Exhibit No.:

Issue: Rate Design of Base Rates and Fuel

Adjustment Clause

Witness: Tim Rush

Type of Exhibit: Rebuttal Testimony Sponsoring Party: KCP&L Greater Missouri

Operations Company

Case No.: ER-2009-0090

Date Testimony Prepared: March 19, 2009

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2009-0090

REBUTTAL TESTIMONY

OF

TIM RUSH

ON BEHALF OF

KCP&L GREATER MISSOURI OPERATIONS COMPANY

Kansas City, Missouri March 2009

REBUTTAL TESTIMONY

OF

TIM RUSH

Case No. ER-2009-0090

1	Q:	Are you the same Tim Rush who submitted Direct Testimony in this case on behalf
2		of KCP&L Greater Missouri Operations Company ("GMO" or the "Company") on
3		or about September 5, 2008?
4	A:	Yes, I am.
5	Q:	What is the purpose of your Rebuttal Testimony?
6	A:	The purpose of my testimony is to respond to positions taken by the Missouri Public
7		Service Commission Staff ("Staff") in its Class Cost of Service and Rate Design report
8		and the Direct Testimony of Walt Cecil concerning rate design and the Company's Fuel
9		Adjustment Clause ("FAC") tariff. I will also address the Direct Testimony of Maurice
10		Brubaker on behalf of Ag Processing, Inc., Sedalia Industrial Energy Users Association,
11		Wal-Mart Stores, Inc. and Whiteman Air Force Base (collectively, the "Industrials")
12		regarding rate design and the timing of a class cost of service study.
13		FUEL ADJUSTMENT CLAUSE ("FAC")
14	Q:	What is the position taken by Staff?
15	A:	In the Class Cost of Service and Rate Design report sponsored by Staff witness John
16		Rogers, he makes a number of proposed changes to the current FAC.
17	Q:	Do you agree with the changes as proposed?

- 1 A: I am in general agreement with the proposals made by Staff.
- 2 Q: In what ways do you agree?
- A: I agree and support Staff's position that off-system sales should be included in the overall FAC. I also agree with Staff's suggestion to include in the FAC the net costs associated with the Company's participation in the Southwest Power Pool ("SPP"). I also agree that
- 6 the tariff should include explicit statements as to which costs and revenues are to be
- 7 included in the calculation of the Cost Adjustment Factor ("CAF").
- 8 Q: Does the Company have any additional suggestions to the Staff's proposed FAC?
- 9 A: Yes. The Company has taken the proposal provided in Attachment 1 from Staff's Class
- 10 Cost of Service and Rate Design Direct Testimony and added some additional language
- in an attempt to be more specific regarding the inclusion of costs and revenues. The
- 12 Company has also clarified kWh sales to be accrued sales. My proposed changes are
- reflected in the redlined version found in Schedule TMR-3 and a clean version in
- Schedule TMR-4.
- 15 Q: Are there areas in the FAC in which the Company disagrees with the Staff
- 16 proposal?
- 17 A: No. However, I believe that additional discussions need to occur with all of the parties in
- this proceeding to refine the details to be included in the final tariff. As I said previously,
- I believe that we are in agreement with the conceptual proposal Staff made, but I would
- propose some changes to the specific language implementing that proposal, as identified
- in Schedule TMR-3.
- 22 Q: Can you determine the base rate amounts to be included in the tariff at this time?

A: No. The final costs to be identified in the base rates attributable to the FAC will not be
 identified until after the true-up period.

