

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

In the Matter of the 2009 Resource Plan of)
KCP&L Greater Missouri Operations Company)
Pursuant to 4 CSR 240-22.)

Case No. EE-2009-0237

Staff's Statement of Concerns

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its *Statement of Concerns* with respect to KCP&L Greater Missouri Operations Company's ("GMO") revised Integrated Resource Plan ("revised IRP") filing, states as follows:

1. On July 1, 2011, GMO filed its revised IRP filing in Case No. EE-2009-0237.
2. Staff has analyzed and reviewed GMO's July 1, 2011, revised IRP filing and is of the opinion that GMO has met its obligations under the applicable Commission rules concerning Electric Utility Resource Planning. However, Staff has certain concerns to bring to the attention of the Commission.
3. Staff is concerned that GMO's adopted preferred resource plan lacks sufficient generation and firm long-term power supply contracts to meet anticipated demand over the next twenty (20) years. See Staff Exhibits 4 and 5. GMO has advised Staff that it intends to rely on short term purchased power agreements ("PPAs") and that there will be sufficient capacity available in the Southwest Power Pool to meet GMO's needs. However, Staff points out that the future availability and cost of that power is unknown.
4. Staff is concerned that GMO's demand-side resources in its July 1, 2011, revised IRP filing have expected energy savings and expected demand savings which

are lower than the expected energy savings and expected demand savings of the demand-side resources included in GMO's January 18, 2011, IRP filing.

5. However, Staff is encouraged by the statement in GMO's July 1, 2011, revised IRP filing concerning GMO's intentions to make a filing under the recently effective Commission Missouri Energy Efficiency Investment Act rules¹. On July 5, 2011, GMO filed a notice of intended case filing (in Case No. EO-2012-0009) stating GMO's intent to file an application pursuant to Section 393.1075, 4 CSR 240-20.093, 4 CSR 240-20.094, 4 CSR 240-3.163 and 4 CSR 240-3.164 for authority to approve demand-side programs, and authority to establish a Demand-Side Programs Investment Mechanism (DSIM) that will include cost recovery of demand-side program costs, recovery of a portion of the net shared benefits, lost revenues and an incentive mechanism. KCPL made a similar filing on that date in Case No. EO-2012-0008.

6. Staff is also aware of GMO's activities to complete a DSM market potential study in the near future, and Staff is supportive of GMO's activities to conduct a DSM market potential study.

WHEREFORE, Staff prays that the Commission will accept its *Statement of Concerns* with respect to KCP&L Greater Missouri Operations Company ("GMO") supplemental Integrated Resource Plan ("IRP") compliance filing of July 1, 2011.

Respectfully submitted,

s/ Kevin A. Thompson
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Chief Staff Counsel

Missouri Public Service Commission

¹ 4 CSR 240-3.163, 4 CSR 240-3.164, 4 CSR 240-20.093 and 4 CSR 240-20.094

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Certificate of Service

I hereby certify that a true and correct copy of the foregoing was served, either electronically or by hand delivery or by First Class United States Mail, postage prepaid, on this **3rd day of August, 2011**, on the parties of record as set out on the official Service List maintained by the Data Center of the Missouri Public Service Commission for this case.

s/ Kevin A. Thompson