our view of the company's decreasing regulatory risk, and management's renewed commitment to credit quality. In 2009 the Kansas and Missouri Commissions ordered various constructive rate orders, increasing rates by a total of \$218 million, or about 85% of what Great Plains originally requested. Additionally, we view the regulatory mechanisms including the fuel adjustment clauses for GMO and KCP&L (in Kansas only), and the allowance of additional accelerated depreciation to be credit supportive. Also in 2009, the company proactively reduced its dividend and issued equity, demonstrating its renewed commitment to credit quality.

The company is currently implementing its comprehensive energy plan, which includes generation, environmental, and wind projects. Recently, the company announced that it is delaying the in-service date of Iatan 2 until the fall of 2010 because of construction delays and unusually cold weather. As a result, the company provided a reforecast of its Iatan 2 costs that were only marginally higher than its previous estimate. The revised estimate of the cost is \$1.25 billion or about 4% higher than its previous estimate. Because the reforecast remained substantially in line with the company's previous estimate, Standard & Poor's views the risk of a material regulatory disallowance as reduced. As a result of the in-service delay, the company's corresponding rate case orders related to placing Iatan 2 into rate base will also be delayed.

The company's generation fleet demonstrated some operational improvements in 2009 over its 2008 performance. Standard & Poor's 'excellent' business risk profile assumes that the recent operational improvements will be lasting and that the company will be able to continuously demonstrate these improved results on a consistent basis.

Great Plains' financial risk profile is 'aggressive' and is characterized by its historically weak financial measures. For the 12 months ended Dec. 31, 2009, adjusted funds from operations (FFO) to total debt increased to 9.4% from 6.2% at the end of 2008 and adjusted FFO interest coverage also increased to 2.7x from 2.2x. Adjusted debt to total capital improved to 56.7% compared to 60.3%. However, the 2009 financial measures were squeezed by the mild weather and the recession. We expect that the cash flow measures will continue to gradually improve in the near and intermediate term as the 2009 rate case increases take hold and Iatan 2 is placed into service. Given the current rating and business risk profile, we expect that adjusted FFO to debt of 15%-16%, adjusted FFO interest

coverage above 3.5x, and adjusted debt to total capital below 60%.

Short-term credit factors

The short-term rating on KCP&L is 'A-2' and reflects the consolidated company's adequate cash flow and sufficient alternative sources to cover current liquidity needs, including ongoing capital requirements, dividend payments, and upcoming debt maturities.

As of Dec. 31, 2009, Great Plains had cash and cash equivalents of \$66 million. Great Plains and its subsidiaries also had about \$900 million available under its various credit facilities after reducing for outstanding borrowings, commercial paper, and letters of credit. The company's \$1.4 billion capacity under the various credit facilities do not expire until 2011. The credit facilities are subject to maintaining a consolidated capitalization ratio of not greater than 65%. As of Dec. 31, 2009, the company was in compliance with this covenant. Great Plains' long-term debt maturities are considerable in 2011 and 2012 with \$486 million and \$514 million maturing, respectively.

Outlook

The stable outlook reflects Great Plains' renewed commitment to credit quality. Because of the initiatives that have been implemented, we expect that the prospective cash flow measures will gradually improve and will be in line with the company's 'BBB' rating. A downgrade could occur if the improved financial measures do not materialize, the recent operational improvements at the generating facilities are not lasting, or there is a material regulatory disallowance related to Iatan 2. A ratings upgrade would be predicated on continued effective management of the company's regulatory risk, long-term demonstrated operational consistency at the generating facilities, and significant long-term improvement of the financial measures.

Related Criteria And Research

- Business Risk/Financial Risk Matrix Expanded, May 27, 2009.
- Corporate Criteria: Analytical Methodology, April 15, 2008.

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The McGraw-Hill Companies



COMPANY UPDATE
Great Plains Energy Inc. (GXP)

Neutral

Financing NT needs outweigh valuation on normalized LT earnings

What's changed

GXP's announcement of a dividend decrease and disappointing 2009 guidance creates a potential opportunity for longer-term oriented investors, although near-term equity issuances present a clear overhang. GXP's shares declined approximately 32% YTD versus small- and mid-cap Regulated Utility peers down 14%, but equity issuances in 2009—roughly 12% of the market cap and at prices well below book value of about \$21 per share—may present an even more attractive entry point. We update estimates to reflect (1) increased regulatory lag weighing on 2010/2011 earnings, (2) reduced dividends and equity issuances, and (3) lower share price for equity offerings. Our 2009/2010/2011 EPS estimates go to \$1.27/\$1.64/\$2.13 from \$1.31/\$1.65/\$2.12

Implications

Valuation on normalized earnings power screens attractive, but 2009-2010 multiple comparisons are less so, given under-earning due to regulatory lag. GXP's dividend announcement and the need for equity financing highlights predicaments that utilities—especially those trading well below book value—face if they cannot reduce capital spending. Longer-term, more patient investors may consider building a position, given the sell-off, although we recommend waiting until clarity arrives on timing of issuances.

Valuation

We maintain GXP's 12-month price target of \$19, given overhang of equity issuances, implying, 46% upside potential, as detailed in our February 22 note, *Returning to Center Court: Financing needs outweigh LT valuations*. GXP trades at an 8%/15% discount on 2009/2010 estimates but at a 24%/25% discount on more normalized 2011-2012 estimates.

Key risks

Primary risks include (1) higher-than-expected equity financing needs, (2) rate case and regulatory risks, especially given potential delays and cost over-runs on coal plant construction, and (3) regulatory lag in 2010 and 2011.

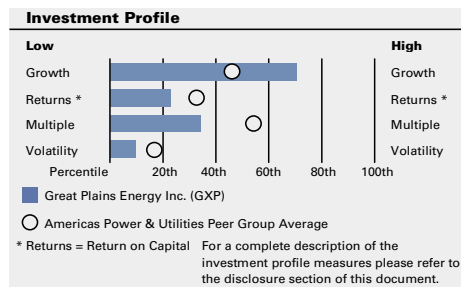
INVESTMENT LIST MEMBERSHIP

Neutral

Coverage View: Neutral

United States:
 Power

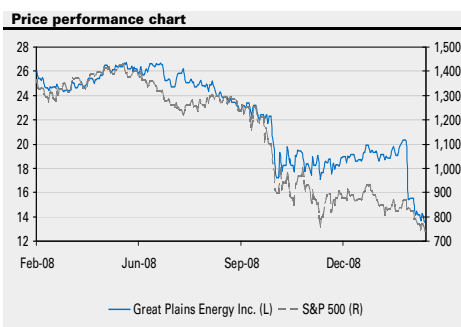
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Key data	Current
Price (\$)	13.54
12 month price target (\$)	19.00
Market cap (\$ mn)	1,605.8

	12/08	12/09E	12/10E	12/11E
Revenue (\$ mn) New	2,197.9	2,234.5	2,390.4	2,583.1
Revenue (\$ mn) Old	2,197.9	2,257.9	2,407.7	2,595.4
EPS (\$) New	1.39	1.27	1.64	2.13
EPS (\$) Old	1.39	1.31	1.65	2.12
P/E (X)	9.7	10.7	8.3	6.4
EV/EBITDA (X)	9.6	6.4	5.6	4.9
ROE (%)	8.3	6.1	7.3	9.7

	12/08	3/09E	6/09E	9/09E
EPS (\$)	0.06	(0.01)	0.21	0.80



Share price performance (%)	3 month	6 month	12 month
Absolute	(26.6)	(42.4)	(48.4)
Rel. to S&P 500	(11.4)	0.5	(3.1)

Source: Company data Goldman Sachs Research estimates FactSet Price as of 2/27/2009 close

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Great Plains Energy Inc.: Summary financials

Profit model (\$ mn)	12/08	12/09E	12/10E	12/11E	Balance sheet (\$ mn)	12/08	12/09E	12/10E	12/11E
Total revenue	2,197.9	2,234.5	2,390.4	2,583.1	Cash & equivalents	61.1	87.4	165.0	260.9
Cost of goods sold	(937.8)	(648.8)	(660.8)	(674.1)	Accounts receivable	242.3	242.3	242.3	242.3
SG&A	(119.3)	(102.2)	(105.2)	(108.4)	Inventory	186.3	186.3	186.3	186.3
R&D	0.0	0.0	0.0	0.0	Other current assets	114.1	114.1	114.1	114.1
Other operating profit/(expense)	(561.5)	(713.2)	(731.2)	(749.6)	Total current assets	603.8	630.1	707.7	803.6
ESO expense	0.0	0.0	0.0	0.0	Net PP&E	6,081.3	6,475.4	6,802.5	7,319.3
EBITDA	579.3	770.3	893.2	1,051.0	Net intangibles	0.0	0.0	0.0	0.0
Depreciation & amortization	(215.0)	(302.2)	(349.7)	(339.3)	Total investments	0.0	0.0	0.0	0.0
EBIT	364.3	468.1	543.5	711.7	Other long-term assets	1,184.3	1,185.7	1,187.1	1,188.5
Net interest income/(expense)	(111.8)	(217.9)	(217.9)	(235.2)	Total assets	7,869.4	8,291.1	8,697.3	9,311.4
Income/(loss) from associates	0.0	0.0	0.0	0.0	Accounts payable	418.0	418.0	418.0	418.0
Others	20.9	17.7	17.7	17.7	Short-term debt	654.9	379.9	379.9	379.9
Pretax profits	273.4	267.9	343.3	494.2	Other current liabilities	264.5	290.1	315.7	341.3
Provision for taxes	(100.8)	(103.3)	(132.2)	(190.3)	Total current liabilities	1,337.4	1,088.0	1,113.6	1,139.2
Minority interest	(0.2)	0.0	0.0	0.0	Long-term debt	2,556.6	2,888.1	3,063.1	3,101.1
Net income pre-preferred dividends	172.4	164.7	211.1	303.9	Other long-term liabilities	1,385.8	1,465.8	1,565.8	1,705.8
Preferred dividends	(1.7)	(1.7)	(1.7)	(1.7)	Total long-term liabilities	3,942.4	4,353.9	4,628.9	4,806.9
Net income (pre-exceptionals)	170.7	163.0	209.5	302.3	Total liabilities	5,279.8	5,441.9	5,742.5	5,946.1
Post tax exceptionals	(29.8)	0.0	2.1	0.0	Preferred shares	39.0	39.0	39.0	39.0
Net income (post-exceptionals)	140.9	163.0	211.6	302.3	Total common equity	2,550.6	2,810.2	2,915.8	3,326.3
EPS (basic, pre-exception) (\$)	1.69	1.27	1.62	2.13	Minority interest	0.0	0.0	0.0	0.0
EPS (diluted, pre-exception) (\$)	1.69	1.27	1.62	2.13	Total liabilities & equity	7,869.4	8,291.1	8,697.3	9,311.4
EPS (basic, post-exception) (\$)	1.39	1.27	1.64	2.13	Additional financials	12/08	12/09E	12/10E	12/11E
EPS (diluted, post-exception) (\$)	1.39	1.27	1.64	2.13	Net debt/equity (%)	121.7	111.6	110.9	95.7
Common dividends paid	(172.0)	(106.8)	(107.3)	(120.2)	Interest cover (X)	3.3	2.1	2.5	3.0
DPS (\$)	1.66	0.83	0.83	0.85	Inventory days	55.7	104.8	102.9	100.9
Dividend payout ratio (%)	98.3	65.5	51.2	39.8	Receivable days	55.6	39.6	37.0	34.2
Growth & margins (%)	12/08	12/09E	12/10E	12/11E	BVPS (\$)	36.86	40.61	42.14	48.07
Sales growth	(32.7)	1.7	7.0	8.1	ROA (%)	2.7	2.0	2.5	3.4
EBITDA growth	15.0	33.0	16.0	17.7	CROCI (%)	6.5	7.2	7.8	8.5
EBIT growth	13.9	28.5	16.1	31.0	Dupont ROE (%)	6.6	5.7	7.1	9.0
Net income (pre-exception) growth	8.3	(4.5)	28.5	44.3	Margin (%)	7.8	7.3	8.8	11.7
EPS growth	(9.0)	(25.0)	28.0	31.4	Turnover (X)	0.3	0.3	0.3	0.3
Gross margin	57.3	71.0	72.4	73.9	Leverage (X)	3.0	2.9	2.9	2.8
EBITDA margin	26.4	34.5	37.4	40.7	Free cash flow per share (\$)	(5.81)	(2.16)	0.06	(0.34)
EBIT margin	16.6	20.9	22.7	27.6	Free cash flow yield (%)	(24.4)	(15.9)	0.5	(2.5)
Cash flow statement (\$ mn)	12/08	12/09E	12/10E	12/11E	Note: Last actual year may include reported and estimated data. Source: Company data, Goldman Sachs Research estimates.				
Net income	154.5	165.0	211.1	303.9					
D&A add-back (incl. ESO)	249.1	326.4	373.9	363.5					
Minority interest add-back	0.0	0.0	0.0	0.0					
Net (inc)/dec working capital	0.0	0.0	0.0	0.0					
Other operating cash flow	34.3	80.0	100.0	140.0					
Cash flow from operations	437.9	571.4	685.1	807.4					
Capital expenditures	(1,024.9)	(849.3)	(676.9)	(856.1)					
Acquisitions	0.0	0.0	0.0	0.0					
Divestitures	0.0	0.0	0.0	0.0					
Others	445.9	153.0	0.0	0.0					
Cash flow from investing	(579.0)	(696.3)	(676.9)	(856.1)					
Dividends paid (common & pref)	(172.0)	(106.8)	(107.3)	(120.2)					
Inc/(dec) in debt	311.9	56.5	175.0	38.0					
Other financing cash flows	(4.8)	201.5	1.7	226.8					
Cash flow from financing	135.1	151.2	69.4	144.6					
Total cash flow	(6.0)	26.3	77.6	96.0					

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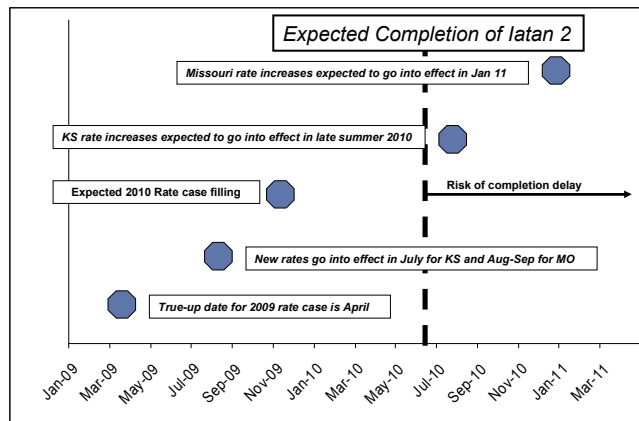
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Rate case timing and regulatory lag drive utility under-earning

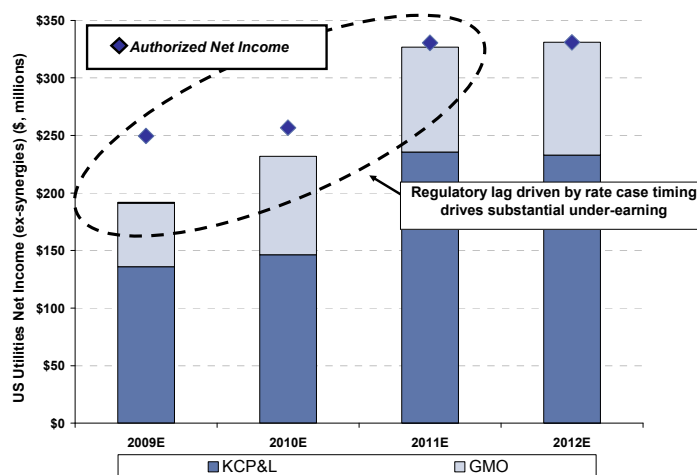
The construction schedule for the latan 2 coal plant partially drives GXP’s rate case timing, creating regulatory lag. Examining the current rate cases on file for KCP&L and GMO, the regulatory calendar allows for a true-up date in April 2009, with new rates going into effect for Kansas in July 2009 and for Missouri in August-September 2009. Cases filed in 4Q2009 that will include the new latan 2 coal plant in the utility rate base will go into effect in Kansas in July 2010 and Missouri in January 2011. With the current filing schedule, regulatory lag negatively affects earnings levels in 2009-2011, as shown in Exhibit 2 below. Only in 2012 will GXP likely earn at or near its authorized ROE.

Exhibit 1: Completion of latan 2 drives the regulatory calendar
delays could exacerbate regulatory lag in 2010 and 2011



Source: Company data, Goldman Sachs Research estimates.

Exhibit 2: Regulatory lag drives under-earning at the utility subsidiaries
authorized versus estimated net income



Source: Goldman Sachs Research estimates.

Downside risk exists to our 2011 estimate exists, if construction issues delay completion of Iatan 2. Regulations, especially in Missouri, prohibit earning on new generation not “placed in service” creating regulatory lag for GXP before it can recover and earn on investment in the Iatan 2 plant. Any significant delays in the construction process would “push out” rate case timing and revenue increases. While we assume modest construction cost over-runs on the remaining portion of the project, likely announced in the coming months, we do not forecast major schedule delays, although we admit uncertainty on timing. We expect incremental updates on timing of project completion on the 1Q2009 earnings call in late April/early May 2009.

Financing needs remain, but reduced given the dividend cut

Decreasing the dividend reduces, but does not eliminate, equity financing needs. We expect GXP will issue about \$200 mn of equity in 2009 and, because GXP’s “DRIP-like” facility only allows for distribution of 8 mn shares, we are forecasting a secondary offering in 2Q2009. We are updating our estimates to reflect the secondary issue, whereas our previous estimates included an equity issuance by the company’s “DRIP-like” facility. We recommend investors wait for this potential negative catalyst, although we recognize the shares have already underperformed significantly and screen better on more normalized earnings power.

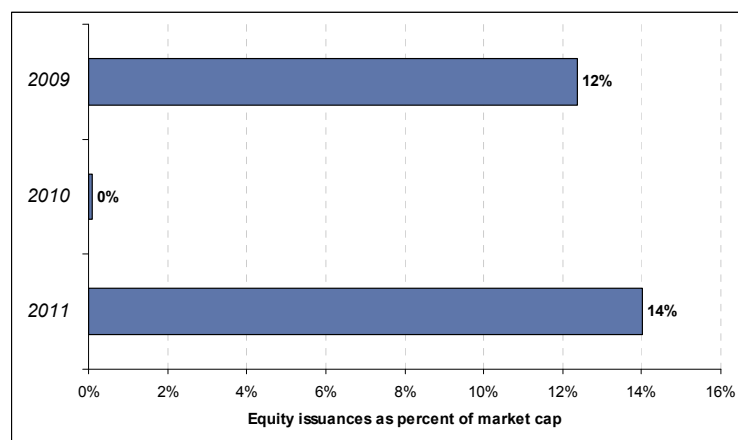
Exhibit 3: Old versus new estimates

	EPS			EBITDA(\$mn)		
	Old	New	% chg.	Old	New	% chg.
2009E	\$1.31	\$1.27	-4%	779	770	-1%
2010E	\$1.65	\$1.64	-1%	894	893	0%
2011E	\$2.12	\$2.13	0%	1,046	1,051	0%
2012E	\$2.26	\$2.26	0%	1,044	1,049	0%

Source: Goldman Sachs Research estimates.

Exhibit 4: Significant near term financing needs exist for GXP

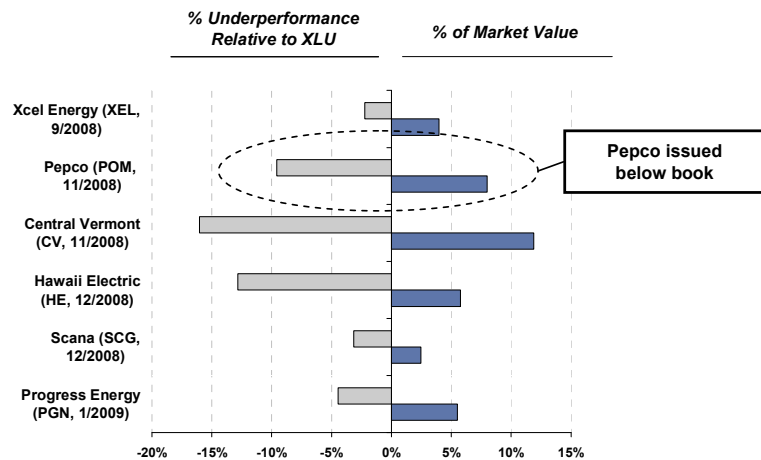
issuance of debt and equity in 2009 could remove possible overhang and unlock long term value



Source: Goldman Sachs Research estimates.

In the past six months, Regulated Utilities issuing equity at or below book value underperformed by about 5% to 15%. In the near term, GXP faces a similar risk of underperformance, magnified by the issuance of shares well below their book value of \$21, creating near-term downside risk. GXP’s upcoming equity issuance would likely remove the overhang from the stock, allowing investors to look through to the company’s long-term earnings potential and providing an even more attractive entry point for potential buyers.

Exhibit 5: Share price performance of companies issuing equity in the last six months
underperformance of GXP shares could make for an attractive entry point



Source: Bloomberg, Goldman Sachs Research estimates.

Near term valuation screens in line, but longer-term earnings and multiple comparisons appear more attractive

GXP screens in line on near term earnings, but more normalized utility earnings in 2012 highlight upside for patient investors. The overhang of equity issuances, combined with the negative earnings impact caused by regulatory lag, drive our Neutral rating on GXP, even though longer-term earnings power highlights potential for the shares to outperform in late 2009/early 2010, after equity issuances. On near-term metrics, GXP trades at 10.7X/8.3X earnings for 2009E/2010E versus peer levels closer to 11.6X/10.0X, while at an even greater discount on 2011/2012 estimates.

Exhibit 6: Regulated Utility EPS and P/E multiples

Target Price and EPS Summary														
Ticker	Rating	Close 03/01/09	Price Target	Tot Ret to Target	EPS Estimates				P/E Multiples				Dividend Yield	
					2009	2010	2011	2012	2009	2010	2011	2012		
Regulated Utilities														
<i>Large-Cap</i>														
American Elec Power	AEP	Buy	\$28.05	\$32	20%	\$3.07	\$3.23	\$3.63	\$3.56	9.2x	8.7x	7.7x	7.9x	5.8%
Duke Energy	DUK	Neutral	\$13.47	\$15	18%	\$1.17	\$1.38	\$1.48	\$1.56	11.5x	9.7x	9.1x	8.6x	6.8%
Consolidated Edison	ED	Sell	\$36.21	\$34	0%	\$3.30	\$3.37	\$3.46	\$3.58	11.0x	10.8x	10.5x	10.1x	6.5%
PG&E	PCG	Neutral	\$38.22	\$33	10%	\$3.09	\$3.24	\$3.52	\$3.67	12.4x	11.8x	10.9x	10.4x	4.1%
Progress Energy	PGN	Neutral	\$35.42	\$36	9%	\$2.79	\$3.01	\$3.18	\$3.64	12.7x	11.8x	11.1x	9.7x	6.9%
<i>Large-Cap Mean</i>										11.3x	10.6x	9.9x	9.4x	6.0%
<i>Large-Cap Median</i>										11.5x	10.8x	10.5x	9.7x	6.5%
<i>Mid & Small-Cap Regulated Utilities</i>														
Cleco	CNL	Neutral	\$20.52	\$24	21%	\$1.50	\$2.27	\$2.44	\$2.59	13.7x	9.0x	8.4x	7.9x	4.4%
El Paso Electric	EE	Buy	\$14.13	\$19	34%	\$1.33	\$1.51	\$2.15	\$2.27	10.6x	9.3x	6.6x	6.2x	0.0%
Great Plains Energy	GXP	Neutral	\$13.54	\$19	46%	\$1.27	\$1.64	\$2.13	\$2.26	10.7x	8.3x	8.4x	6.0x	6.1%
NSTAR	NST	Sell	\$32.17	\$26	15%	\$2.20	\$2.26	\$2.49	\$2.67	14.6x	14.2x	12.9x	12.0x	4.4%
Northeast Utilities	NU	Neutral	\$21.91	\$23	9%	\$1.56	\$1.95	\$1.86	\$2.46	14.0x	11.3x	11.8x	8.9x	3.9%
NV Energy	NVE	Buy	\$9.27	\$12	34%	\$0.87	\$1.29	\$1.38	\$1.40	10.7x	7.2x	6.7x	6.6x	4.3%
Portland General Electric	POR	Neutral	\$16.42	\$20	28%	\$1.80	\$1.85	\$2.15	\$2.22	9.1x	8.9x	7.6x	7.4x	6.0%
SCANA Corporation	SCG	Sell	\$30.13	\$32	12%	\$2.73	\$3.11	\$3.19	\$3.38	11.0x	9.7x	9.4x	8.9x	6.1%
Wisconsin Energy	WEC	Neutral	\$39.82	\$42	8%	\$2.94	\$4.06	\$4.56	\$4.62	13.5x	9.8x	8.7x	8.6x	2.7%
Westar Energy	WR	Neutral	\$16.90	\$20	25%	\$1.80	\$1.77	\$2.19	\$2.32	9.4x	9.5x	7.7x	7.3x	6.9%
<i>Small / Mid Cap Mean</i>										11.7x	9.7x	8.6x	8.0x	4.5%
<i>Small / Mid Cap Median</i>										10.9x	9.4x	8.1x	7.7x	4.4%
<i>Regulated Utilities Mean</i>										11.6x	10.0x	9.0x	8.4x	5.0%
<i>Regulated Utilities Median</i>										11.0x	9.7x	8.7x	8.6x	5.8%

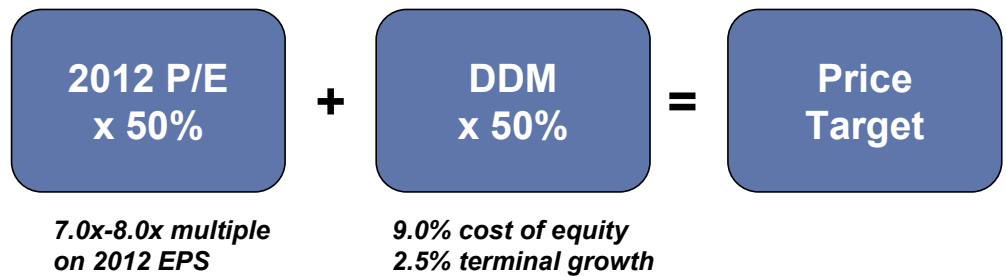
For methodology and risks associated with our price targets, please see our previously published research. For important disclosures, please go to <http://www.gs.com/research/hedge.html>.

