

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held at its office
in Jefferson City on the 21st
day of August, 1992.

In the matter of the application of Kansas City Power &)
Light Company for approval of changes in the accrual and)
funding of Wolf Creek Generating Station decommissioning) Case No. EO-91-84
costs.)
)

ORDER APPROVING STIPULATION AND AGREEMENT

Procedural History

On September 4, 1990, Kansas City Power & Light Company (KCPL) filed an application pursuant to 4 CSR 240-20.070(9) which requested the Commission to approve changes in the accrual and funding levels for its Wolf Creek Generating Station (Wolf Creek) decommissioning fund and a waiver of any requirement to file tariffs reflecting any change in rates due to the increased funding. On February 6, 1992, KCPL, Union Electric Company (UE), Office of Public Counsel (OPC) and Commission Staff filed a motion to consolidate this case with a similar application filed by UE in Case No. EO-91-300. The motion also requested the Commission establish a procedural schedule for the consolidated cases and issue a Protective Order.

On February 14, 1992 the Commission issued an order consolidating the two cases, giving notice, adopting a Protective Order and establishing a procedural schedule. The procedural schedule set an intervention date. Missouri Public Interest Research Group (MoPIRG), Missouri Retailers Association, United States Department of Energy (DOE), and Armco Inc. sought and were granted intervention.

On April 1, 1992, the Commission issued a notice suspending the procedural schedule in these consolidated cases based upon the parties' statement that settlement negotiations were proceeding. On August 6, 1992 a Nonunanimous

Stipulation And Agreement was filed by KCPL, OPC and Staff reflecting a resolution of all of the issues in this case. The stipulation indicated that nonsignatory parties did not object to the stipulation. Pursuant to 4 CSR 240-2.115 the Commission will consider a stipulation not agreed to by all parties as a unanimous stipulation where no party requests a hearing of any issue. Nonsignatory parties have five days in which to request a hearing. No hearing was requested in this case so the Stipulation And Agreement filed in this matter will be treated as a unanimous stipulation.

Decision

4 CSR 240-20.070(9) required KCPL to file, on or before September 1, 1990, cost studies detailing its latest cost estimates for decommissioning the Wolf Creek Generating Station along with funding levels necessary to defray these decommissioning costs. The rule also requires that KCPL file the appropriate tariffs to effectuate the change in rates necessary to accomplish the funding required. In this case KCPL filed its cost studies but has requested that the tariff filing requirement be waived.

Section 393.292 grants the Commission the authority to review and approve changes in the rates and charges of an electrical corporation as a result of a change in the level of annual accrual of funding necessary for its nuclear power plant decommissioning trust fund. The statute requires the Commission to conduct a hearing and consider all relevant factors before it can approve a change in rates or charges and it authorizes the Commission to promulgate rules and regulations for the submission, review and approval of decommissioning funds.

In this case, an opportunity for hearing has been provided and no party has requested a hearing. The Commission therefore finds that the requirement for hearing in Section 393.292 has been met. *State ex Rel. Deffenderfer Enterprises, Inc. v. P.S.C.*, 776 S.W.2d 494, 496 (Mo. App. 1989). In addition, the stipula-

tion presented in this case contains an increase in funding but no increase in rates and so, arguably, no hearing is necessary under the statute.

The parties reached agreement concerning the appropriate level of funding for the Wolf Creek decommissioning fund and other matters at issue. The Stipulation And Agreement reflecting the parties' agreement is attached to this order as Attachment 1 and is incorporated herein by reference. The stipulation indicates that (1) it would cost \$347 million, in 1990 dollars, to immediately decommission Wolf Creek; (2) KCPL's Missouri retail jurisdiction annual trust fund accrual and payment shall be \$2,303,856; (3) the trust fund accruals and payments will be increased to this amount without a change in Missouri jurisdictional rates; and (4) KCPL will work with UE and Staff to reach agreement on the installed quantities and levels of radioactivity of Wolf Creek systems. In addition, the parties agree that the Commission grant a waiver of any requirement that KCPL file tariffs effectuating any change in rates due to the increased decommissioning funding, and they agree that the increased decommissioning costs are included in KCPL's current cost of service and are reflected in its current rates for ratemaking purposes.

