

Exhibit No.: 850
Issues: Unreasonable current street lighting tariffs and actions of Ameren and unreasonable proposed increases
Witness: Steve Bender
Sponsoring Party: City of O'Fallon, Missouri
Type of Exhibit: Direct Testimony – Cost of Service and Rate Design
File No.: ER-2014-0258
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Service Commission

MISSOURI PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY
OF
STEVE BENDER
ON
BEHALF OF
CITY OF O'FALLON, MISSOURI

*St. Charles, Missouri
December, 2014*

O'Fallon Exhibit No. 850
Date 3-05-15 Reporter KF
File No. ER-2014-0258

BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION


IN THE MATTER OF THE UNION ELECTRIC)
COMPANY, d/b/a AMEREN MISSOURI'S)
TARIFFS TO INCREASE ITS REVENUES)
OR ELECTRIC SERVICE)

File No: ER-2014-0258

AFFIDAVIT OF STEVE BENDER

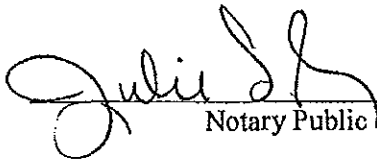
STATE OF MISSOURI)
) ss
COUNTY OF ST. CHARLES)

Steve Bender, of lawful age on his oath states: that he has participated in the preparation of the following Direct Testimony in question and answer form, consisting of 12 pages of Direct Testimony to be presented in the above case, that the answers in the following Direct Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.



Steve Bender

Subscribed and sworn to before me this 18th day of December, 2014.



Notary Public

JULIE TAYLOR
Notary Public - Notary Seal
St. Charles County
STATE OF MISSOURI
My Commission Expires April 29, 2018
#12546073

1 DIRECT TESTIMONY

2 OF

3 STEVE BENDER

4 FILE NO. ER-2014-0258

5 Q. Please state your name and business address.

6 A. My name is Steve Bender and my office address is 100 North Main Street,
7 O'Fallon, Missouri 63366.

8 Q. By whom are you employed and what is your job title?

9 A. I am the Director of Public Works for the City of O'Fallon, Missouri, and have
10 worked in that capacity since January of 2011.

11 Q. Please describe your educational background, work experience and the
12 duties of your position?

13 A. I received my Bachelor of Science in Civil Engineering from Marquette
14 University in 1992. From 1992 to 1999 I worked as a System Engineer for the St. Louis County
15 Water Company, which is now called Missouri American Water Company. Between 1999 and
16 2006, I worked as first a Civil, and then later a City Engineer for the City of St. Charles,
17 Missouri. In 2006, I began working as a City Engineer for the City of O'Fallon, Missouri.

18 In my position as Director of Public Works I am responsible for overseeing the four
19 composite divisions, which are the Street, Engineering, Environmental Services and
20 Water/Sewer Divisions, which includes managing in excess of one hundred employees.

21 Q. Is the City of O'Fallon a customer of Ameren?

22 A. Yes. The City of O'Fallon receives electric service from Ameren, pursuant to
23 Ameren's 5(M) tariff, for street lighting, and pays Ameren in excess of one million dollars per
24 year for street lighting services.

25 Q. Why has the City intervened in this matter, and what is the purpose of your
26 testimony?

27 A. On April 28, 2014, the City, along with the City of Ballwin, Missouri, filed a
28 complaint against Union Electric Company d/b/a Ameren Missouri challenging the
29 reasonableness of Ameren's street lighting tariffs and Ameren's refusal to sell substantially
30 depreciated street light fixtures to the cities at fair market value. The matter was dismissed by
31

1 the Commission on July 30, 2014. The two cities have appealed the Commission's order of
2 dismissal, and the matter is currently pending on appeal before the Western District of the
3 Missouri Court of Appeals. In its order of dismissal of the cities' Complaint, the Commission
4 noted that intervention in this rate case was appropriate stating that the cities "may apply to
5 intervene in [this] case if they wish to further pursue their attempts to obtain lower electric
6 rates."

7 Accordingly, the City has intervened in this rate case to direct the Commission's attention
8 to the excessive rates that O'Fallon is paying for street lighting services, in light of the fact that
9 the City cannot reasonably avail itself of the 6(M) tariff due to Ameren's refusal to negotiate the
10 sale to the City of the substantially depreciated street light fixtures. The City will have to
11 indefinitely continue to pay for the lighting fixtures under the 5(M) rates even though it may
12 have already paid substantially more than the value of those fixtures. To allow Ameren its
13 proposed street lighting rate increase will further increase costs to the City and its taxpayers and
14 will be detrimental to the general welfare of the City's residents and taxpayers. In my opinion,
15 Ameren's street lighting rates, terms and conditions at present are unreasonable and there is no
16 reason for those rates to be increased. If Ameren does otherwise require a rate increase for
17 services, then a new tariff provision should be adopted to require Ameren to sell for fair market
18 value its fixtures, in a manner similar to the provision in the Kansas City Power & Light tariff.
19 This would alleviate the hardship suffered by O'Fallon and other similarly situated cities, while
20 allowing Ameren to be fairly compensated for the sale of its depreciated street light fixtures.

21 As such, the purpose of my direct testimony is to challenge the reasonableness of
22 Ameren's current street lighting tariffs and practices and to refute the need for any increase to the
23 rates of the 5(M) tariff.

24 **Q. How many street lights does Ameren provide for the City of O'Fallon?**

25 **A.** O'Fallon is served by approximately 4,442 street light fixtures of various types
26 from Ameren. Ameren currently owns all of the light fixtures, which is why O'Fallon is subject
27 to the 5(M) Company-Owned Street and Outdoor Area Lighting Tariffs, which are Ameren
28 Tariff Sheets numbered 58, 58.2, 58.3, 58.4 and 58.5. A copy of Ameren's most recent street
29 lighting bill to the City (November 2014) is attached to my testimony as Exhibit A and it reflects
30 billing for 4,442 street lights.

1 **Q. Does Ameren have a tariff that would be applicable for customers who own**
2 **their own street light fixtures?**

3 A. Yes. As I referenced earlier, Ameren has a Street and Outdoor Area Lighting
4 Customer owners, Service Classification No. 6(M) tariff, which are Ameren Tariff Sheets
5 numbered 59, 59.1, 59.2 and 59.3.

6 **Q. Is there a substantial difference between the pricing under the company-**
7 **owned and customer owned tariffs?**

8 A. Yes. Again, as I mentioned previously, under the company-owned tariff, the City
9 pays over \$1 million each year to Ameren for street light services. By contrast, if the City owned
10 the lighting fixtures, the City would pay approximately \$180,000 per year for energy and
11 maintenance under Tariff Sheet 59, which would be around \$820,000 per year less than the
12 current annual payment amounts.