Source: Goldman Sachs Research estimates.

We maintain our 12-month price target of \$19 utilizing our DDM and P/E multiple methodology, highlighting significant longer-term upside. As with all Regulated Utilities, for valuation of GXP, we continue to employ both DDM analysis and PE multiple screens to set target prices. As outlined in our February 25 note, "Returning to Center Court: Financing needs outweigh LT valuations," we employ a 50/50 weighting of P/E multiple valuations, assuming an 8.0X multiple on 2012 more normalized estimates. We apply a 7.0X multiple for companies, such as GXP, that we forecast near-term equity issuances, and a dividend discount model that incorporates a 9.0% cost of equity and 2.5% terminal growth rate. Our DDM analysis assumes a 75% payout ratio in the terminal year for all companies to create an "apples to apples" comparison.

Exhibit 7: Goldman Sachs valuation methodology for Regulated Utilities

GXP's financing needs imply a 7.0X P/E multiple on 2012 earnings



Source: Goldman Sachs Research estimates.

We remain Neutral rated on GXP, due to the overhang of their large near-term financing needs, although significant long-term upside exists. Given normalized earnings power, investors may consider investing in GXP at current prices, although we believe the upcoming issuances continue to present an overhang on the shares and may provide a better entry point.

Exhibit 8: Price target analysis of small and mid-cap Regulated Utilities

GXP screens attractive on our analysis with 46% return potential to our 12-month price target

	Ticker	Rating	3/01 Close	DDM Value	Current Yield	Total Return, DDM Only	2012 EPS	Multiple Applied	P/E Based Value	Total Return, P/E Only	12 month Target Price	Total Return to 12 Month Target				
Large Cap																
American Electric Power	AEP	Buy	\$28.05	\$37	5.8%	36%	\$3.56	8.0x	\$28	7%	\$32	20%				
Consolidated Edison	ED	Sell	\$36.21	\$39	6.5%	13%	\$3.58	8.0x	\$29	16%	\$34	0%				
Duke Energy	DUK	Neutral	\$13.47	\$17	6.9%	32%	\$1.56	8.0x	\$12	1%	\$15	16%				
PG&E	PCG	Neutral	\$38.22	\$38	4.1%	3%	\$3.67	8.0x	\$29	19%	\$33	10%				
Progress Energy	PGN	Neutral	\$35.42	\$42	6.9%	25%	\$3.64	8.0x	\$29	11%	\$36	9%				
Large-Cap Mean					6.0%	22%				-8%		7%				
Large-Cap Median					6.5%	25%				-11%		9%				
Mid & Small Cap																
Cleco	ONL	Neutral	\$20.52	\$27	4.4%	35%	\$2.59	8.0x	\$21	5%	\$24	21%				
El Paso Electric	EE	Buy	\$14.13	\$21	0.0%	45%	\$2.27	8.0x	\$18	29%	\$19	34%				
Great Plains Energy					GXP	Neutral	\$13.54	\$23	6.1%	73%	\$2.26	7.0x	\$16	23%	\$19	46%
Northwest Utilities					NU	Neutral	\$21.91	\$26	3.3%	23%	\$2.46	8.0x	\$20	6%	\$23	9%
NSTAR					NST	Sell	\$32.17	\$31	4.4%	2%	\$2.67	8.0x	\$21	29%	\$26	16%
NV Energy					NVE	Buy	\$9.27	\$14	4.3%	57%	\$1.40	7.0x	\$10	10%	\$12	34%
Portland General					POR	Neutral	\$16.42	\$23	6.0%	49%	\$2.22	7.0x	\$16	0%	\$20	28%
SCANA					SCG	Sell	\$30.13	\$36	6.1%	26%	\$3.38	8.0x	\$27	4%	\$32	12%
Westar					WR	Neutral	\$16.90	\$25	6.9%	52%	\$2.32	7.0x	\$16	3%	\$20	25%
Wisconsin Energy					WEC	Neutral	\$39.82	\$47	2.7%	20%	\$4.62	8.0x	\$37	5%	\$42	8%
Mid & Small-Cap Mean					4.5%	38%				3%		20%				
Mid & Small-Cap Median					4.4%	40%				2%		23%				
Regulated Utilities Mean					5.0%	33%				-1%		16%				
Regulated Utilities Median					5.8%	32%				-1%		18%				

Source: Goldman Sachs Research estimates.

Primary catalysts and key risks

Potential catalysts for GXP include the following:

- Completion of 2009 equity issuance, removing the financing overhang from the stock,
- Positive outcomes in key rate case filings in Kansas and Missouri, and
- Positive updates on the Iatan 2 plant construction process

Key risks for GXP include the following:

- Lower-than-expected authorized level of returns set by state regulators,
- Delays in the construction of the Iatan 2 coal plant, increasing regulatory lag,
- Higher-than-expected declines in electricity demand, and
- Equity financings above current forecasts.

Appendix

Appendix A: Goldman Sachs estimates versus consensus estimates

		GS EPS estimates versus consensus					
		2009			2010		
	Ticker	GS EPS	Cons EPS	% Ch	GS EPS	Cons EPS	% Ch
Large Cap Regulated Utilities							
American Elec Power	AEP	\$3.07	\$3.19	-4%	\$3.23	\$3.40	-5%
Duke Energy	DUK	\$1.17	\$1.22	-4%	\$1.38	\$1.31	6%
Consolidated Edison	ED	\$3.30	\$3.20	3%	\$3.37	\$3.35	1%
PG&E	PCG	\$3.09	\$3.18	-3%	\$3.24	\$3.36	-4%
Progress Energy	PGN	\$2.79	\$3.02	-8%	\$3.01	\$3.19	-6%
Large Cap Average				-3%			-2%
Small & Mid Cap Regulated Utilities							
Cleco	CNL	\$1.50	\$1.82	-18%	\$2.27	\$2.19	4%
El Paso Electric	EE	\$1.33	\$1.46	-9%	\$1.51	\$1.76	-14%
Great Plains Energy	GXP	\$1.27	\$1.34	-5%	\$1.64	\$1.53	7%
NSTAR	NST	\$2.20	\$2.35	-7%	\$2.26	\$2.49	-9%
Northeast Utilities	NU	\$1.56	\$1.87	-17%	\$1.95	\$2.06	-6%
Portland General Electric	POR	\$1.80	\$1.85	-3%	\$1.85	\$1.93	-4%
SCANA Corporation	SCG	\$2.73	\$2.82	-3%	\$3.11	\$3.07	1%
NV Energy	NVE	\$0.87	\$0.98	-11%	\$1.29	\$1.19	8%
Wisconsin Energy	WEC	\$2.94	\$3.09	-5%	\$4.06	\$3.74	8%
Westar Energy	WR	\$1.80	\$1.83	-2%	\$1.77	\$1.89	-6%
Small & Mid Cap Average				-8%			-1%

Source: Goldman Sachs Research estimates, FactSet.

Reg AC

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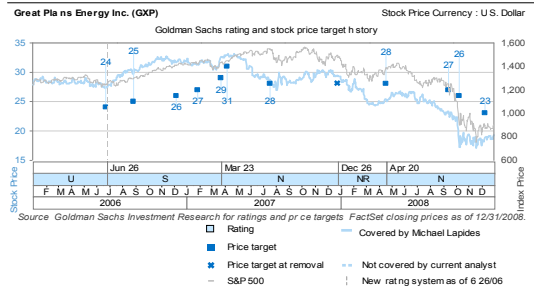
Goldman Sachs Investment Research global coverage universe

	Rating Distribution			Investment Banking Relationships		
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Definitions

Outperform (OP). We expect this stock to outperform the median total return for the analyst's coverage universe over the next 12 months. **In-Line (IL).** We expect this stock to perform in line with the median total return for the analyst's coverage universe over the next 12 months. **Underperform (U).** We expect this stock to underperform the median total return for the analyst's coverage universe over the next 12 months.

Coverage views: Attractive (A). The investment outlook over the following 12 months is favorable relative to the coverage group's historical fundamentals and/or valuation. **Neutral (N).** The investment outlook over the following 12 months is neutral relative to the coverage group's historical fundamentals and/or valuation. **Cautious (C).** The investment outlook over the following 12 months is unfavorable relative to the coverage group's historical fundamentals and/or valuation.

Current Investment List (CIL). We expect stocks on this list to provide an absolute total return of approximately 15%-20% over the next 12 months. We only assign this designation to stocks rated Outperform. We require a 12-month price target for stocks with this designation. Each stock on the CIL will **automatically** come off the list after 90 days unless renewed by the covering analyst and the relevant Regional Investment Review Committee.

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October 4, 2010

MAJOR RATE CASE DECISIONS--JANUARY-SEPTEMBER 2010

The average return on equity (ROE) authorized electric utilities in the first nine months of 2010 was 10.36% (43 observations), compared to the 10.48% average in calendar-2009. The average ROE authorized gas utilities was 10.07% in the first three quarters of 2010 (24 observations), compared to the 10.19% average in calendar-2009. In addition, on Sept. 16, 2010, the New York Public Service Commission authorized Consolidated Edison of New York's steam operations a 9.6% ROE. We note that this report utilizes the simple mean for the return averages.

After reaching a low in the early-2000's, the number of rate case decisions for energy companies has generally increased over the last several years. There were 95 electric and gas rate decisions in 2009, versus 83 in 2008, and only 32 back in 2001. Increased costs, including environmental compliance expenditures, the need for generation and delivery infrastructure upgrades and expansion, renewable generation mandates, and higher employee benefit costs argue for a continuation of the increased level of rate case activity over the next few years. In fact, in the first three quarters of 2010, 88 electric and gas cases were decided and the authorized rate increases totaled \$4.3 billion, compared to 57 cases and \$2.9 billion in the first nine months of 2009. For the full year 2010, it appears that there will be about 115-120 rate case decisions.

We note that electric industry restructuring in certain states has led to the unbundling of rates and retail competition for generation. Commissions in those states are now authorizing revenue requirement and return parameters for delivery operations only (which we footnote in our chronology), thus complicating historical data comparability. We also note that while the increased business risk associated with the sluggish economy may have increased corporate capital costs, increased average authorized ROEs did not materialize in 2009 or in the first nine months of 2010. Some state commissions have cited customer hardship as a significant factor influencing their equity return authorizations.

The table on page 2 shows the average ROE authorized in major electric and gas rate decisions annually since 1990, and by quarter since 2004, followed by the number of observations in each period. The tables on page 3 show the composite electric and gas industry data for all major cases summarized annually since 1997 and by quarter for the past seven quarters. The individual electric and gas cases decided in the first three quarters of 2010 are listed on pages 4-7, with the decision date (generally the date on which the final order was issued) shown first, followed by the company name, the abbreviation for the state issuing the decision, the authorized rate of return (ROR), return on equity (ROE), and percentage of common equity in the adopted capital structure. Next we show the month and year in which the adopted test year ended, whether the commission utilized an average or a year-end rate base, and the amount of the permanent rate change authorized. The dollar amounts represent the permanent rate change ordered at the time decisions were rendered. Fuel adjustment clause rate changes are not reflected in this study. We note that the cases and averages included in this study may be slightly different from those in our online rate case history database. Any differences are likely the result of this study's inclusion of ROE determinations that are rendered in cost-of-capital-only proceedings in California or that apply only to specific generation plants. Both of these types of determinations typically are not included in the database, which generally encompasses major base rate cases only.

Dennis Sperduto

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Average Equity Returns Authorized January 1990 - September 2010

Year	Period	Electric Utilities		Gas Utilities	
		ROE %	(# Cases)	ROE %	(# Cases)
1990	Full Year	12.70	(44)	12.67	(31)
1991	Full Year	12.55	(45)	12.46	(35)
1992	Full Year	12.09	(48)	12.01	(29)
1993	Full Year	11.41	(32)	11.35	(45)
1994	Full Year	11.34	(31)	11.35	(28)
1995	Full Year	11.55	(33)	11.43	(16)
1996	Full Year	11.39	(22)	11.19	(20)
1997	Full Year	11.40	(11)	11.29	(13)
1998	Full Year	11.66	(10)	11.51	(10)
1999	Full Year	10.77	(20)	10.66	(9)
2000	Full Year	11.43	(12)	11.39	(12)
2001	Full Year	11.09	(18)	10.95	(7)
2002	Full Year	11.16	(22)	11.03	(21)
2003	Full Year	10.97	(22)	10.99	(25)
	1st Quarter	11.00	(3)	11.10	(4)
	2nd Quarter	10.54	(6)	10.25	(2)
	3rd Quarter	10.33	(2)	10.37	(8)
	4th Quarter	10.91	(8)	10.66	(6)
2004	Full Year	10.75	(19)	10.59	(20)
	1st Quarter	10.51	(7)	10.65	(2)
	2nd Quarter	10.05	(7)	10.54	(5)
	3rd Quarter	10.84	(4)	10.47	(5)
	4th Quarter	10.75	(11)	10.40	(14)
2005	Full Year	10.54	(29)	10.46	(26)
	1st Quarter	10.38	(3)	10.63	(6)
	2nd Quarter	10.68	(6)	10.50	(2)
	3rd Quarter	10.06	(7)	10.45	(3)
	4th Quarter	10.39	(10)	10.14	(5)
2006	Full Year	10.36	(26)	10.43	(16)
	1st Quarter	10.27	(8)	10.44	(10)
	2nd Quarter	10.27	(11)	10.12	(4)
	3rd Quarter	10.02	(4)	10.03	(8)
	4th Quarter	10.56	(16)	10.27	(15)
2007	Full Year	10.36	(39)	10.24	(37)
	1st Quarter	10.45	(10)	10.38	(7)
	2nd Quarter	10.57	(8)	10.17	(3)
	3rd Quarter	10.47	(11)	10.49	(7)
	4th Quarter	10.33	(8)	10.34	(13)
2008	Full Year	10.46	(37)	10.37	(30)
	1st Quarter	10.29	(9)	10.24	(4)
	2nd Quarter	10.55	(10)	10.11	(8)
	3rd Quarter	10.46	(3)	9.88	(2)
	4th Quarter	10.54	(17)	10.27	(15)
2009	Full Year	10.48	(39)	10.19	(29)
	1st Quarter	10.66	(17)	10.24	(9)
	2nd Quarter	10.08	(14)	9.99	(11)
	3rd Quarter	10.27	(12)	9.93	(4)
2010	Year-To-Date	10.36	(43)	10.07	(24)

Electric Utilities--Summary Table*

	Period	ROR % (# Cases)		ROE % (# Cases)		Eq. as % Cap. Struct. (# Cases)		Amt. \$ Mil. (# Cases)	
1997	Full Year	9.16	(12)	11.40	(11)	48.79	(11)	-553.3	(33)
1998	Full Year	9.44	(9)	11.66	(10)	46.14	(8)	-429.3	(31)
1999	Full Year	8.81	(18)	10.77	(20)	45.08	(17)	-1,683.8	(30)
2000	Full Year	9.20	(12)	11.43	(12)	48.85	(12)	-291.4	(34)
2001	Full Year	8.93	(15)	11.09	(18)	47.20	(13)	14.2	(21)
2002	Full Year	8.72	(20)	11.16	(22)	46.27	(19)	-475.4	(24)
2003	Full Year	8.86	(20)	10.97	(22)	49.41	(19)	313.8	(12)
2004	Full Year	8.44	(18)	10.75	(19)	46.84	(17)	1,091.5	(30)
2005	Full Year	8.30	(26)	10.54	(29)	46.73	(27)	1,373.7	(36)
2006	Full Year	8.24	(24)	10.36	(26)	48.67	(23)	1,465.0	(42)
2007	Full Year	8.22	(38)	10.36	(39)	48.01	(37)	1,401.9	(46)
2008	Full Year	8.25	(35)	10.46	(37)	48.41	(33)	2,899.4	(42)
	1st Quarter	8.19	(8)	10.29	(9)	48.52	(8)	857.0	(14)
	2nd Quarter	8.05	(9)	10.55	(10)	47.66	(9)	1,425.0	(17)
	3rd Quarter	8.48	(3)	10.46	(3)	47.20	(3)	317.1	(7)
	4th Quarter	8.30	(18)	10.54	(17)	49.41	(17)	1,593.2	(20)
2009	Full Year	8.23	(38)	10.48	(39)	48.61	(37)	4,192.3	(58)
	1st Quarter	7.95	(17)	10.66	(17)	48.36	(16)	2,010.0	(19)
	2nd Quarter	7.95	(15)	10.08	(14)	47.07	(13)	885.0	(18)
	3rd Quarter	8.17	(13)	10.27	(12)	49.91	(12)	750.3	(18)
2010	Year-To-Date	8.01	(45)	10.36	(43)	48.41	(41)	3,645.3	(55)

Gas Utilities--Summary Table*

	Period	ROR % (# Cases)		ROE % (# Cases)		Eq. as % Cap. Struct. (# Cases)		Amt. \$ Mil. (# Cases)	
1997	Full Year	9.13	(13)	11.29	(13)	47.78	(11)	-82.5	(21)
1998	Full Year	9.46	(10)	11.51	(10)	49.50	(10)	93.9	(20)
1999	Full Year	8.86	(9)	10.66	(9)	49.06	(9)	51.0	(14)
2000	Full Year	9.33	(13)	11.39	(12)	48.59	(12)	135.9	(20)
2001	Full Year	8.51	(6)	10.95	(7)	43.96	(5)	114.0	(11)
2002	Full Year	8.80	(20)	11.03	(21)	48.29	(18)	303.6	(26)
2003	Full Year	8.75	(22)	10.99	(25)	49.93	(22)	260.1	(30)
2004	Full Year	8.34	(21)	10.59	(20)	45.90	(20)	303.5	(31)
2005	Full Year	8.25	(29)	10.46	(26)	48.66	(24)	458.4	(34)
2006	Full Year	8.51	(16)	10.43	(16)	47.43	(16)	444.0	(25)
2007	Full Year	8.12	(32)	10.24	(37)	48.37	(30)	813.4	(48)
2008	Full Year	8.48	(30)	10.37	(30)	50.47	(30)	884.8	(41)
	1st Quarter	8.11	(5)	10.24	(4)	44.97	(4)	167.6	(7)
	2nd Quarter	8.05	(7)	10.11	(8)	48.84	(7)	92.5	(8)
	3rd Quarter	8.30	(2)	9.88	(2)	51.00	(2)	19.2	(4)
	4th Quarter	8.19	(14)	10.27	(15)	49.35	(15)	195.7	(18)
2009	Full Year	8.15	(28)	10.19	(29)	48.72	(28)	475.0	(37)
	1st Quarter	8.20	(10)	10.24	(9)	50.27	(9)	177.3	(11)
	2nd Quarter	7.80	(11)	9.99	(11)	46.31	(11)	222.5	(12)
	3rd Quarter	8.13	(4)	9.93	(4)	49.00	(4)	290.5	(10)
2010	Year-To-Date	8.01	(25)	10.07	(24)	48.25	(24)	690.3	(33)

* Number of observations in each period indicated in parentheses.

ELECTRIC UTILITY DECISIONS

<u>Date</u>	<u>Company (State)</u>	<u>ROR</u> <u>%</u>	<u>ROE</u> <u>%</u>	<u>Common</u> <u>Eq. as %</u> <u>Cap. Str.</u>	<u>Test Year</u> <u>&</u> <u>Rate Base</u>	<u>Amt.</u> <u>\$ Mil.</u>
1/11/10	Detroit Edison (MI)	7.02	11.00	39.48 *	6/10-A	217.4 (I)
1/12/10	Northern States Power (SD)	8.32	---	---	---	10.9 (B)
1/19/10	Interstate Power & Light (IA)	8.91	10.80	49.52	12/08-A	83.7 (I)
1/22/10	Portland General Electric (OR)	---	---	---	---	9.8 (B)
1/26/10	PacifiCorp (OR)	8.08	10.13	51.00	12/10-A	41.5 (B)
1/27/10	Westar Energy (KS)	8.49	10.40	50.13	---	8.5 (B)
1/27/10	Kansas Gas & Elec. (KS)	8.49	10.40	50.13	---	8.5 (B)
1/27/10	Duke Energy Carolinas (SC)	8.41	10.70 (1)	53.00	12/08-YE	74.1 (B)
2/9/10	Narragansett Electric (RI)	7.20	9.80	42.75 (Hy)	12/08-A	23.5 (D)
2/18/10	PacifiCorp (UT)	8.34	10.60	51.00	6/10-A	32.4
2/24/10	Idaho Power (OR)	8.06	10.18	49.80	12/09	5.0 (B)
3/2/10	Potomac Electric Power (DC)	8.01	9.63	46.18	12/08-A	19.8 (D)
3/4/10	Kentucky Utilities (VA)	7.85	10.50	53.62	12/08-A	10.6 (I,B)
3/5/10	Florida Power (FL)	7.88	10.50	46.76 *	12/10-A	126.2 (I,2)
3/11/10	Virginia Electric and Power (VA)	---	11.90 (3)	---	12/08	0.0 (I,B)
3/11/10	Virginia Electric and Power (VA)	7.81 (E)	12.30 (4)	47.71	---	71.0 (I,B,4)
3/11/10	Virginia Electric and Power (VA)	7.81 (E)	12.30 (5)	47.71	---	64.0 (I,B,5)
3/17/10	Florida Power & Light (FL)	6.65	10.00	47.00 *	12/10-A	75.5
3/26/10	Consolidated Edison of New York (NY)	7.76	10.15	48.00	3/11-A	1,127.6 (D,B,Z)
2010	1ST QUARTER: AVERAGES/TOTAL	7.95	10.66	48.36		2,010.0
	MEDIAN	8.01	10.50	48.76		---
	OBSERVATIONS	17	17	16		19
4/2/10	Puget Sound Energy (WA)	8.10	10.10	46.00 (Hy)	12/08-A	74.1 (R)
4/16/10	Southwestern Electric Power (TX)	---	---	---	3/09	25.0 (B)
4/29/10	Central Illinois Light (IL)	8.05	9.90	43.61	12/08-YE	2.2 (D,R)
4/29/10	Central Illinois Public Service (IL)	8.02	10.06	48.67	12/08-YE	17.5 (D,R)
4/29/10	Illinois Power (IL)	8.97	10.26	43.55	12/08-YE	15.4 (D,R)
5/12/10	Atlantic City Electric (NJ)	8.69	10.30	49.10	12/09-YE	20.0 (D,B)
5/12/10	Rockland Electric (NJ)	8.21	10.30	49.85	12/09-YE	9.8 (D,B)
5/14/10	PacifiCorp (WY)	8.33	---	---	---	35.5 (B,Z)
5/26/10	MDU Resources (WY)	8.25	10.00	49.77	12/08-YE	2.7
5/28/10	Union Electric (MO)	8.06	10.10	51.26	3/09-YE	229.6
6/7/10	Public Service Electric & Gas (NJ)	8.21	10.30	51.20	12/09-YE	73.5 (D,B)
6/18/10	Central Hudson Gas & Electric (NY)	7.43	10.00	48.00	6/11-A	30.2 (D,B,Z)
6/23/10	Entergy Arkansas (AR)	5.04	10.20	29.32 *	6/09-YE	63.7 (B,R)
6/23/10	Empire District Electric (KS)	---	---	---	---	2.8 (B)
6/25/10	Monongahela Power/Potomac Ed. (WV)	8.71	---	---	12/08-A	60.0 (B,Z)
6/28/10	Kentucky Power (KY)	---	10.50	---	9/09-YE	63.7 (B)
6/28/10	Public Service of New Hampshire (NH)	7.51	9.67	52.40	---	57.4 (D,I,B)
6/30/10	Connecticut Light & Power (CT)	7.68	9.40	49.20	6/09-DC	101.9 (D,Z)
2010	2ND QUARTER: AVERAGES/TOTAL	7.95	10.08	47.07		885.0
	MEDIAN	8.10	10.10	49.10		---
	OBSERVATIONS	15	14	13		18