The Commission has considered the stipulation and finds its terms reasonable. As indicated, the increase in estimated decommissioning costs has risen from \$103,330,000 in 1985 dollars in 1985 to \$347 million in 1990 dollars in this case, and the annual trust fund accrual and payment requirement has increased from \$803,000 in 1985 to \$2,303,856 in this case. Re: KCPL, 28 Mo. P.S.C. (N.S.) 276-277 (April 23, 1986). The amounts in KCPL's 1985 Wolf Creek rate case were approved based upon data concerning decommissioning costs at that time. The amounts stipulated to by the parties are based upon more recent data and although they are significant increases, they appear reasonable realizing the uncertainties which exist with the disposal of radioactive material.

The parties have agreed that rather than increase rates to meet the increased funding, KCPL be allowed to accelerate the amortization of certain Wolf Creek fuel-related credits received from Westinghouse Corporation. These credits are to be received by KCPL from Westinghouse under terms of a litigation settlement. Acceleration of the amortization of these credits will allow KCPL to forgo a rate increase. The Commission finds that this procedure for funding the increase of decommissioning costs is reasonable and will waive the tariff filing requirement.

As part of the agreement, KCPL agrees to seek an Internal Revenue Service ruling regarding the increased accrual and funding level to ensure it receives maximum tax benefits. To facilitate KCPL IRS rulings, the parties agree that the decommissioning costs are included in KCPL's current cost of service and are reflected in its current rates for ratemaking purposes. The Commission finds, specifically, that based upon the agreement of the parties, the increased decommissioning costs as reflected in the agreement are included in KCPL's current cost of service and are reflected in its current rates for ratemaking purposes.

The parties have also agreed that the prefilled testimony of Staff witnesses Jay W. Moore, Melvin T. Love, David M. Rosenbaum, Jeffrey D. Kimball and John D. Peters shall be received into the record without objection. The parties have agreed, additionally, that the decommissioning cost study of KCPL be received into evidence without objection.

IT IS THEREFORE ORDERED:

1. That the Nonunanimous Stipulation And Agreement filed in this matter on August 6, 1992 be hereby approved as a resolution of all of the issues in this case.

2. That the following exhibits be hereby received into evidence.

Jay W. Moore	Exhibit 1
Melvin T. Love	" 2
David M. Rosenbaum	" 3
Jeffrey D. Kimball	" 4
John D. Peters	" 5
Decommissioning Cost Study	" 6

3. That the requirement for Kansas City Power & Light Company to file tariffs to effectuate the increase in decommissioning funding for its Wolf Creek Generating Station be hereby waived.

4. That this order shall become effective on the 1st day of September, 1992.

BY THE COMMISSION

Brent Stewart

Brent Stewart
Executive Secretary

(S E A L)

McClure, Chm., Mueller, Rauch,
Perkins and Kincheloe, CC., concur.

FILED

BEFORE THE PUBLIC SERVICE COMMISSION AUG - 6 1992
OF THE STATE OF MISSOURI

PUBLIC SERVICE COMMISSION

In the matter of the Application)
of Kansas City Power & Light Company)
for approval of changes in the)
accrual and funding of Wolf Creek)
Generating Station Decommissioning)
Costs.)

Case No. EO-91-84

NONUNANIMOUS STIPULATION AND AGREEMENT

Comes now Kansas City Power & Light Company (KCPL), Staff of the Missouri Public Service Commission (Staff), and Office of the Public Counsel (Public Counsel), and state the following in resolution of Case No. EO-91-84.¹

On September 4, 1990, pursuant to 4 CSR 240-20.070, the Commission's rule on decommissioning, KCPL filed an Application for, among other things, approval of changes in the accrual and funding levels for its Wolf Creek Nuclear Generating Station (Wolf Creek), and waiver of any requirement that KCPL file tariffs effectuating any change in rates reflecting the increased decommissioning funding. Accompanying said Application was a cost study detailing KCPL's latest cost estimate for decommissioning Wolf Creek. KCPL's filing was docketed as the instant Case No. EO-91-84.

The cost study filed by KCPL was an update of a 1988 cost study filed in 1989 by KCPL before the Kansas Corporation Commission (KCC) pursuant to Kansas statute and KCC Orders. Kansas

¹ Missouri Retailers Association (Missouri Retailers), Department of Energy (DOE), Missouri Public Interest Research Group (MoPIRG), and ARMCO INC. (Armco), although not signatories to this Nonunanimous Stipulation And Agreement, have authorized counsel for the Staff to indicate that they have no objection to this Nonunanimous Stipulation And Agreement.

statute requires a review of the decommissioning cost of Wolf Creek at least every five (5) years, and KCC Orders direct that said review is to occur every three (3) years.

