

1 Q. Was cost a factor on Hawthorn 5?

2 A. Cost was a factor, although less of a  
3 factor given that there was some insurance  
4 considerations involved. But we still managed costs  
5 and made prudent cost decisions.

6 Q. Is there ever a time during a project  
7 where you would decide to fast track a portion of it?

8 A. Yeah. There can be that.

9 Q. At what stage in engineering would you  
10 make a decision to place a project on fast track?

11 A. I'm not sure I understand your question.  
12 what stage of engineering? Can you define that a  
13 little bit?

14 Q. At what point of the construction project  
15 would you decide to place a portion of it or the --  
16 the remaining of it on a fast track pace?

17 A. You know, fast track, accelerated sounds  
18 like you're using those terms interchangeably. You  
19 know, there are various stages through the execution  
20 of a project where you may make a decision to speed up  
21 an activity in order to make a later activity more  
22 efficient, et cetera.

23 Q. Does the engineering of a project need to  
24 be at a certain stage before you initiate procurement  
25 activities?

1 A. Yes, it is. Yes, they do.

2 Q. And how -- in your opinion, how far do  
3 you think a project needs to be complete before it  
4 engages in procurement?

5 A. I believe the -- the question you're  
6 asking is a process question. If -- if you want me to  
7 talk about the process for a little while --

8 Q. Can you just give a general answer --

9 A. I can give --

10 Q. -- and if there's a percentage of a  
11 project --

12 A. I can give you --

13 Q. -- or --

14 A. I can give you a real quick example of  
15 using Iatan as the real life, if you'd like.

16 Q. I just want to know at what -- at what --  
17 how far engineering needs to be along before you  
18 should start engaging in procurement activities?

19 A. Engineering -- as I said earlier, in the  
20 early stages of engineering, engineering was on the  
21 critical path on this project. So you did everything  
22 you needed to do to remove the barriers to get that  
23 engineering done as quickly as possible so you could  
24 start that construction.

25 I'll give you the example of the

1 foundations. The foundations on Iatan 2 had to be  
2 designed to meet a key turnover date to Alstom.  
3 Those -- all that engineering information had to get  
4 gathered from the various equipment manufacturers.  
5 Alstom had to supply those loads that were going to  
6 land on those foundations. Burns and Mac had to get  
7 those foundations designed in time for our contractor,  
8 Kissick, to get those foundations built to meet a key  
9 turnover of August 15th of 2007.

10 All that activity was on the critical  
11 path early in the light -- life of the project. It  
12 was all accomplished on time. Did we accelerate some  
13 of those activities in order to make that happen?  
14 Yes, we did. That was a decision we made on a  
15 day-by-day basis.

16 Q. Okay. But you don't have a percentage  
17 then of how far the engineering needs to be in place  
18 before you start procurement activities?

19 A. When we -- if --

20 Q. Do you have a percentage? Can you give  
21 me a --

22 A. There's not an exact percentage.

23 Q. Okay. Thank you. Okay. Let's go to  
24 page 15 of your rebuttal. Here you mention cost  
25 overruns. Can you identify for the Commission the

1 cost overruns that have occurred at the Iatan project  
2 through August 31st, 2010?

3 A. August 31st, 2010. Are you looking for  
4 an exact number?

5 Q. I just want to know if you can identify  
6 the cost overruns.

7 A. I could if I had the cost portfolio in  
8 front of me based on that date.

9 Q. So you would use the cost portfolio to  
10 identify cost overruns?

11 A. Yes.

12 Q. Have you -- have you tried to identify  
13 the cost overruns?

14 A. Absolutely. We -- we were engaged in  
15 them every day as they occurred.

16 Q. Did you do a report on the cost overruns?

17 A. No. My -- mine would have been a daily  
18 review of the change orders, the purchase orders, et  
19 cetera that were -- that came in on a daily basis  
20 during the life of this project.

21 Q. And are the change order, purchase  
22 orders, et cetera is there like a -- in -- is that  
23 contained within the cost portfolio?

24 A. The change orders are summarized in the  
25 cost portfolio. A change order list feeds into the

1 cost portfolio, which you turned me to my testimony.  
2 I believe that's what this section of my testimony on  
3 page 15 refers to is our change orders and  
4 Mr. Elliott's review of those change orders.