13 **Q. Are the charges under the 5(M) tariff excessive?**

14 Yes. The approximate cost of \$820,000 per annum (\$1 million minus \$180,000) for the
15 use of Ameren's fixtures amounts to an annual cost, per fixture, of approximately \$185.00.
16 Accordingly, over a ten year period the City has paid approximately \$1,850.00 per light fixture.
17 Ameren admitted in response to the Cities' Complaint, which is on appeal, that many of the
18 fixtures were more than ten years old. Ameren disclosed in response to a data request that they
19 utilize a thirty year depreciation schedule for light fixtures, i.e. an annual depreciation of 3.33%.
20 This would mean that the City is being charged based upon a projected value of each fixture of
21 \$5,550.00. This number is far in excess of the amount that a street light fixture costs. In 2012
22 Ameren sold five light fixtures, poles and towers to Hunter Engineering attributing a modernized
23 collective value to each pole, tower and fixture of between \$1,205.66 and \$1,945.03, (see
24 Application number EO-2013-0013). It is unclear how much of each of these values is the cost
25 of the light fixture only. However, even if the vast majority of this price was the fixture, which
26 seems unlikely, over a thirty year span at the current 5(M) tariff rates the City will be paying
27 more than three times the value of each fixture. This represents an excessive amount for the use
28 and maintenance of the fixtures.

29 Furthermore, under Paragraph 7 of Tariff Sheet 48.5 of the 5(M) tariff, which I shall
30 discuss later, Ameren appears to value the depreciated value of a fixture after either 3 or 10 years
31 as being no more than \$100, which it considers sufficient to cover the cost of removal and "loss

1 of the remaining life value of such facilities.” At present, the City pays almost double this
2 amount each year of service for the cost of the fixture.

3 Also, in 2009, I conducted a review of the street light fixtures located in the City that I
4 believe to be more than 30 years old. At that time I found 98 street light fixtures that I believed
5 were over 30 years old, and some of which appeared to be more than 50 years old. I have
6 attached to my testimony as Exhibit B a summary of my findings from 2009.

7 **Q. Does the City wish to utilize and obtain service under the 6(M) tariff?**

8 A. Yes. The City would like to utilize and obtain service under the 6(M), customer-
9 owned tariff. The additional cost under the 5(M) tariff is for the benefit of utilizing Ameren-
10 owned lighting fixtures. However, the City has been paying this cost for an appreciable period
11 of time, over 40 years I believe, such that it is likely the City has already paid an amount equal to
12 or exceeding the cost of purchasing many of the street lighting fixtures. Accordingly, it would
13 provide long term cost savings to the City and its citizens if the City were allowed to acquire the
14 street light fixtures from Ameren.

15 **Q. Why has the City not changed to the 6(M) tariff?**

16 A. The biggest obstacle preventing the City from changing to the 6(M) tariff is the
17 acquisition of the street light fixtures. Paragraph 7, of Sheet 48.5, of the 5M Company-Owned
18 Street Lighting tariff pertains to termination and provides in part: “If customer requests in
19 writing the termination of all or a portion of any lighting service, not paid for in advance, within
20 three years of the installation of the lamps being terminated, or within ten years of the
21 installation of post top luminaires, wood poles or cable being terminated, customer shall pay in
22 advance to Company \$100.00 per lamp for both the removal costs associated therewith and the
23 loss of the remaining life value of such facilities. If said request for termination of lighting
24 service is made after the above three and ten year in-service periods, as applicable, and customer
25 requests a new lighting installation within twelve months after the removal of the prior
26 terminated lighting facilities, customer shall pay the amount specified earlier in this paragraph
27 for all facilities removed prior to Company making any new lighting installation.”

28 Although it would appear that many of the street lighting fixtures are too old to fall
29 within the requirement for the \$100.00 termination fee as referenced in the first part of Paragraph
30 7, depending upon how Ameren might attempt to interpret the second part of Paragraph 7,
31 Ameren could try to demand that O’Fallon pay the \$100 fee if the City terminates service and

1 then installs its own lights within one year. That is to say that if Ameren believes that
2 connecting service to City installed light fixtures is an "installation" under the tariff, then the
3 City would either have to go dark for 12 months or pay the fee. If Ameren does attempt to apply
4 the provision in that manner, I believe it would be appropriate for the Commission to strike it
5 from Ameren's tariff. Such an interpretation of the tariff provision would constitute an
6 unreasonable expense to impose upon the City for wanting to change to the 6(M) tariff. It also
7 would restrict the ability for the City to install more energy efficient fixtures, such as LED
8 lighting, which is contrary to the policies advanced by the Commission and would be detrimental
9 to the public interest.

10 Similarly, Paragraph 4 of Ameren's Sheet 58.4, of the 5M Company-Owned Street
11 Lighting tariff provides that "Where customer requests a conversion or modification of the size
12 or type of lamp currently installed, and Company would not otherwise be converting such lights,
13 Company will make the requested changes provided, however, that customer pays in advance to
14 the Company \$100.00 per lamp for both the removal cost and loss of the remaining life of such
15 lamps" This provision could also arguably require the payment of the \$100 fee, even if a
16 light fixture is too old to fall within the requirement for payment under Paragraph 7 of Sheet
17 48.5.

18 Therefore, if the City were to notify Ameren of its intent to terminate under the 5(M)
19 tariff, O'Fallon might have to pay the \$100 termination fee for each of the approximate 4,442
20 fixtures that would fall within this requirement, which could cost the City as much as
21 \$444,200.00. The City would then also have to pay the cost of acquiring and installing 4,442
22 new fixtures to replace those that the City paid Ameren to remove. These two costs added
23 together are a significant and unreasonable barrier to the City for changing to the 6(M) tariff.
24 Further, the cost to Ameren of removing and disposing of its 4,442 existing fixtures would be
25 significant and economically wasteful, given that the City would be a willing buyer at fair market
26 value.

27 **Q. Is there a way you propose that would allow the City to utilize the 6(M) tariff**
28 **while avoiding this economic waste?**

29 **A. Yes.** I believe it would make the most economic sense for the City to be able to
30 negotiate with Ameren to purchase the existing fixtures for fair market value. This would

1 prevent the wasting of the current fixtures, avoid the costly removal and disposal of the street
2 lights, and have a positive effect on the City's taxpayers in reducing the City's overall costs.

3 **Q. Have you discussed this with Ameren?**

4 A. Yes. They have indicated they have no interest whatsoever in negotiating with
5 the City for the sale of the existing fixtures.

6 **Q. Do you find Ameren's refusal to negotiate the sale of the existing fixtures
7 reasonable?**

8 A. No. It does not appear to me to be reasonable or to make economic sense to
9 refuse to negotiate for the sale of the light fixtures.