Section 393.292 RSMo Supp. 1991 states that the Commission, pursuant to regulations, may authorize changes to the rates and charges of an electrical corporation as a result of a change in the level or annual accrual of funding necessary for its nuclear power plant decommissioning trust fund. 4 CSR 240-20.070(9) requires that on or before September 1, 1990 and every three (3) years thereafter, utilities with decommissioning trust funds shall file cost studies with the Commission detailing their latest cost estimates for decommissioning, along with the funding levels necessary to defray these costs.

On February 6, 1992 in Case No. EO-91-84, KCPL, Staff, and Public Counsel, and on said date in Case No. EO-91-300, Union Electric Company (UE), Staff, and Public Counsel, filed a Joint Motion To Consolidate, Set Procedural Schedule, And Issue Protective Order.

KCPL, UE, Staff, and Public Counsel sought to consolidate Case Nos. EO-91-84 and EO-91-300 for several reasons. The Wolf Creek and Callaway nuclear generating stations have the same architect/engineer, nuclear steam supply system (NSSS), and turbine-generator manufacturer. As with the rate cases where KCPL and UE sought to place Wolf Creek and Callaway in rate base, KCPL and UE retained the same consulting firm, LaGuardia and Associates/TLG Engineering, Inc., to perform the updates of the

initial decommissioning cost studies that had been performed for KCPL and UE for the Wolf Creek and Callaway rate cases. The Staff retained the same consulting firm, Technical Analysis Corporation, to perform updates of the initial decommissioning cost studies that had been performed for the Staff for the Wolf Creek and Callaway rate cases. In addition to involving the same consultants, KCPL, UE, Public Counsel, and the Staff stated that Case Nos. EO-91-84 and EO-91-300 involve related questions of law and fact and therefore consolidating the two cases would avoid unnecessary costs and delay. Said parties asserted that consolidating said cases would be consistent with 4 CSR 240-2.110(16).

On February 7, 1992, the Staff filed the prepared direct testimonies, schedules, and report of Jay W. Moore, Melvin T. Love, David M. Rosenbaum, Jeffrey D. Kimball, and John D. Peters in Case No. EO-91-84.

The Commission on February 14, 1992 in Case Nos. EO-91-84 and EO-91-300 issued an Order Establishing Procedural Schedule And Protective Order.

Missouri Retailers, DOE, MoPIRG, and Armco filed Applications To Intervene in Case No. EO-91-84. Said Applications To Intervene were granted at the commencement of the early Prehearing Conference that opened on March 16, 1992. On March 17, 1992, the Commission issued an Order Granting Interventions. During the course of said early Prehearing Conference and thereafter, certain agreements were reached. Consequently, KCPL, Staff, and Public Counsel stipulate and agree as follows:

1. The cost of 1990 dollars to immediately decommission Wolf Creek, as if it had completed 40 years of service at the present time, shall be deemed to be \$347 million.²

2. KCPL's Missouri retail jurisdiction annual trust fund accrual and payment requirement shall be \$2,303,856.³ (See Attachment A to this Nonunanimous Stipulation And Agreement for a depiction of the calculation of this number and the assumptions on which it is premised. Trust fund payments to the trustee of the external trust fund are made on a quarterly basis in the month following the end of the quarter to which the payment applies).

3. KCPL shall increase its Missouri retail jurisdiction trust fund accruals and payments without a change in its Missouri retail jurisdiction rates by accelerating the amortization of certain Wolf Creek fuel-related credits received from Westinghouse Corporation.⁴ The acceleration of the amortization shall continue until all the credits are amortized, the Commission's next general rate case Report And Order respecting KCPL (whether said general

² In 1985 in KCPL's Wolf Creek rate case, KCPL and the Staff stipulated that the decommissioning costs of Wolf Creek were \$103,330,000 in 1985 dollars.

³ As a result of the Commission's Report And Order in KCPL's Wolf Creek rate case, KCPL's annual trust fund payment requirement to date has been \$803,000.

⁴ In 1985 in KCPL's Wolf Creek rate case, KCPL and the Staff agreed that the credits to be received by KCPL from Westinghouse Corporation under the terms of a settlement of certain litigation involving the supply of uranium by Westinghouse Corporation to KCPL was to be allocated among the uranium amounts in the initial core and the first six reloads. There presently are \$6.2 million in Westinghouse Corporation credits not assigned to fuel in the reactor core.

rate case is initiated by KCPL or by complaint), or the Commission's next decommissioning trust fund Report And Order respecting KCPL, whichever occurs first.

