

Exhibit No.:
Issue: Products and Services, Energy
Efficiency, and Demand Response
Witness: Kevin E. Bryant
Type of Exhibit: Direct Testimony
Sponsoring Party: Great Plains Energy Incorporated and
Kansas City Power & Light Company
Case No.: EM-2007-____
Date Testimony Prepared: April 2, 2007

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO. EM-2007-____

DIRECT TESTIMONY

OF

KEVIN E. BRYANT

ON BEHALF OF

GREAT PLAINS ENERGY INCORPORATED

AND

KANSAS CITY POWER & LIGHT COMPANY

**Kansas City, Missouri
April 2007**

DIRECT TESTIMONY

OF

KEVIN E. BRYANT

Case No. EM-2007-_____

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

2 A: My name is Kevin E. Bryant. My business address is 1201 Walnut, Kansas City,
3 Missouri 64106-2124.

4 **Q: By whom and in what capacity are you employed?**

5 A: I am employed by Kansas City Power & Light Company (“KCPL”) as Vice President,
6 Energy Solutions.

7 **Q: What are your responsibilities?**

8 A: My responsibilities include providing leadership and direction to the Energy Solutions
9 team, including the development, coordination and execution of promotional strategies
10 and programs designed to efficiently and effectively promote and implement KCPL’s
11 products and services. I am also responsible for all residential and commercial sales
12 efforts and for maintaining relationships with KCPL’s largest customers and trade allies.
13 My duties include initiating and bringing to market new products and services, as well as
14 improvements and innovations to existing products and services. My duties also include
15 the development, implementation and evaluation of customer programs, which include
16 demand side affordability, energy efficiency, and demand response programs. My role
17 also includes the recent assignment as leader of the Energy Solutions Integration team,
18 which is responsible for the integration of Aquila, Inc. (“Aquila”) with KCPL’s Energy
19 Solutions team.

1 **Q: Please describe your education, experience and employment history.**

2 A: I pursued an undergraduate education from the University of Missouri – Columbia where
3 I graduated Cum Laude with dual degrees in both finance and real estate in May 1997. I
4 continued my education at the Stanford University Graduate School of Business where I
5 graduated with a Masters in Business Administration degree, with an emphasis in finance
6 and marketing, in June 2002.

7 I joined Great Plains Energy Incorporated (“Great Plains Energy”) in 2003 as a
8 Senior Financial Analyst and was promoted to Manager - Corporate Finance, in 2005
9 where I was responsible for contributing to the development and maintenance of the
10 sound financial health of both Great Plains Energy and KCPL through the management
11 of company financing activities. I have experience in strategic planning and financial
12 areas including analysis, cash management, financial modeling and mergers and
13 acquisitions. While at THQ Inc. from 2002 to 2003, a worldwide developer and
14 publisher of interactive entertainment software based in Calabasas, California, I served as
15 Manager - Strategic Planning where I was, amongst other things, responsible for
16 establishing corporate goals and developing and assisting with the execution of the
17 Company’s strategic plan. As a Corporate Finance Analyst from 1998 to 2000 for what
18 is now UBS Paine Webber, I worked on mergers and acquisitions for medium and large-
19 sized companies. I also worked at Hallmark Cards as a Financial Analyst from 1997 to
20 1998.

21 **Q: What is the purpose of your testimony?**

22 A: The purpose of my testimony is to provide information on plans to integrate KCPL and
23 Aquila’s products and services and sales initiatives as well as plans to integrate and

optimize relationships with large customers and trade allies. I will provide information on steps being taken to identify which programs and services will be offered as well as how we anticipate leveraging capabilities of the combined organization.

Q: What are KCPL's current product and service offerings?

A: KCPL offers a variety of products and services for commercial, industrial, and residential customers. These products and services are highlighted below:

For Commercial & Industrial customers KCPL offers:

- E-Services and Payment Options

- AccountLink Advantage - Online service designed for business users with multiple accounts, offering a way to pay bills, view energy information and streamline accounting.
- ApartmentLink - Web portal for residential property managers that provides order status, average bill amounts and occupancy information on all properties and rental units. It also supports electronic bill presentation and payment and online service order processing.
- Check By Phone - Check by phone provides residential and commercial customers with the ability to make payments over the phone.
- Easy Pay - Service where KCPL automatically deducts a customer's bill amount from their bank account on the bill due date.
- Web Pay - Service that allows customers to pay their bills online.
- Paperless - Option for customers who are paying electronically, either through Web Pay or Easy Pay or through a third-party service, to discontinue their paper bill. Customers on Paperless Billing are sent email

1 notifications and they are able to view their bills through a secure Web
2 site.