3 RATE DESIGN

- 4 Q: What are the rate design proposals of Staff and the Industrials?
- 5 A: The Staff recommendation is that an equal percentage increase be applied to all rates.
- The Industrials recommend that the fuel costs be re-based to reflect the overall fuel cost,
- 7 purchased power, and off-system sales. The Industrials recommend that the non-fuel
- 8 increase be applied to the non-fuel portion of the existing rates.
- 9 Q: What are you proposing in this case?
- 10 A: I propose an equal percentage increase of the non-fuel portion of the proposed rate
- increase. The rebase amount would be included as a per kWh component in the rates. I
- further propose to rebase the fuel costs to equal the expected costs for the test period filed
- in this case.
- 14 Q: Are there specific reasons why you prefer your proposal over the proposals
- presented by Staff and the Industrials?
- 16 A: Yes. I believe that the rate design proposal of the Company fairly recognizes the two
 17 primary cost drivers for the Company in this case: (i) the Company's capital
 18 expenditures associated with the addition of air quality control system ("AQCS")
 19 equipment on the Company's major coal units at Iatan 1, the Jeffery Energy Center, and
 20 Sibley 3 and (ii) fuel cost, purchased power cost, and off-system sales margins. These
- drivers are primarily energy related. The coal units at Iatan 1, the Jeffery Energy Center,
- and Sibley 3 are base load plants. The capital additions associated with the AQCS
- equipment are necessary in order for the plants to continue to run as base load plants.

Consequently, the cost of the facility should be recovered in a manner that reflects recovery from all rate components. The fuel cost, purchased power cost, and off-system sales margins, on the other hand, should be included in the rebase amount prior to the percentage increase. Therefore, all rate components would equally share in the rate increase by an equal percentage increase after the fuel components are rebased.

Staff's position does not recognize the fuel cost re-base in its rate design and therefore should be dismissed. The rate design adopted by the Commission should reflect the Company's primary cost drivers, as has been presented by the Company in its proposal.

CLASS COST OF SERVICE ("CCOS") STUDY

- 10 Q: The Industrials recommend that the Company prepare and file a CCOS study in the 11 rate case in which Iatan 2 costs are included in rates. Do you agree?
 - No. The Company believes it is appropriate to do a CCOS study shortly after the conclusion of the rate case that addresses Iatan 2. Trying to address all the issues that may occur during a major plant being added to rate base as well as address all the intricacies of a CCOS study would be difficult and impractical. It would be more prudent to address a CCOS study immediately after the conclusion of the Iatan 2 rate case, where rate design and CCOS could be evaluated on a revenue neutral basis.
- 18 Q: Does this conclude your testimony?
- 19 A: Yes, it does.

A:

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Aquila, Inc. dba KCP&L Greater Missouri Operations Company to Modify Its Electric Tariffs to Effectuate a Rate Increase) Case No. ER-2009-0090					
AFFIDAVIT OF TIM M. RUSH					
STATE OF MISSOURI)) ss					
COUNTY OF JACKSON)					
Tim M. Rush, being first duly sworn on his oath, states:					
1. My name is Tim M. Rush. I work in Kansas City, Missouri, and I am employed					
by Kansas City Power & Light Company as Director, Regulatory Affairs.					
2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony					
on behalf of KCP&L Greater Missouri Operations Company consisting of					
(4) pages and Schedule(s) TMR_3 through TMC 4, all of which having been prepared in					
written form for introduction into evidence in the above-captioned docket.					
3. I have knowledge of the matters set forth therein. I hereby swear and affirm that					
my answers contained in the attached testimony to the questions therein propounded, including					
any attachments thereto, are true and accurate to the best of my knowledge, information and					
belief. Im M. Rush					
Subscribed and sworn before me this 19th day of March 2009.					
Micor M. Willy					
Notary Public					
My commission expires: Fub. 42011 "NOTARY SEAL" Nicole A. Wehry, Notary Public Jackson County, State of Missouri My Commission Expires 2/4/2011 Commission Number 07391200					

