

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. HT-2010-0288, Tariff Tracking No. JH-2011-0030
KCP&L Greater Missouri Operations Company

FROM: Tom Imhoff, Rate & Tariff Examination Supervisor
Mack McDuffey, Rate & Tariff Examiner II
Leon Bender, Utility Regulatory Engineer I

/s/ John Rogers 08/13/2010
Energy Department / Date

/s/ Sarah Kliethermes 08/13/2010
Staff Counsel Division / Date

SUBJECT: Staff Recommendation For **Approval** Of Tariff Sheet To Add The Quarterly Cost Adjustment For The Second Quarter Of 2010 To The Quarterly Cost Adjustment Rider of KCP&L Greater Missouri Operations Company

DATE: August 13, 2010

On July 15, 2010, KCP&L Greater Missouri Operations Company (“GMO”) filed with the Commission one (1) tariff sheet bearing an issue date of July 15, 2010, and an effective date of September 1, 2010, to add the quarterly cost adjustment (QCA) for the second quarter of 2010. The adjustment is required by GMO’s Quarterly Cost Adjustment Rider, which the Commission approved in Case No. HR-2005-0450, and modified in Case Nos. HR-2009-0092 and HR-2010-0028, for steam service on and after July 1, 2009.

GMO’s filing included workpapers consisting of four worksheets showing its calculation of the QCA for the second quarter of 2010.

The procedure for the calculation of the QCA for steam service sales occurring on and after July 1, 2009 is set out in Sheets 6.6 through 6.10 of GMO’s tariff, which are entitled, “Quarterly Cost Adjustment Rider – Steam.”

Staff reviewed the data and mathematical calculations GMO provided. Staff found GMO’s calculations related to the second quarter 2010 QCA filing to be correct, and that the calculations satisfy the standards set forth on Sheets 6.6 through 6.10 of GMO’s tariff. The calculations are also consistent with previous GMO QCA tariff filings.

Staff has reviewed the proposed tariff sheet, and based on GMO’s workpapers, Staff is of the opinion that GMO has calculated the QCA for the first quarter of 2010 in accordance with the provisions of GMO’s Quarterly Cost Adjustment Rider. Staff therefore recommends that the Commission **approve** the following proposed tariff sheet, as filed on July 15, 2010, to become effective on September 1, 2010, as requested by GMO, or permit the tariff sheet to go into effect on September 1, 2010, by operation-of-law:

P.S.C. MO. No. 1

4th Revised Sheet No. 6.10 Canceling 3rd Revised Sheet No. 6.10

Staff has verified that GMO is not delinquent on any assessment and has filed its 2009 annual report. Staff is not aware of any other matter pending before the Commission that affects or is affected by this tariff filing except for the Complaint By AG Processing, Inc., A Cooperative Concerning Recoveries From Steam Customers Of Imprudently Incurred Amounts By Aquila, Inc. And Its Successors Including KCP&L Greater Missouri Operations Company in Case No. HC-2010-0235.

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

In the Matter of KCP&L Greater)
Missouri Operations Company for)
Authority to File Tariffs Changing the)
Steam QCA for Service Provided to)
Customers in its Service Territory)

Case No. HT-2010-0288

AFFIDAVIT OF LEON C. BENDER

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Leon C. Bender, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.



Leon C. Bender

Subscribed and sworn to before me this 12th day of August, 2010.



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



Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

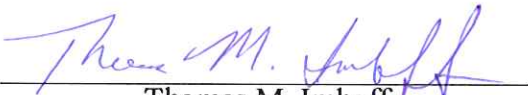
In the Matter of KCP&L Greater)
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Steam QCA for Service Provided to)
Customers in its Service Territory)

Case No. HT-2010-0288

AFFIDAVIT OF THOMAS M.IMHOFF

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Thomas M. Imhoff, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.



Thomas M. Imhoff

Subscribed and sworn to before me this 12th day of August, 2010.



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



Notary Public

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

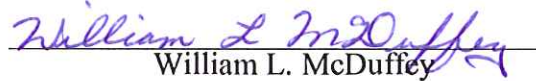
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Case No. HT-2010-0288

AFFIDAVIT OF WILLIAM L. McDUFFEY

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

William L. McDuffey, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.


William L. McDuffey

Subscribed and sworn to before me this 12th day of August, 2010.



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


Notary Public