ELECTRIC UTILITY DECISIONS (continued)

7/1/10	Wisconsin Electric Power (MI)	6.99	10.25	47.61 *	12/10-A	23.5 (I)
7/15/10	South Carolina Electric & Gas (SC)	8.56	10.70	52.96	9/09-YE	101.2 (B,Z)
7/15/10	Appalachian Power (VA)	7.85	10.53	41.53	12/08-YE	61.5
7/30/10	Maui Electric (HI)	8.67	10.70	54.89	12/07-A	13.2 (B,I)
7/30/10	Kentucky Utilities (KY)	---	---	---	10/09-YE	98.0 (B)
7/30/10	Louisville Gas & Electric (KY)	---	---	---	10/09-YE	74.0 (B)
7/30/10	El Paso Electric (TX)	---	---	---	6/09	17.2 (B,6)
8/4/10	Black Hills Colorado Electric Utility (CO)	9.32	10.50	52.00	7/09	17.9 (B)
8/6/10	Potomac Electric Power (MD)	8.18	9.83	48.87	12/09-A	7.8
8/11/10	Black Hills Power (SD)	8.26	---	---	6/09-A	22.0 (B,I)
8/18/10	Empire District Electric (MO)	---	---	---	6/09-YE	46.8 (B)
8/25/10	Northern Indiana Public Service (IN)	7.29	9.90	49.95 *	12/07-YE	-48.9
9/14/10	Hawaiian Electric (HI)	8.62	10.70	55.10	12/07-A	77.5 (B,I)
9/16/10	New York State Electric & Gas (NY)	7.48	10.00	48.00	8/11-A	88.7 (D,B,Z,7)
9/16/10	Rochester Gas and Electric (NY)	8.47	10.00	48.00	8/11-A	54.2 (D,B,Z,7)
9/21/10	Avista Corp. (ID)	---	---	---	12/09	21.3 (B)
9/29/10	Minnesota Power (MN)	8.18	10.38	54.29	12/10-A	67.0 (I,E)
9/30/10	UNS Electric (AZ)	8.28	9.75	45.76	12/08-YE	7.4
2010	3RD QUARTER: AVERAGES/TOTAL	8.17	10.27	49.91		750.3
	MEDIAN	8.26	10.32	49.41		---
	OBSERVATIONS	13	12	12		18
2010	YEAR-TO-DATE: AVERAGES/TOTAL	8.01	10.36	48.41		3,645.3
	MEDIAN	8.10	10.26	49.10		---
	OBSERVATIONS	45	43	41		55

GAS UTILITY DECISIONS

<u>Date</u>	<u>Company (State)</u>	<u>ROR</u> <u>%</u>	<u>ROE</u> <u>%</u>	<u>Common</u> <u>Eq. as %</u> <u>Cap. Str.</u>	<u>Test Year</u> <u>&</u> <u>Rate Base</u>	<u>Amt.</u> <u>\$ Mil.</u>
1/11/10	CenterPoint Energy Resources (MN)	8.09	10.24	52.55	12/09-A	40.8 (I)
1/20/10	Empire District Gas (MO)	---	---	---	---	2.6 (B)
1/21/10	Peoples Gas Light & Coke (IL)	8.05	10.23	56.00	12/10-A	69.8
1/21/10	North Shore Gas (IL)	8.19	10.33	56.00	12/10-A	13.9
1/26/10	Atmos Energy (TX)	8.60	10.40	48.91	6/08-YE	2.7 (E)
2/10/10	Southern Union (MO)	7.72	10.00	38.66	12/08-YE	16.2 (Bp)
2/23/10	CenterPoint Energy Resources (TX)	8.65	10.50	55.60	3/09-YE	5.1
3/9/10	SourceGas Distribution (NE)	7.80	9.60	49.96	12/08-YE	1.6 (I)
3/19/10	Mountaineer Gas (WV)	8.72	---	---	12/08-A	19.0 (B)
3/24/10	MidAmerican Energy (IL)	7.60	10.13	47.08	12/08-YE	2.7
3/31/10	Atmos Energy (GA)	8.61	10.70	47.70	10/10-A	2.9
2010	1ST QUARTER: AVERAGES/TOTAL	8.20	10.24	50.27		177.3
	MEDIAN	8.14	10.24	49.96		---
	OBSERVATIONS	10	9	9		11
4/2/10	Puget Sound Energy (WA)	8.10	10.10	46.00 (Hy)	12/08-A	10.1 (R)
4/14/10	UNS Gas (AZ)	8.00	9.50	49.90	6/08-YE	3.5
4/29/10	Central Illinois Light (IL)	7.83	9.40	43.61	12/08-YE	-7.5 (R)
4/29/10	Central Illinois Public Service (IL)	7.59	9.19	48.67	12/08-YE	-1.7 (R)
4/29/10	Illinois Power (IL)	8.59	9.40	43.55	12/08-YE	-11.3 (R)
5/17/10	Consumers Energy (MI)	7.02	10.55	40.78 *	9/10-A	65.9 (I)
5/24/10	Chattanooga Gas (TN)	7.41	10.05	46.06	4/11-A	0.1
5/28/10	Atmos Energy (KY)	---	---	---	---	6.1 (B)
6/3/10	Michigan Consolidated Gas (MI)	7.19	11.00	38.78 *	12/10-A	118.6 (I)
6/3/10	Questar Gas (UT)	8.42	10.35	52.91	12/10-A	2.6 (B,8)
6/18/10	Public Service Electric & Gas (NJ)	8.21	10.30	51.20	12/09-YE	26.5 (B)
6/18/10	Central Hudson Gas & Electric (NY)	7.43	10.00	48.00	6/11-A	9.6 (D,B,Z)
2010	2ND QUARTER: AVERAGES/TOTAL	7.80	9.99	46.31		222.5
	MEDIAN	7.83	10.05	46.06		---
	OBSERVATIONS	11	11	11		12

GAS UTILITY DECISIONS (continued)

7/30/10	Atmos Energy (KS)	---	---	---	---	3.9 (B)
7/30/10	Louisville Gas & Electric (KY)	---	---	---	10/09-YE	17.0 (B)
8/17/10	Black Hills Nebraska Gas Utility (NE)	9.11	10.10	52.00	7/09-YE	8.3 (R,I)
8/18/10	Atmos Energy (MO)	---	---	---	---	5.7 (B)
8/18/10	Laclede Gas (MO)	---	---	---	---	31.4 (B)
8/18/10	Columbia Gas of Pennsylvania (PA)	---	---	---	9/09	12.0 (B)
9/16/10	Consolidated Edison of New York (NY)	7.46	9.60	48.00	9/11-YE	141.7 (B,Z)
9/16/10	New York State Electric & Gas (NY)	7.48	10.00	48.00	8/11-A	34.0 (B,Z,D,7)
9/16/10	Rochester Gas and Electric (NY)	8.47	10.00	48.00	8/11-A	34.6 (B,Z,D,7)
9/21/10	Avista Corp. (ID)	---	---	---	12/09	1.9 (B)
2010	3RD QUARTER: AVERAGES/TOTAL	8.13	9.93	49.00		290.5
	MEDIAN	7.98	10.00	48.00		---
	OBSERVATIONS	4	4	4		10
2010	YEAR-TO-DATE: AVERAGES/TOTAL	8.01	10.07	48.25		690.3
	MEDIAN	8.05	10.10	48.00		---
	OBSERVATIONS	25	24	24		33

FOOTNOTES

A- Average

B- Order followed stipulation or settlement by the parties. Decision particulars not necessarily precedent-setting or specifically adopted by the regulatory body.

Bp- Order followed partial stipulation or settlement by the parties. Decision particulars not necessarily precedent-setting or specifically adopted by the regulatory body.

D- Applies to electric delivery only

DC- Date certain

E- Estimated

Hy- Hypothetical capital structure

I- Interim rates implemented prior to the issuance of final order, normally under bond and subject to refund.

R- Revised

YE- Year-end

Z- Rate change implemented in multiple steps.

* Capital structure includes cost-free items or tax credit balances at the overall rate of return.

(1) While the authorized rate increase is based on a 10.7% ROE, the settlement specifies that the company is permitted to earn up to an 11% ROE.

(2) The permanent rate increase includes a \$126.2 million increase that was authorized by the PSC on 5/19/09 in a separate proceeding related to the repowering of the Bartow generating plant. The company had also requested recovery of the Bartow repowering costs in this base rate proceeding. In addition, the \$126.2 million Bartow-related increase, when adjusted for 2010 billing determinants, increases to \$132.1 million.

(3) Authorized 11.9% ROE includes an 11.3% base ROE and a 60-basis-point management efficiency premium.

(4) Parameters apply to rider for the Virginia City Hybrid Energy Center, and the specified ROE includes an 11.3% base equity return and a 100-basis-point premium.

(5) Parameters apply to rider for the Bear Garden generation facility, and the specified ROE includes an 11.3% base equity return and a 100-basis-point premium.

(6) The rate increase is effective retroactive to 7/1/10.

(7) The 2010 rate increase is effective retroactive to 8/25/10.

(8) Rate increase effective 8/1/10.

Dennis Sperduto

AN ANALYSIS OF THE COST OF CAPITAL

FOR

KCP&L GREATER MISSOURI OPERATIONS COMPANY

FILE NO. ER-2010-0356

SCHEDULES

BY

DAVID MURRAY

UTILITY SERVICES DIVISION

MISSOURI PUBLIC SERVICE COMMISSION

NOVEMBER 2010

KCP&L Greater Missouri Operations Company

File No. ER-2010-0356

List of Schedules

Schedule Number	Description of Schedule
1	List of Schedules
2-1	Federal Reserve Discount Rate and Federal Reserve Funds Rate Changes
2-2	Graph of Federal Reserve Discount Rate and Federal Funds Rate Changes
3-1	Rate of Inflation
3-2	Graph of Rate of Inflation
4-1	Average Yields on Public Utility Bonds
4-2	Average Yields on Thirty-Year U.S. Treasury Bonds
4-3	Graph of Average Yields on Public Utility Bonds and Thirty-Year U.S. Treasury Bonds
4-4	Graph of Monthly Spreads Between Yields on Public Utility Bonds and Thirty-Year U.S. Treasury Bonds
4-5	Graph of Moody's Baa Corporate Bond Yields
5	Historical Consolidated Capital Structures for Great Plains Energy
6	Capital Structure as of June 30, 2010 for Great Plains Energy
7	Criteria for Selecting Comparable Electric Utility Companies
8	Comparable Electric Utility Companies for KCP&L Greater Missouri Operations Company
9-1	Ten-Year Dividends Per Share, Earnings Per Share & Book Value Per Share Growth Rates for the Comparable Electric Utility Companies
9-2	Five-Year Dividends Per Share, Earnings Per Share & Book Value Per Share Growth Rates for the Comparable Electric Utility Companies
9-3	Five-Year Projected Dividends Per Share, Earnings Per Share & Book Value Per Share Growth Rates for the Comparable Electric Utility Companies
9-4	Historical and Projected Growth Rates for the Comparable Electric Utility Companies
10	Average High / Low Stock Price for July 2010 through September 2010 for the Comparable Electric Utility Companies
11	Constant-Growth Discount Cash Flow (DCF) Estimated Costs of Common Equity for the Comparable Electric Utility Companies
12	Capital Asset Pricing Model (CAPM) Costs of Common Equity Estimates Based on Historical Return Differences Between Common Stocks and Long-Term U.S. Treasuries for the Comparable Electric Utility Companies
13-1	Multiple-Stage Discounted Cash Flow (DCF) Estimated Costs of Common Equity for the Comparable Electric Utility Companies, Growth in Perpetuity of 3.00%
13-2	Multiple-Stage Discounted Cash Flow (DCF) Estimated Costs of Common Equity for the Comparable Electric Utility Companies, Growth in Perpetuity of 3.50%
13-3	Multiple-Stage Discounted Cash Flow (DCF) Estimated Costs of Common Equity for the Comparable Electric Utility Companies, Growth in Perpetuity of 4.00%
14	DPS, EPS, BVPS & GDP 10-Year Compound Growth Rate Averages (1948-1998)
15	Public Utility Revenue Requirement or Cost of Service
16	Weighted Cost of Capital as of June 30, 2010 for KCP&L Greater Missouri Operations Company

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

Federal Reserve Discount Rates Changes and Federal Reserve Funds Rates Changes

Date	Federal Reserve Discount Rate	Federal Reserve Funds Rate	Date	Federal Reserve Discount Rate	Federal Reserve Funds Rate
01/01/83	8.50%		06/30/99	4.50%	5.00%
12/31/83	8.50%		08/24/99	4.75%	5.25%
04/09/84	9.00%		11/16/99	5.00%	5.50%
11/21/84	8.50%		02/02/00	5.25%	5.75%
12/24/84	8.00%		03/21/00	5.50%	6.00%
05/20/85	7.50%		05/19/00	6.00%	6.50%
03/07/86	7.00%		01/03/01	5.75%	6.00%
04/21/86	6.50%		01/04/01	5.50%	6.00%
07/11/86	6.00%		01/31/01	5.00%	5.50%
08/21/86	5.50%		03/20/01	4.50%	5.00%
09/04/87	6.00%		04/18/01	4.00%	4.50%
08/09/88	6.50%		05/15/01	3.50%	4.00%
02/24/89	7.00%		06/27/01	3.25%	3.75%
07/13/90		8.00% *	08/21/01	3.00%	3.50%
10/29/90		7.75%	09/17/01	2.50%	3.00%
11/13/90		7.50%	10/02/01	2.00%	2.50%
12/07/90		7.25%	11/06/01	1.50%	2.00%
12/18/90		7.00%	12/11/01	1.25%	1.75%
12/19/90	6.50%		11/06/02	0.75%	1.25%
01/09/91		6.75%	01/09/03	2.25%**	1.25%
02/01/91	6.00%	6.25%	06/25/03	2.00%	1.00%
03/08/91		6.00%	06/30/04	2.25%	1.25%
04/30/91	5.50%	5.75%	08/10/04	2.50%	1.50%
08/06/91		5.50%	09/21/04	2.75%	1.75%
09/13/91	5.00%	5.25%	11/10/04	3.00%	2.00%
10/31/91		5.00%	12/14/04	3.25%	2.25%
11/06/91	4.50%	4.75%	02/02/05	3.50%	2.50%
12/06/91		4.50%	03/22/05	3.75%	2.75%
12/20/91	3.50%	4.00%	05/03/05	4.00%	3.00%
04/09/92		3.75%	06/30/05	4.25%	3.25%
07/02/92	3.00%	3.25%	08/09/05	4.50%	3.50%
09/04/92		3.00%	09/20/05	4.75%	3.75%
01/01/93			11/01/05	5.00%	4.00%
12/31/93	No Changes	No Changes	12/13/05	5.25%	4.25%
02/04/94		3.25%	01/31/06	5.50%	4.50%
03/22/94		3.50%	03/28/06	5.75%	4.75%
04/18/94		3.75%	05/10/06	6.00%	5.00%
05/17/94	3.50%	4.25%	06/29/06	6.25%	5.25%
08/16/94	4.00%	4.75%	08/17/07	5.75%	5.25%
11/15/94	4.75%	5.50%	09/18/07	5.25%	4.75%
02/01/95	5.25%	6.00%	10/31/07	5.00%	4.50%
07/06/95		5.75%	12/11/07	4.75%	4.25%
12/19/95		5.50%	01/22/08	4.00%	3.50%
01/31/96	5.00%	5.25%	01/30/08	3.50%	3.00%
03/25/97		5.50%	03/16/08	3.25%	
12/12/97	5.00%		03/18/08	2.50%	2.25%
01/09/98	5.00%		04/30/08	2.25%	2.00%
03/06/98	5.00%		10/08/08	1.75%	1.50%
09/29/98		5.25%	10/28/08	1.25%	1.00%
10/15/98	4.75%	5.00%	12/30/08	0.50%	0% - .25%
11/17/98	4.50%	4.75%	02/19/10	0.75%	

* Staff began tracking the Federal Funds Rate.

**Revised discount window program begins. Reflects rate on primary credit. This revised discount window policy results in incomparability of the discount rates after January 9, 2003 to discount rates before January 9, 2003.

Source:

Federal Reserve Discount rate

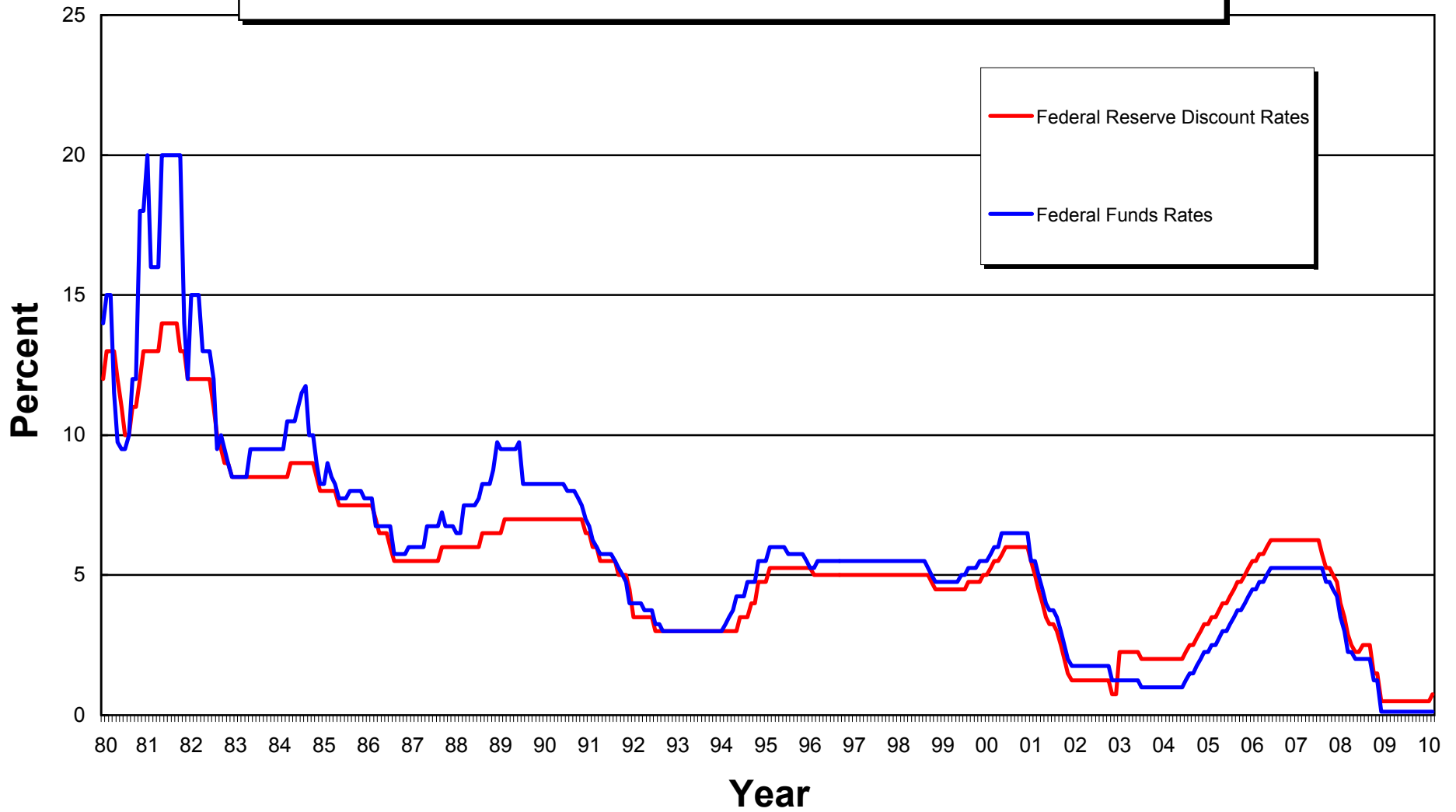
<http://www.newyorkfed.org/markets/statistics/dlyrates/fedrate.html>

Federal Reserve Funds rate

<http://www.newyorkfed.org/markets/statistics/dlyrates/fedrate.html>

Note: Interest rates as of December 31 for each year are underlined.