STATE OF MISSOURI, PUBLIC SER		Original Sheet No	124	
P.S.C. MO. No1 Canceling P.S.C. MO. No1	<u> </u>	Original Sheet No Sheet No		
KCP&L Greater Missouri Operation		For Territory Formerly		
	quila Networks - L&P and Aqui UEL ADJUSTMENT CLAUSE	la Networks – MPS (L&P	and MPS)	
F'	ELECTRIC			
<u>DEFINITIONS</u>				
ACCUMULATION PERIODS, FILING The two six-month accumulation corresponding twelve-month refiling shall include detailed wor	on periods each year through A ecovery periods and the filing d	August 5, 2013, the two lates will be as shown bel	ow. Each	
Accumulation June – Nov December	vember By January	March – Feb	ruary	
RECOVERY PERIOD: The billing months during whic accumulation periods are appli				
COSTS: Costs eligible for Fuel Adjustm	ent Clause (FAC) will be the C	company's allocated Misso	ouri	Deleted: variable
Jurisdictional costs for the fuel associated with the Company's	component of the Company's	generating units, includin	g costs	
including applicable transmissi	on fees; Southwest Power Poo	ol (SPP) costs and emissi	on	Deleted: variable
allowance costs – all as incurre off-system sales margin and a			offset by	
Accumulation Period. APPLICABILITY				Deleted: Eligible costs do not include the purchased power demand costs associated with purchased
				power contracts.
The price per kWh of electricity periodically subject to applicati Service Commission.			Public	
The CAF is the result of dividin	a the FAC by forecasted net s	vstem input (NSI) durina t	he	Deleted:

recovery period, rounded to the nearest \$.0001, and aggregating over two accumulation periods. A CAF will appear on a separate line on retail customers' bills.

Issued: September 5, 2008 Issued by: Chris B. Giles, Vice-President Effective: August 5, 2009

Schedule TMR-3

STATE OF MISSOURI, PUBLIC S	SERVICE COMMISSION				
P.S.C. MO. No.	1	1 st	Original Sheet	No	125
Canceling P.S.C. MO. No.			Sheet	No	125
KCP&L Greater Missouri Operat	tions Company		For Territory Forn	nerly	Served by
KANSAS CITY, MO 64106	Aquila Networks - L&P	and Aquila	Networks - MPS	(L&P	and MPS)
FUEL	. ADJUSTMENT CLAUS	E (CONTIN	UED)		
	ELECTRIC	-	•		

FORMULAS AND DEFINITIONS OF COMPONENTS

FAC = 95% * ((TEC * J) - B) + C + I

CAF = FAC/NSI

Single Accumulation Period Secondary Voltage CAF_{Sec} = CAF * XF_{Sec}

Single Accumulation Period Primary Voltage CAF_{Prim} = CAF * XF_{Prim}

Annual Secondary Voltage CAF = Aggregation of the Single Accumulation Period Secondary Voltage CAFs still to be recovered

Annual Primary Voltage CAF = Aggregation of the Single Accumulation Period Primary Voltage CAFs still to be recovered

Where:

95% = Customer responsibility for fuel variance from base level.

TEC = Total energy cost, which consists of the sum of <u>fuel costs incurred to support</u> sales to all retail customers and Off-system Sales allocated to Missouri Retail electric operations, including transportation, associated with the Company's generating plant, and Off-system Sales Revenues.

These net costs consist of the following:

- The following costs reflected in Federal Energy Regulatory Commission <--(FERC) Account Number 501: coal commodity, applicable taxes, gas, alternative fuel (i.e. tires and bio-fuel), fuel additives, Btu adjustments assessed by coal suppliers, railroad transportation, switching and demurrage charges, railcar repair and inspections costs, railcar depreciation, railcar lease costs, similar costs associated with other applicable modes of transportation, fuel hedging cost (hedging is defined as realized losses and costs minus realized gains associated with mitigating volatility in the Company's cost of fuel and purchased power, including but not limited to, the company's use of futures, options and over-the counter derivatives including, without limitation, futures contracts, puts, calls, caps, floors, collars, and swaps), and fuel oil adjustments included in commodity and transportation costs, broker commissions and fees associated with price hedges, oil costs, revenues and expenses resulting from fuel and transportation portfolio optimization activities, and non-labor fuel handling expenses.
- 2. The following costs reflected in FERC Account Number 547: natural gas generation costs related to commodity, oil, transportation, storage, capacity reservation charges, fuel losses, hedging costs, revenues and expenses resulting from fuel and transportation portfolio optimization activities, fuel additives, and non-labor fuel handling expenses.