10 **Q. Have you found cases where Ameren has sold company owned assets to its
11 customers?**

12 Yes. In response to the data requests, Ameren disclosed a number of applications it has
13 filed over the last few years for the Commission to approve the sale of its assets to its customers,
14 when Ameren determined that it would be mutually beneficial. The Hunter matter I mention
15 previously is particularly relevant, which is Application number EO-2013-0013. In Hunter,
16 Ameren informed this Commission: "Ameren, Missouri has agreed to sell the facilities to Hunter
17 for \$2,210.91, which represents the total installed reproduction cost of the facilities less
18 accumulated depreciation. . . . The proposed transaction is in the best interests of not only
19 Ameren Missouri and Hunter, but the Company's other ratepayers as well. Hunter benefits
20 because it can continue to use the light fixtures to illuminate its parking lot, and also because it
21 can purchase the existing fixtures at a cost that is less than it would incur to acquire and install
22 new fixtures. Ameren Missouri and its customers benefit because the sale [of] the light fixtures
23 and related equipment will enable the Company to recover the net book value of assets that
24 might otherwise have to be removed from service and sold for salvage. Selling the assets in
25 place will also allow Ameren Missouri to avoid the cost of removing those assets, which further
26 benefits both the Company and its customers."

27 Unlike Hunter, which had the option of simply ceasing to utilize the street light fixtures if
28 it could not reach a deal with Ameren, the City is a captive customer with no viable alternative to
29 continuing to utilize Ameren's services without spending large sums of money for new
30 replacement streetlights.

1 In Application Number EO-2005-0369, Ameren filed an Application with the
2 Commission to approve the sale of a transformer to its customer, Behen's Container Service, for
3 \$5,439.70. The Commission approved the sale on June 16, 2005, noting that staff had found the
4 sale price to be the transformer's book value.

5 In Application Number EO-2008-0310, Ameren filed a Joint Application with Pemiscot-
6 Dunklin Electric Cooperative, Inc., seeking the Commission's approval of the transfer of assets
7 from Ameren to the Cooperative. Ameren sought to transfer a significant number of assets to the
8 cooperative including approximately 3,000 poles, 886 distribution transformers and over a
9 hundred miles of distribution and subtransmission facilities. The Commission approved the
10 transfer of assets on February 18, 2009.

11 In Application Number EO-2013-0044, Ameren filed an Application seeking the
12 approval of the sale of a transformer and related facilities to Bussen Quarries, Inc., for \$9,376.74,
13 which Ameren stated "represents the total installed reproduction cost of the facilities less
14 accumulated depreciation." The Commission approved the sale on October 24, 2012.

15 In Application EO-2014-0009, Ameren sought the Commission's approval for the sale of
16 a transformer to FormPak, Inc. for \$6,215.96 which again "represents the depreciated net book
17 value of the facilities as of the date of the parties' agreement" – from paragraph 9 of Ameren's
18 Application. Ameren also noted in paragraph 8 of the Application that "[t]he proposed
19 transaction is in the best interests of both Ameren Missouri and FormPak. Purchasing the
20 transformer at Ameren Missouri's net book value instead of continuing to pay the monthly rental
21 payments prescribed in the Transformer Rental Agreement would allow FormPak to pursue a
22 course it has determined to be more financially advantageous. Ameren Missouri, and ultimately
23 its customers, would similarly benefit because the sale of the transformer will enable the
24 Company to fully recover the net book value of the assets that it proposes to sell to FormPak."

25 Most recently in EO-2014-0296, Ameren sought and received the Commission's
26 approval for the sale of two transformers to Silgan Plastic Food Containers Corporation. Much
27 of Ameren's reasoning in the Silgan matter are of equal applicability to the City's reasons for
28 wanting to purchase Ameren's street light fixtures. Ameren stated in paragraphs 7 and 8 of its
29 application that:

30 "One of the transformers used to serve Silgan failed recently. The terms
31 of the Transformer Rental Agreement required Silgan to bear various costs of

1 replacing that transformer. The transformer's failure and the resulting costs to
2 Silgan caused both the Company and Silgan to reconsider and re-evaluate whether
3 it was advantageous to continue the rental arrangement. Both parties concluded
4 that it is more cost-effective for Silgan to purchase the transformers and terminate
5 the rental agreement, which would allow Silgan to avoid future monthly rental
6 payments for the transformers, as required by that agreement.

7 The proposed transaction is in the best interests of both Ameren Missouri
8 and Silgan. As noted in the preceding paragraph, purchasing the transformers
9 would allow Silgan to avoid future monthly lease payments and all other
10 obligations imposed by the Transformer Rental Agreement. For example, selling
11 the transformer in place also will allow Silgan to avoid various costs it would
12 incur if Ameren Missouri is required to remove or replace one or both of the
13 transformers in the future, which are among the customer's responsibilities under
14 the terms of the Transformer Rental Agreement. Ameren Missouri, and
15 ultimately its customers, would benefit because the proposed sale price of the
16 transformers will enable the Company to fully recover the net book value of the
17 transformers. In addition, authorizing the sale of the transformers is consistent
18 with Ameren Missouri's current policy and approved tariff, which makes the
19 Company responsible for equipment and fixtures required to provide electric
20 service on its side of the customer's meter but makes the customer responsible for
21 equipment and fixtures beyond the customer's meter."

22 **Q. Are you aware if any other electric utility company has adopted a tariff**
23 **provision that would allow for a municipality to purchase street light fixtures for fair**
24 **market value from the utility?**

25 A. Yes I am. While investigating and researching this matter I learned of a tariff
26 provision of the Kansas City Power & Light Company that provides: "The Municipality shall
27 have the right and option to purchase on a mutually agreed specified purchase date, upon one (1)
28 year's written notice to the Company prior to the specified purchase date, only that portion of the
29 Street Lighting System determined by the Company in use and useful and devoted exclusively to
30 furnishing street lighting service within the corporate limits of the Municipality (the "property to
31 be sold"). The purchase price for the property to be sold shall be and consist of all of the

1 following; [a] the reproduction cost new less depreciation; [b] consequential and severance
2 damages which will result or accrue to the Company from the sale and transfer of said property
3 to the Municipality; [c] an allowance for the loss of a portion of the Company's going concern
4 value; [d] all materials and supplies related uniquely to the property to be sold; [e] all expenses
5 in connection with such sale; and [f] all other damages sustained by the Company by reason of
6 such sale. The Municipality may purchase a portion or portions of the Street lighting System
7 from time to time by giving written notice to the Company at least three months before the
8 intended purchase date. The purchase price for said portion or portions shall be calculated
9 pursuant to the above pricing formula for purchase of the entire system."