Federal Reserve Discount Rates and Federal Funds Rates
1980 - 2010



KCP&L Greater Missouri Operations Company

File No. ER-2010-0356

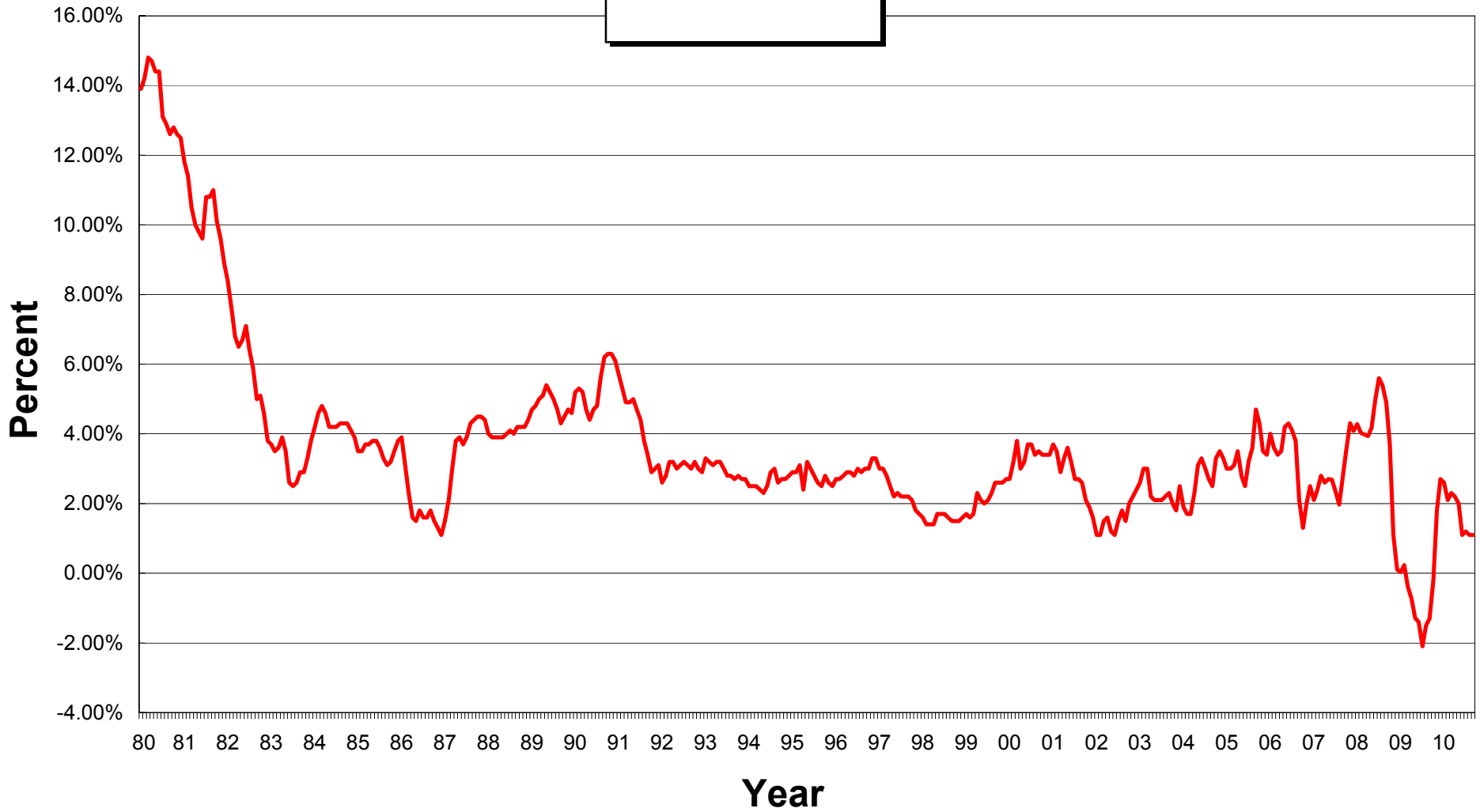
Rate of Inflation

Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)
Jan 1980	13.90	Jan 1984	4.20	Jan 1988	4.00	Jan 1992	2.60	Jan 1996	2.70	Jan 2000	2.70	Jan 2004	1.90	Jan 2008	4.30
Feb	14.20	Feb	4.60	Feb	3.90	Feb	2.80	Feb	2.70	Feb	3.20	Feb	1.70	Feb	4.00
Mar	14.80	Mar	4.80	Mar	3.90	Mar	3.20	Mar	2.80	Mar	3.70	Mar	1.70	Mar	4.00
Apr	14.70	Apr	4.60	Apr	3.90	Apr	3.20	Apr	2.90	Apr	3.00	Apr	2.30	Apr	3.90
May	14.40	May	4.20	May	3.90	May	3.00	May	2.90	May	3.20	May	3.10	May	4.20
Jun	14.40	Jun	4.20	Jun	4.00	Jun	3.10	Jun	2.80	Jun	3.70	Jun	3.30	Jun	5.00
Jul	13.10	Jul	4.20	Jul	4.10	Jul	3.20	Jul	3.00	Jul	3.70	Jul	3.00	Jul	5.60
Aug	12.90	Aug	4.30	Aug	4.00	Aug	3.10	Aug	2.90	Aug	3.40	Aug	2.70	Aug	5.40
Sep	12.60	Sep	4.30	Sep	4.20	Sep	3.00	Sep	3.00	Sep	3.50	Sep	2.50	Sep	4.90
Oct	12.80	Oct	4.30	Oct	4.20	Oct	3.20	Oct	3.00	Oct	3.40	Oct	3.30	Oct	3.70
Nov	12.60	Nov	4.10	Nov	4.20	Nov	3.00	Nov	3.30	Nov	3.40	Nov	3.50	Nov	1.10
Dec	12.50	Dec	3.90	Dec	4.40	Dec	2.90	Dec	3.30	Dec	3.40	Dec	3.30	Dec	0.10
Jan 1981	11.80	Jan 1985	3.50	Jan 1989	4.70	Jan 1993	3.30	Jan 1997	3.00	Jan 2001	3.70	Jan 2005	3.00	Jan 2009	0.00
Feb	11.40	Feb	3.50	Feb	4.80	Feb	3.20	Feb	3.00	Feb	3.50	Feb	3.00	Feb	0.20
Mar	10.50	Mar	3.70	Mar	5.00	Mar	3.10	Mar	2.80	Mar	2.90	Mar	3.10	Mar	-0.40
Apr	10.00	Apr	3.70	Apr	5.10	Apr	3.20	Apr	2.50	Apr	3.30	Apr	3.50	Apr	-0.70
May	9.80	May	3.80	May	5.40	May	3.20	May	2.20	May	3.60	May	2.80	May	-1.28
Jun	9.60	Jun	3.80	Jun	5.20	Jun	3.00	Jun	2.30	Jun	3.20	Jun	2.50	Jun	-1.40
Jul	10.80	Jul	3.60	Jul	5.00	Jul	2.80	Jul	2.20	Jul	2.70	Jul	3.20	Jul	-2.10
Aug	10.80	Aug	3.30	Aug	4.70	Aug	2.80	Aug	2.20	Aug	2.70	Aug	3.60	Aug	-1.50
Sep	11.00	Sep	3.10	Sep	4.30	Sep	2.70	Sep	2.20	Sep	2.60	Sep	4.70	Sep	-1.30
Oct	10.10	Oct	3.20	Oct	4.50	Oct	2.80	Oct	2.10	Oct	2.10	Oct	4.30	Oct	-0.20
Nov	9.60	Nov	3.50	Nov	4.70	Nov	2.70	Nov	1.80	Nov	1.90	Nov	3.50	Nov	1.80
Dec	8.90	Dec	3.80	Dec	4.60	Dec	2.70	Dec	1.70	Dec	1.60	Dec	3.40	Dec	2.70
Jan 1982	8.40	Jan 1986	3.90	Jan 1990	5.20	Jan 1994	2.50	Jan 1998	1.60	Jan 2002	1.10	Jan 2006	4.00	Jan 2010	2.60
Feb	7.60	Feb	3.10	Feb	5.30	Feb	2.50	Feb	1.40	Feb	1.10	Feb	3.60	Feb	2.10
Mar	6.80	Mar	2.30	Mar	5.20	Mar	2.50	Mar	1.40	Mar	1.50	Mar	3.40	Mar	2.30
Apr	6.50	Apr	1.60	Apr	4.70	Apr	2.40	Apr	1.40	Apr	1.60	Apr	3.50	April	2.20
May	6.70	May	1.50	May	4.40	May	2.30	May	1.70	May	1.20	May	4.20	May	2.00
Jun	7.10	Jun	1.80	Jun	4.70	Jun	2.50	Jun	1.70	Jun	1.10	June	4.30	June	1.10
Jul	6.40	Jul	1.60	Jul	4.80	Jul	2.90	Jul	1.70	Jul	1.50	July	4.10	July	1.20
Aug	5.90	Aug	1.60	Aug	5.60	Aug	3.00	Aug	1.60	Aug	1.80	Aug	3.80	August	1.10
Sep	5.00	Sep	1.80	Sep	6.20	Sep	2.60	Sep	1.50	Sep	1.50	Sep	2.10	September	1.10
Oct	5.10	Oct	1.50	Oct	6.30	Oct	2.70	Oct	1.50	Oct	2.00	Oct	1.30		
Nov	4.60	Nov	1.30	Nov	6.30	Nov	2.70	Nov	1.50	Nov	2.20	Nov	2.00		
Dec	3.80	Dec	1.10	Dec	6.10	Dec	2.80	Dec	1.60	Dec	2.40	Dec	2.50		
Jan 1983	3.70	Jan 1987	1.50	Jan 1991	5.70	Jan 1995	2.90	Jan 1999	1.70	Jan 2003	2.60	Jan 2007	2.10		
Feb	3.50	Feb	2.10	Feb	5.30	Feb	2.90	Feb	1.60	Feb	3.00	Feb	2.40		
Mar	3.60	Mar	3.00	Mar	4.90	Mar	3.10	Mar	1.70	Mar	3.00	Mar	2.80		
Apr	3.90	Apr	3.80	Apr	4.90	Apr	2.40	Apr	2.30	Apr	2.20	Apr	2.60		
May	3.50	May	3.90	May	5.00	May	3.20	May	2.10	May	2.10	May	2.70		
Jun	2.60	Jun	3.70	Jun	4.70	Jun	3.00	Jun	2.00	Jun	2.10	Jun	2.70		
Jul	2.50	Jul	3.90	Jul	4.40	Jul	2.80	Jul	2.10	Jul	2.10	Jul	2.40		
Aug	2.60	Aug	4.30	Aug	3.80	Aug	2.60	Aug	2.30	Aug	2.20	Aug	2.00		
Sep	2.90	Sep	4.40	Sep	3.40	Sep	2.50	Sep	2.60	Sep	2.30	Sep	2.80		
Oct	2.90	Oct	4.50	Oct	2.90	Oct	2.80	Oct	2.60	Oct	2.00	Oct	3.50		
Nov	3.30	Nov	4.50	Nov	3.00	Nov	2.60	Nov	2.60	Nov	1.80	Nov	4.30		
Dec	3.80	Dec	4.40	Dec	3.10	Dec	2.50	Dec	2.70	Dec	1.90	Dec	4.10		

Source: U.S. Dept of Labor, Bureau of Labor Statistics, Consumer Price Index - All Urban Consumers, Change for 12-Month Period, Bureau of Labor Statistics, http://www.bls.gov/schedule/archives/cpi_nr.htm

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

Rate of Inflation
1980 - 2010



KCP&L Greater Missouri Operations Company
File No. ER-2010-0356
Average Yields on Public Utility Bonds

<u>Mo/Year</u>	<u>Rate (%)</u>	<u>Mo/Year</u>	<u>Rate (%)</u>	<u>Mo/Year</u>	<u>Rate (%)</u>	<u>Mo/Year</u>	<u>Rate (%)</u>	<u>Mo/Year</u>	<u>Rate (%)</u>	<u>Mo/Year</u>	<u>Rate (%)</u>	<u>Mo/Year</u>	<u>Rate (%)</u>	<u>Mo/Year</u>	<u>Rate (%)</u>
Jan 1980	12.12	Jan 1984	13.40	Jan 1988	10.75	Jan 1992	8.67	Jan 1996	7.20	Jan 2000	8.22	Jan 2004	6.23	Jan 2008	6.08
Feb	13.48	Feb	13.50	Feb	10.11	Feb	8.77	Feb	7.37	Feb	8.10	Feb	6.17	Feb	6.28
Mar	14.33	Mar	14.03	Mar	10.11	Mar	8.84	Mar	7.72	Mar	8.14	Mar	6.01	Mar	6.29
Apr	13.50	Apr	14.30	Apr	10.53	Apr	8.79	Apr	7.88	Apr	8.14	Apr	6.38	Apr	6.36
May	12.17	May	14.95	May	10.75	May	8.72	May	7.99	May	8.55	May	6.68	May	6.38
Jun	11.87	Jun	15.16	Jun	10.71	Jun	8.64	Jun	8.07	Jun	8.22	Jun	6.53	Jun	6.50
Jul	12.12	Jul	14.92	Jul	10.96	Jul	8.46	Jul	8.02	Jul	8.17	Jul	6.34	Jul	6.50
Aug	12.82	Aug	14.29	Aug	11.09	Aug	8.34	Aug	7.84	Aug	8.05	Aug	6.18	Aug	6.48
Sep	13.29	Sep	14.04	Sep	10.56	Sep	8.32	Sep	8.01	Sep	8.16	Sep	6.01	Sep	6.59
Oct	13.53	Oct	13.68	Oct	9.92	Oct	8.44	Oct	7.76	Oct	8.08	Oct	5.95	Oct	7.70
Nov	14.07	Nov	13.15	Nov	9.89	Nov	8.53	Nov	7.48	Nov	8.03	Nov	5.97	Nov	7.80
Dec	14.48	Dec	12.96	Dec	10.02	Dec	8.36	Dec	7.58	Dec	7.79	Dec	5.93	Dec	6.87
Jan 1981	14.22	Jan 1985	12.88	Jan 1989	10.02	Jan 1993	8.23	Jan 1997	7.79	Jan 2001	7.76	Jan 2005	5.80	Jan 2009	6.77
Feb	14.84	Feb	13.00	Feb	10.02	Feb	8.00	Feb	7.68	Feb	7.69	Feb	5.64	Feb	6.72
Mar	14.86	Mar	13.66	Mar	10.16	Mar	7.85	Mar	7.92	Mar	7.59	Mar	5.86	Mar	6.85
Apr	15.32	Apr	13.42	Apr	10.14	Apr	7.76	Apr	8.08	Apr	7.81	Apr	5.72	Apr	6.90
May	15.84	May	12.89	May	9.92	May	7.78	May	7.94	May	7.88	May	5.60	May	6.83
Jun	15.27	Jun	11.91	Jun	9.49	Jun	7.68	Jun	7.77	Jun	7.75	Jun	5.39	June	6.54
Jul	15.87	Jul	11.88	Jul	9.34	Jul	7.53	Jul	7.52	Jul	7.71	Jul	5.50	July	6.15
Aug	16.33	Aug	11.93	Aug	9.37	Aug	7.21	Aug	7.57	Aug	7.57	Aug	5.51	Aug	5.80
Sep	16.89	Sep	11.95	Sep	9.43	Sep	7.01	Sep	7.50	Sep	7.73	Sep	5.54	Sep	5.60
Oct	16.76	Oct	11.84	Oct	9.37	Oct	6.99	Oct	7.37	Oct	7.64	Oct	5.79	Oct	5.64
Nov	15.50	Nov	11.33	Nov	9.33	Nov	7.30	Nov	7.24	Nov	7.61	Nov	5.88	Nov	5.71
Dec	15.77	Dec	10.82	Dec	9.31	Dec	7.33	Dec	7.16	Dec	7.86	Dec	5.83	Dec	5.86
Jan 1982	16.73	Jan 1986	10.66	Jan 1990	9.44	Jan 1994	7.31	Jan 1998	7.03	Jan 2002	7.69	Jan 2006	5.77	Jan 2010	5.83
Feb	16.72	Feb	10.16	Feb	9.66	Feb	7.44	Feb	7.09	Feb	7.62	Feb	5.83	Feb	5.94
Mar	16.07	Mar	9.33	Mar	9.75	Mar	7.83	Mar	7.13	Mar	7.83	Mar	5.98	Mar	5.90
Apr	15.82	Apr	9.02	Apr	9.87	Apr	8.20	Apr	7.12	Apr	7.74	Apr	6.28	Apr	5.87
May	15.60	May	9.52	May	9.89	May	8.32	May	7.11	May	7.76	May	6.39	May	5.59
Jun	16.18	Jun	9.51	Jun	9.69	Jun	8.31	Jun	6.99	Jun	7.67	June	6.39	June	5.55
Jul	16.04	Jul	9.19	Jul	9.66	Jul	8.47	Jul	6.99	Jul	7.54	July	6.37	July	5.39
Aug	15.22	Aug	9.15	Aug	9.84	Aug	8.41	Aug	6.96	Aug	7.34	Aug	6.20	Aug	5.10
Sep	14.56	Sep	9.42	Sep	10.01	Sep	8.65	Sep	6.88	Sep	7.23	Sep	6.03	Sep	5.10
Oct	13.88	Oct	9.39	Oct	9.94	Oct	8.88	Oct	6.88	Oct	7.43	Oct	6.01	Oct	5.14
Nov	13.58	Nov	9.15	Nov	9.76	Nov	9.00	Nov	6.96	Nov	7.31	Nov	5.82		
Dec	13.55	Dec	8.96	Dec	9.57	Dec	8.79	Dec	6.84	Dec	7.20	Dec	5.83		
Jan 1983	13.46	Jan 1987	8.77	Jan 1991	9.56	Jan 1995	8.77	Jan 1999	6.87	Jan 2003	7.13	Jan 2007	5.96		
Feb	13.60	Feb	8.81	Feb	9.31	Feb	8.56	Feb	7.00	Feb	6.92	Feb	5.91		
Mar	13.28	Mar	8.75	Mar	9.39	Mar	8.41	Mar	7.18	Mar	6.80	Mar	5.87		
Apr	13.03	Apr	9.30	Apr	9.30	Apr	8.30	Apr	7.16	Apr	6.68	Apr	6.01		
May	13.00	May	9.82	May	9.29	May	7.93	May	7.42	May	6.35	May	6.03		
Jun	13.17	Jun	9.87	Jun	9.44	Jun	7.62	Jun	7.70	Jun	6.21	June	6.34		
Jul	13.28	Jul	10.01	Jul	9.40	Jul	7.73	Jul	7.66	Jul	6.54	July	6.28		
Aug	13.50	Aug	10.33	Aug	9.16	Aug	7.86	Aug	7.86	Aug	6.78	Aug	6.28		
Sep	13.35	Sep	11.00	Sep	9.03	Sep	7.62	Sep	7.87	Sep	6.58	Sep	6.24		
Oct	13.19	Oct	11.32	Oct	8.99	Oct	7.46	Oct	8.02	Oct	6.50	Oct	6.17		
Nov	13.33	Nov	10.82	Nov	8.93	Nov	7.40	Nov	7.86	Nov	6.44	Nov	6.04		
Dec	13.48	Dec	10.99	Dec	8.76	Dec	7.21	Dec	8.04	Dec	6.36	Dec	6.23		

Sources:
Mergent Bond Record - January 1980 through September 2010
BondsOnline - October 2010

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

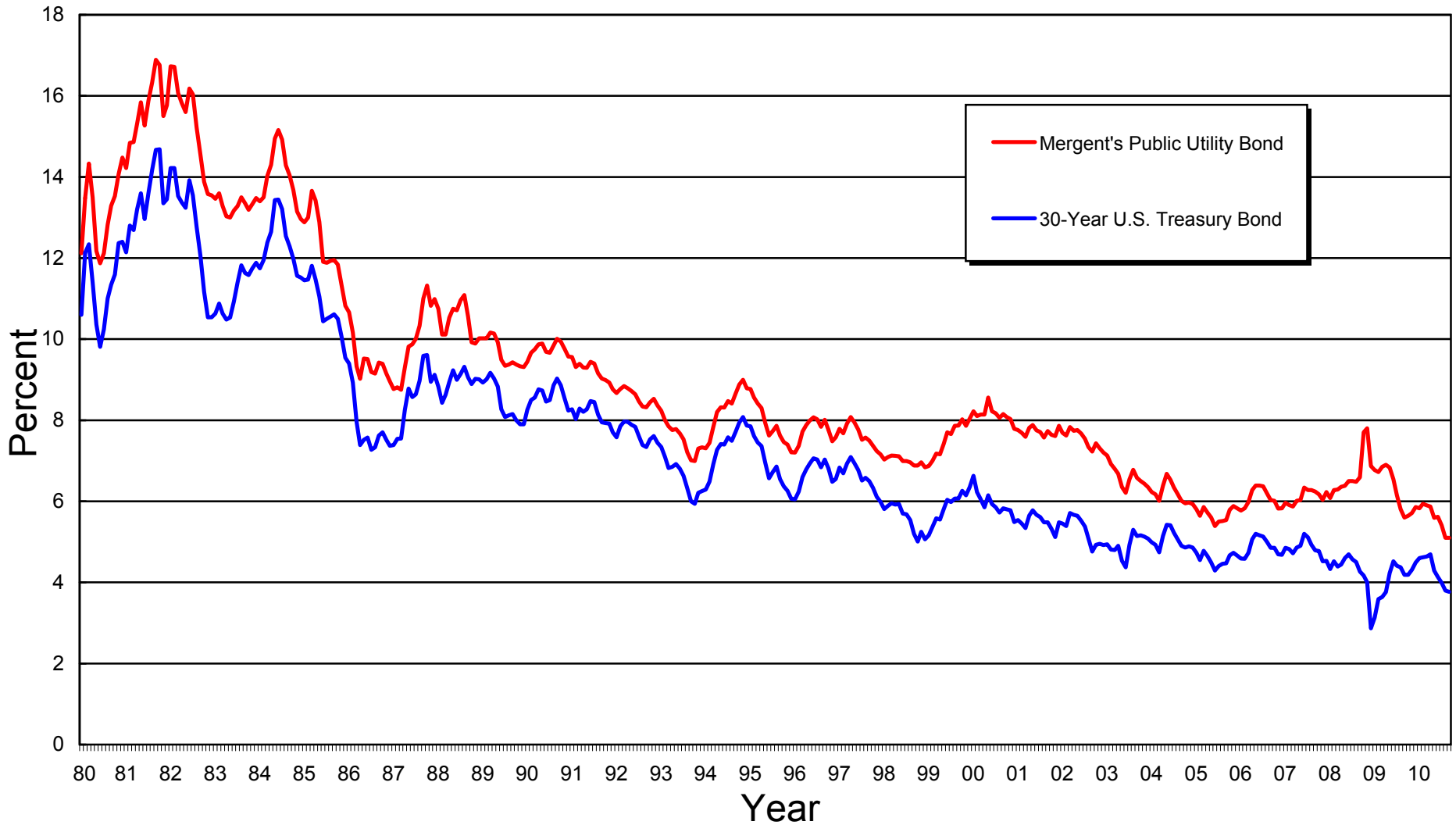
Average Yields on Thirty-Year U.S. Treasury Bonds

Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)	Mo/Year	Rate (%)
Jan 1980	10.60	Jan 1984	11.75	Jan 1988	8.83	Jan 1992	7.58	Jan 1996	6.05	Jan 2000	6.63	Jan 2004	4.99	Jan 2008	4.33
Feb	12.13	Feb	11.95	Feb	8.43	Feb	7.85	Feb	6.24	Feb	6.23	Feb	4.93	Feb	4.52
Mar	12.34	Mar	12.38	Mar	8.63	Mar	7.97	Mar	6.60	Mar	6.05	Mar	4.74	Mar	4.39
Apr	11.40	Apr	12.65	Apr	8.95	Apr	7.96	Apr	6.79	Apr	5.85	Apr	5.14	Apr	4.44
May	10.36	May	13.43	May	9.23	May	7.89	May	6.93	May	6.15	May	5.42	May	4.60
Jun	9.81	Jun	13.44	Jun	9.00	Jun	7.84	Jun	7.06	Jun	5.93	Jun	5.41	Jun	4.69
Jul	10.24	Jul	13.21	Jul	9.14	Jul	7.60	Jul	7.03	Jul	5.85	Jul	5.22	Jul	4.57
Aug	11.00	Aug	12.54	Aug	9.32	Aug	7.39	Aug	6.84	Aug	5.72	Aug	5.06	Aug	4.50
Sep	11.34	Sep	12.29	Sep	9.06	Sep	7.34	Sep	7.03	Sep	5.83	Sep	4.90	Sep	4.27
Oct	11.59	Oct	11.98	Oct	8.89	Oct	7.53	Oct	6.81	Oct	5.80	Oct	4.86	Oct	4.17
Nov	12.37	Nov	11.56	Nov	9.02	Nov	7.61	Nov	6.48	Nov	5.78	Nov	4.89	Nov	4.00
Dec	12.40	Dec	11.52	Dec	9.01	Dec	7.44	Dec	6.55	Dec	5.49	Dec	4.86	Dec	2.87
Jan 1981	12.14	Jan 1985	11.45	Jan 1989	8.93	Jan 1993	7.34	Jan 1997	6.83	Jan 2001	5.54	Jan 2005	4.73	Jan 2009	3.13
Feb	12.80	Feb	11.47	Feb	9.01	Feb	7.09	Feb	6.69	Feb	5.45	Feb	4.55	Feb	3.59
Mar	12.69	Mar	11.81	Mar	9.17	Mar	6.82	Mar	6.93	Mar	5.34	Mar	4.78	Mar	3.64
Apr	13.20	Apr	11.47	Apr	9.03	Apr	6.85	Apr	7.09	Apr	5.65	Apr	4.65	Apr	3.76
May	13.60	May	11.05	May	8.83	May	6.92	May	6.94	May	5.78	May	4.49	May	4.23
Jun	12.96	Jun	10.44	Jun	8.27	Jun	6.81	Jun	6.77	Jun	5.67	Jun	4.29	Jun	4.52
Jul	13.59	Jul	10.50	Jul	8.08	Jul	6.63	Jul	6.51	Jul	5.61	Jul	4.41	July	4.41
Aug	14.17	Aug	10.56	Aug	8.12	Aug	6.32	Aug	6.58	Aug	5.48	Aug	4.46	Aug	4.37
Sep	14.67	Sep	10.61	Sep	8.15	Sep	6.00	Sep	6.50	Sep	5.48	Sep	4.47	Sep	4.19
Oct	14.68	Oct	10.50	Oct	8.00	Oct	5.94	Oct	6.33	Oct	5.32	Oct	4.67	Oct	4.19
Nov	13.35	Nov	10.06	Nov	7.90	Nov	6.21	Nov	6.11	Nov	5.12	Nov	4.73	Nov	4.31
Dec	13.45	Dec	9.54	Dec	7.90	Dec	6.25	Dec	5.99	Dec	5.48	Dec	4.66	Dec	4.49
Jan 1982	14.22	Jan 1986	9.40	Jan 1990	8.26	Jan 1994	6.29	Jan 1998	5.81	Jan 2002	5.44	Jan 2006	4.59	Jan 2010	4.60
Feb	14.22	Feb	8.93	Feb	8.50	Feb	6.49	Feb	5.89	Feb	5.39	Feb	4.58	Feb	4.62
Mar	13.53	Mar	7.96	Mar	8.56	Mar	6.91	Mar	5.95	Mar	5.71	Mar	4.73	Mar	4.64
Apr	13.37	Apr	7.39	Apr	8.76	Apr	7.27	Apr	5.92	Apr	5.67	Apr	5.06	Apr	4.69
May	13.24	May	7.52	May	8.73	May	7.41	May	5.93	May	5.64	May	5.20	May	4.29
Jun	13.92	Jun	7.57	Jun	8.46	Jun	7.40	Jun	5.70	Jun	5.52	Jun	5.16	Jun	4.13
Jul	13.55	Jul	7.27	Jul	8.50	Jul	7.58	Jul	5.68	Jul	5.38	July	5.13	July	3.99
Aug	12.77	Aug	7.33	Aug	8.86	Aug	7.49	Aug	5.54	Aug	5.08	Aug	5.00	Aug	3.80
Sep	12.07	Sep	7.62	Sep	9.03	Sep	7.71	Sep	5.20	Sep	4.76	Sep	4.85	Sep	3.77
Oct	11.17	Oct	7.70	Oct	8.86	Oct	7.94	Oct	5.01	Oct	4.93	Oct	4.85	Oct	3.87
Nov	10.54	Nov	7.52	Nov	8.54	Nov	8.08	Nov	5.25	Nov	4.95	Nov	4.69		
Dec	10.54	Dec	7.37	Dec	8.24	Dec	7.87	Dec	5.06	Dec	4.92	Dec	4.68		
Jan 1983	10.63	Jan 1987	7.39	Jan 1991	8.27	Jan 1995	7.85	Jan 1999	5.16	Jan 2003	4.94	Jan 2007	4.85		
Feb	10.88	Feb	7.54	Feb	8.03	Feb	7.61	Feb	5.37	Feb	4.81	Feb	4.82		
Mar	10.63	Mar	7.55	Mar	8.29	Mar	7.45	Mar	5.58	Mar	4.80	Mar	4.72		
Apr	10.48	Apr	8.25	Apr	8.21	Apr	7.36	Apr	5.55	Apr	4.90	Apr	4.86		
May	10.53	May	8.78	May	8.27	May	6.95	May	5.81	May	4.53	May	4.90		
Jun	10.93	Jun	8.57	Jun	8.47	Jun	6.57	Jun	6.04	Jun	4.37	Jun	5.20		
Jul	11.40	Jul	8.64	Jul	8.45	Jul	6.72	Jul	5.98	Jul	4.93	July	5.11		
Aug	11.82	Aug	8.97	Aug	8.14	Aug	6.86	Aug	6.07	Aug	5.30	Aug	4.93		
Sep	11.63	Sep	9.59	Sep	7.95	Sep	6.55	Sep	6.07	Sep	5.14	Sep	4.79		
Oct	11.58	Oct	9.61	Oct	7.93	Oct	6.37	Oct	6.26	Oct	5.16	Oct	4.77		
Nov	11.75	Nov	8.95	Nov	7.92	Nov	6.26	Nov	6.15	Nov	5.13	Nov	4.52		
Dec	11.88	Dec	9.12	Dec	7.70	Dec	6.06	Dec	6.35	Dec	5.08	Dec	4.53		