4. Accrual of the increase in KCPL's Missouri retail jurisdiction annual trust fund payments and the acceleration of the amortization of the Westinghouse Corporation credits shall commence concurrently with the second (2nd) quarter of 1992.

5. In order for KCPL to receive the maximum tax benefits associated with its decommissioning costs, KCPL shall seek in a timely manner an Internal Revenue Service (IRS) ruling regarding the increased accrual and funding level. The parties to this Nonunanimous Stipulation And Agreement agree that such increased decommissioning costs are included in KCPL's current cost of service and are reflected in its current rates for ratemaking purposes and request Commission recognition of this in its Report And Order.

6. The Commission's Report And Order authorizing the increased decommissioning funding shall grant KCPL a waiver of any requirement that KCPL file tariffs effectuating any change in rates reflecting the increased decommissioning funding.

7. In anticipation of the execution of this Nonunanimous Stipulation And Agreement, on March 18, 1992 KCPL submitted a letter withdrawing the tariff that it filed on February 25, 1992. Said withdrawn tariff bore an effective date of March 31, 1992 and had been assigned File No. 9200385 by the Commission.

8. KCPL shall work with UE and the Staff to reach agreement on the installed quantities, and levels of radioactivity of Wolf Creek systems so that, among other things, these items can be reconciled between the Wolf Creek and Callaway stations for purposes of the decommissioning cost studies to be filed by KCPL and UE with the Commission on or about September 1, 1993 as required by 4 CSR 240-20.070(9). The process to attain the necessary information in a timely manner as agreed to by KCPL, UE, and the Staff is set out in detail in Attachment B to this Nonunanimous Stipulation And Agreement. KCPL shall attempt to schedule its decommissioning filing in Kansas so that it can be synchronized with its decommissioning filing in Missouri.

9. None of the parties to this Nonunanimous Stipulation And Agreement shall be deemed to have approved or acquiesced in any question of Commission authority, decommissioning methodology, ratemaking principle, valuation methodology, cost of service methodology or determination, depreciation principle or method, rate design methodology, cost allocation, cost recovery, or prudence, that may underlie this Nonunanimous Stipulation And Agreement, or for which provision is made in this Nonunanimous Stipulation And Agreement.

10. The Staff shall have the right to submit to the Commission, in memorandum form, an explanation of its rationale for entering into this Nonunanimous Stipulation And Agreement and to provide to the Commission whatever further explanation the Commission requests. Such memorandum shall not become a part of

the record of this proceeding and shall not bind or prejudice the Staff in any future proceeding or in this proceeding in the event the Commission does not approve the Nonunanimous Stipulation And Agreement. It is understood by the signatories hereto that any rationales advanced by the Staff in such a memorandum are its own and are not acquiesced in or otherwise adopted by KCPL or any other party hereto.

11. This Nonunanimous Stipulation And Agreement represents a negotiated settlement for the sole purpose of addressing the authority requested by the Application of KCPL. Except as specified herein, the parties to this Nonunanimous Stipulation And Agreement shall not be prejudiced, bound by, or in any way affected by the terms of this Nonunanimous Stipulation And Agreement: (a) in any future proceeding; (b) in any proceeding currently pending under a separate docket; and/or (c) in this proceeding should the Commission decide not to approve the instant Nonunanimous Stipulation And Agreement in the instant proceeding, or in any way condition its approval of same.


12. The prepared direct testimonies, schedules, and report of Staff witnesses Jay W. Moore, Melvin T. Love, David M. Rosenbaum, Jeffrey D. Kimball, and John D. Peters shall be received into evidence without the necessity of these witnesses taking the witness stand. The decommissioning cost study of KCPL also shall be received into evidence.

13. The provisions of this Nonunanimous Stipulation And Agreement have resulted from extensive negotiations among the

signatory parties and are interdependent. In the event that the Commission does not approve and adopt the terms of this Nonunanimous Stipulation And Agreement in total, it shall be void and no party hereto shall be bound by, prejudiced, or in any way affected by any of the agreements or provisions hereof unless otherwise provided herein.

14. In the event the Commission accepts the specific terms of this Nonunanimous Stipulation And Agreement, the signatories waive their respective rights to cross-examine witnesses; their respective rights to present oral argument and written briefs pursuant to Section 536.080.1 RSMo 1986; their respective rights to the reading of the transcript by the Commission pursuant to Section 536.080.2 RSMo 1986; and their respective rights to judicial review pursuant to Section 386.510 RSMo 1986. This waiver applies only to a Commission Report And Order issued in this proceeding, and does not apply to any matters raised in any subsequent Commission proceeding, or any matters not explicitly addressed by this Nonunanimous Stipulation And Agreement.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 6th day of August, 1992.