10 **Q. Are you referring to tariff 15.12, from KCPL tariff sheets 1.50 (effective**
11 **February 20, 1978), 1.51 (effective December 16, 1989), 1.52 (effective December 16, 1989)**
12 **and 1.53 (effective December 16, 1989)?**

13 A. Yes.

14 **Q. And is a copy of this tariff from the Commission's EFIS system attached to**
15 **your testimony as Exhibit C?**

16 A. Yes.

17 **Q. Would you propose that Ameren adopt a similar tariff provision to that**
18 **contained in Exhibit C?**

19 A. If Ameren remains unwilling to negotiate with their 5(M) tariff customers, then I
20 believe that such a tariff provision should be adopted that requires Ameren to sell the street light
21 fixtures for fair market value. I have attached to my testimony a proposed tariff provision, as
22 Exhibit D.

23 **Q. If the Commission were to adopt a tariff provision such as that contained in**
24 **Exhibit C, would the City be interested in utilizing the option to purchase the street**
25 **lighting fixtures?**

26 A. Yes. The City would of course have to review what the market value of the street
27 lighting fixtures would be prior to utilizing such a tariff provision. However, if as I anticipate, it
28 would make economic sense for the City to purchase the street lighting fixtures at market value,
29 then the City would be interested in using such a tariff provision.

30 **Q. Are you aware of any incidences where the Commission has ordered the sale**
31 **of assets by a regulated company absent consent by the company?**

1 A. Yes. The Commission did so in December, 1987, in *RE: Detariffing of Embedded*
2 *Customers Premises Equipment owned by Independent Telephone Companies*, 90 P.U.R. 4th
3 428, 1987 WL 258075 (Mo. PSC). In that case the Commission ordered the transfer of
4 ownership of customer premises equipment (CPE, i.e. telephones, modems, jacks and inside
5 wiring), from dozens of independent telephone companies to the customers who had been paying
6 for such equipment for years in their monthly telephone rates.

7 The Commission held in that matter "that it has the necessary authority to order the
8 transfer of ownership of the embedded CPE from the telephone companies to customers. This
9 authority is derived from the Commission's broad discretion to set just and reasonable rates and
10 the requirements of the FCC."

11 **Q. Have you examined how the proposed increase in the 5(M) tariff will effect**
12 **O'Fallon?**

13 A. Yes. As an illustration, Ameren provides service to 3,822 of the "9500 HPS Post
14 Top" street light fixtures. Under the current 5(M) tariff, O'Fallon pays a monthly fee per fixture
15 of \$21.85, which equates to \$83,510.70 per month for that particular type of fixture. The
16 proposed amended tariff rate for that same class of fixture is \$23.96 per fixture per month. This
17 equates to \$91,575.12 per month, which is an increase of \$8,064.42 per month just for this type
18 of street light fixture. O'Fallon receives a 10% discount under the current tariff (Tariff Sheet
19 58.2). Ameren's proposed tariff also has a 10% discount. Applying the discount to the these
20 rates means that under the existing tariff O'Fallon is paying \$75,159.63, and under the proposed
21 tariff O'Fallon would pay \$82,417.61, which results in a monthly increase of \$7,257.98. Over
22 the course of a year, therefore, O'Fallon would be paying an additional \$87,095.74 for "9500
23 HPS Post Top" street light fixtures, further exacerbating the inequity in Ameren's 5(M) tariff.

24 The City also receives service to 170 "6800 MV Open Btm" fixtures, which after
25 applying the discount would see a monthly increase in cost under the proposed tariff from
26 \$1,595.79 to \$1,750.32 per month. Annualized, this is an increase in cost from \$19,149.48 to
27 \$21,003.84.

28 The City receives service to 139 "9500 HPS Open Btm" fixtures, which after applying
29 the discount would see a monthly increase in cost under the proposed tariff from \$1,304.79 to
30 \$1,431.14. Annualized, that is an increase from \$15,657.52 to \$17,173.73.

1 The City receives service to 120 "25500 HPS Enclosed" fixtures, which after applying
2 the discount would see a monthly increase in cost under the proposed tariff from \$1,840.32 to
3 \$2,017.44. Annualized, that is an increase from \$22,083.84 to \$24,209.28.

4 The City receives service to 110 "6800 MV Post Top" fixtures, which after applying the
5 discount would see a monthly increase in cost under the proposed tariff from \$2,163.15 to
6 \$2,372.04. Annualized, that is an increase from \$25,957.80 to \$28,464.48.

7 The City receives service to 53 "20000 MV Enclosed" fixtures, which after applying the
8 discount would see a monthly increase in cost under the proposed tariff from \$812.80 to \$891.04.
9 Annualized, that is an increase from \$9,753.70 to \$10,692.43.

10 The City receives service to 14 "50000 HPS Enclosed" fixtures, which after applying the
11 discount would see a monthly increase in cost under the proposed tariff from \$382.79 to \$419.71.
12 Annualized, that is an increase from \$4,593.46 to \$5,036.47.

13 The City receives service to 5 "50000 HPS Direct" fixtures, which after applying the
14 discount would see a monthly increase in cost under the proposed tariff from \$153.95 to \$168.80.
15 Annualized, that is an increase from \$1,847.34 to \$2,025.54.

16 The City receives service to 4 "36000 MH Direct" fixtures, which after applying the
17 discount would see a monthly increase in cost under the proposed tariff from \$77.87 to \$85.39.
18 Annualized, that is an increase from \$934.42 to \$1,024.70.

19 The City receives service to 2 "100000 HPS Direct" fixtures, which after applying the
20 discount would see a monthly increase in cost under the proposed tariff from \$123.08 to \$134.96.
21 Annualized, that is an increase from \$1,477.01 to \$1,619.57.

22 The City receives service to 1 "34000 MH Direct" fixture, which after applying the
23 discount would see a monthly increase in cost under the proposed tariff from \$19.47 to \$21.35.
24 Annualized, that is an increase from \$233.60 to \$256.18.

25 The City receives service to 1 "9500 HPS Enclosed" fixture, which after applying the
26 discount would see a monthly increase in cost under the proposed tariff from \$10.61 to \$11.64.
27 Annualized, that is an increase from \$127.33 to \$139.64.

28 The City receives service to 1 "25500 HPS Direct" fixture, which after applying the
29 discount would see a monthly increase in cost under the proposed tariff from \$19.47 to \$21.35.
30 Annualized, that is an increase from \$233.60 to \$256.18.

1 Based upon these increases, the proposed tariff would result in an increase in the monthly
2 cost for street lighting services to the City from \$83,663.72 to \$91,742.79 This would equate to
3 an annualized increase in the cost of service from \$1,003,964.64 to \$1,100,913.48. This is an
4 increase in cost of over 8%. It should be noted that in performing my calculations, when
5 necessary I rounded up to 2 decimal places.

