

Exhibit No.:
Issue: Fuel Adjustment Clause
Witness: Tim M. Rush
Sponsoring Party: KCP&L Greater
Missouri Operations Company
Case No.: EO-2008-0216
Date Testimony Prepared: April 21, 2011

MISSOURI PUBLIC SERVICE COMMISSION

REBUTTAL TESTIMONY

OF

TIM M. RUSH

ON BEHALF OF

KCP&L GREATER MISSOURI OPERATIONS COMPANY

Kansas City, Missouri

April 2011

REBUTTAL TESTIMONY

OF

TIM M. RUSH

Case No. EO-2008-0216

1 **Q: Please state your name and business address.**

2 A: My name is Tim M. Rush. My business address is 1200 Main Street, Kansas City,
3 Missouri 64105.

4 **Q: Are you the same Tim M. Rush who pre-filed Direct Testimony in this matter?**

5 A: Yes.

6 **Q: What is the purpose of your rebuttal testimony?**

7 A: The purpose of this rebuttal testimony is to discuss the calculation of the potential refund
8 as prepared by the MPSC Staff (“Staff”) and the appropriateness of the Staff’s suggested
9 recovery method.

10 **Q: Do you agree with the methods proposed by the Staff witnesses in their direct**
11 **testimony?**

12 A: Although KCP&L Greater Missouri Operations Company (“GMO” or “Company”)
13 supports Staff witness John Rogers’ position in his assertion that the Commission has no
14 authority to grant a refund, the Company does have some issues with the methods
15 proposed by Staff witnesses John Rogers and David Roos regarding the calculation of a
16 potential refund and the timing of that refund. The Company and the Staff did, however,
17 discuss the differences between the respective direct testimonies and I believe we have
18 come to an agreement.

1 **Q: Please explain the areas of difference as well as the understanding reached.**

2 A: First, the Staff used a usage based approach to calculating the four days of fuel costs in
3 July. The Company had calculated fuel costs based upon days in the month. The
4 Company now agrees that the usage based approach is more appropriate. However, in
5 the Staff's calculation, Staff compared four days worth of usage for July 1 – July 4, 2007,
6 to the total sales for that month. Given the differences between Net System Input or
7 usage ("NSI") and sales (i.e. line losses), this percentage is skewed. Both Staff and
8 Company have re-calculated the costs based upon the NSI for July 1 – July 4, 2007, as
9 compared to the total NSI for the month of July 2007. Amounts used for NSI were
10 obtained from the Commission's rule at 4 CSR 240-3.190 monthly report as submitted to
11 the Commission.

12 **Q: Were there any other differences that have been resolved?**

13 A: Yes. The workpapers supporting the Staff's calculation of the potential refund amount
14 presented in direct testimony started accruing interest on June 1, 2007. Recovery of the
15 costs in question, however, did not start until March 1, 2008. Therefore, no money was
16 owed nor interest accrued until the first recovery period started. Staff and Company have
17 discussed and agreed that the recovery amount should be determined based upon monies
18 collected during the recovery period. The amount not yet recovered at the end of that
19 first twelve-month period was rolled forward in total with interest through December 31,
20 2010, calculated on the total refund amount on a monthly basis. Interest should be
21 calculated through the effective date of any order requiring a refund.

22 Staff has also indicated that if a refund were ordered before September 1, 2011,
23 the refund could be included in the next FAC recovery period. I disagree. If a refund is

1 ordered, the refund would need to be ordered in time to give the appropriate amount of
2 review time for parties to the FAC. The GMO tariff states that semi-annual FAC filings
3 need to be made by January 1 and July 1. The Commission's rule at 4 CSR 240-
4 20.090(4) states that Staff must file a recommendation regarding its examination and
5 analysis of the Company's FAC filing no later than 30 days after the filing is made.
6 Given that the final post-hearing brief is not due until June 17, any refund that is ordered
7 should be processed in the December 2011 FAC filing

8 **Q: How do the above discussions change the amounts as reported in direct testimony?**

9 A: Although GMO continues to assert that no refund is appropriate, if a refund were ordered,
10 making the changes stated above would equate to the following amounts including
11 interest through December 31, 2011: MPS - \$1,975,363 and L&P - \$484,626.

12 **Q: Does this conclude your testimony at this time?**

13 A: Yes, it does.

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

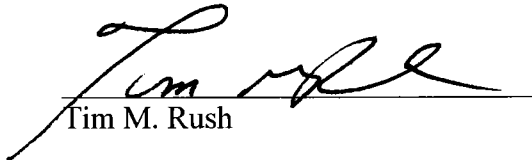
In the Matter of KCP&L Greater Missouri)
Operations Company for Authority to Implement)
Rate Adjustments Required by 4 CSR 240-20.090(4)) Case No. EO-2008-0216
and the Company's Approved Fuel and Purchased)
Power Cost Recovery Mechanism)

AFFIDAVIT OF TIM M. RUSH

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

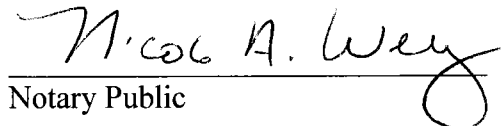
Tim M. Rush, being first duly sworn on his oath, states:

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 three (3) pages, 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.



Tim M. Rush

Subscribed and sworn before me this 21st day of April 2011.



Notary Public

My commission expires: Feb. 4, 2015