KANSAS CITY POWER & LIGHT COMPANY
Case Number EO-91-84

**WOLF CREEK NUCLEAR GENERATING STATION
NUCLEAR DECOMMISSIONING TRUST FUND REQUIREMENT**

MISSOURI RETAIL JURISDICTION

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Year #	Year	Beginning	Fund	Interest	Decommission	Ending	Decommission	Inflation	Decommission
		Balance	Payments	Income	Expenses (Inflated \$)	Balance	Expenses (1990 \$)	Factor	Expenses (Inflated \$)
1	1988	\$0	\$325,949	\$8,506	\$0	\$332,455	\$0	0.8227	\$0
2	1987	332,455	803,000	(9,335)	0	1,126,120	0	0.8638	0
3	1988	1,126,120	803,000	109,722	0	2,038,842	0	0.9070	0
4	1989	2,038,842	803,000	297,416	0	3,139,257	0	0.9524	0
5	1990	3,139,257	803,000	213,438	0	4,155,696	0	1.0000	0
6	1991	4,155,696	803,000	387,362	0	5,346,058	0	1.0500	0
7	1992	5,346,058	1,553,428	520,438	0	7,419,921	0	1.1025	0
8	1993	7,419,921	2,303,856	728,807	0	10,452,384	0	1.1578	0
9	1994	10,452,384	2,303,856	986,367	0	13,742,606	0	1.2155	0
10	1995	13,742,606	2,303,856	1,266,035	0	17,312,497	0	1.2763	0
11	1996	17,312,497	2,303,856	1,569,478	0	21,185,829	0	1.3401	0
12	1997	21,185,829	2,303,856	1,898,709	0	25,388,395	0	1.4071	0
13	1998	25,388,395	2,303,856	2,255,927	0	29,948,178	0	1.4775	0
14	1999	29,948,178	2,303,856	2,643,508	0	34,895,543	0	1.5513	0
15	2000	34,895,543	2,303,856	3,064,035	0	40,263,433	0	1.6289	0
16	2001	40,263,433	2,303,856	3,520,306	0	46,087,595	0	1.7103	0
17	2002	46,087,595	2,303,856	4,015,359	0	52,406,810	0	1.7958	0
18	2003	52,406,810	2,303,856	4,552,463	0	59,263,158	0	1.8856	0
19	2004	59,263,158	2,303,856	5,135,282	0	66,702,297	0	1.9798	0
20	2005	66,702,297	2,303,856	5,767,609	0	74,773,781	0	2.0789	0
21	2006	74,773,781	2,303,856	6,453,684	0	83,531,301	0	2.1829	0
22	2007	83,531,301	2,303,856	7,198,074	0	93,033,231	0	2.2920	0
23	2008	93,033,231	2,303,856	8,005,739	0	103,342,825	0	2.4068	0
24	2009	103,342,825	2,303,856	8,882,054	0	114,528,735	0	2.5270	0
25	2010	114,528,735	2,303,856	9,832,856	0	126,665,447	0	2.6533	0
26	2011	126,665,447	2,303,856	10,864,477	0	139,833,780	0	2.7880	0
27	2012	139,833,780	2,303,856	11,983,785	0	154,121,421	0	2.9253	0
28	2013	154,121,421	2,303,856	13,198,235	0	169,623,511	0	3.0715	0
29	2014	169,623,511	2,303,856	14,515,912	0	186,443,280	0	3.2251	0
30	2015	186,443,280	2,303,856	15,945,563	0	204,692,728	0	3.3864	0
31	2016	204,692,728	2,303,856	17,498,796	0	224,493,379	0	3.5557	0
32	2017	224,493,379	2,303,856	19,179,851	0	245,977,086	0	3.7335	0
33	2018	245,977,086	2,303,856	21,005,966	0	269,286,908	0	3.9201	0
34	2019	269,286,908	2,303,856	22,987,301	0	294,578,065	0	4.1161	0
35	2020	294,578,065	2,303,856	25,137,049	0	322,018,970	0	4.3219	0
36	2021	322,018,970	2,303,856	27,469,526	0	351,792,353	0	4.5380	0
37	2022	351,792,353	2,303,856	30,000,264	0	384,096,472	0	4.7649	0
38	2023	384,096,472	2,303,856	32,746,114	0	419,146,442	0	5.0032	0
39	2024	419,146,442	2,303,856	35,725,361	0	457,175,659	0	5.2533	0
40	2025	457,175,659	1,151,928	38,659,592	5,865,781	491,121,398	\$1,063,409	5.5180	5,865,781
41	2026	491,121,398	0	40,453,340	30,399,505	501,175,233	\$5,248,700	5.7918	30,399,505
42	2027	501,175,233	0	41,130,347	34,577,905	507,727,975	\$5,865,790	6.0614	34,577,905
43	2028	507,727,975	0	40,205,309	69,448,682	478,484,601	\$10,878,036	6.3855	69,448,682
44	2029	478,484,601	0	33,367,609	171,848,993	340,003,217	\$25,630,926	6.7048	171,848,993
45	2030	340,003,217	0	21,716,468	169,030,718	192,688,968	\$24,010,064	7.0400	169,030,718
46	2031	192,688,968	0	12,043,605	101,999,002	102,733,570	\$13,798,558	7.3920	101,999,002
47	2032	102,733,570	0	6,066,990	62,714,439	48,068,121	\$8,080,105	7.7618	62,714,439
48	2033	48,068,121	0	1,878,811	47,984,932	0	\$5,865,508	8.1497	47,984,932
			<u>\$80,769,690</u>	<u>\$613,079,897</u>	<u>\$693,849,657</u>		<u>\$100,279,148</u>		<u>\$693,849,657</u>