6 **Q. Does this conclude your direct testimony?**

7 **A. Yes.**

SERVICE OF STREET LITES
AT O FALLON, MO 63366

TOTAL AMOUNT DUE BY	Dec 15, 2014	\$84,659.63
DELINQUENT AFTER	Dec 26, 2014	\$85,929.52

Payment Received on Nov 12, 2014 \$84,592.80

Lighting kWh Service To 12/01/2014 235441.0000

SUMMARY

Service To

EIGHTING SERVICE BILLING

Rate EM Company-Owned Lighting-Municipal Service From 11/01/2014 To 12/01/2014
Municipal Lighting Discount Rider UG Cable in Dirt with Discount

Lighting Charge				\$92,959.69
Underground Cable/Wiring	0.00	@	\$ 1.00000000	\$0.00
Cable in Dirt Discount	0.00	@	\$ 1.00000000	\$0.00
Municipal Lighting Discount	94,066.26	@	\$ 1.00000000	\$9,406.63
Fuel Adjustment Charge	235,441.00 kWh	@	\$ 0.00470000	\$1,106.57
Total Service Amount				\$84,659.63

QUANTITY	DESCRIPTION	MONTHLY RATE	PRORATE FACTOR	AMOUNT	DATE SERVICE TO
1	34000 HR Direct	21.63	1.0000000	21.63	Dec 1, 2014
4	36000 HR Direct	21.63	1.0000000	86.52	Dec 1, 2014
1	9500 HPS Enclosed	11.79	1.0000000	11.79	Dec 1, 2014
53	20000 MV Enclosed	17.04	1.0000000	903.12	Dec 1, 2014
170	6800 MV Open Btm	10.43	1.0000000	1773.10	Dec 1, 2014
3822	9500 HPS Post Top	21.85	1.0000000	83510.70	Dec 1, 2014
110	6800 MV Post Top	21.85	1.0000000	2403.50	Dec 1, 2014
14	50000 HPS Enclosed	30.38	1.0000000	425.32	Dec 1, 2014
120	25500 HPS Enclosed	17.04	1.0000000	2044.80	Dec 1, 2014
1	25500 HPS Direct	21.63	1.0000000	21.63	Dec 1, 2014
2	100000 HR Direct	68.38	1.0000000	136.76	Dec 1, 2014
5	50000 HPS Direct	34.21	1.0000000	171.05	Dec 1, 2014
139	9500 HPS Open Btm	10.43	1.0000000	1449.77	Dec 1, 2014

Current Amount Due \$84,659.63
Prior Amount Due \$0.00
Total Amount Due \$84,659.63

The ActOnEnergy® BizSavers® program has CASH INCENTIVES available for your next energy efficiency project. Everything from lighting to controls to new construction. Visit ActOnEnergy.com/BizSavers to learn more.

A late payment charge of 1.5% will be added for any unpaid balance on all accounts after the delinquent date.

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Finance Department

210.340.5910
KCM 12/9/14

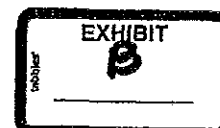


12120728 000383 000388 00001000001

Lights Older Than 30 Years

12/03/2009

Subdivision	Light No	Component Type	DatePlatted	Monthly Cost	Year Platted	Dep Light Cost
SUNSET TERRACE PLAT 1	OF0286	9500 HPS Post Top	05/16/1957	15.91	1957	\$0.00
WESTWOOD ACRES PLAT 2	OF0664	9500 HPS Post Top	11/05/1957	15.91	1957	\$0.00
WILLOW RUN PLAT 1	OF1022	6800 MV Post Top	01/24/1972	15.91	1972	\$0.00
HILLTOP MANOR PLAT 1	OF1023	6800 MV Post Top	06/01/1959	15.91	1959	\$0.00
LECLAR PARC PLAT 1	OF1035	6800 MV Post Top	01/30/1976	15.91	1976	\$0.00
LECLAR PARC PLAT 1	OF1037	6800 MV Post Top	01/30/1976	15.91	1976	\$0.00
LECLAR PARC PLAT 1	OF1038	6800 MV Post Top	01/30/1976	15.91	1976	\$0.00
LECLAR PARC PLAT 1	OF1040	6800 MV Post Top	01/30/1976	15.91	1976	\$0.00
TOWERING OAKS	OF1041	6800 MV Post Top	07/01/1969	15.91	1969	\$0.00
TOWERING OAKS	OF1042	6800 MV Post Top	07/01/1969	15.91	1969	\$0.00
TOWERING OAKS	OF1043	6800 MV Post Top	07/01/1969	15.91	1969	\$0.00
TOWERING OAKS	OF1044	6800 MV Post Top	07/01/1969	15.91	1969	\$0.00
FLAIR FOREST PLAT 3	OF1045	6800 MV Post Top	08/15/1972	15.91	1972	\$0.00
FLAIR FOREST PLAT 3	OF1046	9500 HPS Post Top	08/15/1972	15.91	1972	\$0.00
FLAIR FOREST PLAT 3	OF1047	6800 MV Post Top	08/15/1972	15.91	1972	\$0.00
FLAIR FOREST PLAT 3	OF1048	6800 MV Post Top	08/15/1972	15.91	1972	\$0.00
WESTBROOK MANOR	OF1213	9500 HPS Post Top	12/06/1973	15.91	1973	\$0.00
FOREST PARK ADDITION #3 PLAT 1	OF1214	9500 HPS Post Top	07/18/1967	15.91	1967	\$0.00
WESTBROOK MANOR	OF1219	6800 MV Post Top	12/06/1973	15.91	1973	\$0.00
WESTBROOK MANOR	OF1220	6800 MV Post Top	12/06/1973	15.91	1973	\$0.00
WILLOW RUN PLAT 2A	OF1222	9500 HPS Post Top	04/17/1979	15.91	1979	\$0.00
WILLOW RUN PLAT 2A	OF1223	9500 HPS Post Top	04/17/1979	15.91	1979	\$0.00
PARKVIEW PL PLAT 3	OF1226	9500 HPS Post Top	04/05/1979	15.91	1979	\$0.00
WESTBROOK MANOR	OF1263	6800 MV Post Top	12/06/1973	15.91	1973	\$0.00
WESTBROOK MANOR	OF1265	6800 MV Post Top	12/06/1973	15.91	1973	\$0.00
WESTWOOD ACRES PLAT 5	OF1266	6800 MV Post Top	03/17/1969	15.91	1969	\$0.00
WESTWOOD ACRES PLAT 5	OF1267	6800 MV Post Top	03/17/1969	15.91	1969	\$0.00
WESTBROOK MANOR	OF1268	9500 HPS Post Top	12/06/1973	15.91	1973	\$0.00
FLAIR FOREST PLAT 4	OF1306	9500 HPS Post Top	02/17/1976	15.91	1976	\$0.00
FLAIR FOREST PLAT 4	OF1307	6800 MV Post Top	02/17/1976	15.91	1976	\$0.00
FOREST PARK ADDITION #3 PLAT 1	OF1326	6800 MV Post Top	07/18/1967	15.91	1967	\$0.00
WILLOW RUN PLAT 2C	OF1327	6800 MV Post Top	04/17/1979	15.91	1979	\$0.00
PARKVIEW PL PLAT 1	OF1339	6800 MV Post Top	10/17/1978	15.91	1978	\$0.00
PARKVIEW PL PLAT 1	OF1340	6800 MV Post Top	10/17/1978	15.91	1978	\$0.00