Schedule TMR-3

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 The following costs reflected in FERC Account Number 509 or any other account FERC may designate for emissions expenses in the future: Emission allowances costs and revenues from the sale of emission allowances including but not limited to Carbon, Mercury, and Nitrogen.

4. The following costs reflected in FERC Account Numbers 555, 565, and 575: Purchased power costs excluding SPP and MISO administrative fees and excluding capacity charges for purchased power contracts with terms in excess of one (1) year.

5. OSSR = Revenues from Off-System Sales allocated to Missouri electric
operations that are reflected in FERC Account Number 447: Off-system
Sales shall include all sales transactions allocated between MPS and
L&P, (including SPP and MISO revenues in FERC Account Number 447)
but excluding Missouri retail sales and long-term full and partial
requirements sales.

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J = Missouri energy retail ratio = Accrued Missouri retail kWh sales/total accrued system kWh sales.

B = Base energy costs are costs as defined in the description of TEC (Total Energy Cost). Base Energy costs will be calculated as shown below:

L&P S_A x Applicable Base Energy Cost

MPS S_A x Applicable Base Energy Cost

C = Under / Over recovery determined in the true-up of prior recovery period cost, including accumulated interest, and modifications due to prudence reviews

I = Interest on deferred electric energy costs calculated at a rate equal to the weighted average interest paid on short-term debt applied to the month-end balance of deferred electric energy costs.

NSI = Forecasted Missouri net system input in kWh for the Recovery Period

XF = Expansion factor by voltage level

XF_{Sec} = Expansion factor for lower than primary voltage customers XF_{Prim} = Expansion factor for primary and higher voltage customers

 $S_A = Accrued$ sales (kWh) for the accumulation period

Deleted: <#>Actual variable cost of fuel in FERC Accounts 501 & 547¶ <#>Actual cost of purchased energy in FERC Account 555¶ <#>Actual emission allowance cost in FERC Account 509¶

<#>SPP variable costs associated
with energy imbalance market
settlements and revenue neutrality
uplift charges¶

Less:¶
<#>Off-system sales margin revenue
and any emission allowance sales
revenue¶

Deleted: including variable fuel costs, purchased energy, transportation costs and emission allowances less off-system sales

Deleted: are
Deleted: Actual

Issued: September 5, 2008 Effective: August 5, 2009

STATE OF MISSOURI, PUBLIC SERVICE COMMISSIC P.S.C. MO. No. 1 Canceling P.S.C. MO. No.	DN <u>1st </u>				
KCP&L Greater Missouri Operations Company	For Territory Formerly Served by				
FUEL ADJUSTMENT CLAU ELECTRI	,				
The FAC will be calculated separately for L&P and MPS, and by voltage level, and the resultant CAF's will be applied to customers in the respective divisions and voltage levels.					
APPLICABLE BASE ENERGY COST					

Deleted: \$0.0154

Deleted: \$0.0160

Deleted: \$0.0240 Deleted: \$0.0288

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TRUE-UPS AND PRUDENCE REVIEWS

Company base energy cost per kWh sold: \$X.XXX for L&P for October through May

\$X.XXX for MPS for October through May

\$X.XXX for L&P for June through September

\$X.XXX for MPS for June through September

There shall be prudence reviews of costs and the true-up of revenues collected with costs intended for collection. FAC costs collected in rates will be refundable based on true-up results and findings in regard to prudence. Adjustments, if any, necessary by Commission order pursuant to any prudence review shall also be placed in the FAC for collection unless a separate refund is ordered by the Commission. True-ups occur at the end of each recovery period. Prudence reviews shall occur no less frequently than at 18 month intervals.

