

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

In the Matter of a Proposed Experimental)	
Regulatory Plan of Kansas City Power &)	Case No. EO-2005-0329
Light Company)	

TRIGEN-KANSAS CITY ENERGY CORP.'S
STATEMENT OF POSITION

COMES NOW Trigen-Kansas City Energy Corp. ("Trigen KC") and files its statement of issue and position;

Trigen-KC takes no position on Issue Nos. 1 through 21.

ISSUE No. 22:

Is KCPL's proposed experimental regulatory plan reasonable and consistent with KCPL's current marketing practices?

TRIGEN-KC's POSITION:

Trigen takes no position as to the overall reasonableness of KCPL's proposed experimental regulatory plan. Trigen notes however that KCPL has submitted as part of its regulatory plan a description of a proposed program known as the "C&I Custom Rebate-New Construction". The program will essentially reward customers with a cash rebate for construction measures that result in electric demand and usage savings.

Space heating and cooling of buildings in many cases is a potentially very significant, and sometimes the largest, component of a given building's demand and energy loading. Any measure that reduces demand (particularly in the case of electricity used to cool buildings) helps avoid the need for additional KCPL facilities and the capacity to serve these peak loads.

Measures that reduce incremental peak electric demand are of the greatest value, because it avoids addition of the most expensive capacity. Introduction of the prospective program indicates that KCPL is aware of the high value of demand reduction, and the Company seeks to reward it.

In the case of downtown Kansas City, a number of large commercial customers already serve this function, relieving KCPL's electric network of high heating and cooling demand loading, through the use of alternative energy sources. A prime example of this is district energy. Use of such alternative sources would seem to be completely in line with the public purpose of electric system demand reduction that KCPL seems to be promoting through its C&I rebate program.

At the same time, KCPL is actively and aggressively marketing to prospective new downtown customers to utilize KCPL for all energy supply, in particular heating and cooling that could otherwise be served by the aforementioned alternative energy supplies. Moreover, they are actively seeking to migrate customers that already use alternative energy sources for heating and cooling to utilize KCPL electric service instead, thus exacerbating the very problem that their proposed C&I program seeks to alleviate. In many cases, the targets of these marketing efforts are very large, low-load factor buildings that would compound the effect even further.

Either approach by KCPL would be fine, by itself. Promoting demand reduction measures through customer incentives is a worthy goal. Seeking to maximize system demand and load, part of which also involves selectively discouraging customers from measures that will serve to advance electric demand reduction, is also a legitimate objective for an electric utility business. However, they are contradiction when different elements of the same company are pursuing both simultaneously.

Trigen suggests one of the above approaches should be adopted and that KCPL behave in a manner consistent with the selected approach.

WHEREFORE, Trigen-KC respectfully requests that the Commission accept its issue and position statement.

Respectfully submitted,

LATHROP & GAGE L. C.

/s/ Paul S. DeFord

Paul S. DeFord #29509

LATHROP & GAGE L.C.

2345 Grand Boulevard, Suite 2800

Kansas City, MO 64108-2684

(816) 460-5827 - FAX (816) 292-2001

*Attorneys for Trigen-Kansas City
Energy Corp.*

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or e-mailed to all counsel of record this 2nd day of June, 2005.

/s/ Paul S. DeFord

Attorney for Trigen-Kansas City
Energy Corp.