Lights Older Than 30 Years

12/03/2009

Subdivision	Light No	Component Type	DatePlatted	Monthly Cost	Year Platted	Dep Light Cost
PARKVIEW PL PLAT 2	OF1341	6800 MV Post Top	10/17/1978	15.91	1978	\$0.00
PARKVIEW PL PLAT 2	OF1342	6800 MV Post Top	10/17/1978	15.91	1978	\$0.00
PARKVIEW PL PLAT 3	OF1343	9500 HPS Post Top	04/05/1979	15.91	1979	\$0.00
PARKVIEW PL PLAT 2	OF1344	6800 MV Post Top	10/17/1978	15.91	1978	\$0.00
WESTBROOK MANOR	OF1368	6800 MV Post Top	12/06/1973	15.91	1973	\$0.00
WESTBROOK MANOR	OF1369	9500 HPS Post Top	12/06/1973	15.91	1973	\$0.00
WESTBROOK MANOR	OF1370	6800 MV Post Top	12/06/1973	15.91	1973	\$0.00
WESTBROOK MANOR	OF1371	6800 MV Post Top	12/06/1973	15.91	1973	\$0.00
WYNDWOOD PL PLAT 1	OF1376	9500 HPS Post Top	02/21/1978	15.91	1978	\$0.00
WESTBROOK MANOR	OF1377	6800 MV Post Top	12/06/1973	15.91	1973	\$0.00
WESTBROOK MANOR	OF1378	6800 MV Post Top	12/06/1973	15.91	1973	\$0.00
WESTBROOK MANOR	OF1379	6800 MV Post Top	12/06/1973	15.91	1973	\$0.00
NORTH WOODS EST	OF1422	6800 MV Post Top	06/29/1974	15.91	1974	\$0.00
WYNDWOOD PL PLAT 1	OF1425	6800 MV Post Top	02/21/1978	15.91	1978	\$0.00
NORTH WIND EST	OF1429	9500 HPS Post Top	04/01/1971	15.91	1971	\$0.00
NORTH WOODS EST	OF1433	6800 MV Post Top	06/29/1974	15.91	1974	\$0.00
NORTH WOODS EST	OF1434	9500 HPS Post Top	06/29/1974	15.91	1974	\$0.00
WILLOW RUN PLAT 1	OF1435	6800 MV Post Top	01/24/1972	15.91	1972	\$0.00
WILLOW RUN PLAT 1	OF1436	6800 MV Post Top	01/24/1972	15.91	1972	\$0.00
WILLOW RUN PLAT 1	OF1437	6800 MV Post Top	01/24/1972	15.91	1972	\$0.00
WILLOW RUN PLAT 1	OF1438	6800 MV Post Top	01/24/1972	15.91	1972	\$0.00
WILLOW RUN PLAT 1	OF1439	6800 MV Post Top	01/24/1972	15.91	1972	\$0.00
WILLOW RUN PLAT 1	OF1440	6800 MV Post Top	01/24/1972	15.91	1972	\$0.00
WILLOW RUN PLAT 1	OF1441	6800 MV Post Top	01/24/1972	15.91	1972	\$0.00
WILLOW RUN PLAT 1	OF1442	6800 MV Post Top	01/24/1972	15.91	1972	\$0.00
WILLOW RUN PLAT 2C	OF1443	9500 HPS Post Top	04/17/1979	15.91	1979	\$0.00
WILLOW RUN PLAT 2C	OF1444	9500 HPS Post Top	04/17/1979	15.91	1979	\$0.00
WILLOW RUN PLAT 1	OF1452	6800 MV Post Top	01/24/1972	15.91	1972	\$0.00
WILLOW RUN PLAT 1	OF1454	6800 MV Post Top	01/24/1972	15.91	1972	\$0.00
WILLOW RUN PLAT 2B	OF1465	6800 MV Post Top	04/17/1979	15.91	1979	\$0.00
WILLOW RUN PLAT 2A	OF1466	6800 MV Post Top	04/17/1979	15.91	1979	\$0.00
NORTH WIND EST	OF1469	6800 MV Post Top	04/01/1971	15.91	1971	\$0.00
NORTH WOODS EST	OF1470	9500 HPS Post Top	06/29/1974	15.91	1974	\$0.00
WILLOW RUN PLAT 1	OF1473	6800 MV Post Top	01/24/1972	15.91	1972	\$0.00

Lights Older Than 30 Years

12/03/2009

Subdivision	Light No	Component Type	DatePlatted	Monthly Cost	Year Platted	Dep Light Cost
NORTH WIND EST	OF1491	9500 HPS Post Top	04/01/1971	15.91	1971	\$0.00
WILLOW RUN PLAT 2B	OF1494	9500 HPS Post Top	04/17/1979	15.91	1979	\$0.00
RUNNY MEADE	OF1603	6800 MV Post Top	12/19/1978	15.91	1978	\$0.00
RUNNY MEADE	OF1604	9500 HPS Post Top	12/19/1978	15.91	1978	\$0.00
RUNNY MEADE	OF1605	6800 MV Post Top	12/19/1978	15.91	1978	\$0.00
RUNNY MEADE	OF1613	6800 MV Post Top	12/19/1978	15.91	1978	\$0.00
RUNNY MEADE	OF1614	6800 MV Post Top	12/19/1978	15.91	1978	\$0.00
RUNNY MEADE	OF1626	6800 MV Post Top	12/19/1978	15.91	1978	\$0.00
RUNNY MEADE	OF1628	9500 HPS Post Top	12/19/1978	15.91	1978	\$0.00
RUNNY MEADE	OF1629	6800 MV Post Top	12/19/1978	15.91	1978	\$0.00
RUNNY MEADE	OF1630	6800 MV Post Top	12/19/1978	15.91	1978	\$0.00
RUNNY MEADE	OF1631	6800 MV Post Top	12/19/1978	15.91	1978	\$0.00
RUNNY MEADE	OF1632	6800 MV Post Top	12/19/1978	15.91	1978	\$0.00
RUNNY MEADE	OF1633	6800 MV Post Top	12/19/1978	15.91	1978	\$0.00
RUNNY MEADE	OF1634	9500 HPS Post Top	12/19/1978	15.91	1978	\$0.00
RUNNY MEADE	OF1900	9500 HPS Post Top	12/19/1978	15.91	1978	\$0.00
FOREST PARK ADDITION #3 PLAT 2	OF1963	9500 HPS Post Top	07/18/1967	15.91	1967	\$0.00
TOWERING OAKS	OF3122	9500 HPS Post Top	07/01/1969	15.91	1969	\$0.00
TOWERING OAKS	OF3123	9500 HPS Post Top	07/01/1969	15.91	1969	\$0.00
TOWERING OAKS	OF3124	9500 HPS Post Top	07/01/1969	15.91	1969	\$0.00
GREEN BRIAR	OF3377	9500 HPS Post Top	01/01/1961	15.91	1961	\$0.00
BRYAN MEADOWS	OF3378	9500 HPS Post Top	01/01/1964	15.91	1964	\$0.00
GREEN BRIAR	OF3379	9500 HPS Post Top	01/01/1961	15.91	1961	\$0.00
BRYAN MEADOWS	OF3380	9500 HPS Post Top	01/01/1964	15.91	1964	\$0.00
GREEN BRIAR	OF3381	9500 HPS Post Top	01/01/1961	15.91	1961	\$0.00
BRYAN MEADOWS	OF3382	9500 HPS Post Top	01/01/1964	15.91	1964	\$0.00
GREEN BRIAR	OF3383	9500 HPS Post Top	01/01/1961	15.91	1961	\$0.00
BRYAN MEADOWS	OF3384	9500 HPS Post Top	01/01/1964	15.91	1964	\$0.00
BRYAN MEADOWS	OF3418	9500 HPS Post Top	01/01/1964	15.91	1964	\$0.00
WESTBROOK MANOR	OF4944	9500 HPS Post Top	12/06/1973	15.91	1973	\$0.00
Total				\$1,559.18	98	

