Testimony to the Missouri Public Commission Docket EO-2005-0329

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Misseuri Public Service Commission

Ron McLinden, KCP&L customer and shareholder

My purpose in addressing you is to appeal to your sense of our shared obligation to the future.

In brief, I oppose the coal-burning power plant component of the company's plan. Energy efficiency is a far wiser investment. In reaching a decision we need to look at what's best for society and our economy as a whole, now and for the future, not just what looks good for today's company and today's customers.

We live in a global economy. A conventional response to that reality is to believe that to compete successfully we need only work harder and faster and smarter. I'm not sure about harder and faster, but I am sure we need to work smarter -- and wiser.

Consider this thumbnail perspective. Today the world has 6.4 billion people -more than double what it was when I was in high school. Expectations for an
adequate standard living are on the rise throughout the developing world, and
those expectations are especially strong among the 1.3 billion people of China
and the 1.0 billion people of India. Our own US population of 295 million -- 4.6
percent of the world's total -- currently consumes nearly a quarter of the world's
energy and other resources. All resources are being depleted -- not the least of
them energy. Worldwide oil production is predicted to peak this year or next, and
thereafter production will decline, even as world demand continues to grow.
We'd like to think we can just turn to our 200-year domestic supply of coal -- but it
won't last 200 years as its rate of use increases, it won't stay cheap, and it won't
even stay within our borders. Within our households, our material standard of
living is high -- but our jobs are increasingly going overseas as less "resourceintensive" economies offer a well-qualified work force to the global market.

The gap between the world's haves and have-nots is significant and it can't be sustained. And yet, we in America cling to the notion that we can still have it all, safe inside a Homeland Security protected Fortress America.

The company's plan fits into that "still-have-it-all" paradigm. The company's plan is based on the nineteenth-century premise that an adequate standard of living requires us to consume more and more resources, including electricity. When

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pressed on the issue of growing demand, company people reply that their customers keep building bigger homes and buying more electronic gadgets, and that the company is just trying to keep up with demand.

That's short-sighted thinking, in my opinion.

In a competitive world economy, the future belongs to the efficient. I believe that passionately. And I believe energy efficiency is one of the great economic imperatives of the twenty-first century.

KCP&L is a fine company and an exemplary corporate citizen -- except in the matter of its plan to build another coal-burning power plant. In my opinion, KCP&L will make a strategic error -- and do a strategic disservice to its customers and to the region -- if it commits us to fifty more years of a nineteenth century technology -- burning coal to generate electricity -- instead of an full-court press for energy efficiency.

If you approve the company's plan as presented, I believe you'll be saying to KCP&L and its customers that nineteenth-century thinking is still good enough, and that they should go right ahead over-producing and over-consuming electricity. If you approve the company's plan you will discourage precisely the kind of behavior -- energy and resource efficiency -- that our economy desperately needs to be successful in the global economy.

I ask that you disapprove the company's plan and direct them to prepare a revised plan that will [1] accelerate the cleanup of its existing generating plants, [2] assist its commercial and residential customers to use energy more effectively by installing more efficient equipment and practices, and [3] add generating capacity as needed in the form of wind or other advanced technologies. I ask that you also direct the company to [4] increase the company's level of assistance to help the least advantaged of its customers cope with rate increases through home weatherization and high-efficiency appliances. You should direct the company to do all of these things, and you should allow them to earn a reasonable rate of return on their investment in doing so.

Your decision in this matter should be an easy one. A decision to approve the company's plan would, I believe, reflect outmoded thinking. A decision to ask the company for a new plan -- prepared in consideration of the much broader perspective that I and other witnesses have offered -- will represent a bold move into this twenty-first century. Such a decision will benefit present and future customers of the company, and help assure the future economic vitality of the Kansas City region.