5 Q. Could KCP&L create a report on the cost  
6 overruns?

7 A. We can create a change order report that  
8 represents many of those cost overruns.

9 Q. Now, would that change order report track  
10 costs to the control budget estimate?

11 A. Absolutely.

12 Q. So why didn't you create that report?

13 A. I believe we did. And we gave it to  
14 Mr. Elliott and I believe that same report was  
15 provided to others within the Staff.

16 Q. So the information provided to  
17 Mr. Elliott was just the change orders. Is that what  
18 you're saying, that that's the report?

19 A. He got -- he had requested a report for  
20 all change orders bot-- above a \$50,000 amount.

21 Q. Did you attend the recent deposition of  
22 Mr. Forrest Archibald?

23 A. I attended an early portion of it.  
24 Didn't stay very long.

25 Q. Were you in there when Mr. Archibald

1 testified that the Iatan project costs cannot be  
2 traced to the R&Os and CPs?

3 A. I don't believe I was in there then.

4 Q. Do you know at what stage of the  
5 deposition you left?

6 A. No, I do not. Relatively early. I  
7 didn't stay very long. I believe you asked two  
8 separate questions though there, if you would like for  
9 me to clarify.

10 Q. Okay. Did you hear him that say that  
11 costs could not be tracked to R&Os?

12 A. No. I didn't hear him say that, but we  
13 were talking about change orders, not R&Os.

14 Q. Were you -- we, as in you and me or --

15 A. You and I.

16 Q. Okay.

17 A. Previously we were talking about change  
18 orders. And change orders can very definitely be  
19 tracked in the cost reports.

20 Q. Now, are change orders written for  
21 estimated amounts?

22 A. Very few of them are. There may be a few  
23 that were, but most of them are for -- are executed as  
24 a change order whenever the amount is known and  
25 defined and agreed to by the contractor.

1 Q. Are change orders drafted to state not to  
2 exceed a certain dollar value?

3 A. There can be some in that range depending  
4 on the nature of the work.

5 Q. So how would you track a change order  
6 that is only to an estimated amount?

7 A. That change order ultimately comes in as  
8 a bill and most change orders are for the amount of  
9 the final change order. And that is tracked to a  
10 contract number and that contract number is on the  
11 cost portfolio.

12 Q. But you said "most." So the documents  
13 that are not to an exact number and they are to an  
14 estimate, how do you track costs to that -- to the  
15 change order?

16 A. The final invoices would be charged to  
17 that contract number.

18 Q. Would a change -- would all change orders  
19 state whether or not the costs are being charged to  
20 the contingency budget?

21 A. That's a question you need to address  
22 with Mr. Archibald.

23 Q. So how would you track an overrun if you  
24 don't know what's in the contingency or what is being  
25 charged to the contingency?

1           A.     The -- the cost engineers manage the  
2 contingency draws. They watch the scope, et cetera.  
3 So if you want any detail around the contingency draws  
4 and how that compares to scope and how that's managed  
5 at a contract level basis, I'd refer you to  
6 Mr. Archibald.

7           Q.     So if you don't know whether it's being  
8 charged to a contingency or if it's a cost overrun,  
9 how can you look at a change order and determine  
10 whether or not it's being billed to the -- it's being  
11 charged to the contingency or if it's a cost overrun?  
12 How -- you don't go back on the contin-- the change  
13 order and identify that, do you?

14          A.     Each change order from Brent Davis's  
15 project management perspective stands on its own  
16 merit. I look at that change order and whether it's  
17 needed or not, whether it's prudent or not based on  
18 that individual change order.

19                   when I go back and I look at our cost  
20 portfolio, as I was explaining earlier, and look at  
21 that original CBE amount and compare it to that final  
22 amount that we paid that contractor, that gap is a  
23 compilation of many, many change orders in most cases.  
24 So I've made each one of those individual assessments  
25 on the prudence of that change order every time I've



1 signed one of those hundreds of change orders I've  
2 signed over the life of this project.

3 Q. But can you track it to a cost overrun?

4 A. Absolutely. You can track it back -- you  
5 can track that change order back to that contract  
6 number.

7 Q. And does -- and you said that wouldn't  
8 establish whether or not it was in the contingency  
9 budget or not?

10 A. Normally the contingency draws when we  
11 are executing the change order depending on the  
12 amount, et cetera. I might call Forrest and say, Hey,  
13 is this a contingency draw? How much of it is a  
14 contingency draw? He would let me know that at that  
15 time.