FORM NO. 13 P. S. C. MO. No. 2 First { XXXXXX } SHEET No. 1.50
Revised

Cancelling P. S. C. MO. No. 2 { Original } SHEET No. 1.50
XXXXXX

KANSAS CITY POWER & LIGHT COMPANY
Name of Issuing Corporation or Municipality

For Rate Areas North and North
Community Electric

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GENERAL RULES AND REGULATIONS
APPLYING TO ELECTRIC SERVICE (continued)
MISSOURI

Public Service Commission

15. MUNICIPAL STREET LIGHTING SERVICE

15.01 TERMS AND CONDITIONS: The Company will provide street lighting service within the corporate limits of a Municipality under terms and conditions of applicable Rate Schedules, and Rules and Regulations of the Company.

15.02 MUNICIPALITY RESPONSIBILITY: The governing body of the Municipality recognizes its continuing duty to provide and operate such street lighting equipment as the Municipality deems necessary at and along the public ways and their intersections within the corporate limits of the Municipality in order to insure the safety of its inhabitants and to promote the free flow of persons and commerce in such public ways.

15.03 COMPANY SERVICE RESPONSIBILITY: The Company will provide street lighting service within the corporate limits of the Municipality to the extent that it now owns or is willing to provide and own electric street lighting facilities at locations selected by the Municipality at and along such public ways and their intersections in those portions within the corporate limits of the Municipality located within the certificated service territory of the Company and to operate such electric street lighting facilities pursuant to directions and in the manner designated by the Municipality for the purpose of the free flow and safety of persons and commerce at such locations.

15.04 STREET LIGHTING SYSTEM: The Street Lighting System shall be defined as and shall consist of street lighting luminaires, bracket arms, poles, lamps, control equipment, conductors and all other facilities necessary for the operation of electrically operated street lights in those portions of the corporate limits of the Municipality now or hereafter located within the Company's certificated territory. Such Street Lighting System shall include all facilities presently owned by the Company and located within such portions of the Municipality as such facilities now exist, together with all additions thereto, changes therein, and removals therefrom as may be made by the Company at the direction of the Municipality during the term hereof. All facilities included within the Street Lighting System shall be furnished, installed, owned, operated and maintained by the Company. The Company shall supply all electric energy required for the operation of the Street Lighting System as part of the Street Lighting Service to be furnished by the Company to the Municipality.

FILED
FEB 20 1978
Public Service Commission

DATE OF ISSUE January 20, 1978 DATE EFFECTIVE February 20, 1978
month day year month day year

ISSUED BY L. C. Rasmussen Vice President 1330 Battimore, Kansas City, Mo.
name of officer title add

EXHIBIT
C

KCPL FORM 4.1.D.1 1/78

FORM NO. 13

P. S. C. MO. No. 2

First { Original } SHEET No. 1.51
Revised

Cancelling P. S. C. MO. No.

{ Original } SHEET No. 1.51
Revised

KANSAS CITY POWER & LIGHT COMPANY
Name of Issuing Corporation or Municipality

For Rate Areas No. 1 and No. 3
Community, Town or City

RECEIVED

GENERAL RULES AND REGULATIONS NOV 7 1989
APPLYING TO ELECTRIC SERVICE (continued)
MISSOURI

15. MUNICIPAL STREET LIGHTING SERVICE

15.05 STREET LAMPS EXHIBIT: The Company will develop an exhibit which will indicate the number, size and type of the street lights on order or now owned and installed by the Company, operated and maintained by the Company and paid for by the Municipality. The number of street lights set forth in the exhibit shall be the minimum number of street lights which shall be used and paid for by the Municipality, and, if, when and as additional street lights are installed from time to time, the minimum number as set forth shall be increased to the extent of such additional street lights which shall be used and paid for by the Municipality under applicable rates and charges.

15.06 APPLICABLE RATE SCHEDULE: The Municipality shall pay to the Company for Municipal Street Lighting Service furnished by the Company at the rates and charges provided for in the Company's Rate Schedule for Municipal Street Lighting Service or any superseding schedule therefor as then in effect and on file with the State Regulatory Commission from time to time.

15.07 ADDITIONS TO THE STREET LIGHTING SYSTEM: Additions to the Street Lighting System may be ordered by and on behalf of the Municipality from time to time by written order of a legally authorized officer of the Municipality, and upon receipt the Company will institute action to furnish and install street lighting facilities of the type and design specified by the Municipality at the locations designated by the Municipality provided that the Company shall have the right to reject such order if the facilities specified are not of a standard type or design then being furnished and installed by the Company under its Standards for Municipal Street Lighting Facilities; provided further that the Company may accept an order from the Municipality for the installation of nonstandard street lighting facilities upon terms and conditions satisfactory to the Company and to a legally authorized officer of the Municipality, as evidenced by a written acceptance of any such order.

15.08 CHANGES AND REMOVALS: Changes in the location or direction of Street Lighting System facilities on public rights of way will be performed by the Company at the City's request. Changes made in conjunction with and because of a public improvement project which is paid for by public funds and requires public rights of way alterations, shall be done at the Company's expense. For all other changes, the City shall reimburse and pay to the Company the Company's cost of labor, transportation and materials incurred for such change (including, without limitation, applicable overheads, insurance and taxes).