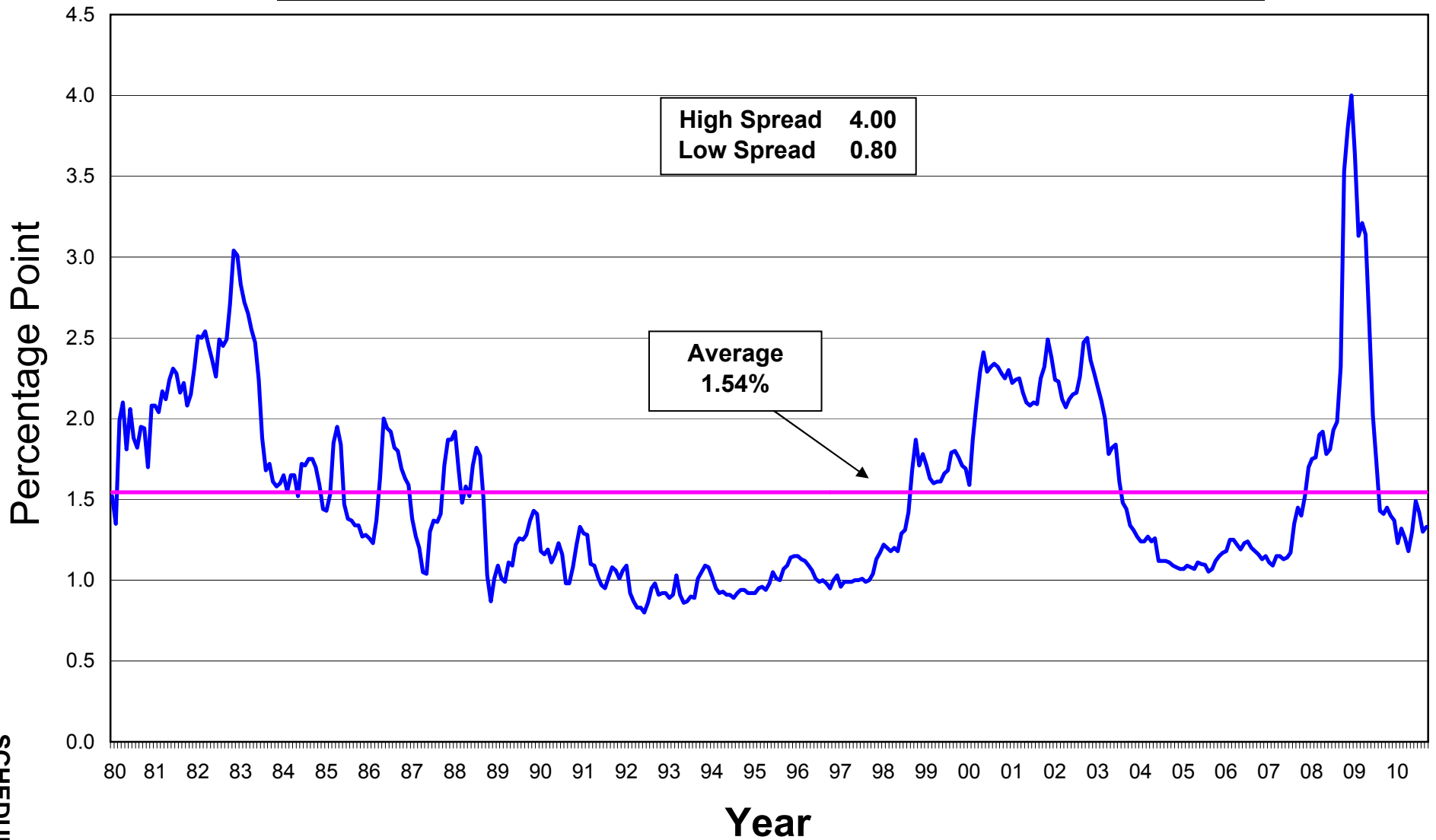
Sources:
<http://finance.yahoo.com/q/hp?s=^TYX>
<http://research.stlouisfed.org/fred2/data/GS30.txt>

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

Average Yields on Public Utility Bonds and
Thirty-Year U.S. Treasury Bonds (1980 - 2010)

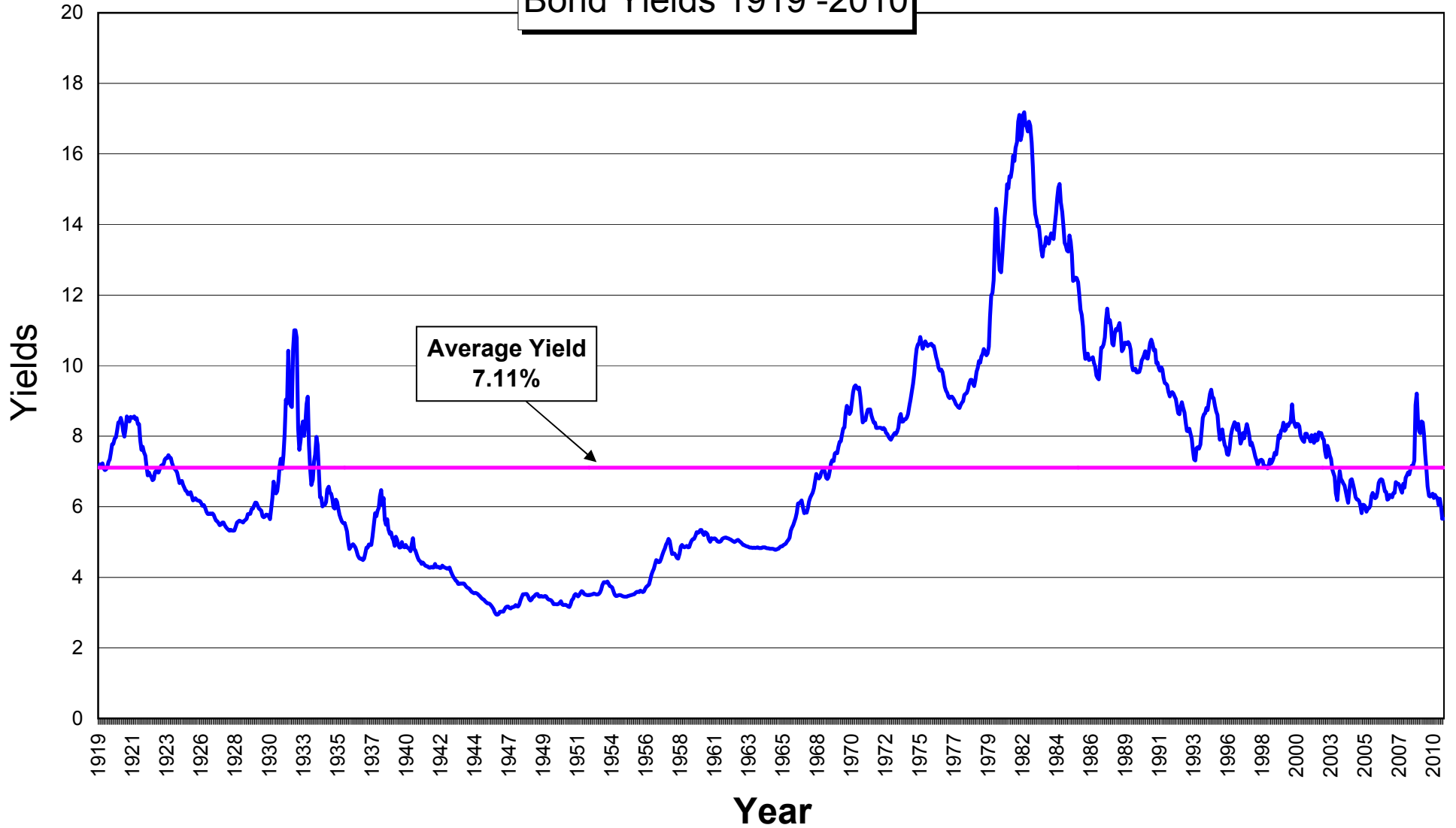


Monthly Spreads Between Yields on Public Utility Bonds and
Thirty-Year U.S. Treasury Bonds (1980 - 2010)



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

Moody's Baa Corporate
Bond Yields 1919 -2010



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

Historical Consolidated Capital Structures for Great Plains Energy

(Thousands of Dollars)

Capital Components	2005	2006	2007	2008	2009
Common Equity	\$1,234,058.0	\$1,341,916.0	\$1,567,900.0	\$2,551,600.0	\$2,793,700.0
Preferred Stock	39,000.0	39,000.0	39,000.0	39,000.0	39,000.0
Long-Term Debt	1,142,555.0 *	1,141,886.0 *	1,103,200.0 *	2,627,300.0 *	3,214,300.0 *
Short-Term Debt	37,900.0	156,400.0	407,800.0	584,200.0	438,600.0
Total	<u>\$2,453,513.0</u>	<u>\$2,679,202.0</u>	<u>\$3,117,900.0</u>	<u>\$5,802,100.0</u>	<u>\$6,485,600.0</u>

Capital Components	2005	2006	2007	2008	2009	5-Year Average
Common Equity	50.30%	50.09%	50.29%	43.98%	43.08%	47.54%
Preferred Stock	1.59%	1.46%	1.25%	0.67%	0.60%	1.11%
Long-Term Debt	46.57%	42.62%	35.38%	45.28%	49.56%	43.88%
Short-Term Debt	1.54%	5.84%	13.08%	10.07%	6.76%	7.46%
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Sources:

- Great Plains Energy's SEC 10-K for 12/31/2005.
- Great Plains Energy's SEC 10-K for 12/31/2006.
- Great Plains Energy's SEC 10-K for 12/31/2007.
- Great Plains Energy's SEC 10-K for 12/31/2009.

Note: *Includes current maturities of long-term debt.

KCP&L Greater Missouri Operations Company

File No. ER-2010-0356

Capital Structure as of June 30, 2010

Great Plains Energy

Capital Component	Dollar Amount (millions)	Percentage of Capital
Common Stock Equity	\$ 2,870	47.96%
Preferred Stock	\$ -	0.00%
Long-Term Debt	\$ 2,838	47.42%
Equity Units	\$ 276	4.62%
Total Capitalization	\$ 5,984	100.00%

Notes: 1. Long-term Debt at June 30, 2010 is based on the net balance of long-term debt, including current maturities (total principal amount of long-term debt outstanding less unamortized expenses and discounts).

2. Short-term debt balance net of construction work in progress (CWIP) was negative as of June 30, 2010. Therefore, no short-term debt is included in the capital structure.

3. Equity unit balance is based on net proceeds to the company.

Source: KCPL Greater Missouri Operation's response to Staff's Data Request No. 0159.

KCP&L Greater Missouri Operations Company

File No. ER-2010-0356

Criteria for Selecting Comparable Electric Utility Companies

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
ValueLine	Electric Utility Companies	Stock Publicly Traded	Regulated Electric Utility (EEI)	% Electric Revenues ≥ 70%	10-Year Historical Growth Available	Dividend since 2007	Projected Available from Value Line and Reuters	Growth Investment Grade S&P Corporate Credit Rating	At Least Generation Assets	No Announced Merger or Acquisition	Comparable Company Met All Criteria
Allegheny Energy	AYE	Yes	No								
ALLETE	ALE	Yes	Yes	Yes	No						
Alliant Energy	LNT	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Amer. Elec. Power	AEP	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Ameren Corp	AEE	Yes	Yes	Yes	Yes	No					
Avista Corp.	AVA	Yes	Yes	No							
Black Hills	BKH	Yes	No								
Gen. Vermont Pub. Serv.	CV	Yes	Yes	Yes	Yes	Yes	No				
CenterPoint Energy	CNP	Yes	No								
CH Energy Group	CHG	Yes	Yes	No							
Cleco Corp.	CNL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
CMS Energy Corp.	CMS	Yes	Yes	No							
Consol. Edison	ED	Yes	Yes	No							
Constellation Energy	CEG	Yes	No								
Dominion Resources	D	Yes	No								
DPL Inc.	DPL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes
DTE Energy	DTE	Yes	Yes	No							
Duke Energy	DUK	Yes	No								
Edison Int'l	EIX	Yes	No								
El Paso Electric	EE	Yes	Yes	Yes	Yes	No ¹					
Empire Dist. Elec.	EDE	Yes	Yes	Yes	Yes	Yes	No				
Entergy Corp.	ETR	Yes	No								
Evergreen Energy Inc	EEE	Yes	NA								
Exelon Corp.	EXC	Yes	No								
FirstEnergy Corp.	FE	Yes	No								
Fortis Inc.	FTS.TO	Yes	NA								
G't Plains Energy	GXP	Yes	Yes	Yes	Yes	No					
Hawaiian Elec.	HE	Yes	No								
IDACORP, Inc.	IDA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Integrus Energy	TEG	Yes	No								
ITC Holdings	ITC	Yes	NA								
Maine & Maritimes Corp	MAM	Yes	Yes	Yes	Yes	No					
MGE Energy	MGEE	Yes	No								
NextEra Energy	FPL	Yes	No								
Northeast Utilities	NU	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	
NorthWestern Corp	NWE	Yes	Yes	Yes	No						
NSTAR	NST	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No		
NV Energy Inc.	NVE	Yes	Yes	Yes	Yes	Yes	Yes	No			
OGE Energy	OGE	Yes	No								
Otter Tail Corp.	OTTR	Yes	No								
Pepco Holdings	POM	Yes	No								
PG&E Corp.	PCG	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Pinnacle West Capital	PNW	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
PNM Resources	PNM	Yes	Yes	Yes	Yes	No					
Portland General	POR	Yes	Yes	Yes	No						
PPL Corp.	PPL	Yes	No								
Progress Energy	PGN	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Public Serv. Enterprise	PEG	Yes	No								
SCANA Corp.	SCG	Yes	No								
Sempra Energy	SRE	Yes	No								
Southern Co.	SO	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
TECO Energy	TE	Yes	Yes	No							
U.S. Energy Sys Inc	USEYQ	Yes	NA								
UIL Holdings	UIL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No		
UniSource Energy	UNS	Yes	Yes	Yes	Yes	Yes	Yes	No			
UNITIL Corp.	UTL	Yes	Yes	No							
Vectren Corp.	VVC	Yes	Yes	No							
Westar Energy	WR	Yes	Yes	No							
Wilmington Capital Managemen	WCM/A.TO	Yes	NA								
Wisconsin Energy	WEC	Yes	Yes	No							
Xcel Energy Inc.	XEL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Sources: Columns 1, 2, 3, 6, 7, 8 and 10 = The Value Line Investment Survey: Ratings & Reports
 Column 4 = Edison Electric Institute 2009 Financial Review
 Column 5 = September 2010 AUS Utility Reports
 Column 8 = Reuters.com on October 7, 2010
 Column 9 = S&P RatingsDirect

Notes:
 1 No dividends per share

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

Comparable Electrical Utility Companies
for KCP&L Greater Missouri Operations Company

Number	Ticker Symbol	Company Name	S&P Corporate Credit Rating
1	LNT	Alliant Energy	BBB+
2	AEP	American Electric Power	BBB
3	CNL	Cleco Corp.	BBB
4	DPL	DPL Inc.	A-
5	IDA	IDACORP, Inc.	BBB
6	PCG	PG&E Corp.	BBB+
7	PNW	Pinnacle West Capital	BBB-
8	PGN	Progress Energy	BBB+
9	SO	Southern Company	A
10	XEL	Xcel Energy	A-
		Average	<u>BBB+</u>
		Great Plains Energy	BBB

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

Ten-Year Dividends Per Share, Earnings Per Share & Book Value Per Share Growth Rates
for the Comparable Electric Utility Companies

Company Name	DPS	EPS	BVPS	Average of 10 Year Annual Compound Growth Rates
Alliant Energy	-3.50%	3.00%	1.00%	0.17%
American Electric Power	-4.00%	0.00%	0.50%	-1.17%
Cleco Corp.	1.00%	3.50%	7.00%	3.83%
DPL Inc.	1.50%	4.50%	0.00%	2.00%
IDACORP, Inc.	-4.50%	-0.50%	3.50%	-0.50%
PG&E Corp.	2.50%	4.50%	2.50%	3.17%
Pinnacle West Capital	5.50%	-2.00%	3.00%	2.17%
Progress Energy	2.50%	1.00%	5.00%	2.83%
Southern Company	2.50%	3.00%	2.00%	2.50%
Xcel Energy	-4.00%	-1.00%	-0.50%	-1.83%
Average	-0.05%	1.60%	2.40%	1.32%

Source: The Value Line Investment Survey: Ratings & Reports, August 6, August 27, and September 24, 2010.

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

Five-Year Dividends Per Share, Earnings Per Share & Book Value Per Share Growth Rates
for the Comparable Electric Utility Companies

Company Name	DPS	EPS	BVPS	Average of 5 Year Annual Compound Growth Rates
Alliant Energy	0.50%	9.00%	3.50%	4.33%
American Electric Power	-2.50%	2.00%	5.00%	1.50%
Cleco Corp.	0.00%	3.00%	10.00%	4.33%
DPL Inc.	3.00%	10.50%	3.00%	5.50%
IDACORP, Inc.	-5.50%	8.50%	4.00%	2.33%
PG&E Corp.	0.00%	38.00%	14.00%	17.33%
Pinnacle West Capital	4.00%	-1.00%	2.00%	1.67%
Progress Energy	2.00%	-3.50%	2.00%	0.17%
Southern Company	3.50%	3.00%	5.50%	4.00%
Xcel Energy	1.00%	8.00%	4.00%	4.33%
Average	0.60%	7.75%	5.30%	4.55%

Source: The Value Line Investment Survey: Ratings & Reports, August 6, August 27, and September 24, 2010.

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

Five-Year Projected Dividends Per Share, Earnings Per Share & Book Value Per Share Growth Rates
for the Comparable Electric Utility Companies

Company Name	----- 5-Year Projected Compound Growth Rates -----			Average of 5 Year Annual Compound Growth Rates
DPS	EPS	BVPS		
Alliant Energy	5.50%	7.00%	3.50%	5.33%
American Electric Power	2.50%	3.00%	4.50%	3.33%
Cleco Corp.	8.50%	9.50%	7.00%	8.33%
DPL Inc.	5.50%	7.00%	6.00%	6.17%
IDACORP, Inc.	2.50%	5.50%	5.00%	4.33%
PG&E Corp.	7.50%	7.00%	6.50%	7.00%
Pinnacle West Capital	1.50%	6.00%	2.00%	3.17%
Progress Energy	1.00%	3.50%	2.50%	2.33%
Southern Company	4.00%	4.50%	5.00%	4.50%
Xcel Energy	3.50%	5.50%	4.50%	4.50%
Average	<u>4.20%</u>	<u>5.85%</u>	<u>4.65%</u>	<u>4.90%</u>

Source: The Value Line Investment Survey: Ratings & Reports, August 6, August 27, and September 24, 2010.

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

Historical and Projected Growth Rates
for the Comparable Electric Utility Companies

Company Name	(1) Historical 10-Year Compound Growth Rates (DPS, EPS and BVPS)	(2) Historical 5-Year Compound Growth Rates (DPS, EPS and BVPS)	(3) Projected 5-Year Compound Growth Rates (DPS, EPS and BVPS)	(4) Projected 5-Year EPS Growth Reuters (Mean)	(5) Projected 3-5 Year EPS Growth Value Line	(6) Average Projected EPS Growth
Alliant Energy	0.17%	4.33%	5.33%	7.94%	7.00%	7.47%
American Electric Power	-1.17%	1.50%	3.33%	4.70%	3.00%	3.85%
Cleco Corp.	3.83%	4.33%	8.33%	3.00%	9.50%	6.25%
DPL Inc.	2.00%	5.50%	6.17%	11.80%	7.00%	9.40%
IDACORP, Inc.	-0.50%	2.33%	4.33%	4.00%	5.50%	4.75%
PG&E Corp.	3.17%	17.33%	7.00%	6.63%	7.00%	6.82%
Pinnacle West Capital	2.17%	1.67%	3.17%	7.62%	6.00%	6.81%
Progress Energy	2.83%	0.17%	2.33%	3.83%	3.50%	3.67%
Southern Company	2.50%	4.00%	4.50%	5.07%	4.50%	4.79%
Xcel Energy	-1.83%	4.33%	4.50%	6.34%	5.50%	5.92%
Average	<u>1.32%</u>	<u>4.55%</u>	<u>4.90%</u>	<u>6.09%</u>	<u>5.85%</u>	<u>5.97%</u>

Proposed Range of Growth for Comparables:

4.00%-5.00%

Column 5 = [(Column 3 + Column 4) / 2]

Sources: Column 1 = Schedule 9-1.

Column 2 = Schedule 9-2.

Column 3 = Schedule 9-3.

Column 4 = Reuters.com on October 7, 2010.

Column 5 = The Value Line Investment Survey, August 6, August 27, and September 24, 2010.

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

Average High / Low Stock Price for July 2010 through September 2010
for the Comparable Electric Utility Companies

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	-- July 2010 --		-- August 2010 --		-- September 2010 --		Average High/Low Stock Price (7/10 - 9/10)
Company Name	High Stock Price	Low Stock Price	High Stock Price	Low Stock Price	High Stock Price	Low Stock Price	
Alliant Energy	36.08	31.12	36.30	33.62	36.74	35.34	
American Electric Power	36.82	31.87	36.47	34.50	36.93	35.57	35.36
Cleco Corp.	30.00	25.95	29.36	27.50	29.92	28.49	28.54
DPL Inc.	26.69	23.73	26.14	24.84	26.41	25.31	25.52
IDACORP, Inc.	36.98	32.46	36.96	34.57	36.45	34.30	35.29
PG&E Corp.	45.46	40.52	47.73	44.50	48.34	43.18	44.96
Pinnacle West Capital	40.34	35.71	40.44	38.32	41.75	40.04	39.43
Progress Energy	42.92	38.96	43.38	41.61	44.82	38.38	41.68
Southern Company	36.78	33.00	37.00	35.19	37.73	36.54	36.04
Xcel Energy	23.02	20.47	22.64	21.41	23.28	22.37	22.20

Notes:

Column 7 = [(Column 1 + Column 2 + Column 3 + Column 4 + Column 5 + Column 6) / 6].