Issued: September 5, 2008 Effective: August 5, 2009

Issued by: Chris B. Giles, Vice-President

Schedule TMR-3

STATE OF MISSOURI, PUBLIC SERVICE COMM						
P.S.C. MO. No1	1 st	Original Sheet No. 127				
Canceling P.S.C. MO. No.		Sheet No. 127				
KCP&L Greater Missouri Operations Company for all territories formerly served by Aquila Networks, Inc. – L&P and Aquila Networks, Inc. MPS (L&P and MPS) KANSAS CITY, MO 64106						
FUEL ADJUSTMENT CLAUSE (CONTINUED)						
ELE	CTRIC					

COST ADJUSTMENT FACTOR

		MPS	L&P
Accumulation Period Ending		11/30/08	11/30/08
1 Total Energy Cost (TEC)			
2 Jurisdictional Factor (J)	*		
3 First Interim Total			
4 Base energy cost (B)	-		
5 Second Interim Total			
6 Customer Responsibility	*	95%	95%
7 Third Interim Total			
8 Adjustment for Under / Over recovery for	+		
prior periods and Modifications due to			
prudence reviews (C)			
9 Interest (I)	+		
10 Fuel Adjustment Clause (FAC)			
11 NSI	÷		
12 Fourth Interim Total			
13 Current period CAF _{Prim} (= Line 12 * XF _{Prim})			
14 Previous period CAF _{Prim}	+		
15 Current annual CAF _{Prim}			
16 Current period CAF _{Sec} (= Line 12 * XF _{Sec})			
17 Previous period CAF _{Sec}	+		
18 Current annual CAF _{Sec}			•

Expansion Factors (XF):

 Network:
 Primary
 Secondary

 MPS
 1.0444
 1.0679

 L&P
 1.0444
 1.0700

Issued: December 30, 2008 Effective: March 1, 2009

Issued by: Tim Rush, Regulatory Affairs

Schedule TMR-3

ERVICE COMMISSION		
1 1	st Original Sheet No. 124	
	Sheet No. 124	
	For Territory Formerly Served	,
Aquila Networks - L&P ar	nd Aquila Networks – MPS (L&P and MF	<u> 75)</u>
FUEL ADJUSTMENT CL	AUSE	
ELECTRIC		
	ions Company Aquila Networks - L&P ar	1 1st Original Sheet No. 124 Sheet No. 124 Sheet No. 124 ions Company For Territory Formerly Served Aquila Networks - L&P and Aquila Networks - MPS (L&P and MF) FUEL ADJUSTMENT CLAUSE

DEFINITIONS

ACCUMULATION PERIODS, FILING DATES AND RECOVERY PERIODS:

The two six-month accumulation periods each year through August 5, 2013, the two corresponding twelve-month recovery periods and the filing dates will be as shown below. Each filing shall include detailed work papers in electronic format to support the filing.

Accumulation Periods	Filing Dates	Recovery Periods	
June – November	By January 1	March – February	
December – May	By July 1	September – August	

RECOVERY PERIOD:

The billing months during which the Cost Adjustment Factor (CAF) for each of the respective accumulation periods are applied to retail customer billings on a per kilowatt-hour (kWh) basis.

COSTS:

Costs eligible for Fuel Adjustment Clause (FAC) will be the Company's allocated Missouri Jurisdictional costs for the fuel component of the Company's generating units, including costs associated with the Company's fuel hedging program; purchased power energy charges, including applicable transmission fees; Southwest Power Pool (SPP) costs and emission allowance costs – all as incurred during the Accumulation Period. These costs will be offset by off-system sales margin and any emission allowance revenues collected during the Accumulation Period.

APPLICABILITY

The price per kWh of electricity sold to retail customers will be adjusted (up or down) periodically subject to application of the FAC mechanism and approval by the Missouri Public Service Commission.

The CAF is the result of dividing the FAC by forecasted net system input (NSI) during the recovery period, rounded to the nearest \$.0001, and aggregating over two accumulation periods. A CAF will appear on a separate line on retail customers' bills.

