

Exhibit No.:
Issues: Plant in Service
Witness: Michael E. Taylor
Sponsoring Party: MO PSC Staff
Type of Exhibit: Surrebuttal Testimony
Case No.: ER-2009-0089
Date Testimony Prepared: April 7, 2009

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY OPERATIONS DIVISION

SURREBUTTAL TESTIMONY

OF

MICHAEL E. TAYLOR

KANSAS CITY POWER & LIGHT COMPANY

CASE NO. ER-2009-0089

**Jefferson City, Missouri
April 2009**

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

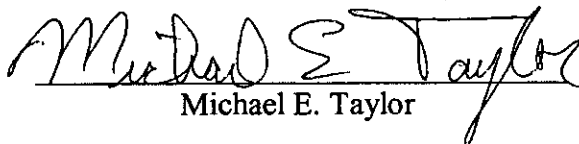
In the Matter of the Application of Kansas)
City Power and Light Company for)
Approval to Make Certain Changes in its)
Charges for Electric Service To Continue)
the Implementation of Its Regulatory Plan.)

Case No. ER-2009-0089

AFFIDAVIT OF MICHAEL E. TAYLOR

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Michael E. Taylor, of lawful age, on his oath states: that he has participated in the preparation of the following Surrebuttal Testimony in question and answer form, consisting of 4 pages of Surrebuttal Testimony to be presented in the above case, that the answers in the following Surrebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.


Michael E. Taylor

Subscribed and sworn to before me this 16th day of April, 2009.



SUSAN L. SUNDERMEYER
My Commission Expires
September 21, 2010
Callaway County
Commission #06942086


Notary Public

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Q. Please state your name and business address.

A. Michael E. Taylor, P.O. Box 360, Jefferson City, Missouri, 65102.

Q. By whom are you employed and in what capacity?

A. I am employed by the Missouri Public Service Commission (Commission) as a Utility Engineering Specialist III in the Energy Department of the Utility Operations Division.

Q. Please describe your educational and work background.

A. I graduated from the University of Missouri-Rolla with a Bachelor of Science degree in Mechanical Engineering in May 1972 and a Master of Science degree in Engineering Management in August 1987. I served as an officer in the United States Navy (Submarine Service) from June 1972 to January 1979. I was employed by Union Electric Company (AmerenUE) from February 1979 until January 2003. While at AmerenUE, I worked at Callaway Plant in various departments including operations, work control, engineering, and quality assurance. In addition to these specific department functions; my work experience also included quality control, instrumentation and controls, fire protection, industrial safety, outage scheduling, daily scheduling and work planning. I was licensed as a Senior Reactor Operator from 1983 until 1998. I served as an Emergency Duty Officer/Emergency Coordinator and Recovery Manager in the plant emergency response organization. During my employment with AmerenUE, I also participated in corporate

Surrebuttal Testimony of
Michael E. Taylor

1 activities related to other electrical generating and transmission facilities. These activities
2 included task group evaluation of existing generating units and recommendations regarding
3 the company's generation portfolio. In March 2003, I began my employment with the
4 Commission.

5 Q. Have you filed testimony previously before the Commission?

6 A. Yes. Please refer to the information provided on Schedule 1.

7 Q. Have you been responsible for review of any in-service criteria prior to this
8 case while employed by the Commission?

9 A. Yes. I have reviewed forty five (45) combustion turbines, one (1) coal-fired
10 steam plant, one (1) wind energy facility consisting of sixty seven (67) generating units and
11 two (2) emissions control equipment installations on existing coal-fired steam plants. Please
12 refer to Schedule 2 for a list of the specific generating units and emissions control equipment
13 that I have reviewed for in-service criteria.

14 **IN-SERVICE CRITERIA FOR IATAN 1 EMISSIONS CONTROL**

15 **EQUIPMENT**

16 Q. What is the purpose of your surrebuttal testimony?

17 A. My surrebuttal testimony is responding to the rebuttal testimony of the
18 National Nuclear Security Administration and the Federal Executive Agencies witness
19 Jatinder Kumar regarding in-service criteria established for the Kansas City Power & Light
20 Company's (KCPL) Iatan 1 Emissions Control Equipment.

21 Q. What are in-service criteria?

22 A. In-service criteria are a set of operational requirements or operational tests
23 used to determine whether a specific new unit or addition is "fully operational and used for

Surrebuttal Testimony of
Michael E. Taylor

1 service" as required by Section 393.135, RSMo. 2000, a statute that was adopted by Initiative,
2 Proposition No. 1, on November 2, 1976. Section 393.135, RSMo. 2000, provides as follows:

3 Any charge made or demanded by an electrical corporation for service,
4 or in connection therewith, which is based on the costs of construction
5 in progress upon any existing or new facility of the electrical
6 corporation, or any other cost associated with owning, operating,
7 maintaining, or financing any property before it is fully operational and
8 used for service, is unjust and unreasonable, and is prohibited.
9 (Emphasis added)

10
11 Q. How were the in-service test criteria developed for the Iatan 1 Emissions
12 Control Equipment for this case?