Source: <http://finance.yahoo.com>

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

Constant-Growth Discounted Cash Flow (DCF) Estimated Costs of Common Equity
for the Comparable Electric Utility Companies

	(1)	(2)	(3)
Company Name	Expected Annual Dividend	Average High/Low Stock Price	Projected Dividend Yield
Alliant Energy	\$1.63	\$34.867	4.68%
American Electric Power	\$1.69	\$35.360	4.79%
Cleco Corp.	\$1.06	\$28.537	3.70%
DPL Inc.	\$1.26	\$25.520	4.95%
IDACORP, Inc.	\$1.20	\$35.287	3.40%
PG&E Corp.	\$1.93	\$44.955	4.28%
Pinnacle West Capital	\$2.10	\$39.433	5.33%
Progress Energy	\$2.51	\$41.678	6.02%
Southern Company	\$1.86	\$36.040	5.16%
Xcel Energy	\$1.02	\$22.198	4.61%
Average			4.69%
Proposed Dividend Yield:			4.70%
Proposed Range of Growth:			<u>4.00% - 5.00%</u>
Estimated Proxy Cost of Common Equity:			8.70%-9.70%

Notes: Column 1 = Estimated Dividend Declared per share represents a weighted average of Value Line projected dividends for 2010 and 2011 (25% for 2010 and 75% for 2011).

Column 3 = (Column 1 / Column 2).

Sources: Column 1 = The Value Line Investment Survey: Ratings and Reports, August 6, August 27, and September 24, 2010.

Column 2 = Schedule 10.

KCP&L Greater Missouri Operations Company
File No. ER-2010-0356
Capital Asset Pricing Model (CAPM) Costs of Common Equity Estimates
Based on Historical Return Differences Between Common Stocks and Long-Term U.S. Treasuries
for the Comparable Electric Utility Companies

Company Name	(1) Risk Free Rate	(2) Company's Value Line Beta	(3) Arithmetic Average Market Risk Premium (1926-2009)	(4) Geometric Average Market Risk Premium (1926-2009)	(5) Arithmetic CAPM Cost of Common Equity (1926-2009)	(6) Geometric CAPM Cost of Common Equity (1926-2009)
Alliant Energy	3.85%	0.70	6.00%	4.40%	8.05%	6.93%
American Electric Power	3.85%	0.70	6.00%	4.40%	8.05%	6.93%
Cleco Corp.	3.85%	0.65	6.00%	4.40%	7.75%	6.71%
DPL Inc.	3.85%	0.60	6.00%	4.40%	7.45%	6.49%
IDACORP, Inc.	3.85%	0.70	6.00%	4.40%	8.05%	6.93%
PG&E Corp.	3.85%	0.55	6.00%	4.40%	7.15%	6.27%
Pinnacle West Capital	3.85%	0.75	6.00%	4.40%	8.35%	7.15%
Progress Energy	3.85%	0.60	6.00%	4.40%	7.45%	6.49%
Southern Company	3.85%	0.55	6.00%	4.40%	7.15%	6.27%
Xcel Energy	3.85%	0.65	6.00%	4.40%	7.75%	6.71%
Average		<u>0.65</u>			<u>7.72%</u>	<u>6.69%</u>

Column 1 = The appropriate yield is equal to the average 30-year U.S. Treasury Bond yield for July, August and September 2010 which was obtained from the St. Louis Federal Reserve website at <http://research.stlouisfed.org/fred2/series/GS30/22>.

Column 2 = Beta is a measure of the movement and relative risk of an individual stock to the market as a whole as reported by the Value Line Investment Survey: Ratings & Reports, August 6, August 27, September 24, 2010.

Column 3 = The Market Risk Premium represents the expected return from holding the entire market portfolio less the expected return from holding a risk free investment. The appropriate Market Risk Premium for the period 1926 - 2009 was determined to be 6.00% based on an arithmetic average as calculated in Ibbotson Associates, Inc.'s Stocks, Bonds, Bills, and Inflation: 2010 Yearbook.

Column 4 = The Market Risk Premium represents the expected return from holding the entire market portfolio less the expected return from holding a risk free investment. The appropriate Market Risk Premium for the period 1926 - 2009 was determined to be 4.4% based on a geometric average as calculated in Ibbotson Associates, Inc.'s Stocks, Bonds, Bills, and Inflation: 2010 Yearbook.

Column 5 = (Column 1 + (Column 2 * Column 3)).

Column 6 = (Column 1 + (Column 2 * Column 4)).

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

Multiple-Stage Discounted Cash Flow (DCF) Estimated Costs of Common Equity
for the Comparable Electric Utility Companies

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Company Name	Annualized Quarterly Dividend	Growth Years 1-5	6	7	Growth Years 8	9	10	Growth in Perpetuity	Cost of Equity
Alliant Energy	\$1.58	7.47%	6.73%	5.98%	5.24%	4.49%	3.75%	3.00%	9.10%
American Electric Power	\$1.68	3.85%	3.71%	3.57%	3.43%	3.28%	3.14%	3.00%	8.16%
Cleco Corp.	\$1.00	6.25%	5.71%	5.17%	4.63%	4.08%	3.54%	3.00%	7.43%
DPL Inc.	\$1.21	9.40%	8.33%	7.27%	6.20%	5.13%	4.07%	3.00%	10.11%
IDACORP, Inc.	\$1.20	4.75%	4.46%	4.17%	3.88%	3.58%	3.29%	3.00%	6.92%
PG&E Corp.	\$1.82	6.82%	6.18%	5.54%	4.91%	4.27%	3.64%	3.00%	8.27%
Pinnacle West Capital	\$2.10	6.81%	6.18%	5.54%	4.91%	4.27%	3.64%	3.00%	9.86%
Progress Energy	\$2.48	3.67%	3.55%	3.44%	3.33%	3.22%	3.11%	3.00%	9.38%
Southern Company	\$1.82	4.79%	4.49%	4.19%	3.89%	3.60%	3.30%	3.00%	8.80%
Xcel Energy	\$1.01	5.92%	5.43%	4.95%	4.46%	3.97%	3.49%	3.00%	8.60%

8.66%

Sources: Column 1 = The Value Line Investment Survey: Ratings and Reports, August 6, August 27, and September 24, 2010.
Column 2 = Reuters.com on October 7, 2010.
Column 8 = See range of averages from Schedule 14.

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

Multiple-Stage Discounted Cash Flow (DCF) Estimated Costs of Common Equity
for the Comparable Electric Utility Companies

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Company Name	Annualized Quarterly Dividend	Growth Years 1-5	6	7	Growth Years 8	9	10	Growth in Perpetuity	Cost of Equity
Alliant Energy	\$1.58	7.47%	6.81%	6.15%	5.49%	4.82%	4.16%	3.50%	9.45%
American Electric Power	\$1.68	3.85%	3.79%	3.73%	3.68%	3.62%	3.56%	3.50%	8.52%
Cleco Corp.	\$1.00	6.25%	5.79%	5.33%	4.88%	4.42%	3.96%	3.50%	7.81%
DPL Inc.	\$1.21	9.40%	8.42%	7.43%	6.45%	5.47%	4.48%	3.50%	10.44%
IDACORP, Inc.	\$1.20	4.75%	4.54%	4.33%	4.13%	3.92%	3.71%	3.50%	7.31%
PG&E Corp.	\$1.82	6.82%	6.26%	5.71%	5.16%	4.61%	4.05%	3.50%	8.64%
Pinnacle West Capital	\$2.10	6.81%	6.26%	5.71%	5.16%	4.60%	4.05%	3.50%	10.20%
Progress Energy	\$2.48	3.67%	3.64%	3.61%	3.58%	3.56%	3.53%	3.50%	9.72%
Southern Company	\$1.82	4.79%	4.57%	4.36%	4.14%	3.93%	3.71%	3.50%	9.15%
Xcel Energy	\$1.01	5.92%	5.52%	5.11%	4.71%	4.31%	3.90%	3.50%	8.96%
									9.02%

Sources: Column 1 = The Value Line Investment Survey: Ratings and Reports, August 6, August 27, and September 24, 2010.
Column 2 = Reuters.com on October 7, 2010.
Column 8 = See range of averages from Schedule 14.

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

Multiple-Stage Discounted Cash Flow (DCF) Estimated Costs of Common Equity
for the Comparable Electric Utility Companies

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Company Name	Annualized Quarterly Dividend	Growth Years 1-5	6	7	Growth Years 8	9	10	Growth in Perpetuity	Cost of Equity
Alliant Energy	\$1.58	7.47%	6.89%	6.31%	5.74%	5.16%	4.58%	4.00%	9.81%
American Electric Power	\$1.68	3.85%	3.88%	3.90%	3.93%	3.95%	3.98%	4.00%	8.89%
Cleco Corp.	\$1.00	6.25%	5.88%	5.50%	5.13%	4.75%	4.38%	4.00%	8.20%
DPL Inc.	\$1.21	9.40%	8.50%	7.60%	6.70%	5.80%	4.90%	4.00%	10.77%
IDACORP, Inc.	\$1.20	4.75%	4.63%	4.50%	4.38%	4.25%	4.13%	4.00%	7.71%
PG&E Corp.	\$1.82	6.82%	6.35%	5.88%	5.41%	4.94%	4.47%	4.00%	9.01%
Pinnacle West Capital	\$2.10	6.81%	6.34%	5.87%	5.41%	4.94%	4.47%	4.00%	10.54%
Progress Energy	\$2.48	3.67%	3.72%	3.78%	3.83%	3.89%	3.94%	4.00%	10.07%
Southern Company	\$1.82	4.79%	4.65%	4.52%	4.39%	4.26%	4.13%	4.00%	9.51%
Xcel Energy	\$1.01	5.92%	5.60%	5.28%	4.96%	4.64%	4.32%	4.00%	9.32%
									9.38%

Sources: Column 1 = The Value Line Investment Survey: Ratings and Reports, August 6, August 27, and September 24, 2010.
Column 2 = Reuters.com on October 7, 2010.
Column 8 = See range of averages from Schedule 14.

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

Electric Utility
DPS, EPS, BVPS & GDP
10-Year Compound Growth Rate Averages (1948-1998)

DPS	EPS		BVPS		GDP		
Years	10 yr compound growth rate avgs	Years	10 yr compound growth rate avgs	Years	10 yr compound growth rate avgs	Years	10 yr compound growth rate avgs
1948-50 to 1958-60	4.58%	1948-50 to 1958-60	4.92%	1948-50 to 1958-60	3.10%	1948-50 to 1958-60	6.28%
1949-51 to 1959-60	4.49%	1949-51 to 1959-60	4.91%	1949-51 to 1959-60	3.30%	1949-51 to 1959-60	6.10%
1950-52 to 1960-62	4.33%	1950-52 to 1960-62	5.00%	1950-52 to 1960-62	3.39%	1950-52 to 1960-62	5.77%
1951-53 to 1961-63	4.31%	1951-53 to 1961-63	5.35%	1951-53 to 1961-63	3.48%	1951-53 to 1961-63	5.27%
1952-54 to 1962-64	4.48%	1952-54 to 1962-64	5.76%	1952-54 to 1962-64	3.79%	1952-54 to 1962-64	4.96%
1953-55 to 1963-65	4.74%	1953-55 to 1963-65	5.99%	1953-55 to 1963-65	4.22%	1953-55 to 1963-65	5.26%
1954-56 to 1964-66	5.16%	1954-56 to 1964-66	6.09%	1954-56 to 1964-66	4.53%	1954-56 to 1964-66	5.47%
1955-57 to 1965-67	5.52%	1955-57 to 1965-67	6.26%	1955-57 to 1965-67	4.65%	1955-57 to 1965-67	5.82%
1956-58 to 1966-68	5.87%	1956-58 to 1966-68	6.50%	1956-58 to 1966-68	4.65%	1956-58 to 1966-68	5.94%
1957-59 to 1967-69	5.97%	1957-59 to 1967-69	6.57%	1957-59 to 1967-69	4.69%	1957-59 to 1967-69	6.36%
1958-60 to 1968-70	5.96%	1958-60 to 1968-70	6.50%	1958-60 to 1968-70	4.73%	1958-60 to 1968-70	6.63%
1959-61 to 1969-71	5.89%	1959-61 to 1969-71	6.06%	1959-61 to 1969-71	4.88%	1959-61 to 1969-71	6.93%
1960-62 to 1970-72	5.68%	1960-62 to 1970-72	5.60%	1960-62 to 1970-72	4.97%	1960-62 to 1970-72	7.16%
1961-63 to 1971-73	5.42%	1961-63 to 1971-73	5.27%	1961-63 to 1971-73	5.14%	1961-63 to 1971-73	7.46%
1962-64 to 1972-74	5.00%	1962-64 to 1972-74	4.95%	1962-64 to 1972-74	5.05%	1962-64 to 1972-74	7.92%
1963-65 to 1973-75	4.35%	1963-65 to 1973-75	4.41%	1963-65 to 1973-75	4.92%	1963-65 to 1973-75	8.24%
1964-66 to 1974-76	3.50%	1964-66 to 1974-76	3.71%	1964-66 to 1974-76	4.83%	1964-66 to 1974-76	8.49%
1965-67 to 1975-77	2.77%	1965-67 to 1975-77	3.02%	1965-67 to 1975-77	4.92%	1965-67 to 1975-77	8.62%
1966-68 to 1976-78	2.46%	1966-68 to 1976-78	2.90%	1966-68 to 1976-78	5.00%	1966-68 to 1976-78	8.91%
1967-69 to 1977-79	2.47%	1967-69 to 1977-79	2.63%	1967-69 to 1977-79	4.83%	1967-69 to 1977-79	9.29%
1968-70 to 1978-80	2.71%	1968-70 to 1978-80	2.71%	1968-70 to 1978-80	4.63%	1968-70 to 1978-80	9.71%
1969-71 to 1979-81	3.03%	1969-71 to 1979-81	2.49%	1969-71 to 1979-81	4.40%	1969-71 to 1979-81	10.05%
1970-72 to 1980-82	3.46%	1970-72 to 1980-82	2.88%	1970-72 to 1980-82	4.16%	1970-72 to 1980-82	10.41%
1971-73 to 1981-83	3.89%	1971-73 to 1981-83	3.19%	1971-73 to 1981-83	3.78%	1971-73 to 1981-83	10.42%
1972-74 to 1982-84	4.29%	1972-74 to 1982-84	3.69%	1972-74 to 1982-84	3.49%	1972-74 to 1982-84	10.22%
1973-75 to 1983-85	4.82%	1973-75 to 1983-85	4.36%	1973-75 to 1983-85	3.37%	1973-75 to 1983-85	10.03%
1974-76 to 1984-86	5.27%	1974-76 to 1984-86	4.80%	1974-76 to 1984-86	3.17%	1974-76 to 1984-86	9.96%
1975-77 to 1985-87	5.57%	1975-77 to 1985-87	5.15%	1975-77 to 1985-87	3.01%	1975-77 to 1985-87	9.77%
1976-78 to 1986-88	5.43%	1976-78 to 1986-88	4.45%	1976-78 to 1986-88	2.81%	1976-78 to 1986-88	9.34%
1977-79 to 1987-89	4.98%	1977-79 to 1987-89	3.44%	1977-79 to 1987-89	2.71%	1977-79 to 1987-89	8.80%
1978-80 to 1988-90	4.32%	1978-80 to 1988-90	1.78%	1978-80 to 1988-90	2.36%	1978-80 to 1988-90	8.32%
1979-81 to 1989-91	3.59%	1979-81 to 1989-91	0.82%	1979-81 to 1989-91	1.88%	1979-81 to 1989-91	7.92%
1980-82 to 1990-92	2.99%	1980-82 to 1990-92	0.34%	1980-82 to 1990-92	1.82%	1980-82 to 1990-92	7.38%
1981-83 to 1991-93	2.46%	1981-83 to 1991-93	0.16%	1981-83 to 1991-93	1.93%	1981-83 to 1991-93	7.06%
1982-84 to 1992-94	1.93%	1982-84 to 1992-94	-0.50%	1982-84 to 1992-94	2.43%	1982-84 to 1992-94	6.72%
1983-85 to 1993-95	1.37%	1983-85 to 1993-95	-1.81%	1983-85 to 1993-95	2.90%	1983-85 to 1993-95	6.49%
1984-86 to 1994-96	0.87%	1984-86 to 1994-96	-1.71%	1984-86 to 1994-96	2.62%	1984-86 to 1994-96	6.12%
1985-87 to 1995-97	0.49%	1985-87 to 1995-97	-1.51%	1985-87 to 1995-97	2.25%	1985-87 to 1995-97	5.89%
1986-88 to 1996-98	0.19%	1986-88 to 1996-98	-1.51%	1986-88 to 1996-98	1.78%	1986-88 to 1996-98	5.81%
1987-89 to 1997-99	-0.35%	1987-89 to 1997-99	-2.94%	1987-89 to 1997-99	1.59%	1987-89 to 1997-99	5.73%
1988-90 to 1998-2000	-0.70%	1988-90 to 1998-2000	-2.50%	1988-90 to 1998-2000	2.51%	1988-90 to 1998-2000	5.63%
Average	3.74%	Average	3.18%	Average	3.63%	Average	7.53%

Average of 10-year Rolling Averages EPS, DPS and BVPS **3.52%**

Source: 2003 Mergent Public Utility and Transportation Manual

KCP&L Greater Missouri Operations Company

File No. ER-2010-0356

Public Utility Revenue Requirement

or

Cost of Service

The formula for the revenue requirement of a public utility may be stated as follows :

Equation 1 : **Revenue Requirement = Cost of Service**

or

Equation 2 : **$RR = O + (V - D)R$**

The symbols in the second equation are represented by the following factors :

RR	=	Revenue Requirement
O	=	Prudent Operating Costs, including Depreciation and Tax
V	=	Gross Valuation of the Property Serving the Public
D	=	Accumulated Depreciation
(V - D)	=	Rate Base (Net Valuation)
(V - D)R	=	Return Amount (\$\$) or Earnings Allowed on Rate Base
R	=	$iL + dP + kE$ or Overall Rate of Return (%)
i	=	Embedded Cost of Debt
L	=	Proportion of Debt in the Capital Structure
d	=	Embedded Cost of Preferred Stock
P	=	Proportion of Preferred Stock in the Capital Structure
k	=	Required Return on Common Equity (ROE)
E	=	Proportion of Common Equity in the Capital Structure

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

Weighted Cost of Capital as of June 30, 2010
for KCP&L Greater Missouri Operations Company

Weighted Cost of Capital Using
Common Equity Return of:

Capital Component	Percentage of Capital	Embedded Cost	8.50%	9.00%	9.50%
Common Stock Equity	47.96%	-----	4.08%	4.32%	4.56%
Preferred Stock	0.00%	0.000%	0.00%	0.00%	0.00%
Long-Term Debt	47.42%	6.520% ¹	3.09%	3.09%	3.09%
Equity Units	4.62%	12.351%	0.57%	0.57%	0.57%
Total	<u><u>100.00%</u></u>		<u><u>7.74%</u></u>	<u><u>7.98%</u></u>	<u><u>8.22%</u></u>

Note:

1. Embedded cost of long-term debt is based on The Empire District Electric Company's embedded cost of long-term debt provided in Case No. ER-2011-0004.



MISSOURI PUBLIC SERVICE COMMISSION

STAFF REPORT
COST OF SERVICE

APPENDIX 3
Support for Jeffrey Energy Center
FGD Rebuild Project Adjustment

KCP&L GREATER MISSOURI OPERATIONS COMPANY

FILE NO. ER-2010-0356

NP

SCHEDULES 1 - 8

HAVE BEEN DEEMED

HIGHLY CONFIDENTIAL

IN THEIR ENTIRETY

NP



MISSOURI PUBLIC SERVICE COMMISSION

STAFF REPORT
COST OF SERVICE

APPENDIX 4
In-Service Criteria and Staff Evaluation Notes

KCP&L GREATER MISSOURI OPERATIONS COMPANY

FILE NO. ER-2010-0356

NP

APPENDIX 4

HAS BEEN DEEMED

HIGHLY CONFIDENTIAL

IN ITS ENTIRETY

NP



MISSOURI PUBLIC SERVICE COMMISSION

STAFF REPORT
COST OF SERVICE

APPENDIX 5
Support for Capacity Requirements
and Iatan 2 Allocations

KCP&L GREATER MISSOURI OPERATIONS COMPANY

FILE NO. ER-2010-0356

NP

History of Staff's Position Regarding

GMO's Capacity Additions Since 2000

In 2000, Aquila, Inc. ("Aquila") entered into a five-year purchased power agreement ("PPA") to obtain capacity and energy from the exempt wholesale generator Aries Plant owned by Aquila Merchant and Calpine. At the time when Aquila was planning to replace the power and energy provided through this agreement, Aquila met with Staff and the Office of the Public Counsel twice a year to update them on Aquila's resource needs and plans to meet those needs. The only information given to Staff at those meetings was Aquila's presentation material. Staff provided feedback based on the presentation materials and statements made during the presentations. Staff did not do a formal or informal review of the resource plan updates presented at the meetings. Sometimes, if Staff felt that it was warranted, Staff would respond to Aquila after a meeting by a letter expressing its concerns.

Aquila issued a Request For Proposals ("RFP") in the spring of 2001 for capacity for the delivery of energy in June 2005. The proposals Aquila received included purchased power offers respecting merchant coal, combustion turbine ("CT") and combined cycle ("CC") plants. However, the electric industry changed considerably when Aquila was reviewing the proposals in 2002, so at the urging of Staff, Aquila reissued the RFP in early 2003. At the June 26, 2003 resource planning update meeting with Staff and Office of Public Counsel, Aquila presented the results of its analysis of the bids it received from this second RFP. Included in the responses were proposals for wind, coal, CTs, and CCs. All of the proposals except one were purchased power

agreements. Aquila reviewed the bids and then contacted neighboring utilities to see what other supply options might be available. All of the proposals, including available capacity that Aquila learned of from talking with neighboring utilities, were evaluated against the option of Aquila building a CT/CC plant.

At this June 26, 2003 meeting, Aquila told Staff that an “undisclosed” bidder had offered it an excellent bid for 600 MW, but Aquila could not tell Staff much about the bid at that time. Because this would be more than enough to cover its needs, Aquila felt that no other capacity was needed. Staff filed rebuttal testimony on September 10, 2003 in EF-2003-0465 stating its concerns regarding Aquila’s need to replace the Aries contract. Staff learned in a data request response from Aquila in this case that this bid withdrawn and a substitute proposal was not offered to Aquila.

On January 27, 2004, Aquila again met with Staff, this time not in a resource planning meeting, but in a meeting to let Staff know about Aquila’s power supply acquisition process for the next five years. In this meeting, Aquila’s preferred/proposed resource plan over the short term was to build three combustion turbines and to enter into three-to-five year PPAs based off of the bids to the 2003 RFP. Staff was concerned regarding the short-term nature of Aquila’s preferred/proposed plan, so three days later on January 30, 2004, Staff responded with a letter to Mr. Dennis Williams of Aquila in which Staff, expressed its concern regarding Aquila’s short-sightedness. Staff also explained in the letter that it was Staff’s belief that Aquila needed to be looking at base-load generation because Aquila should not become overly dependent upon short-term PPAs.

Aquila met with Staff on February 9, 2004 to provide its semi-annual resource update. This update, which took into consideration events over a twenty-year time horizon, showed that Aquila's least cost plan was to build five 105 MW CTs in 2005 and to purchase a small amount of capacity on the market in 2005. Then, between 2005 and 2009, Aquila would meet its growth through purchases on the market; build a CT in 2009 and another in 2010. It also called for Aquila to pursue base load capacity for 2010. Aquila's preferred plan differed from the least cost plan only in that instead of building five 105 MW CTs in 2005, Aquila would build three 105 MW CTs in 2005 and enter into a 200 MW PPA in 2005.

At the next semi-annual update on July 9, 2004, Aquila still showed that the five 105 MW CTs plan was least cost; however the three 105 MW CTs with PPAs was still its preferred plan. Aquila had found a very good 75 MW PPA with Nebraska Public Power District ("NPPD"), but it was still pursuing the other PPAs upon which it had received bids. At subsequent resource planning update meetings Aquila provided updates on the three 105 MW CTs and Aquila's pursuit of PPAs. Other than the 75 MW PPA with NPPD, Aquila was unable to enter into a PPA of more than a few months duration.

Aquila followed its preferred plan by building three 105 MW CTs at its South Harper site near the City of Peculiar and entering into a short-term purchased-power contract for power {capacity and/or energy} from another plant owned by Aquila Merchant - the 300 MW Crossroads plant in Mississippi - to meet its capacity needs for 2005.

In Aquila's first general electric rate increase case after the expiration of the Aries PPA, Case No. ER-2005-0436, Staff asserted that, given the information available to

Aquila from its resource planning process when Aquila decided how it would replace the power it was obtaining through the Aries capacity contract, Aquila should have built five 105 MW CTs. In that case, it was Staff's position that utilities should carefully do risk and contingency analysis of their resource plans and chose a resource plan that is robust across many scenarios of possible future events. That is still Staff's position. Prudently building and owning generation, whether it is base load, intermediate or peaking, provides price stability for Missouri consumers. PPAs are useful tools and are typically less expensive than building generation in the short-term, but they should not be relied upon as long-term solutions to capacity needs in the planning process without a firm long-term contract in hand. It was Staff position that, instead of relying on short-term PPAs, Aquila should have had five 105 MW CTs built by 2005 and that it then would have had that capacity available to serve its customers for the next thirty years.