16 Q. Now, would you agree that cost overruns  
17 are above the control budget and the contingency  
18 budget?

19 A. Yes. I'd agree with that.

20 Q. Now, going back to the cost overruns,  
21 Mister -- do you know who Mr. Meyer is?

22 A. Yes. Dan -- Dan Meyer, I assume you  
23 mean. Yes.

24 Q. Yes. And were you in the room for  
25 Mr. Blanc when they -- he was discussing some pie

1 chart?

2 A. I was in the room for most of Mr. Blanc's  
3 testimony.

4 Q. Now, did Mr. Meyer's attempt to  
5 identify -- identify the Iatan project's cost  
6 overruns, was that before the November 3rd, 2010 audit  
7 report?

8 MR. FISCHER: If you know.

9 THE WITNESS: I -- I can't answer that  
10 question. I don't know that.

11 BY MS. OTT:

12 Q. Let's go to page 16 of your rebuttal.  
13 And you're discussing senior management. I don't  
14 think -- I know you have some highly confidential  
15 information on this page, but is there any  
16 documentation that shows KCPL's senior management, an  
17 internal audit -- internal audit considered all the  
18 findings were satisfactory -- satisfactorily closed  
19 and the risks were mitigated?

20 A. Are you referring to a particular line on  
21 this page of testimony?

22 Q. Well, you're just testing the internal  
23 audits. And I was just -- were they satisfied with  
24 the findings in the audits and were they -- and then  
25 the risks that were associated with were mitigated?

1           A.     In particular to Burns and Mac's  
2 performance or in general?

3           Q.     We can start with Burns and Mac's  
4 performance.

5           A.     There were -- there was more than one  
6 audit done in various aspects. I believe there were  
7 two or three audits done by Burns and Mac on various  
8 issues. Each one of those issues had a -- a  
9 management plan, a mitigation plan associated with it.  
10 Those plans were executed. And as I stated earlier,  
11 to my knowledge, there are no open item audit findings  
12 where our executives and our board have not accepted  
13 our mitigation plan.

14          Q.     Is there any documentation that states  
15 that you satisfactorily complied with the audit  
16 recommendations?

17          A.     I believe our auditing group has that  
18 documentation, yes.

19          Q.     And what document -- do you know what  
20 document that would be contained within?

21          A.     Many of them are contained right within  
22 the audit reports themselves, an outline of the  
23 mitigation plan.

24          Q.     But I was asking if they were sas-- the  
25 recommendations if they were complied with, if there

1 was documentation that they had been complied with?

2 A. I can't -- I can't answer a specific  
3 document.

4 Q. Now, discussing Burns and Mac, did KCP&L  
5 receive a discount from them when it negotiated its  
6 contract for the Iatan project?

7 A. We did receive a discount.

8 Q. And that was just for the Iatan project?

9 A. That's correct.

10 Q. And if you would use their services under  
11 a general service agreement, do you receive a  
12 discount?

13 A. I'm not familiar with our current general  
14 services agreement with Burns and Mac.

15 Q. Let's go to page 19. I think it's the  
16 bottom. I think it goes onto page 20. You state  
17 that, Burns and Mac engineering work supported the  
18 procurement of the projects.

19 Did Burns and Mac ever provide drawings  
20 for the procurement of the project?

21 A. Thousands of drawings were provided.

22 Q. Did Burns and Mac ever miss any key  
23 milestones in the project?

24 A. They were late on some design of some  
25 foundations. They recovered by that with that

1 virtually all of the foundations were released on time  
2 to the various contractors. They were very  
3 instrumental in specking our procurement of our  
4 engineered equipment and we had virtually no  
5 engineering equipment that arrived onsite late, which  
6 caused any schedule difficulties.

7           So I would say Burns and Mac's scheduled  
8 performance, although there were some early  
9 challenges, given them being on the critical path  
10 early in the life of the project, their overall  
11 schedule impact was minimal.

12           Q.     Let's go to page 21. Your -- we'll go  
13 back to the Hawthorn project for a minute. Did KCP&L  
14 document any information that it learned from its  
15 involvement in the Hawthorn 5 project?

16           A.     Specific documents I can't recall.

17           Q.     Have you ever reviewed a presentation  
18 given by Schiff Hardin on November 23rd, 2005?

19           A.     Probably not. That would have been prior  
20 to my involvement in the project.

21           Q.     I'm going to hand you a copy of the  
22 presentation and have you look over it for a second.  
23 Particularly if you want to look at slide 7.

