

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

In the Matter of the Application of Kansas City)	
Power & Light Company for Authority to Issue)	Case No. EF-2005-0498
Debt Securities)	

STAFF RECOMMENDTION

Comes now the Staff of the Missouri Public Service Commission (Staff) and submits its Recommendation (Appendix A – HC and NP versions) that the Missouri Public Service Commission (Commission) approve Kansas City Power & Light Company’s (KCPL’s) proposed Financing Plan for the 2005-2009 period, relating to the KCPL Experimental Regulatory Plan filed and approved in Case No. EO-2005-0329, subject to the following conditions:

1. That the Company shall submit to the Financial Analysis Office of the Commission any information concerning deviations from the stated use of the funds or any information that would materially change the pro-forma capitalization and financial ratios.
2. That the interest rate for any debt issuance covered by the Application is not to exceed nine (9) percent.
3. That the Company shall submit to the Financial Analysis Office of the Commission any information concerning communication with credit rating agencies concerning these issuances.
4. That the Application is approved for the purposes stated in the Application and not for operating expenses.
5. That at no time are the Company’s total borrowings, including all instruments, to exceed its regulated rate base.
6. That the Company shall submit to the Financial Analysis Department of the Commission the three key financial ratios discussed in the Stipulation and Agreement in Case No. EO-2005-0329 on a quarterly basis and after each issuance of long-term debt and/or common stock as defined in the Staff’s Recommendation and in Appendix E-1 attached to the Stipulation and Agreement in Case No. EO-2005-0329.

7. That KCP&L shall file with the Commission within ten (10) days of the issuance of any debt securities authorized pursuant to this proceeding, a report including the amount of debt securities issued, date of issuance, interest rate (initial rate if variable), maturity date, redemption schedules or special terms, if any, use of proceeds, estimated expenses, portion subject to the fee schedule and loan or indenture agreement concerning each issuance. With regard to such debt, KCP&L shall abide by the conditions and restrictions set forth by the Federal Energy Regulatory Commission in its Order issued February 21, 2003, in Docket No. ES02-51-000.
8. That nothing in the Commission's order is to be considered a finding by the Commission of the value of this transaction for rate making purposes, and that the Commission reserves the right to consider the rate making treatment to be afforded these financing transactions and their results in cost of capital, in any later proceeding.

Wherefore, the Staff requests that the Commission approve Kansas City Power & Light Company's proposed Financing Plan for the 2005-2009 period subject to the aforementioned conditions.

Respectfully submitted,

DANA K. JOYCE
General Counsel

/s/Steven Dottheim
Steven Dottheim
Chief Deputy General Counsel
Missouri Bar No. 29149

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-7489 (Telephone)
(573) 751-9285 (Fax)
e-mail: steve.dottheim@psc.mo.gov

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 31st day of August 2005.

/s/Steven Dottheim