KANSAS CITY POWER & LIGHT COMPANY
Case Number EO-91-84

WOLF CREEK NUCLEAR GENERATING STATION
NUCLEAR DECOMMISSIONING TRUST FUND REQUIREMENT

MISSOURI RETAIL JURISDICTION

ASSUMPTIONS:

KCPL's Percentage of Plant (Ownership): 47.00%

KCPL's Missouri Retail Allocation Factor: 61.487%
(1990 MO Retail Production Allocation Factor)

KCPL's Missouri Annual Trust Deposit Requirement: \$2,303,855.79

To Be Collected From Ratepayers: 4/1/92 through 3/31/25

Check:	Begin. Balance	0
	Payments	80,759,690
	Interest	613,079,987
	<hr/>	<hr/>
	Decom. Expense	<u>\$693,849,657</u>

NOTES:

(2) = Projected levelized nominal dollar payment that will match the projected decommissioning expenditures.

(3) = $[(1) + \{(2) / 2\} - \{(4) / 2\}] * 0.085$

(4) = (8)

(5) = $[(1) + (2) + (3) - (4)]$; Actual ending market value balances used through 1990.

(6) = KCPL's Total Company Projected Expenses of \$163,090,000 (\$347,000,000*47.00%) computes to a Missouri Retail Jurisdictional Projected Expense of \$100,279,148 (\$163,090,000*61.487%), which is projected to be expensed during 2025 through 2033. See Attachment A-3 for the annual projected expenses for KCPL's Missouri Retail Jurisdiction.

(7) = $[(7) * 1.05]$

(8) = $[(6) * (7)]$

Projected Rate of Inflation is 5.0%.

Projected After-Tax Return on Investment (Net of Fees) is 8.5%.

Dollar figures are not adjusted for inflation, except where noted.

Payment for the 1st quarter of 2025 will be deposited in the 2nd quarter of 2025.

**KANSAS CITY POWER & LIGHT COMPANY
CASE NUMBER EO-91-84**

**WOLF CREEK NUCLEAR GENERATING STATION
NUCLEAR DECOMMISSIONING EXPENSES**

MISSOURI RETAIL JURISDICTION

	(1)	(2)	(3)	(4)
Year	Total Plant Decommission Expenses (1990 \$\$)	Percentage of Total Expenses for Total Plant	Total Company Decommission Expenses [(1) X 47.00%]	MO Retail Jurisdictional Decommission Expenses [(3) X 61.487%]
2025	\$3,679,758	1.06%	\$1,729,486	\$1,063,409
2026	\$18,162,289	5.23%	\$8,536,276	\$5,248,700
2027	\$19,674,771	5.67%	\$9,247,142	\$5,685,790
2028	\$37,634,789	10.85%	\$17,688,351	\$10,876,036
2029	\$88,691,738	25.56%	\$41,685,117	\$25,630,928
2030	\$83,083,065	23.94%	\$39,049,041	\$24,010,084
2031	\$47,747,815	13.76%	\$22,441,473	\$13,798,588
2032	\$27,959,913	8.06%	\$13,141,159	\$8,080,105
2033	\$20,365,863	5.87%	\$9,571,955	\$5,885,508
	<u>\$347,000,000</u>	<u>100.00%</u>	<u>\$163,090,000</u>	<u>\$100,279,148</u>

NOTES: (1) = Stipulated Total Dollar Amount.