24           MS. OTT: And we're going to have to go  
25 in-camera for a moment.

1 BRENT DAVIS testified as follows:

2 A. On Steve's team, he had Jeff Fleenor.  
3 Jeff Fleenor was on the Iatan project for a period of  
4 time. He had Mack Hargis as the construction manager.  
5 Mack Hargis was on this project for a period of time.

6 BY MS. OTT:

7 Q. How long was Mr. Hargis on the team?

8 A. Approximately a little over a year, year  
9 and a half.

10 Q. And who was the one you identified before  
11 him?

12 A. Jeff Fleenor.

13 Q. And how long was he on the team?

14 A. Oh, Jeff was on the team for over two  
15 years.

16 Q. And what plants did Mr. Fleenor build?

17 A. Mr. Fleenor was involved in the Hawthorn  
18 5 construction.

19 Q. And Mr. Hargis?

20 A. He was involved in the Hawthorn 5  
21 construction. We had various other individuals. Stan  
22 Prenger is in -- was involved in the start-up of  
23 Hawthorn 5. He was involved in the -- he was start-up  
24 manager for basically both projects, Hawthorn 5 and  
25 the Iatan projects. Tom Mackin, the plant manager at

1 Iatan was involved in the Hawthorn 5 reconstruction.

2           On a contracted basis or a secunda basis,  
3 we had numerous individuals from throughout the  
4 industry who had -- have construction experience. I  
5 could give you a lot of names. They probably wouldn't  
6 mean anything to you. Our start-up team had many  
7 years of start-up experience. Our construction team,  
8 various secunda people that we hired had many years of  
9 construction experience.

10           Q.     Would that be ground-up construction of a  
11 coal plant?

12           A.     Yes. Cul-- a couple other names came to  
13 mind real quick.

14           Q.     And are --

15           A.     Russ Finkel and Paul waddell (ph sps.)  
16 were both construction managers on the Iatan project.  
17 Paul had installed the fuel equipment at two other  
18 locations very similar to the equipment we put in at  
19 Iatan. Russ Finkel was the lead electrical contract  
20 manager on Hawthorn 5. He did much of the electrical  
21 work at Iatan.

22           Q.     Now, did you -- did Iatan have -- for the  
23 project team have sufficient staffing at the  
24 beginning?

25           A.     Yes, we did.

1 Q. I'm going to hand you a recommendation to  
2 award letter for general contract for construction  
3 services.

4 MS. OTT: We're going to have to go  
5 in-camera again.

6 (REPORTER'S NOTE: At this point, an  
7 in-camera session was held, which is contained in  
8 Volume 16, pages 697 to 701 of the transcript.)

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1 JUDGE PRIDGIN: I'm sorry. We're back in  
2 public now.

3 I'm sorry. You can answer the question.  
4 I'm sorry.

5 BRENT DAVIS testified as follows:

6 A. Some of them were, some of them were not  
7 depending on individual's circumstances. The point is  
8 here the leadership was in place and as we grew that  
9 project team, those people reported to these  
10 individuals that could -- could supply the leadership  
11 necessary in each one of those functional areas I  
12 mentioned.

13 BY MS. OTT:

14 Q. Actually, let's go back to this  
15 recommendation award letter.

16 MR. FISCHER: Ms. Ott, would it be  
17 possible to mark that as an exhibit so we can talk  
18 about it in -- in the record here a little easier?

19 MS. OTT: Yes. We can mark it as an  
20 exhibit. I guess we'd be at Staff Exhibit 250. That  
21 would be HC?

22 JUDGE PRIDGIN: That's correct.

23 MS. OTT: And I'll have to have somebody  
24 go make copies of them. Okay. Let's go to page 10.  
25 And I guess we're going to have to go back in-camera.

1 JUDGE PRIDGIN: That's fine. Could you  
2 briefly explain what that is for my notes?

3 MS. OTT: It is a recommendation to award  
4 letter for general contract for construction services.

5 JUDGE PRIDGIN: Okay. Give me just a  
6 moment, please. And this is HC; is that correct?

7 MS. OTT: That's correct.

8 JUDGE PRIDGIN: all right. Thank you.  
9 Let me go in-camera. Just a second, please.

10 (REPORTER'S NOTE: At this point, an  
11 in-camera session was held, which is contained in  
12 volume 16, page 704 of the transcript.)

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1 JUDGE PRIDGIN: We are back in public  
2 session.