13 A. The Report and Order issued in Case No. EO-2005-0329 (Report and Order),
14 in which the Commission approved a Regulatory Plan for KCPL, includes the following:

15 A strict set of In-Service Criteria is contained in Appendix H to the
16 Stipulation, which applies to all of KCPL's units. KCPL, Staff and
17 Public Counsel have further agreed to develop in-service criteria for
18 emissions equipment to be constructed on KCPL's coal units.

19
20 In accordance with the Report and Order, in-service criteria were developed for the
21 Iatan 1 Emissions Control Equipment. Previously, in-service criteria had been developed in
22 accordance with the Report and Order and utilized for the addition of selective catalytic
23 reduction equipment installed on La Cygne Unit 1.

24 Q. Why are in-service criteria important?

25 A. The criteria provide a defined basis for a unit to be determined to be "fully
26 operational and used for service" and can be considered for ratemaking treatment.

27 Q. Does Mr. Kumar's rebuttal testimony conflict with the in-service criteria that
28 KCPL, Staff and Public Counsel agreed to use in this case?

29 A. Yes. Mr. Kumar believes that additional requirements should be imposed for
30 the in-service review.

Surrebuttal Testimony of
Michael E. Taylor

1 Q. Do you agree with Mr. Kumar's proposal?

2 A. No. Staff does not believe that the additional criteria are necessary. The
3 Report and Order does not address in-service criteria such as Provisional Acceptance or Final
4 Acceptance. The in-service criteria evaluate installed equipment relative to specific
5 operational characteristics. Mr. Kumar's attempt to impose additional requirements is not
6 consistent with this methodology. KCPL, Staff and Public Counsel developed the in-service
7 criteria that were included as Schedule BCD-2 attached to the Direct Testimony filed by
8 KCP&L employee Brent C. Davis.

9 Q. Has Staff completed its review of in-service criteria for the Iatan 1 Emissions
10 Control Equipment?

11 A. No. Staff's review is awaiting the completion of the testing required to meet
12 the specific criteria.

13 Q. Does this conclude your surrebuttal testimony?

14 A. Yes.

PREVIOUS TESTIMONY OF MICHAEL E. TAYLOR

Case Number	Company	Type of Filing	Issue
ER-2006-0314	Kansas City Power & Light	Direct	Plant in Service
ER-2006-0314	Kansas City Power & Light	True-Up Direct	Plant in Service
ER-2007-0002	AmerenUE	Direct	Plant in Service
ER-2007-0002	AmerenUE	Supplemental Direct	Plant in Service
ER-2007-0004	Aquila	Rebuttal	Fuel Adjustment Clause
ER-2007-0291	Kansas City Power & Light	Staff Report	Plant in Service
ER-2007-0291	Kansas City Power & Light	True-Up Direct	Plant in Service
ER-2008-0093	Empire District Electric	Staff Report	Plant in Service
ER-2008-0093	Empire District Electric	Rebuttal	Fuel Adjustment Clause
ER-2008-0093	Empire District Electric	Surrebuttal	Plant in Service
ER-2008-0318	AmerenUE	Rebuttal	Fuel Adjustment Clause

Generating Plants Reviewed for In-Service Criteria

Kansas City Power & Light Company

<u>Unit</u>	<u>Type</u>	<u>MW Rating</u>	<u>Fuel</u>
Hawthorn 5	Steam	590	Coal/Natural gas
Hawthorn 6/9	Combined cycle	269	Natural gas
Hawthorn 7 & 8	Combustion turbine	72 (each)	Natural gas
Osawatomie 1	Combustion turbine	72	Natural gas
West Gardner 1-4	Combustion turbine	72 (each)	Natural gas
Spearville	67 wind turbines	1.5 (each)	Wind
LaCygne 1 SCR	Steam	820	Coal

Union Electric Company d/b/a AmerenUE

<u>Unit</u>	<u>Type</u>	<u>MW Rating</u>	<u>Fuel</u>
Audrain 1-8	Combustion turbine	80 (each)	Natural gas
Goose Creek 1-6	Combustion turbine	75 (each)	Natural gas
Raccoon Creek 1-4	Combustion turbine	83.5 (each)	Natural gas
Peno Creek 1-4	Combustion turbine	48 (each)	Fuel oil/Natural gas
Kinmundy 1-2	Combustion turbine	116 (each)	Fuel oil/Natural gas
Pinckneyville 1-4	Combustion turbine	44 (each)	Natural gas
Pinckneyville 5-8	Combustion turbine	36 (each)	Natural gas
Venice CTG-2	Combustion turbine	48	Fuel oil/Natural gas
Venice CTG-3 & 4	Combustion turbine	165 (each)	Natural gas
Venice CTG-5	Combustion turbine	117	Natural gas

The Empire District Electric Company

<u>Unit</u>	<u>Type</u>	<u>MW Rating</u>	<u>Fuel</u>
Asbury SCR	Steam	210	Coal
Riverton 12	Combustion turbine	155	Natural gas