(2) = Stipulated Percentages per TLG Engineering, Inc. calculations.

(3) = [(1) X KCPL's Percentage of Plant Ownership of 47.00%]

(4) = [(3) X KCPL's Missouri Retail Allocation Factor of 61.487%]

STIPULATION REGARDING INFORMATION TO BE PRODUCED BY UNION
ELECTRIC COMPANY AND KANSAS CITY POWER & LIGHT COMPANY

July 24, 1992

I. INTRODUCTION

As a result of discussions at and subsequent to the early prehearing conference commencing March 16, 1992, Kansas City Power & Light Company (KCPL)/Wolf Creek Nuclear Operating Corporation (WCNOC) and Union Electric Company (UE) will provide the information specified below on quantities, dimensions, weights and radioactivities relevant to estimating decommissioning costs for the Wolf Creek Nuclear Generating Station (Wolf Creek) and the Callaway Plant (Callaway). Where the quantities provided for the nuclear steam supply systems at Wolf Creek and Callaway are not the same, an explanation of the differences will be provided by KCPL/WCNOC and UE.

The description below is intended to cover all the information necessary to estimate the immediate and deferred decommissioning costs of Wolf Creek and Callaway. However, it is agreed that if more or different types of information are needed in the future, UE and KCPL/WCNOC will provide the information if it exists or can be obtained or developed without unreasonable expense and effort. Before any costs or effort of consequence are incurred or expended, UE and KCPL/WCNOC should first advise the Missouri Public Service Commission Staff (Staff).

At a minimum, the information provided in response to this agreement should cover all systems, components, materials, and items that were calculated by the Companies' consultant, TLG Engineering, Inc., to be radioactive in Case Nos. EO-91-84 and EO-91-300.

The Staff shall also be provided with a complete inventory of quantities that will be present at the start of demolition. Where quantities supplied are different for the power block and other structures that are similar at the two plants, an explanation of the differences will be provided by KCPL/WCNOC and UE.

All information should be complete and, where possible, there should be no "double counting" of systems, components or

materials. Any "double counting" that is unavoidable shall be identified.

This information is being sought at this time so that, among other things, the installed quantities, and radioactivity levels can be reconciled between the Wolf Creek and Callaway stations for purposes of the next decommissioning cost studies.

In an attempt to clarify the specific requests below, reference is made to tables in the TAC Report on the Cost to Decommission Callaway Plant, Case No. EO-91-300, dated February 1992 (TAC Callaway Report) and in the TAC Report on the Cost to Decommission Wolf Creek Nuclear Generating Station, Case No. EO-91-84, dated February 1992 (TAC Wolf Creek Report).

II. DECOMMISSIONING

In items which refer to "final plant shutdown", the assumption should be that the plant operates for the full term of the operating license and operates for 30 equivalent full-power years.

A. Activation

For the reactor vessel, reactor internals, the biological shield, and any other material subject to activation please provide:

- A1. the characteristic dimensions;
- A2. the volume and weight;
- A3. the initial isotopic concentration of manganese, iron, cobalt and nickel in all material subject to activation over the full term of the operating license of the plant including the reactor pressure vessel, internals and the biological shield (Staff acknowledges that UE will not provide this information for the biological shield because the necessary information does not presently exist for Callaway);
- A4. all of the most recent neutron flux calculations;

- A5. the projected number (at final plant shutdown) of curies of each isotope which contributes significantly to the total number of curies (Staff acknowledges that UE and KCPL/WCNOC will not provide this information for the biological shield because the necessary information does not presently exist for Callaway and Wolf Creek);
- A6. a reconciliation of the projected distributions (at final plant shutdown) of each such isotope (Staff acknowledges that UE and KCPL/WCNOC will not provide a reconciliation for the biological shield because the necessary information does not presently exist for Callaway or Wolf Creek).

Where there is more than one material in an item, such as rebar in concrete, please state whether the data given is for all the material combined or only for one type of material. Do not "double count"; e.g., do not include rebar in the biological shield and also list the rebar or concrete in the biological shield separately without a clear explanation of such a "double counting".

