

## Kansas City Power & Light Co.'s \$1.9B Senior Unsecured Notes Collateralized; Issue Rating Raised To 'A' (Recovery: '1+')

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NEW YORK (S&P Global Ratings) March 15, 2019-- S&P Global Ratings today assigned its 'A' senior secured rating and '1+' recovery rating to Kansas City, Mo.-based Kansas City Power & Light Co.'s (KCP&L) \$1.9 billion senior unsecured notes following the company's announcement that it has secured all of its outstanding unsecured notes with the lien of KCP&L's general mortgage indenture.

At the same time, we raised the ratings on approximately \$1.9 billion of existing senior bonds of KCP&L to 'A' from 'A-' to reflect the addition of this lien, making these bonds secured and pari passu with the company's existing general mortgage bonds. In addition, we assigned a '1+' recovery rating to these bonds.

Our 'A' issue-level rating is based on our '1+' recovery rating on the bonds, reflecting our highest expectation for full recovery of principal (100%) in a default scenario. KCP&L's bonds have collateral coverage of more than 1.5x, resulting in a recovery rating of '1+'.

The 'A-' long-term and 'A-2' short-term issuer credit ratings and stable outlook on the company are unchanged. For more information, see our full analysis on KCP&L, published March 4, 2019.

#### RELATED CRITERIA

- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings , April 7, 2017
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec. 16, 2014
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, Nov. 19, 2013
- Criteria | Corporates | General: Corporate Methodology, Nov. 19, 2013
- Criteria - Corporates - Utilities: Key Credit Factors For The Regulated Utilities Industry, Nov. 19, 2013
- General Criteria: Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
- General Criteria: Methodology: Industry Risk, Nov. 19, 2013
- General Criteria: Group Rating Methodology, Nov. 19, 2013
- Criteria | Corporates | Utilities: Collateral Coverage And Issue Notching Rules For '1+' And '1' Recovery Ratings On Senior Bonds Secured By Utility Real Property, Feb. 14, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities And Insurers, Nov. 13, 2012
- General Criteria: Use Of CreditWatch And Outlooks, Sept. 14, 2009

#### RATINGS LIST

Kansas City Power & Light Co.  
Issuer credit rating

A-/Stable/A-2

Upgraded; New Recovery Rating

To	From
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Kansas City Power & Light Co.  
Senior Secured  
Recovery rating

A	A-
1+	

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at [www.standardandpoors.com](http://www.standardandpoors.com) for further information. Complete ratings information is available to subscribers of RatingsDirect at [www.capitaliq.com](http://www.capitaliq.com). All ratings affected by this rating action can be found on S&P Global Ratings' public website at [www.standardandpoors.com](http://www.standardandpoors.com). Use the Ratings search box located in the left column.

*Kansas City Power & Light Co.'s \$1.9B Senior Unsecured Notes Collateralized; Issue Rating Raised To 'A'  
(Recovery: '1+')*

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