3 ▪ Other Programs & Services

- 4 ○ Real-Time Pricing - Provides customers with a minimum demand of 1000
5 kW the opportunity to grow or reduce load at marginal cost-based prices
6 and to shift load from higher cost to lower cost hours.
- 7 ○ Dusk to Dawn Security Lighting – Leased lighting in three wattage levels,
8 70-watt, 150-watt, and 400-watt, with photocell operated high-pressure
9 sodium lights.

10 For Residential Consumers, KCPL offers

11 ▪ E-Services and Payment Options

- 12 ○ AccountLink - Full service, online source for electric bill payment and
13 detail of customer's account and usage information.
- 14 ○ Easy Pay - Service where bill amounts are automatically deducted from
15 the customer's bank account on the bill due date.
- 16 ○ Web Pay - Service that allows customers to pay their bills online.
- 17 ○ Check By Phone - Check by phone provides residential and commercial
18 customers with the ability to make payments over the phone.
- 19 ○ Paperless - Option for customers who are paying electronically, either
20 through Web Pay or Easy Pay or through a third-party service, to
21 discontinue their paper bill. Customers on Paperless Billing are sent email
22 notifications and they are able to view their bills through a secure Web
23 site.

- Pay Stations - Provides customers with walk-in locations where KCPL bills can be paid.
- Delayed Due Date – Allows customers to select a due date that better coordinates with Social Security or other income receipts for fixed income seniors.

- Other Programs & Services

- Dollar-Aide - Provides energy assistance to area residents in need, helping to avoid loss of service, regardless of fuel source.
- Dusk to Dawn Security Lighting – Leased lighting of 70-watt photocell operated high-pressure sodium lights.
- Medical Customer – Notification of planned outages for customers with a dependency on electricity.

In addition to these products and services, KCPL also offers a portfolio of Affordability, Energy Efficiency and Demand Response programs for residential, commercial and industrial customers. These programs are discussed in more detail below.

Q: How will these product and service offerings be integrated with Aquila's current products and services?

A: We have not had the opportunity to thoroughly discuss the details of integrating KCPL's product and service offerings with those of Aquila, but we intend to evaluate the totality of services provided by both firms and will develop a combined portfolio of products and services that meet the needs of our customers. We will, in turn, develop a robust plan to ensure the seamless integration of the products and services addressing any requirements

1 in all areas including marketing, product development, planning, and information
2 systems.

3 **Q: What are KCPL's current Affordability, Energy Efficiency and Demand Response**
4 **programs and how will those programs be extended to Aquila's customers?**

5 A: KCPL currently has in place or is in the process of evaluating or implementing two
6 Affordability programs, ten Energy Efficiency programs, two Demand Response
7 programs, and two additional funding areas.

8 The following is a program-by-program general description.

9 Affordable New Homes (New Construction):

10 The Affordable New Homes Program is designed to be a partnership between KCPL and
11 organizations to achieve qualifying energy efficient affordable new housing for the low-
12 income community. The tariff for this program was filed in Missouri on January 12,
13 2007.

14 Low Income Weatherization Program:

15 Qualified lower income customers can get help managing their energy use and
16 bills through KCPL's Low Income Weatherization Program. The program works directly
17 with local Community Action Program ("CAP") agencies that already provide
18 weatherization services to low income customers.

19 Home Energy Analyzer:

20 The Home Energy Analyzer (Online Energy Information and Analysis) provides
21 information to customers on how they use energy based on their specific usage data. It
22 also provides information on ways customers can save energy and what their payback
23 might be based on the improvements made.

1 KCPL looks to this program to be the “starting point” and “direction provider” for
2 customers. Customers come to the Energy Analyzer site and, based on their needs and
3 interests, get ‘routed’ to various programs that may be of benefit to them. Therefore,
4 creating awareness of this site is critical.

5 Home Performance With Energy Star® (Training):

6 Home Performance With Energy Star® enhances the traditional home energy audit
7 service and uses the Energy Star® brand to help encourage and facilitate whole-house
8 energy improvements.

9 Change a Light, Change the World (“CAL”):

10 This program provides rebates for compact fluorescent lights (“CFLs”) at point of
11 purchase in specific stores and is administered by the Midwest Energy Efficiency
12 Alliance (“MEEA”). Both KCPL and Aquila offer this program. Therefore, we expect
13 the two programs will continue to be offered.

14 Cool Homes Program:

15 This program is designed to incent customers to install high efficiency cooling
16 equipment.

17 Energy Star® Homes (New Construction):

18 Energy Star® Homes requires that new homes be constructed to a standard at least 30%
19 more energy efficient than the 1993 National Model Energy Code.

20 PAYS-type program:

21 Pay As You Save (“PAYS”) is a tariff-based program whereby the utility pays for energy
22 efficiency improvements to a customer’s home and allows the customer to repay the loan

1 at a rate of 75% of the savings on each monthly energy bill until fully repaid. KCPL is
2 researching ways to remove market barriers.