3 MS. OTT: Well, if we're going to make  
4 this an exhibit, I don't need to read other things  
5 from the document.

6 BRENT DAVIS testified as follows:

7 BY MS. OTT:

8 Q. Do you know who Mr. Grimwade is?

9 A. Yes, I do.

10 Q. And who is he?

11 A. He was the project director. I actually  
12 think it's project -- his title was senior project  
13 director earlier in the life of the project.

14 Q. Okay. And do you know who Terry Murphy  
15 is?

16 A. Yes, I do.

17 Q. Okay. Did they work together on the  
18 project?

19 A. For a period of time, yes.

20 Q. How would you describe their  
21 relationship, their working relationship?

22 A. I -- I wasn't on the project during that  
23 tenure. I don't know that I'd have a good basis to  
24 describe that.

25 Q. Have you ever seen any of the senior

1 management -- manager's assessments of the Iatan  
2 project?

3 A. Not that I recall.

4 Q. That might be for another witness, but I  
5 just wanted to see.

6 Okay. Let's go to page 33 of your  
7 rebuttal. Okay. You talk about different schedules  
8 here. Was the Iatan project being managed under three  
9 different schedules?

10 A. Excuse me. I didn't hear the under.

11 Q. Oh, on -- you talk about different  
12 schedules on page 33. Was the Iatan project being  
13 managed under three different schedules?

14 A. No. There was one schedule for the  
15 entire project.

16 Q. Okay. Just wanted to clarify that.  
17 Let's go to page 36 and you talk about this baseline  
18 schedule. Was that baseline schedule integrated into  
19 the definitive estimate?

20 A. I'm sorry. I didn't hear you again.

21 Q. Was the baseline schedule that you  
22 discuss on page 36 integrated into the definitive  
23 estimate?

24 A. The -- the control budget estimate was  
25 developed and published in January -- December/January

1 time frame of 2006, 2007 and the project schedule was  
2 baselined shortly after that. I believe it was April  
3 of 2007.

4 Q. Okay. So are you -- so --

5 A. So the --

6 Q. I asked about the definitive estimate,  
7 not the control budget estimate.

8 A. They're basically the same --

9 Q. They're the same?

10 A. -- to me.

11 Q. How would you define a definitive  
12 estimate?

13 A. For the purposes of this project, I  
14 believe early in the life of the project we used those  
15 terms interchangeably. My own personal definition, we  
16 would have had more engineering complete before I  
17 would have called it a definitive estimate.

18 Q. So what's the industry standard?

19 A. That would be a question for Mr. Meyer.

20 Q. Okay. Okay. I just want to make sure I  
21 have that clear. So you wouldn't call the control  
22 budget estimate a definitive estimate, but you used  
23 them interchangeably here?

24 A. For purposes of the interaction of the  
25 project, the control budget estimate I believe was

1 also called the definitive estimate as far as  
2 nomenclature. At 20, 25 percent engineered, I  
3 personally would not have called that a definitive  
4 estimate. I would have more likely called our 2008  
5 cost reforecast the definitive estimate when 70 to  
6 75 percent engineering was complete. There was a  
7 whole lot more definition to the project at that time.

8 Q. Do you know who made the decision to use  
9 the 20 to 25 percent as the definitive estimate, use  
10 that term?

11 A. No, I don't.

12 Q. What is AFUDC to you?

13 A. Allowance for funds used during  
14 construction.

15 Q. I'm going into the JLG crane incident,  
16 just so -- maybe not. Hold on. Was the turbine work  
17 performed during the unit 1 outage in the Iatan 1 in  
18 the control budget estimate?

19 A. No. That was a plant project.

20 Q. Who was ultimately held responsible for  
21 the turbine -- the cost of the turbine trip?

22 A. It's my understanding that was a joint  
23 responsibility between us and General Electric.

24 Q. Do you know if KCP&L sought reimbursement  
25 of its share of the cost for the turbine trip?

1           A.     I believe there was a sharing of the cost  
2 of the turbine trip.

3           Q.     Was that from a -- as a result of a  
4 stipulation and agreement or was that in the contract?

5           A.     I wasn't involved in the exact  
6 commercial. I can't answer a lot of those questions.

7           Q.     So how come cost related to the turbine  
8 trip -- the turbine overhaul, why was that included in  
9 the Iatan project?