Issued: September 5, 2008 Effective: August 5, 2009

STATE OF MISSOURI, PUBLIC S	SERVICE COMMISSION	N		
P.S.C. MO. No.	1	1 st	Original Sheet No.	125
Canceling P.S.C. MO. No.			Sheet No	125
KCP&L Greater Missouri Operat	ions Company		For Territory Formerly	Served by
KANSAS CITY, MO 64106	Aquila Networks - L&I	and Aquila I	Networks – MPS (L&P	and MPS)
FUEL	ADJUSTMENT CLAUS	SE (CONTINU	JED)	
	ELECTRIC	•	•	

FORMULAS AND DEFINITIONS OF COMPONENTS

FAC = 95% * ((TEC * J) - B) + C + I

CAF = FAC/NSI

Single Accumulation Period Secondary Voltage CAF_{Sec} = CAF * XF_{Sec}

Single Accumulation Period Primary Voltage CAF_{Prim} = CAF * XF_{Prim}

Annual Secondary Voltage CAF =

Aggregation of the Single Accumulation Period Secondary Voltage CAFs still to be recovered

Annual Primary Voltage CAF =

Aggregation of the Single Accumulation Period Primary Voltage CAFs still to be recovered

Where:

95% = Customer responsibility for fuel variance from base level.

TEC = Total energy cost, which consists of the sum of fuel costs incurred to support sales to all retail customers and Off-system Sales allocated to Missouri Retail electric operations, including transportation, associated with the Company's generating plant, and Off-system Sales Revenues.

These net costs consist of the following:

- 1. The following costs reflected in Federal Energy Regulatory Commission (FERC) Account Number 501: coal commodity, applicable taxes, gas, alternative fuel (i.e. tires and bio-fuel), fuel additives, Btu adjustments assessed by coal suppliers, railroad transportation, switching and demurrage charges, railcar repair and inspections costs, railcar depreciation, railcar lease costs, similar costs associated with other applicable modes of transportation, fuel hedging cost (hedging is defined as realized losses and costs minus realized gains associated with mitigating volatility in the Company's cost of fuel and purchased power, including but not limited to, the company's use of futures, options and over-the counter derivatives including, without limitation, futures contracts, puts, calls, caps, floors, collars, and swaps), and fuel oil adjustments included in commodity and transportation costs, broker commissions and fees associated with price hedges, oil costs, revenues and expenses resulting from fuel and transportation portfolio optimization activities, and non-labor fuel handling expenses.
- 2. The following costs reflected in FERC Account Number 547: natural gas generation costs related to commodity, oil, transportation, storage, capacity reservation charges, fuel losses, hedging costs, revenues and expenses resulting from fuel and transportation portfolio optimization activities, fuel additives, and non-labor fuel handling expenses.

- 3. The following costs reflected in FERC Account Number 509 or any other account FERC may designate for emissions expenses in the future: Emission allowances costs and revenues from the sale of emission allowances including but not limited to Carbon, Mercury, and Nitrogen.
- 4. The following costs reflected in FERC Account Numbers 555, 565, and 575: Purchased power costs excluding SPP and MISO administrative fees and excluding capacity charges for purchased power contracts with terms in excess of one (1) year.
- 5. OSSR = Revenues from Off-System Sales allocated to Missouri electric operations that are reflected in FERC Account Number 447: Off-system Sales shall include all sales transactions allocated between MPS and L&P, (including SPP and MISO revenues in FERC Account Number 447) but excluding Missouri retail sales and long-term full and partial requirements sales.
- J = Missouri energy retail ratio = Accrued Missouri retail kWh sales/total accrued system kWh sales.
- B = Base energy costs are costs as defined in the description of TEC (Total Energy Cost).
 Base Energy costs will be calculated as shown below:
 L&P S_A x Applicable Base Energy Cost
 MPS S_A x Applicable Base Energy Cost
- C = Under / Over recovery determined in the true-up of prior recovery period cost, including accumulated interest, and modifications due to prudence reviews
- I = Interest on deferred electric energy costs calculated at a rate equal to the weighted average interest paid on short-term debt applied to the month-end balance of deferred electric energy costs.
- NSI = Forecasted Missouri net system input in kWh for the Recovery Period
- XF = Expansion factor by voltage level
 - XF_{Sec} = Expansion factor for lower than primary voltage customers XF_{Prim} = Expansion factor for primary and higher voltage customers
- S_A = Accrued sales (kWh) for the accumulation period