This was the first case, Case No. ER-2005-0436, where, in lieu of costs based on Aquila's three 105 MW CTs South Harper power plant and a purchased power agreement, Staff included the costs of a new site with five installed 105 MW CTs in its case to approximate a self-build option for MPS. At that time there was ongoing litigation involving the South Harper power plant, so Aquila was again using short-term purchased power contracts to meet its capacity needs. The parties in Case No. ER-2005-0436 entered into a Stipulation and Agreement regarding fuel and purchased power expenses. The Stipulation and Agreement was silent regarding how Aquila should meet its capacity requirements.

In Aquila's next rate increase case, Case No. ER-2007-0004, Aquila was still relying on the three 105 MW CTs at South Harper and short-term PPA. Due to Aquila's

continued litigation regarding the South Harper power plant, in this case Staff took the position that Aquila should have built five 105 MW CTs in 2005 to meet its capacity and energy needs, which was consistent with Staff's position in Aquila's preceding rate case. In this case Staff and other parties entered into another Stipulation and Agreement regarding fuel and purchased power expenses that was silent on how Aquila should meet its capacity requirements.

Staff's position remained that Aquila should have built five 105 MW CTs early enough to meet its capacity needs in 2005. In 2008, Section 393.171 RSMo. was passed which allowed the Commission to grant Aquila a certificate of convenience and necessity ("CCN") for South Harper and the substation associated with it. The Commission granted Aquila a CCN for South Harper and the substation effective March 28, 2009 in Case No. EA-2009-0118.

Aquila obtained this CCN during the pendency its next rate increase case (Case No. ER-2009-0090). By that time Great Plains Energy had acquired Aquila and had renamed it KCP&L – Greater Missouri Operations Company ("GMO"). Once the legal issues surrounding South Harper were resolved and the Commission had granted Aquila a CCN for South Harper, Staff's position changed and Staff included the capacity and running costs of the three 105 MW CTs at South Harper in its cost of service determination for GMO, but Staff maintained its position that Aquila should have built five 105 CTs in 2005, not three. Again, in Case No. ER-2009-0090, Staff and other parties entered into another Non-Unanimous Stipulation and Agreement regarding fuel and purchased power expense which was silent on how GMO should meet its capacity requirements.

As a part of this Non-Unanimous Stipulation and Agreement filed on May 22, 2009 in Case No. ER-2009-0090, GMO did agree to provide an analysis to be conducted by GMO regarding the Crossroads units and capacity additions for the Company. GMO provided this analysis to Staff and parties on May 31, 2010. This study was based on adding capacity at 2009 costs and included the generic CTs at 2009 costs. However, the time GMO needed capacity was the summer peak season of 2005, at the same time as when the Aries PPA expired. Aquila's least cost plan was to build five CTs instead of the three Aquila built at South Harper to be in service during summer of 2005. So GMO's analysis provided to Staff on May 31, 2010, was not useful for determining the prudence of Aquila's actions in 2005.

Staff Expert: Lena M. Mantle

SCHEDULE LMM-2

HAS BEEN DEEMED

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Schedule LMM-3

Background of Separate MPS and L&P Rates

Currently the bill of a residential customer using the Company's average kWh usage on MPS's residential rates is approximately 19% higher than that of a residential customer using the same kWh on L&P's residential rate. The reason for the disparity in rates goes back to the merger of GMO (then known as UtiliCorp United, Inc.) and St. Joseph Light and Power Company (SJLP). The Commission's original Report and Order approving the merger went into effect on December 27, 2000. In order for the merger to not be a detriment to SJLP customers, the rates and rate structures of SJLP were maintained separate from those of GMO. Soon after the merger UtiliCorp changed its name to Aquila, Inc. Aquila kept two separate rates – one for the territory it had before the merger ("MPS") and the other for the territory it acquired from SJLP ("L&P").

The main difference between the rates of UtiliCorp United, Inc. and SJLP had to do with the type and cost of capacity each company was utilizing when they merged. This disparity has continued since the Commission approved the merger in December 2000. GMO has not worked to resolve the rate disparities since it merged with SJLP or since Great Plains Energy, Inc. ("GPE") acquired it.

At the time of the merger in 2000 L&P had a system peak of less than 400 MW, had a lot of base load capacity for a utility of its size. It owned 18% of Iatan 1 (127 MW) and was the sole owner of its Lake Road Unit 4 coal plant (99 MW). Its most recent capacity addition in 1996 was a base load, long-term purchased power agreement at a very economical price with Nebraska Public Power District ("NPPD PPA") for 100 MW through May 2011. Its base load capacity was over 80% of its peak load. Therefore,

L&P was able to meet most of its load requirements with low-cost, base load energy. This low cost energy, along with not needing to add more capacity, resulted in low rates for L&P customers.

At the time of the merger, MPS, with a peak of about 1,300 MW, more than three times the size of SJLP, was in a completely different situation. The base load capacity that it owned consisted of a portion of the Jeffery Energy Center (174 MW) and its Sibley plants (454 MW). It had a five-year purchased power agreement for 500 MW from the Aries combined cycle plant through 2005 (“Aries PPA”) and an additional 383 MW of combustion turbine capacity. Less than 50% of its capacity was base load. All of its non-base load capacity, including the Aries PPA, was fueled by higher cost natural gas or oil turbines. One third of its capacity, the Aries PPA, was replaced in 2005 with combustion turbines. As a result, MPS’s rates were much higher than those of L&P.

Schedule LMM-4

Allocation of Fuel Cost Between MPS and L&P

After GMO (then named UtiliCorp) merged with St. Joseph Light & Power Company, GMO began jointly dispatching L&P's and MPS's units to economically meet the combined energy requirements of L&P and MPS. No distinction was made as to what generating unit was serving what load. However, since L&P and MPS had separate and distinct rate schedules, the costs from this dispatch had to be allocated to MPS and L&P for ratemaking purposes based on the capacity owned and the PPAs entered into by each before the merger.

GMO also began doing resource planning for MPS and L&P. However, it was apparent that the resource needs of MPS and L&P were quite different. While L&P was set through at least 2010 when its NPPD PPA would end, MPS would need capacity as soon as 2005 when its Aries PPA ended.

Schedule LMM-1 gives a history of GMO's efforts to acquire capacity to replace its Aries PPA from about 2000 forward. During this period it went through two name changes. About 2000 GMO was named UtiliCorp United, Inc. Later it changed its name to Aquila, Inc. ("Aquila") and, after GPE acquired it, it changed its name once more to KCP&L-Greater Missouri Operations Company ("GMO").

While all of this was happening, L&P's generation resources continued to provide low-cost energy. Because it was obvious that L&P did not need additional capacity, the capital costs of the L&P and MPS generation was fairly easily assigned to them for ratemaking purposes. The allocation of fuel and purchased power costs between MPS and L&P was determined for rate increase cases Case Nos. ER-2005-0436 and ER-2007-

0004 through fuel models. The transfer of energy between the two was done at cost. Because of difficulties with GMO's allocation of fuel costs between rate cases, the Commission in Case No. ER-2007-0004, approved a Non-unanimous Stipulation and Agreement where the parties agreed to use a fixed allocation factor to allocate fuel costs between MPS and L&P until GMO's next rate case. In addition, GMO agreed that it would begin working with the parties to determine how the joint dispatch of fuel and purchased power would be allocated in its next general rate increase or rate complaint case. Staff talked with GMO regarding its allocation methodology before that next rate case, but Staff and GMO did not agree to a methodology. As Great Plains Energy ("GPE") began the process of acquiring GMO, then named Aquila, GMO put very little effort and time into working out a methodology for allocating fuel costs.

In its next rate case, Case No. ER-2009-0090, GMO again proposed in its direct testimony that the parties to the case work out a method of allocating fuel costs between MPS and L&P. However, no meetings were set by GMO and no methodologies were proposed. So Staff proposed such a methodology in its direct case. Staff worked with the parties during settlement talks to develop a methodology that was fair and that parties could agree to. The Commission approved the Non-Unanimous Stipulation and Agreement that contained a description of the methodology. The agreement stated:

11. Allocation of off-system sales and Staff's methodology for fuel and purchased power allocations between MPS and L&P

The methodology set out in attached Schedule 3, which includes Staff's methodology described at pages 75-80 of the *Staff Report, Cost of Service* filed in Case No. ER-2009-0090 on February 13, 2009 in the section labeled 5. *Allocation of Fuel and Purchased Power Costs*, shall be used to allocate off-system sales, fuel expenses and purchased power expenses between MPS and L&P.

Integral to this methodology is the assignment of power plants to either MPS or L&P. Low cost plants are dispatched first. It was expected (and still is expected) that Iatan 2 will have the lowest cost of generation for GMO. Therefore, to continue using this fuel and purchased power allocation methodology, rather than being assigned to MPS or L&P, Iatan 2 needs to be allocated between MPS and L&P.



MISSOURI PUBLIC SERVICE COMMISSION

STAFF REPORT
COST OF SERVICE

APPENDIX 6
Relevant Pages of
Energy Efficiency Advisory
Group's Status Report

KCP&L GREATER MISSOURI OPERATIONS COMPANY

FILE NO. ER-2010-0356

NP

Status Report on EE Advisory Groups & Collaboratives (File No. AO-2011-0035)

Prepared by: John Rogers and Hojong Kang

Date: September 15, 2010

Electric Utility: KCP&L Greater Missouri Operations Company (GMO)

Name and Description: GMO Advisory Group provides suggestions and advice to the Company on DSM programs selection and other issues with a funding goal of one percent of annual revenues to implement cost-effective energy efficiency programs by 2010 as ordered and approved in stipulation and agreements in File Nos. ER-2007-0004 and EO-2007-0298

Meetings: Combined GMO Advisory Group and Kansas City Power & Light Company (KCPL) Customer Programs Advisory Group (CPAG) meetings are held every 2-3 months alternating meetings in person in Jefferson City and via teleconference

Participants:

- Regular: GMO, Staff, OPC, MDNR, Empire Electric District
- Occasional: Praxair, Inc., MIEC
- Consultants: n/a

Programs Summaries: See Attachment C.

Effectiveness of Participants: GMO encourages participation and critical feedback. All participants freely express their points of view and provide advice. The meetings are efficient and effective overall.

Success stories: GMO had limited demand-side programs prior to its acquisition by Great Plains Energy. However, since its acquisition by Great Plains Energy, demand-side programs consistent with KCPL's programs have been successfully implemented in the GMO service territory. Having combined GMO Advisory Group and KCPL CPAG meetings has proven to be a very efficient and effective way for stakeholders to provide advice on all KCPL and GMO demand-side programs.

Challenges: GMO is still learning about its customers' behavior toward and preferences for demand-side programs.

Summary comments: Through 6/30/2010 the budget for all GMO demand-side programs is \$12,036,668 and the actual expenditures for this period are \$10,564,587 or 12% less than budget.

SCHEDULE JAR 1-2

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Schedule JAR 1-2

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To aid in its FAC tariff, prudence and true-up reviews, Staff recommends that the Commission order GMO to continue to provide or make available the information and documents described in item 18. c. of the Non-Unanimous Stipulation and Agreement in GMO's 2009 rate case File No. ER-2009-0090:

1. As part of the information GMO submits when it files a tariff modification to change its CAF, GMO's calculation of the interest included in the proposed CAF;
2. In addition to the monthly reports required by 4 CSR 240-3.161(5), GMO's Southwest Power Pool ("SPP") Energy Imbalance Service ("EIS") market settlements and revenue neutrality uplift charges;
3. At GMO's corporate headquarters or at some other mutually agreed upon place within a mutually agreed upon time for review, a copy of each and every coal and transportation contract GMO has that is in effect;
4. Within 30 days of the effective date of each and every coal and transportation contract GMO enters into, both notice to the Staff of the contract and, at GMO's corporate headquarters or at some other mutually agreed upon place, the contracts for review;
5. At GMO's corporate headquarters or at some other mutually agreed upon place within a mutually agreed upon time, a copy for review of each and every natural gas contract GMO has that is in effect;
6. Within 30 days of the effective date of each and every natural gas contract GMO enters into, both notice to the Staff of the contract and at GMO's corporate headquarters or at some other mutually agreed upon place a copy of the contract for review;
7. A copy of each and every GMO hedging policy that is in effect for Staff to retain;
8. Within 30 days of any change in a GMO hedging policy, a copy of the changed hedging policy for Staff to retain;

9. A copy of GMO's internal policy for participating in the SPP EIS market including any GMO sales/purchases from that market for Staff to retain;
10. If GMO revises any internal policy for participating in the SPP EIS market, within 30 days of that revision, a copy of the revised policy with the revisions identified for Staff to retain; and
11. In addition to supplying the information required by 4 CSR 240-3.190(3) for any accidents occurring at a power plant involving serious physical injury or death or property damage in excess of \$100,000, the information for every incident at a power plant in which GMO has any ownership interest that involves serious physical injury or death or property damage in excess of \$100,000 in the aggregate.

MISSOURI PUBLIC SERVICE COMMISSION

**STAFF REPORT
COST OF SERVICE**

**APPENDIX 7
GMO Customer Program Expenditures**

KCP&L GREATER MISSOURI OPERATIONS COMPANY

FILE NO. ER-2010-0356

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SCHEDULE 1

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MISSOURI PUBLIC SERVICE COMMISSION

**STAFF REPORT
COST OF SERVICE**

**APPENDIX 8
Support for Transmission Tracker Testimony**

KCP&L GREATER MISSOURI OPERATIONS COMPANY

FILE NO. ER-2010-0356

Zone	SPS	OGE	OGE	GRDA	OGE	WFEC	KCPL	KCPL	OGE	ITC GP	NPPD	
Project	Tuco-Woodward	Tuco-Woodward	Cleveland - Sooner	Cleveland - Sooner	Gracemont sub	Gracemont sub	Iatan - Nashua	Tie at Swissvale/Stillwell	Seminole - Muskogee	Sperville- Post Rock (Knoll) - Axtell	Sperville- Post Rock (Knoll) - Axtell	
Voltage	345 kv	345 kv	345 kv	345 kv	345 kv	138 kv	345 kv	345 kv	345 kv	345 kv	345 kv	
Cost	Total Cost	\$148,727,500	\$79,000,000	\$34,000,000	\$0	\$8,000,000	\$2,000,000	\$54,444,000	\$2,000,000	\$131,000,000	\$168,000,000	\$71,377,015
	Cost Per Mile	\$688,750	\$900,000	\$900,000				\$1,214,800		\$1,250,000	\$846,000	\$1,416,667
	Miles	178	72	36			3	30	0	100	170	45
	Substation Cost	\$26,000,000	\$15,000,000	\$1,000,000		\$0		\$18,000,000		\$4,000,000	\$14,000,000	\$4,000,000
Conductor	Size	2-795 ACSR	2-795 ACSR	2-795 ACSR			Bundled 1192.5, Grackle TW	2-795 ACSR	Bundled 1590	Bundled 1590	2 Bundle 477 T2 Hawk	
	Design	Single Circuit	Single Circuit	Single Circuit			Single Circuit		Single Circuit	Single Circuit	Single Circuit	
	Electrical Capacity (amps)	2468	2578	2578			4100		3000	3000	2324	
	Other	Fiber-optic shield wire	Fiber-optic shield wire	Fiber-optic shield wire					Fiber-optic shield wire			
Structure	Type	H-frame	H-frame	H-frame			H-frame		single-pole	H-frame	single-pole	
	Material	Steel	Steel	Steel			Steel		Steel	Steel	Steel	
	Base	direct buried w/ backfill	direct buried w/ backfill	direct buried w/ backfill			Direct embed		steel plate reinforced concrete	direct-embedded concrete pier	concrete anchor bolts	
	NESC Assumption	Heavy	Heavy	Heavy			Heavy		Heavy	Heavy	Heavy	
	Dead Ends						16 @ \$50,000 each		2-3	60 @ \$50,000 each	20 @ \$140,000 each	
	Underbuild	No	No	No			No		No	No	No	
Sub	Transformers	345/230 kv 560 MVA	345/138 kv 50 MVAR reactor bank	breakers and relays		345/138 kv	600 MVA		two 345/138 kv	345/230 kv 200 MVA	none	
	Breaker Scheme	ring	ring	ring			ring	2 breakers, breaker disconnects, line panels	ring, replace 2 2,000 A breakers	ring	ring	
	Protection Scheme	\$1,000,000	included	included		included in cost	\$400,000		included	\$220,000	\$156,000	
	Voltage Contro											
	Cost	\$26,000,000	\$15,000,000	\$1,000,000			\$18,000,000		\$4,000,000	\$14,000,000	\$4,000,000	
Construction Labor	Amount											
	Cost	\$18,000,000	\$27,000,000	\$14,000,000			\$7,000,000		\$52,000,000	\$17,000,000	\$490,000,000	
Eng. Design, Project Management, Permitting	ROW	150	150	150				160	200	150	200	
	ROW Condition	farmland, pasture	rural, pasture	rural, pasture			Urban 50%, rural 50%		rural, pasture, rock, hill, high tree clearing cost	rural, pasture, agricultural, range land	rural farmland, rainwater basin	
	Permitting/Certifications	CCN	RR and highway	RR and highway			yes		CCN	included	NE Power Review Board	
	Escalation Rate		2.5% per year	2.5% per year			2.5% per year		2.5% per year	0% for 2 years	3%	
	Eng. Design/Proj. Mang.						\$349,000			\$13,770,000	\$8,798,000	
Total Cost	\$15,000,000	cost included	cost included			\$26,000,000		cost included	\$24,000,000	\$18,000,000		
Loadings and Overhead	Type 1	included in total	included in total	included in total			\$123,000		included in total	\$26,700,000	included in total	
Other cost										\$4,560,000		
Other Cost Factor Notes		Included in substation cost is \$6.52 mil for midpoint reactor station					Large portion involved developed urban areas		\$25,000/mile cost included for tree clearing	4.56 mil addition contingency added	environmentally sensitive areas, possible double-circuit for 10 miles	

Total
\$698,548,515

ATTACHMENT H
Annual Transmission Revenue Requirement For Network Integration
Transmission Service

SECTION I: General Requirements

1. The Zonal Annual Transmission Revenue Requirement within each Zone for purposes of determining the charges under Schedule 9, Network Integration Transmission Service, is specified in Column (3) of Table 1. The Base Plan Zonal Annual Transmission Revenue Requirement used to determine the zonal charges under Schedule 11 is specified in Column (4) of Table 1. The amount of Zonal Annual Transmission Revenue Requirement and Base Plan Zonal Annual Transmission Revenue Requirement that is included in Columns (3) and (4) and reallocated to the Region-wide Annual Transmission Revenue Requirement, in accordance with Attachment J, is specified in Column (5) of Table 1.

Table 1

(1) Zone	(2)	(3) Zonal ATRR	(4) Base Plan Zonal ATRR	(5) ATRR Reallocate d to Balanced Portfolio Region- wide ATRR
1	American Electric Power –West (Total)	\$151,662,031	\$8,481,841	\$0
	American Electric Power (Public Service Company of Oklahoma and Southwestern Electric Power Company) See Section II.3	\$147,162,500		
	East Texas Electric Cooperative, Inc.	\$2,733,879		
	Tex-La Electric Cooperative of Texas, Inc.	\$588,874		
	Deep East Texas Electric Cooperative, Inc.	\$428,131		
	Oklahoma Municipal Power Authority	\$748,647		
2	Reserved for Future Use			
3	City Utilities of Springfield, Missouri	\$8,651,509	(\$5,500)	\$0
4	Empire District Electric Company	\$14,075,000	(\$18,001)	\$0
5	Grand River Dam Authority (Est.)	\$24,589,256	(\$92,135)	\$0
6	Kansas City Power & Light Company	\$35,461,776	\$663,128	\$0
7	Oklahoma Gas & Electric (Total)	\$81,151,489	\$1,906,234	\$0
	Oklahoma Gas & Electric	\$81,045,221	\$1,951,309	
	Oklahoma Municipal Power Authority	\$106,268		

Issued by: Heather H. Starnes, Manager, Regulatory Policy

Issued on: January 19, 2010

Effective: January 1, 2010

8	Midwest Energy, Inc.	\$4,197,347	\$131,517	\$0
9	Aquila Networks-MPS/L&P (Total)	\$20,759,283	\$139,965	\$0
9a	Aquila Networks-MPS	\$14,059,183		
9b	Aquila Networks-L&P	\$6,700,100		
10	Southwestern Power Administration	\$9,431,500	\$0	\$0
11	Southwestern Public Service	\$91,414,185	\$927,697	\$0
12	Sunflower Electric Corporation	\$14,484,045	\$320,628	\$0
13	Western Farmers Electric Cooperative	\$20,719,639	\$429,314	\$0
14	Westar Energy, Inc. (Kansas Gas & Electric and Westar Energy)	\$115,503,530	\$11,338,432	\$0
15	Mid-Kansas Electric Cooperative (Total)	\$7,016,706	\$305,944	\$0
15a	Mid-Kansas Electric Cooperative	\$5,947,002	\$305,944	
15b	ITC Great Plains	\$1,069,704	\$0	
16	Lincoln Electric System	\$14,168,176	\$101,419	\$0
17	Nebraska Public Power District	\$46,111,083	\$13,314,707	\$0
18	Omaha Public Power District	\$35,176,688	\$1,101,878	\$0
19	Total			\$0

Issued by: Heather H. Starnes, Manager, Regulatory Policy

Issued on: January 27, 2010

Effective: January 1, 2010

Source	Total GMO	L&P	MPS
Acct 4540001 - Rent from transmission	\$248,909	\$80,336	\$168,573
"Net Account 456.1 Activity"	\$5,005,497	\$1,615,534	\$3,389,963
	Zonal ATRR *	%	
MPS	\$14,059,183	67.72%	
L&P	\$6,700,100	32.28%	
Combined MPS and L&P revenue requirement	\$20,759,283	100.00%	

* based on SPP Zonal Annual Transmission Revenue Requirement before the KCPL and GMO FERC Formula Rate filing

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

MPS

Account	Account Description	GMO Proposed		Staff Adjustment 1	Staff Adjustment 2	As Adjusted
		2009	Included in current filing			
561400	TransOp-Schd,Contr & Dis Serv	\$ 137,310	\$ 979,269			\$ 979,269
561800	Trans Op-Reli Plan&Std Dv-RTO	127,636	171,019			\$ 171,019
565000	Transm Oper-Elec Tr-By Others	3,445,095	5,711,708	(3,389,963)	(168,573)	\$ 2,153,172
565020	Trans of Electricity by Others	0	0			\$ -
565021	Transm Oper-Elec Tr-Interunit	442,050	439,778	Adjustment E-66.2	Adjustment E-66.3	\$ 439,778
565027	Transm Oper-Elec Tr-Demand	8,785,512	8,740,354			\$ 8,740,354
565030	Transm Oper-Elec Tr-OffSys	5,292	5,265			\$ 5,265
575700	Trans Op-Mkt Mon&Comp Ser-RTO	931,957	836,211			\$ 836,211
928003	Reg Comm Exp-FERC Assessmernt	335,565	344,807			\$ 344,807
Total		\$ 14,210,417	\$ 17,228,411			\$ 13,669,875

To arrive at KCPL's Annual Transmission Revenue Requirement (ATRR), the Southwest Power Pool (SPP) applies revenue credits. These revenue credits are reflected in Staff Adjustment 1 and Staff Adjustment 2

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

L&P

Account	Account Description	GMO Proposed		Staff Adjustment 1	Staff Adjustment 2	As Adjusted
		2009	Included in current filing			
561400	TransOp-Schd,Contr & Dis Serv	295,720	281,483			281,483
561800	Trans Op-Reli Plan&Std Dv-RTO	39,351	49,311			49,311
565000	Transm Oper-Elec Tr-By Others	(35,466)	(35,446)	(1,615,534)	(80,336)	(1,731,316)
565020	Trans of Electricity by Others	0	0			0
565021	Transm Oper-Elec Tr-Interunit	442,050	442,050	Adjustment E-70.1	Adjustment E-70.2	442,050
565027	Transm Oper-Elec Tr-Demand	2,313,040	319,924			319,924
565030	Transm Oper-Elec Tr-OffSys	0	0			0
575700	Trans Op-Mkt Mon&Comp Ser-RTO	286,699	241,564			241,564
928003	Reg Comm Exp-FERC Assessmernt	118,314	110,162			110,162
Total		3,459,708	1,409,048			(286,822)