10          A.     It was not included in the Iatan project.  
11 It was a plant project.

12          Q.     When did KCP&L plan to move the turbine  
13 to the turbine pedestal?

14          A.     Unit 2 you're talking about?

15          Q.     Yes.

16          A.     Our original schedule was to have the  
17 generator in place when -- basically when it arrived,  
18 which would have been in May of 2008, I believe.

19          Q.     So why was the Iatan project trailer  
20 campus built as an obstruction to move the turbine to  
21 its pedestal?

22          A.     The I-- the campus relocation I think  
23 you're referring to was a result of -- we had planned  
24 to have the campus in one location. We were in the  
25 early stages of developing that when Kiewit approached

1 us about contracting for the balance of plant job.

2 Kiewit's construction sequence, as we  
3 talked about earlier, was different than our original  
4 plan. They felt like that area was needed for laydown  
5 and to gain access for the major components of the  
6 turbine. That was part of their construction plan.  
7 We ultimately agreed with that and agreed to fund  
8 moving the construction campus or what was there at  
9 that time.

10 Q. Did it ever occur to you prior to Kiewit  
11 that maybe when you were designing where the campus  
12 was going to be located, that that would be a bad  
13 location?

14 A. There is no good or bad in this. There's  
15 different ways to build one of these things out.  
16 Kiewit ultimately convinced us that their method of  
17 building it out was more efficient. There's more than  
18 one way to skin this cat, so to speak, so Kiewit's way  
19 was different and it required moving that construction  
20 campus and we ultimately agreed with Kiewit's  
21 analysis.

22 Q. How much did it cost for KCP&L to move --  
23 to relocate the campus?

24 A. I don't remember the exact amount. Was  
25 it in my testimony? I don't recall it.



1 Q. Do you have the estimate?

2 A. It was in the million dollar range. Over  
3 a million dollars, I believe. But that's a rough  
4 estimate. I don't remember the exact amount.

5 Q. Now, were you ever interviewed by Pegasus  
6 Consulting?

7 A. Yes, I was.

8 Q. Did Dr. Nielsen interview you?

9 A. I -- Dr. Nielsen and I sat in on various  
10 meetings. I don't remember if it was a direct  
11 one-on-one interview.

12 Q. So do you remember if you had a  
13 one-on-one interview with somebody from Pegasus?

14 A. Yeah, I did.

15 Q. But you don't who it was with?

16 A. I believe I had a one-on-one with Jack.  
17 I don't remember Jack's last name.

18 Q. And were you the only two present during  
19 that interview?

20 A. No. I believe there was another  
21 representative from Pegasus. I don't remember who  
22 that was.

23 Q. Were you represented by counsel?

24 A. No, I was not.

25 Q. Do you know relatively what time you were

1 interviewed by them?

2 A. No. I can't recall. It was -- I can't  
3 recall the time frame. It was sometime within the  
4 last year, I believe.

5 Q. So you were the project director for  
6 Iatan when you were --

7 A. Yeah.

8 Q. -- interviewed?

9 Did you do anything to prepare for that  
10 interview?

11 A. Not that I recall.

12 Q. And were you given any prior instructions  
13 on -- regarding the level of cooperation during that  
14 interview?

15 A. No. I knew that I was -- I was to be  
16 open and transparent with Pegasus just like I would be  
17 anybody concerning project issues.

18 Q. Did you bring any documents to the  
19 interview?

20 A. Not that I recall.

21 Q. Were you shown any documents by Pegasus?

22 A. I can't recall off the top of my head.  
23 They may have had some various project documents and  
24 asked me questions on them, but I don't recall that  
25 specifically.

1 Q. Did you only ever meet with them one time  
2 or did you ever have any other meetings or interviews  
3 with --

4 A. No. I met more than once with them.

5 Q. Individually or with a group?

6 A. I only recall the one individual meeting  
7 and there were other meetings that I attended.

8 Q. And do you have an approximation of how  
9 many of those meetings there were?

10 A. Two to four maybe.

11 Q. And how many people were at those  
12 meetings?

13 A. Six to ten.

14 Q. Do you recall any of them, who were --  
15 who was present?

16 A. I recall Mr. Nielsen.

17 Q. Anyone else?

18 A. Not off the top of my head.

19 Q. And what did you discuss during your  
20 interview?

21 A. A whole array of project questions. They  
22 were gathering information to do their work.

23 Q. So they were just asking questions  
24 related to the project?

25 A. Yes.

1 Q. Were they asking substantive questions  
2 or --

3 A. Schedule, engineering. It ran the whole  
4 gamut, as I recall.

5 Q. Did they ask personnel questions?

6 A. I don't recall that specifically, but  
7 they may have.

8 Q. Okay. Let's go to page 6 of your  
9 surrebuttal.

10 MR. FISCHER: Surrebuttal?

11 MS. OTT: Yes.

12 BY MS. OTT:

13 Q. On line 12 there's a question that says,  
14 Mr. Hyneman identifies a number of criticisms  
15 regarding the Iatan's project team from assessments by  
16 LogOn Consulting. When did you first read these  
17 assessments by LogOn?