Issued: September 5, 2008 Effective: August 5, 2009

STATE OF MISSOURI, PUBLIC ST	ERVICE COMMISSION				
P.S.C. MO. No.	11 st	Original Sheet No. 126			
Canceling P.S.C. MO. No.		Sheet No. 126			
KCP&L Greater Missouri Operati	For Territory Formerly Served	l hv			
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KANSAS CITY, MO 64106	Aquila Networks - L&P and Aquila	a Networks – MPS (L&P and Mf	PS)		
FUEL	ADJUSTMENT CLAUSE (CONTIN	NUED)			
ELECTRIC					

The FAC will be calculated separately for L&P and MPS, and by voltage level, and the resultant CAF's will be applied to customers in the respective divisions and voltage levels.

APPLICABLE BASE ENERGY COST

Company base energy cost per kWh sold: \$X.XXX for L&P for October through May \$X.XXX for L&P for June through September \$X.XXX for MPS for October through May \$X.XXX for MPS for June through September

TRUE-UPS AND PRUDENCE REVIEWS

There shall be prudence reviews of costs and the true-up of revenues collected with costs intended for collection. FAC costs collected in rates will be refundable based on true-up results and findings in regard to prudence. Adjustments, if any, necessary by Commission order pursuant to any prudence review shall also be placed in the FAC for collection unless a separate refund is ordered by the Commission. True-ups occur at the end of each recovery period. Prudence reviews shall occur no less frequently than at 18 month intervals.

Issued: September 5, 2008 Effective: August 5, 2009

STATE OF MISSOURI, PUBLIC SERVICE COMMI	ISSION					
P.S.C. MO. No1	1 st	Original Sheet No. 127				
Canceling P.S.C. MO. No.		Sheet No. 127				
KCP&L Greater Missouri Operations Company for all territories formerly served by Aquila Networks, Inc. – L&P and Aquila Networks, Inc. MPS (L&P and MPS) KANSAS CITY, MO 64106						
FUEL ADJUSTMENT CLAUSE (CONTINUED)						
ELECTRIC						

COST ADJUSTMENT FACTOR

		MPS	L&P
Accumulation Period Ending		11/30/08	11/30/08
1 Total Energy Cost (TEC)			
2 Jurisdictional Factor (J)	*		
3 First Interim Total			
4 Base energy cost (B)	-		
5 Second Interim Total			
6 Customer Responsibility	*	95%	95%
7 Third Interim Total			
8 Adjustment for Under / Over recovery for	+		
prior periods and Modifications due to			
prudence reviews (C)			
9 Interest (I)	+		
10 Fuel Adjustment Clause (FAC)			
11 NSI	÷		
12 Fourth Interim Total			
13 Current period CAF _{Prim} (= Line 12 * XF _{Prim})			
14 Previous period CAF _{Prim}	+		
15 Current annual CAF _{Prim}			
16 Current period CAF _{Sec} (= Line 12 * XF _{Sec})			
17 Previous period CAF _{Sec}	+		
18 Current annual CAF _{Sec}			

Expansion Factors (XF):

 Network:
 Primary
 Secondary

 MPS
 1.0444
 1.0679

 L&P
 1.0444
 1.0700

Issued: December 30, 2008 Effective: March 1, 2009

Issued by: Tim Rush, Regulatory Affairs