To arrive at KCPL's Annual Transmission Revenue Requirement (ATTRR), the Southwest Power Pool (SPP) applies revenue credits. These revenue credits are reflected in Staff Adjustment 1 and Staff Adjustment 2

MISSOURI PUBLIC SERVICE COMMISSION

**STAFF REPORT
COST OF SERVICE**

**APPENDIX 9
Staff Recommended Depreciation Rates**

KCP&L GREATER MISSOURI OPERATIONS COMPANY

FILE NO. ER-2010-0356

KCP&L GREATER MISSOURI OPERATIONS COMPANY - MPS

File No. ER-2010-0356

Proposed Depreciation Schedule AR-MPS-1

USOA Account	Sub Account	ASL yrs	Survivor Curve Type	Assigned Net Salvage %	Proposed Reserve Amortization \$	Proposed Depreciation Rate %
STEAM PRODUCTION PLANT						
311	Structures and Improvements	65	R2	(20)	(516,000)	1.85
312	Boiler Plant Equipment	45	R2	(30)	(1,087,000)	2.89
312.02	Boiler Plant AQC	45	R2	(30)	2,000	2.89
314	Turbogenerator Units	40	L2	(15)	(362,000)	2.87
315	Accessory Electrical Equipment	50	L1	(10)	(243,000)	2.20
316	Miscellaneous Power Plant Equipment	42	R2	(10)	(6,000)	2.69
OTHER PRODUCTION PLANT (Combustion Turbines)						
341	Structures & improvements	60	R1	(5)	(18,000)	1.75
342	Fuel Holder & Accessories	45	R2	(10)	(32,000)	2.44
343	Prime Movers	25	S0.5	(10)	133,000	4.40
344	Generators	35	S0.5	(5)	(212,000)	3.00
345	Accessory Electrical Equip	45	R2.5	(10)	(46,000)	2.44
346	Misc Power Plant Equipment	32	S2	0	2,000	3.13
TRANSMISSION PLANT						
352	Structures and Improvements	60	R3	(5)	(6,000)	1.75
353	Station Equipment	58	R2	(10)	(185,000)	1.89
354	Towers and Fixtures	55	R3	(20)	(4,000)	2.18
355	Poles and Fixtures	53	S0.5	(60)	45,000	3.02
356	Overhead Conductors	62	R2.5	(50)	(26,000)	2.42
358	Underground Conductors	50	R3	0	0	2.00
DISTRIBUTION PLANT						
361	Structures and Improvements	60	R3	(5)	(3,000)	1.75
362	Station Equipment	50	R1	(10)	(241,000)	2.20
364	Poles, Towers and Fixtures	47	R4	(75)	693,000	3.73
365	Overhead Conductors	58	R1.5	(35)	(110,000)	2.32
366	Underground Conduit	60	S1.5	(20)	6,000	2.00
367	Underground Conductors	50	S1.5	(15)	(119,000)	2.30
368	Line Transformers	35	R2	(15)	(193,000)	3.29
369.01	Services - Overhead	57	R4	(100)	(33,000)	3.50
369.02	Services - Underground	38	R5	(25)	(93,000)	3.29
370	Meters	45	R2.5	(5)	(134,000)	2.33
370.01	Meters - Load Research	16	S4	0	(127,000)	6.25
371	Installations on Customer Prop	29	R1.5	(20)	(178,000)	4.14
373	Street Lighting, Signal Systems	26	S0	(5)	5,000	3.98

KCP&L GREATER MISSOURI OPERATIONS COMPANY - MPS
File No. ER-2010-0356

Proposed Depreciation Schedule AR-MPS-1

USOA Account	Sub Account	ASL yrs	Survivor Curve Type	Assigned Net Salvage %	Proposed Reserve Amortization \$	Proposed Depreciation Rate %	
GENERAL PLANT							
390	Structures and Improvements	45	R2.5	(10)	85,000	2.44	
391.01	Office Furniture and Equipment	*Current Ordered rate		0		4.17	
391.02	Computer Equipment	*Current Ordered rate		0		12.50	
391.04	Software	*Current Ordered rate		0		11.11	
Transportation Equipment							
392	Autos	9	S3	10	(5,000)	10.00	
392.01	Light Trucks	9	S3	10	43,000	10.00	
392.02	Heavy Trucks	12	L3	10	247,000	7.50	
392.04	Trailers	17	R2	10	(32,500)	5.29	
392.05	Medium Trucks	10	S3	10	94,500	9.00	
393	Stores Equipment	*Current Ordered rate		0		3.70	
394	Tools, Shop & Garage Equip	*Current Ordered rate		0		3.68	
395	Laboratory Equipment	*Current Ordered rate		0		3.43	
396	Power Operated Equipment	22	S1.5	10	(76,000)	4.07	
397	Communications Equipment	*Current Ordered rate		0		3.70	
398	Miscellaneous Equip	*Current Ordered rate		0		5.00	
	*Current Ordered Rate Case ER-2005-0436						
	TOTAL AMORTIZATION					(769,000)	
	Composite Depreciation Rate With Amortization					2.82 %	
	Composite Depreciation Rate With No Amortization						2.98

KCP&L GREATER MISSOURI OPERATIONS COMPANY - MPS

File No. ER-2010-0356

Excess Calculated Accumulated Depreciation Reserves Schedule AR-MPS-2

USOA Account	Sub Account	ASL Yrs	Survivor Curve Type	Net Salvage Percent	Original Cost AS OF 31-Dec-08	Book Reserves AS OF 31-Dec-08	Calculated Reserves AS OF 31-Dec-08	Excess (+) Reserves AS OF 31-Dec-08
STEAM PRODUCTION PLANT								
311	Structures and Improvements	65	R2	(20)	58,200,429	42,268,735	20,844,532	21,424,203
312	Boiler Plant Equipment	45	R2	(30)	223,936,382	127,464,455	101,316,449	26,148,006
312.02	Boiler Plant AQC	45	R2	(30)	4,417,482	448,357	547,884	-99,527
314	Turbogenerator Units	40	L2	(15)	78,145,844	39,164,411	29,828,126	9,336,285
315	Accessory Electrical Equipment	50	L1	(10)	24,070,104	15,504,736	7,931,639	7,573,097
316	Miscellaneous Power Plant Equipment	42	R2	(10)	2,960,950	1,000,376	863,901	136,475
OTHER PRODUCTION PLANT (Combustion Turbines)								
341	Structures & improvements	60	R1	(5)	22,959,536	2,597,444	1,683,110	914,334
342	Fuel Holder & Accessories	45	R2	(10)	11,177,222	2,437,987	1,328,489	1,109,498
343	Prime Movers	25	S0.5	(10)	183,240,829	35,938,875	38,584,496	-2,645,621
344	Generators	35	S0.5	(5)	55,020,972	15,179,796	9,926,098	5,253,698
345	Accessory Electrical Equip	45	R2.5	(10)	39,783,366	6,855,754	5,250,978	1,604,776
346	Misc Power Plant Equipment	32	S2	0	316,494,882	63,807,748	57,635,197	6,172,551
TRANSMISSION PLANT								
352	Structures and Improvements	60	R3	(5)	6,462,751	1,540,738	1,337,866	202,872
353	Station Equipment	58	R2	(10)	96,919,975	30,543,466	23,986,158	6,557,308
354	Towers and Fixtures	55	R3	(20)	323,639	303,142	227,502	75,640
355	Poles and Fixtures	53	S0.5	(60)	69,877,253	21,336,995	22,887,956	-1,550,961
356	Overhead Conductors	62	R2.5	(50)	47,022,676	20,748,537	19,831,336	917,201
358	Underground Conductors	50	R3	0	58,426	48,256	31,915	16,341
DISTRIBUTION PLANT								
361	Structures and Improvements	60	R3	(5)	8,505,443	1,763,812	1,655,732	108,080
362	Station Equipment	50	R1	(10)	103,534,352	28,024,413	20,448,377	7,576,036
364	Poles, Towers and Fixtures	47	R4	(75)	133,789,716	65,836,039	78,195,782	-12,359,743
365	Overhead Conductors	58	R1.5	(35)	93,221,154	29,438,481	25,512,838	3,925,643
366	Underground Conduit	60	S1.5	(20)	40,508,133	7,386,890	7,728,112	-341,222
367	Underground Conductors	50	S1.5	(15)	96,716,739	29,503,991	25,761,824	3,742,167
368	Line Transformers	35	R2	(15)	147,755,521	53,233,448	50,206,216	3,027,232
369.01	Services - Overhead	57	R4	(100)	14,275,016	11,720,933	11,023,407	697,526
369.02	Services - Underground	38	R5	(25)	49,539,256	23,913,724	22,612,301	1,301,423
370	Meters	45	R2.5	(5)	25,444,958	12,483,829	10,180,469	2,303,360
370.01	Meters - Load Research	16	S4	0	2,038,114	2,270,641	1,730,905	539,736
371	Installations on Customer Prop	29	R1.5	(20)	14,357,916	8,248,716	5,469,665	2,779,051
373	Street Lighting, Signal Systems	26	S0	(5)	27,734,720	8,343,381	8,436,756	-93,375

KCP&L GREATER MISSOURI OPERATIONS COMPANY - MPS

File No. ER-2010-0356

Excess Calculated Accumulated Depreciation Reserves Schedule AR-MPS-2

USOA Account	Sub Account	ASL Yrs	Survivor Curve Type	Net Salvage Percent	Original Cost AS OF 31-Dec-08	Book Reserves AS OF 31-Dec-08	Calculated Reserves AS OF 31-Dec-08	Excess (+) Reserves AS OF 31-Dec-08
GENERAL PLANT								
390	Structures and Improvements	45	R2.5	(10)	13,830,268	3,663,174	5,740,867	-2,077,693
391.01	Office Furniture and Equipment	*Current Ordered rate		0	1,974,217	1,485,836		
391.02	Computer Equipment	*Current Ordered rate		0	2,497,767	1,762,837		
391.04	Software	*Current Ordered rate		0	697,058	312,646		
Transportation Equipment								
392	Autos	9	S3	10	140,137	73,432	59,919	13,513
392.01	Light Trucks	9	S3	10	804,790	65,439	187,927	-122,488
392.02	Heavy Trucks	12	L3	10	4,882,974	718,829	1,765,285	-1,046,456
392.04	Trailers	17	R2	10	628,347	554,000	308,199	245,801
392.05	Medium Trucks	10	S3	10	5,154,708	410,004	892,139	-482,135
	Total Transportation Equip				11,610,956	1,821,704	3,213,469	-1,391,765
393	Stores Equipment	*Current Ordered rate		0	99,697	87,232		
394	Tools, Shop & Garage Equip	*Current Ordered rate		0	4,372,747	2,600,590		
395	Laboratory Equipment	*Current Ordered rate		0	2,062,302	1,477,566		
396	Power Operated Equipment	22	S1.5	10	4,054,205	2,273,403	1,578,660	694,743
397	Communications Equipment	*Current Ordered rate		0	10,202,135	7,810,569		
398	Miscellaneous Equip	*Current Ordered rate		0	168,338	0		
*Current Ordered Rate Case ER-2005-0436								
TOTAL Electrical Plant					2,061,674,402	734,475,367	626,752,481	92,185,610
						36%	Reserves as % of Plant	
						17%	Excess Book Reserves	

KCP&L GREATER MISSOURI OPERATIONS COMPANY - MPS

File No. ER-2010-0356

**Case Analysis Depreciation Accrual Comparison Summary Schedule AR-MPS-3
Annual Depreciation Accruals (expense)**

This table is for end of 2008 plant balances.

MPS Plant Account Group	*Current Ordered Dep. Rates Mass P & WL		Staff Case A Mass P & WL With Amortizations		Staff Case B Mass P & WL Traditional		Staff Case C Lf Span Steam Remaining Life Term Sal = 0%		Staff Case D Lf Span Steam Remaining Life Term Sal = -12%	
	ACCRUAL	%	ACCRUAL	%	ACCRUAL	%	ACCRUAL	%	ACCRUAL	%
Steam Production	8,501,443	2.17	8,314,040	2.12	10,789,274	2.75	10,277,876	2.62	10,816,369	2.76
Amortization			(2,212,000)							
Other (Comb Turbines)	12,939,647	4.09	11,312,420	3.57	11,485,420	3.63	11,324,818	3.58	11,324,481	3.58
Amortization			(173,000)							
Total Production	21,441,090	3.03	19,626,460	2.77	22,274,694	3.15	21,602,694	3.05	22,140,850	3.13
Transmission	4,911,680	2.23	5,025,351	2.28	5,201,351	2.36	5,027,347	2.28	5,027,347	2.28
Amortization			(176,000)							
Distribution	22,023,612	2.91	21,496,469	2.84	22,023,469	2.91	21,491,525	2.84	21,491,525	2.84
Amortization			(527,000)							
General	2,940,855	5.70	2,909,571	5.64	2,555,060	4.95	2,909,571	5.64	2,909,399	5.64
Amortization			356,000							
Total Plant Amortization	51,317,237	2.95	49,057,851	2.82	52,054,574	3.00	51,031,137	2.93	51,569,121	2.97
			(2,732,000)							

Staff Recommends Case A Depreciation rates and Reserve Amortization

Total Amortization = (2,732,000)

Company currently has approximately \$92,000,000 (17%) in excess reserves.

*Current Dep. Rates From Case No. ER-2005-0436 order

KCP&L GREATER MISSOURI OPERATIONS COMPANY

File No. ER-2010-0356

Proposed Depreciation Schedule AR-L&P-1

USOA Account	Sub Account	ASL yrs	Survivor Curve Type	Assigned Net Salvage %	Proposed Reserve Amortization \$	Proposed Depreciation Rate %
STEAM PRODUCTION PLANT						
311	Structures and Improvements	65	R2	(30)	-52,000	2.00
312	Boiler Plant Equipment	50	R1	(20)	-936,000	2.40
312.02	Boiler Plant AQC	40	R2.5	(20)	-54,000	3.00
314	Turbogenerator Units	45	S2	(20)	-160,000	2.66
315	Accessory Electrical Equipment	45	L1	(10)	-127,000	2.44
316	Miscellaneous Power Plant Equipment	26	L1.5	(10)	-19,000	4.24
OTHER PRODUCTION PLANT (Combustion Turbines)						
341	Structures & improvements	50	R5	(5)	-25,000	2.10
342	Fuel Holder & Accessories	40	S3	(10)	-14,000	2.75
343	Prime Movers	55	R1	(10)	-208,000	2.00
344	Generators	50	R2.5	(10)	-64,000	2.20
345	Accessory Electrical Equip	45	R4	(5)	-12,000	2.33
TRANSMISSION PLANT						
352	Structures and Improvements	60	R4	(5)	-2,250	1.75
353	Station Equipment	36	R2	(5)	-70,500	2.92
355	Poles and Fixtures	60	R2	(40)	-110,800	2.34
356	Overhead Conductors	60	R2	(15)	-84,750	1.92
356	Underground Conduit	60	R3	0	0	1.67
358	Underground Conductors	50	S3	0	-600	2.00
DISTRIBUTION PLANT						
361	Structures and Improvements	50	R3	(10)	1,250	2.18
362	Station Equipment	50	R2.5	(10)	-200,750	2.20
364	Poles, Towers and Fixtures	52	S2.5	(80)	89,800	3.46
365	Overhead Conductors	55	R1	(25)	-90,700	2.27
366	Underground Conduit	65	R3	(35)	4,600	2.08
367	Underground Conductors	55	R2	(5)	-23,100	1.91
368	Line Transformers	45	R2.5	(10)	-321,650	2.44
369.01	Services Overhead	57	R4	(100)	25,500	3.50
369.02	Services Underground	40	S4	(15)	-33,100	2.88
370	Meters	50	S1.5	(5)	-75,650	2.10
371	Installations on Customer Prop	26	O1	(10)	-57,000	4.20
373	Street Lighting, Signal Systems	35	R0.5	(5)	-48,100	3.00
GENERAL PLANT						
390	Structures and Improvements	45	R1.5	0	49,000	2.44
391.01	Office Furniture and Equipment			*Current Ordered Rate		4.17
391.02	Computer Equipment			*Current Ordered Rate		12.50
391.04	Software			*Current Ordered Rate		11.11
391.06	Office Machines			*Current Ordered Rate		4.17
392.00	Autos	7	S4	15	0	12.15
392.01	Light Trucks	10	S4	15	-2,000	8.50
392.02	Heavy Trucks	12	L3	15	-39,000	6.93
392.04	Trailers	25	R3	15	-10,500	3.39
392.05	Medium Trucks	11	S3	15	75,800	7.59
393	Stores Equipment			*Current Ordered Rate		3.70
394	Tools, Shop & Garage Equip			*Current Ordered Rate		3.68
395	Laboratory Equipment			*Current Ordered Rate		3.43
396	Power Operated Equipment	19	19-S1.5	10	-32,000	4.73
397	Communications Equipment			*Current Ordered Rate		3.70
398	Miscellaneous Equipment			*Current Ordered Rate		3.71
				*Current Ordered Rate Case ER-2005-0436		
	TOTAL AMORTIZATION				-2,627,500	
	Composite Depreciation Rate With Amortization				4.84	
	Composite Depreciation Rate With No Amortization					5.04

KCP&L GREATER MISSOURI OPERATIONS COMPANY

File No. ER-2010-0356

Excess Calculated Accumulated Depreciation Reserves Schedule AR-L&P-2

USOA Account	Sub Account	ASL Yrs	Survivor Curve Type	Net Salvage Percent	Original Cost AS OF 31-Dec-08	Book Reserves AS OF 31-Dec-08	Calculated Reserves AS OF 31-Dec-08	Excess (+) Reserves AS OF 31-Dec-08
STEAM PRODUCTION PLANT								
311	Structures and Improvements	65	R2	(30)	18,759,909	8,305,154	6,250,111	2,055,043
312	Boiler Plant Equipment	50	R1	(20)	91,650,234	59,976,493	31,551,902	28,424,591
312.02	Boiler Plant AQC	40	R2.5	(20)	11,911,662	5,826,833	4,485,109	1,341,724
314	Turbogenerator Units	45	S2	(20)	26,623,035	17,118,683	14,379,727	2,738,956
315	Accessory Electrical Equipment	45	L1	(10)	11,799,218	7,121,636	3,590,158	3,531,478
316	Miscellaneous Power Plant Equipment	26	L1.5	(10)	1,983,978	841,795	607,492	234,303
OTHER PRODUCTION PLANT (Combustion Turbines)								
341	Structures & improvements	50	R5	(5)	1,477,027	1,288,398	828,484	459,914
342	Fuel Holder & Accessories	40	S3	(10)	627,368	627,950	480,579	147,371
343	Prime Movers	55	R1	(10)	10,957,616	11,504,657	3,396,922	8,107,735
344	Generators	50	R2.5	(10)	3,107,233	3,247,722	1,554,077	1,693,645
345	Accessoriy Electrical Equip	45	R4	(5)	1,149,783	841,613	605,788	235,825
TRANSMISSION PLANT								
352	Structures and Improvements	60	R4	(5)	384,008	190,149	116,087	74,062
353	Station Equipment	36	R2	(5)	15,332,505	6,720,220	5,659,731	1,060,489
355	Poles and Fixtures	60	R2	(40)	10,072,255	8,126,424	4,507,493	3,618,931
356	Overhead Conductors	60	R2	(15)	7,702,148	6,208,644	3,568,546	2,640,098
356	Underground Conduit	60	R3	0	16,147	4,758	4,209	549
358	Underground Conductors	50	S3	0	31,692	29,860	16,729	13,131
DISTRIBUTION PLANT								
361	Structures and Improvements	50	R3	(10)	2,082,463	445,764	489,872	-44,108
362	Station Equipment	50	R2.5	(10)	38,604,535	16,391,006	11,354,707	5,036,299
364	Poles, Towers and Fixtures	52	S2.5	(80)	28,969,484	14,915,602	17,026,389	-2,110,787
365	Overhead Conductors	55	R1	(25)	23,863,209	9,993,590	7,112,211	2,881,379
366	Underground Conduit	65	R3	(35)	7,710,447	1,872,709	2,063,855	-191,146
367	Underground Conductors	55	R2	(5)	17,775,560	4,674,317	3,881,894	792,423
368	Line Transformers	45	R2.5	(10)	33,858,433	18,247,623	10,606,869	7,640,754
369.01	Services Overhead	57	R4	(100)	4,634,607	3,091,212	3,552,031	-460,819
369.02	Services Underground	40	S4	(15)	10,672,615	4,556,438	4,010,152	546,286

KCP&L GREATER MISSOURI OPERATIONS COMPANY
File No. ER-2010-0356

Excess Calculated Accumulated Depreciation Reserves Schedule AR-L&P-2

USOA Account	Sub Account	ASL Yrs	Survivor Curve Type	Net Salvage Percent	Original Cost AS OF 31-Dec-08	Book Reserves AS OF 31-Dec-08	Calculated Reserves AS OF 31-Dec-08	Excess (+) Reserves AS OF 31-Dec-08
370	Meters	50	S1.5	(5)	7,488,094	4,657,347	2,772,894	1,884,453
371	Installations on Customer Prop	26	O1	(10)	4,423,065	2,043,073	1,034,563	1,008,510
373	Street Lighting, Signal Systems	35	R0.5	(5)	5,169,587	2,242,701	1,062,822	1,179,879
GENERAL PLANT								
390	Structures and Improvements	45	R1.5	0	6,720,211	1,785,690	2,911,571	-1,125,881
391.01	Office Furniture and Equipment	*Current Ordered Rate						
391.02	Computer Equipment	*Current Ordered Rate						
391.04	Software	*Current Ordered Rate						
391.06	Office Machines	*Current Ordered Rate						
392.00	Autos	7	S4	15	25,099	17,940	18,866	926
392.01	Light Trucks	10	S4	15	347,522	131,686	135,568	3,882
392.02	Heavy Trucks	12	L3	15	2,134,071	1,180,062	1,060,713	-119,349
392.04	Trailers	25	R3	15	308,829	313,201	159,789	-153,412
392.05	Medium Trucks	11	S3	15	1,249,791	255,763	437,530	181,767
393	Stores Equipment	*Current Ordered Rate						
394	Tools, Shop & Garage Equip	*Current Ordered Rate						
395	Laboratory Equipment	*Current Ordered Rate						
396	Power Operated Equipment	19	19-S1.5	10	1,340,214	842,691	646,787	195,904
397	Communications Equipment	*Current Ordered Rate						
398	Miscellaneous Equipment	*Current Ordered Rate						
		*Current Ordered Rate Case ER-2005-0436						
TOTAL Electrical Plant					Plant	Book	Calculated	(excess = +)
					410,963,654	225,639,404	151,942,227	73,524,805
55% Reserves as % of Plant in Service								
49% Excess Reserves								

KCP&L GREATER MISSOURI OPERATIONS COMPANY
File No. ER-2010-0356

**Case Analysis Depreciation Accrual Comparison Summary Schedule AR-L&P-3
Annual Depreciation Accruals (expense)**

This table is for end of 2008 plant balances, updated for Dec 31 2010 latan additions.

L&P Plant Account Group	*Current Ordered Dep. Rates Mass P & WL		Staff Case A Mass P & WL With Amortizations		Staff Case B Mass P & WL Traditional		Staff Case C Lf Span Steam Remaining Life Term Sal = 0%		Staff Case D Lf Span Steam Remaining Life Term Sal = -12%	
	ACCRUAL	%	ACCRUAL	%	ACCRUAL	%	ACCRUAL	%	ACCRUAL	%
Steam Production	11,483,354	2.07	11,969,868	2.16	13,084,356	2.36	11,757,160	2.12	12,874,568	2.32
Amortization			(1,348,000)							
Other (Comb Turbines)	729,369	4.21	39,572	0.23	362,572	2.09	19,631	0.11	19,631	0.11
Amortization			(323,000)							
Total Production	12,212,723	2.14	12,009,440	2.10	13,446,928	2.35	11,776,791	2.06	12,894,199	2.26
Transmission	830,592	2.20	683,341	1.81	952,241	2.52	635,535	1.73	635,535	1.73
Amortization			(268,900)							
Distribution	5,260,268	2.84	4,003,596	2.16	4,732,462	2.55	4,003,146	2.16	4,003,146	2.16
Amortization			(728,900)							
General	1,154,079	5.69	1,022,888	5.05	981,588	4.84	1,023,311	5.04	1,023,311	5.04
Amortization			41,300							
Total Plant Amortization	19,457,662	2.39	17,719,265	2.17	20,113,219	2.47	17,438,783	2.14	18,556,191	2.28
			(2,627,500)							

Staff Recommends Case A Depreciation rates and Reserve Amortization

Total Amortization = (2,627,500)

Company currently has approximately \$73,500,000 (49%) in excess reserves.

*Current Dep. Rates From Case No. ER-2005-0436 order