18 Can you read your answer?

19 A. I had not read these assessments until I  
20 received a copy of the schedules attached to  
21 Mr. Hyneman's rebuttal testimony.

22 Do you want me to continue?

23 Q. Uh-huh. You can read the entire answer.

24 A. Okay. I knew that certain members of the  
25 LogOn team had prepared assessments, though these were

1 never finalized or distributed. I note that each of  
2 the LogOn assessments were stamped Do -- Draft, Do Not  
3 Distribute on the bottom line -- on the bottom. I  
4 recall attending multiple meetings with LogOn team  
5 members who discussed many of the observations I read  
6 in these assessments.

7 Q. Who is LogOn Consulting?

8 A. LogOn is a -- I would characterize them  
9 as a consultant who largely supplied staff  
10 augmentation services to us.

11 Q. Do you know when they were hired to work  
12 on the Iatan project?

13 A. They came on the project -- Carl had  
14 hired them -- Carl Churchman. They would have come on  
15 the project sometime summer to fall of 2008.

16 Q. Do you know why they were hired to work  
17 on the Iatan project?

18 A. There were some areas we needed some  
19 additional staff augmentation. That was my main  
20 interface with them. We had -- we had a few of those  
21 folks probably peaked at -- I don't know, probably  
22 around ten individuals who augmented our staff in  
23 various functions. We had -- we had a guy in  
24 engineering, a guy in quality, a couple of guys in  
25 construction, a guy over in start-up. So they were

1 basically secunda staff.

2 Q. How long did they work on the Iatan  
3 project?

4 A. Various -- various individuals on the  
5 project worked till relatively recently. I think  
6 Forrest had a cost individual that worked -- Forrest  
7 Archibald had a cost individual that worked for him  
8 until the last month or so, within the last month.

9 Q. Do you know how much KCP&L paid for  
10 LogOn?

11 A. No, I do not.

12 Q. Now, did LogOn provide any -- any  
13 assessments?

14 A. It's my understanding that they did  
15 provide assessments. I think my testimony reflects  
16 that. It would have been a -- those assessments would  
17 have been a very small portion of the overall. A big  
18 portion of their work was that staff augmentation I  
19 previously mentioned.

20 Q. Do you know who wrote those assessments?

21 A. Some of those assessments were written by  
22 a professor out of Rolla. I don't recall his name.  
23 Duke. I remember Duke.

24 Q. And do you know who at KCP&L read the  
25 assessments?

1 A. Contemporaneously with the -- when they  
2 were written you mean?

3 Q. When they were provided.

4 A. Yeah. I don't know that. I -- I -- I  
5 know I did not.

6 Q. Do you know if Mr. Churchman would have  
7 read them?

8 A. You know, he and I discussed a few issues  
9 that once I read them, I recognized the issue. So  
10 whether he read them or not, I can't answer, but I  
11 would assume he probably read portions of them.

12 Q. So did you read all of the assessments  
13 provided by LogOn?

14 A. You mean consistent with my testimony  
15 once I knew they were out there? I didn't read them  
16 all.

17 Q. Do you know if anyone read them all?

18 A. I can't answer that.

19 Q. Now, did you approve change orders for  
20 LogOn?

21 A. I'm sure my signature's on some change  
22 orders for the secunda staff, for the staff  
23 augmentation people.

24 Q. I'm going to hand you some copies.

25 A. I wish I could turn and talk toward you,

1 but you're in my back.

2 COMMISSIONER KENNEY: I'm okay.

3 THE WITNESS: You're okay?

4 COMMISSIONER KENNEY: I'm good.

5 BY MS. OTT:

6 Q. Let's see. I just handed you some change  
7 orders.

8 JUDGE PRIDGIN: Ms. Ott, I've got  
9 somebody asking for a break. Do you know about how  
10 much longer your questioning will last?