Items A1 through A3 listed above can be satisfied by providing the characteristic dimensions, volume and weight, projected total radioactivity after the full license period (in curies), and the initial isotopic concentration of manganese, iron, cobalt, and nickel in all material subject to activation over the life of the plant, including the reactor pressure vessel, internals, and the biological shield,¹ for the following items:

- Core Shroud
- Upper Core Barrel
- Lower Core Barrel
- Upper Core Grid Plate
- Lower Core Grid Plate
- Lower Core Support Columns
- Lower Core Forging
- Thermal Pads
- Miscellaneous Internals

¹ Staff acknowledges that UE and KCPL/WCNOC will not provide the breakdown of trace elements by isotope for the biological shield because the necessary information does not presently exist for Callaway and Wolf Creek.

- Vessel Cladding
- Vessel Wall
- Guide Tubes
- Upper Core Support Columns
- Upper Support Columns
- Vessel Head
- Vessel Bottom
- Reactor Cavity Liner
- Biological Shield Concrete

B. Contamination

For each system, component and all material that is expected to be contaminated at final plant shutdown at levels that would require burial in licensed sites (including material that may be cleaned and later released), please provide:

- B1. the characteristic dimensions;
- B2. the volume;
- B3. the weight.

Items B1 through B3 listed above can be satisfied by providing the following information. For every component and system listed in the following tables and all contaminated components and systems similar to them, provide the characteristic dimensions, volume and weight:

TAC CALLAWAY REPORT

Table 7-7
7-8

TAC WOLF CREEK REPORT

Table 7-7
7-8

This information will cover all material at each plant that is estimated to be contaminated after the full term of the operating license and may be broken down by line item as appears in the Daniel International Corporation (Daniel) Labor Cost Status Report or by line item as appears in the TLG Engineering, Inc. Backup/Workpapers,² but said information

² As an example, see TLG Engineering, Inc. Callaway Backup/Workpapers, \$E, page 63 for system components for Callaway, and TLG Engineering, Inc. Wolf Creek Backup/Workpapers, \$3, page 59 for system components for Wolf Creek. UE response to Staff Data Request No. 6 and KCPL/WCNOC response to Staff Data Request No. 1.

will be provided on a consistent basis for the Callaway and Wolf Creek plants.

III. DEMOLITION

Provide a complete inventory of quantities that will be demolished, and where quantities are different for the power block and other structures that are similar at Callaway and Wolf Creek, provide an explanation of the differences.

Provide characteristic dimensions, volume, and weight for the items in the following tables by line item as appears in the Daniel Labor Cost Status Report or by line item as appears in the TLG Engineering, Inc. Backup/Workpapers,³ but said information will be provided on a consistent basis for the Callaway and Wolf Creek plants:

TAC CALLAWAY REPORT

Table	9-2
	9-3
	9-4
	9-5
	9-6
	9-7
	9-8
	9-9
	9-10
	9-11
	9-12

TAC WOLF CREEK REPORT

Table	9-2
	9-3
	9-4
	9-5
	9-6
	9-7
	9-8
	9-9

If information is provided by line item as appears in the TLG Engineering, Inc. Backup/Workpapers, provide TLG Engineering,

The TLG Engineering, Inc. Backup/Workpapers indicate the level of detail that is presently available and which the Staff is requesting.

³ As an example, see TLG Engineering, Inc. Callaway Backup/Workpapers, \$G, Building Inventory Listing for Callaway, and TLG Engineering, Inc. Wolf Creek Backup/Workpapers, \$5, Building Inventory Listing for Wolf Creek. UE response to Staff Data Request No. 6 and KCPL/WCNOC response to Staff Data Request No. 1. The TLG Engineering, Inc. Backup/Workpapers indicates the level of detail that is presently available.

Inc.'s definition of the terms used, e.g., monolithic concrete, heavily reinforced concrete, masonry/blockwalls, etc.

If the information regarding demolition provided in accordance with this agreement includes any "double counting", please state explicitly what, how much, and where this "double counting" occurs.

IV. BASIC ASSUMPTIONS

This agreement is based on the assumption that for each decommissioning cost update the Staff will ask for additional information. Since the information to be provided in response to this stipulation will establish baseline quantities, at each decommissioning cost review the Staff will request the changes, both increases and decreases, in the baseline quantities. Each Company should establish a method of tracking these changes.

In drafting this stipulation, no distinction has been made between information held by the Companies and information held by their contractor, TLG Engineering, Inc. If the information requested above already exists, it should be delivered whether it is in the possession of the Companies or in the possession of their contractor.

Where quantities provided by KCPL/WCNOC and UE are not the same, an explanation of each difference is to be provided by KCPL/WCNOC and UE by February 28, 1993.

V. SCHEDULE

Provide all information by February 28, 1993.

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