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

Application of Kansas City Power & Light	)	
Company for the Opening Of A Proceeding	)	Case No. EO-2008-0224
To File Status Report On Wind Investments	)	

# THIRD STATUS UPDATE OF KANSAS CITY POWER & LIGHT COMPANY CONCERNING ADDITIONAL WIND GENERATION

Pursuant to 4 CSR 240-2.080 and the January 23, 2009 *Order Directing Filing* issued by the Missouri Public Service Commission ("Commission"), Kansas City Power & Light Company ("KCP&L" or the "Company") hereby provides its third status update concerning KCP&L's consideration of additional wind generation opportunities.

In support hereof, KCP&L states as follows:

#### **BACKGROUND**

- 1. On January 4, 2008, KCP&L submitted an *Application and Status Report on Wind Investments*, which initiated this proceeding. KCP&L explained that changes in financial markets had rendered it prudent for KCP&L to delay proceeding with a second 100 MW wind generation facility in time for it to be placed into service by the end of 2008, but that KCP&L remained committed to evaluating additional wind generation opportunities.
- 2. In its status report dated July 14, 2008, KCP&L explained that it continued to diligently pursue the possibility of installing a wind generation to be placed in service in 2009, but had not yet finalized that decision. In a subsequent status report, submitted September 15, 2008, KCP&L explained that it continued to evaluate whether to proceed with a wind generation project, but that the then-existing uncertainty concerning the renewal of the Section 45 Renewable Energy Production Tax Credit ("PTC") and the timing of such a renewal if it

occurred would make it difficult to complete a project in time for it to be place into service in 2009.

3. By order issued January 23, 2009, the Commission directed KCP&L to file a third status report "regarding a second 100 MW wind generation facility" by no later than February 13, 2009. KCP&L submits this report pursuant to that directive.

#### **STATUS UPDATE**

- 4. Although the PTC was ultimately renewed for projects to be completed in 2009, KCP&L concluded that the challenging conditions in financial markets that the Company first described in its January 4, 2008 submission had not shown sufficient signs of improvement for the Company to definitively commit to a wind generation project to be in service in 2009.
- 5. Through two recently-completed agreements, however, KCP&L has preserved the flexibility to pursue wind generation projects in 2009 and 2010. Specifically, the Company has entered into agreements to acquire thirty-two wind turbines each with a generating capacity of 1.5 megawatts ("MW"), transmission interconnection rights, as well as the land development rights for a site that could accommodate up to sixty-seven wind turbines. The Company continues to evaluate when and how best to proceed with these options.
- 6. The Company has also entered into an Engineering, Procurement, and Construction ("EPC") contract that contemplates the installation of a thirty-five wind turbine project, having an aggregate generation capacity of 52.5 MW, to be completed by May 31, 2010. Under the terms of the EPC contract, KCP&L has until September 30, 2009 to notify the developer whether KCP&L will proceed with the project.

7. KCP&L continues to monitor market conditions and will update the Commission if the Company determines it has become prudent to proceed with a 2009 project. In addition, the Company continues to evaluate its wind generation options for 2010 and beyond.

Respectfully submitted,

## |s| Curtis D. Blanc

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### Attorneys for Kansas City Power & Light Company

Dated: February 13, 2009

### **CERTIFICATE OF SERVICE**

A copy of the foregoing application has been served this 13<sup>th</sup> day of February 2009 upon counsel of record in this proceeding as well as counsel for each of the parties to the Regulatory Plan Stipulation.

|s| Curtis D. Blanc

Curtis D. Blanc