11 MS. OTT: No. I mean --

12 JUDGE PRIDGIN: Five minutes, two hours?

13 MS. OTT: Half hour, 45 minutes.

14 JUDGE PRIDGIN: All right.

15 MS. OTT: I can't --

16 JUDGE PRIDGIN: I guess let me take a  
17 quick break and then we'll maybe discuss with counsel  
18 how late they're interested in going this evening  
19 especially given that it's snowing outside. And if we  
20 could go off the record and take a break and come back  
21 on in about ten minutes.

22 (A recess was taken.)

23 JUDGE PRIDGIN: All right. We're back on  
24 the record. Before we continue with -- with evidence,  
25 just let me inquire of the parties if you have any --



1 how do I put this? What your preference would be, if  
2 you want to keep going until we reach a more natural  
3 break this evening or due to the weather if you're  
4 more comfortable just calling it a night and -- and I  
5 am going -- we're going to have to get going again at  
6 8:30 in the morning. We're going at a very slow pace.  
7 And, you know, weather notwithstanding, I mean we're  
8 already behind and it's really just the second day of  
9 the hearing. So I'm -- I'm fine with whatever.

10 MR. FISCHER: We're here at your  
11 pleasure, Judge.

12 JUDGE PRIDGIN: Well, anyone else?

13 MR. SCHWARZ: Well, I have told my  
14 witness to come from Key West on Monday. And if he's  
15 not -- I mean at the rate we're going, I'm not sure  
16 that we'll be ready to take him Monday or Wednesday  
17 or --

18 JUDGE PRIDGIN: No, I understand.

19 MR. FISCHER: Judge, regarding  
20 Mr. Drabinski, we're certainly willing to take him out  
21 of order, if necessary.

22 JUDGE PRIDGIN: That's fine. And because  
23 I think -- you know, because it sounds like we would  
24 be going for a while before we reached a natural break  
25 and because of the snow, it might be safer to go ahead

1 and call it a night. But there's certainly the  
2 possibility of staying considerably later than this  
3 throughout the hearing until we get caught up or if we  
4 need to move witnesses around, issues around,  
5 whatever. I mean I'm just -- I'm trying to be mindful  
6 of people's safety and trying to get through the  
7 hearing as well.

8 MR. FISCHER: I did hear they're calling  
9 for substantial snow tonight.

10 JUDGE PRIDGIN: Yeah, I would think so.  
11 I mean, it's my preference to let people start getting  
12 wherever they need to go to get in for the evening and  
13 starting again at 8:30 in the morning and, you know,  
14 hopefully -- if we don't start catching up soon, we'll  
15 have to start to continue staying in late in the  
16 evenings to start to catch up.

17 MS. OTT: I was just going to say, I  
18 can't guarantee this is short.

19 JUDGE PRIDGIN: No, I understand. I  
20 appreciate your honesty.

21 MS. OTT: I don't want everyone else --

22 JUDGE PRIDGIN: No. And I told Ms. Ott I  
23 would rather her tell me -- you know, not do the  
24 typical, Oh, it's just a few questions, Judge, and  
25 then -- you know, I've done that. We've all done

1 that. So I appreciate her honesty.

2 I think it's better that we call it an  
3 evening and resume at 8:30 with Ms. Ott continuing to  
4 cross-examine Mr. Davis. Is there anything further  
5 from counsel before we adjourn for the evening?

6 MR. FISCHER: Judge, if this is a natural  
7 breaking point, I have been made aware of a date that  
8 is wrong on the Exhibit 66 that I used at the opening  
9 statement. It's the meetings of the Public Service  
10 Commission Staff.

11 The very first date on that indicates  
12 that the stipulation and agreement was signed  
13 August 25th of 2005. That is incorrect. The Missouri  
14 stipulation and agreement was actually signed  
15 March 28th, 2005 and I believe it was approved by the  
16 Commission on August 23rd of 2005. So I'd just like  
17 to correct that for the record.

18 JUDGE PRIDGIN: Mr. Fischer, thank you.  
19 Welcome back. I think I'm going to end  
20 it.

21 COMMISSIONER KENNEY: Oh. You looked at  
22 me. I thought you were waiting on me to do something.

23 JUDGE PRIDGIN: No, no. Not at all. Is  
24 there anything else from the parties before we adjourn  
25 for the evening? All right. Thank you. We will