FILED

DEC 16 1989

KCP&L Form 65TH002 (Rev. 4/88)

DATE OF ISSUE November 6, 1989
month day year

DATE EFFECTIVE December 16, 1989
Public Service Commission
month day year

ISSUED BY B. J. Beaudoin Vice President 1330 Baltimore, Kansas City, Mo.
name of officer title address

FORM NO. 13

P. S. C. MO. No. 2

First { Original Revised } SHEET No. 1.52

Cancelling P. S. C. MO. No. { Original Revised } SHEET No. 1.52

KANSAS CITY POWER & LIGHT COMPANY
Name of Issuing Corporation or Municipality

For Rate Areas No. 1 and No. 3
Community

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NOV 7 1989

GENERAL RULES AND REGULATIONS
APPLYING TO ELECTRIC SERVICE (continued)

15. MUNICIPAL STREET LIGHTING SERVICE (continued)

15.08 CHANGES AND REMOVALS: (continued) Removals of Street Lighting System facilities, or portions thereof, will be performed by the Company at the Municipality's request. For all such removals, the Municipality shall reimburse and pay to the Company the Company's cost of labor, transportation and materials incurred for such removal (including, without limitation, applicable overheads, insurance and taxes), as well as the original cost of such facilities, less accrued depreciation and salvage value. A salvage credit will be allowed only when the particular items being removed have current reusable value to the Company. Such changes and removals shall be performed as soon as reasonably practical after receipt of a written order of a legally authorized officer of the Municipality requiring the same.

15.09 PROTECTION OF COMPANY PROPERTY: Property of the Company shall be protected by the Municipality against malicious destruction thereof as is the property of its inhabitants.

15.10 MUNICIPALITY PAYMENT LIABILITY: The Municipality shall pay all bills rendered by the Company for services furnished within fifteen (15) days after receipt thereof. If any such bill is not paid within such period, a default shall have incurred and the Municipality shall become liable to pay the Company interest on such bill at the rate of ten percent (10%) per annum until such bill is paid. If any bill shall remain in default for ninety (90) days, the Company may, at its option, discontinue the furnishing of services provided until such time as the delinquent payments, together with all interest thereon, shall have been paid, and the Municipality shall also be liable to the Company for the value of its investment (undepreciated original cost) in the Street Lighting System.

15.11 FORCE MAJEURE: The Company shall not be liable on account of any interruption or delay of service occasioned by, and shall have no obligation to furnish service during the time service is interrupted by, an Act of God or any other cause not within the control of the Company, including but not limited to, failure of facilities, load shedding for the protection or restoration of system operations, flood, drought, earthquake, storm, lightning, fire, explosion, epidemic, war, riot, civil disturbance, invasion, insurrection, labor disturbance, strike, sabotage, collision, or restraint or order by any court or public or military authority having jurisdiction. Any strike or labor disturbance may be settled at the discretion of the Company.

FILED

DEC 16 1989

DATE OF ISSUE November 6, 1989
month day year

DATE EFFECTIVE December 16, 1989
month day year

ISSUED BY B. J. Banuadin Vice President 1330 Baltimore, Kansas City, Mo.
name of officer title address

KCP L Form 661H002 (Rev 4/88)

FORM NO. 13

P. S. C. MO. No. 2

First { Original / Revised }

SHEET No. 1.53

Cancelling P. S. C. MO. No.

{ Original / Revised }

SHEET No. 1.53

KANSAS CITY POWER & LIGHT COMPANY
Name of Issuing Corporation or Municipality

For Rate Areas No. 1 and No. 3

Community No. 1000
RECEIVED

NOV 7 1989

GENERAL RULES AND REGULATIONS
APPLYING TO ELECTRIC SERVICE (continued)

15. MUNICIPAL STREET LIGHTING SERVICE (continued)

15.12 MUNICIPALITY PURCHASE OF STREET LIGHTING SERVICE: The Municipality shall have the right and option to purchase on a mutually agreed specified purchase date, upon one (1) year's written notice to the Company prior to the specified purchase date, only that portion of the Street Lighting System determined by the Company in use and useful and devoted exclusively to furnishing street lighting service within the corporate limits of the Municipality (the "property to be sold"). The purchase price for the property to be sold shall be and consist of all of the following:

- [a] the reproduction cost new less depreciation;
- [b] consequential and severance damages which will result or accrue to the Company from the sale and transfer of said property to the Municipality;
- [c] an allowance for the loss of a portion of the Company's going concern value;
- [d] all materials and supplies related uniquely to the property to be sold;
- [e] all expenses in connection with such sale; and
- [f] all other damages sustained by the Company by reason of such sale.

The Municipality may purchase a portion or portions of the Street Lighting System from time to time by giving written notice to the Company at least three months before the intended purchase date. The purchase price for said portion or portions shall be calculated pursuant to the above pricing formula for purchase of the entire System.

15.13 MUNICIPALITY PURCHASE OF ELECTRIC ENERGY: In the event the Municipality, pursuant to Rule 15.12 hereof elects to and does purchase the property to be sold, the Municipality shall purchase and receive from the Company and the Company shall sell and deliver to the Municipality for a period of ten (10) years from the purchase date all of the electric energy required for the operation of all Municipally-owned street lighting facilities then or thereafter located within the certificated service territory of the Company at the applicable rate schedule for such service then or thereafter filed with and approved by the Missouri Public Service Commission.

FILED

DEC 16 1989

Public Service Commission

KCP&L Form 661H002 (Rev 4/88)

DATE OF ISSUE November 6, 1989
month day year

DATE EFFECTIVE ~~November 6, 1989~~ DEC 16 1989
month day year

ISSUED BY B. J. Esudain Vice President 1330 Baltimore, Kansas City, Mo.
name of officer title address

Proposed tariff provision

Service Classification No. 5(M)

Street and outdoor area lighting – Company-Owned (Cont'd)

Customer shall have the right and option to purchase on a mutually agreed specified purchase date, upon three (3) month's written notice to the Company prior to the specified purchase date, only that portion of the Street Lighting System determined by the Company in use and useful and devoted exclusively to furnishing street lighting service within the corporate limits of the Customer (the "property to be sold"). The purchase price for the property to be sold shall be and consist of all of the following:

[a] the reproduction cost new less depreciation;

[b] consequential and severance damages which will result or accrue to the Company from the sale and transfer of said property to the Customer;

[c] all materials and supplies related uniquely to the property to be sold;

[d] all expenses in connection with such sale.

The Customer may purchase a portion or portions of the Street lighting System from time to time by giving written notice to the Company at least three months before the intended purchase date. The purchase price for said portion or portions shall be calculated pursuant to the above pricing formula for purchase of the entire system.