3 Business Energy Analyzer:

4 The Business Energy Analyzer (“BEA”) provides information to business customers on
5 how they use energy based on their specific usage data. It provides information on ways
6 they can save energy and what their payback might be based on the improvements made.

7 C&I Audit Rebate, C&I Custom Rebates-Retrofit, and C&I Custom Rebates-New
8 Construction:

9 For the C&I Audit Rebate (formerly C&I Energy Audits), KCPL offers rebates to
10 customers to cover 50% of the cost of an energy audit, up to \$300 for customers with
11 facilities less than 25,000 square feet and up to \$500 for customers with facilities over
12 25,000 square feet. In order to receive the rebate, the customer must implement at least
13 one of the audit recommendations that qualify for a KCPL C&I Custom Rebate.

14 For the C&I Custom Rebate programs, Retrofit and New Construction, KCPL
15 offers rebates to customers that install, replace or retrofit qualifying electric savings
16 measures including HVAC systems, motors, lighting, pumps, etc. Custom rebates are
17 calculated as the lesser of a buy-down to a two-year payback or 50% of the incremental
18 cost.

19 Building Operator Certification (Training):

20 Building Operator Certification is a market transformation effort to train facility
21 operators in efficient building operations and management (“O&M”), establish
22 recognition of and value for certified operators, support the adoption of resource-efficient

O&M as the standard in building operations, and create a self-sustaining entity for administering and marketing the training.

Energy Optimizer (Air Conditioning Cycling):

The Energy Optimizer program is an air conditioning cycling program by which KCPL can reduce residential and small commercial air conditioning load during peak summer days. This load reduction is achieved by sending a paging signal to a control device in a thermostat attached to the customer's air conditioner. The control device then turns the air conditioner off and on or ramps up the temperature over a period of time depending on the load reduction strategy established by KCPL.

MPower:

MPower is a C&I curtailment program whereby customers with the ability to curtail 200 kW or more are incented to contract with KCPL to curtail their load when requested by KCPL. Under MPower, the customer is invited to use the curtailment method(s) that best meets their capabilities and needs. This could include turning on a back-up generator, shutting off lights or production lines, raising their cooling system temperature several degrees, or closing the company and sending their employees home.

Q: Will these programs be offered to all Aquila customers?

A: Great Plains Energy currently plans to make all KCPL Affordability, Energy Efficiency and Demand Response programs available to Aquila customers. Great Plains Energy is in the process of reviewing the products and services currently offered by Aquila. Once this evaluation is complete, Great Plains Energy plans to offer a combined portfolio of products and services to KCPL's and Aquila's customers that provide the most value to our customers.

1 **Q: What is the goal in offering these programs to both KCPL and Aquila customers?**

2 A: As evidenced by Great Plains Energy’s Strategic Intent, our goal is to demonstrate
3 leadership in supplying and delivering electricity and energy solutions to meet the needs
4 of our customers. To achieve this goal, we must use a consultative sales approach to
5 meet customer needs, develop innovative electric service and energy solutions that help
6 our customers maximize their own value and that of their customers and provide
7 responsive, superior customer service. We are also focused on demonstrating
8 environmental responsibility and a commitment to community improvement as well as
9 partnering with and strategically investing in communities in which we operate to
10 improve quality of life in a meaningful way. As evidenced by our Comprehensive
11 Energy Plan, we are keenly focused on serving as a leader in utility-sponsored
12 affordability, energy efficiency and demand response programs and will continue to work
13 to put Missouri on the map of states that are leading the efforts to save energy and
14 demand through a comprehensive portfolio of programs.

15 **Q: Will Great Plains Energy keep any of the affordability, energy efficiency and**
16 **demand response programs or other programs currently offered by Aquila?**

17 A: As stated above, Great Plains Energy is currently evaluating Aquila’s programs.
18 Wherever possible, we intend to learn from Aquila’s successes and improve the overall
19 program offerings to customers. Prior to making any material changes to current KCPL
20 Affordability, Energy Efficiency and Demand Response programs, KCPL will discuss the
21 possible changes with the Customer Program Advisory Group (“CPAG”) and obtain their
22 input. If KCPL determines that an Aquila program should be discontinued, or that an

1 Aquila program should be expanded to KCPL, we will discuss the potential action with
2 the appropriate parties prior to taking action.

3 **Q: Will KCPL expand the scope of CPAG to include the Aquila service territory?**

4 A: With the excellent input we have received from CPAG, KCPL would find it extremely
5 beneficial for the scope of CPAG be expanded to include the Aquila service territory.
6 However, we need to ask the members of CPAG of their willingness to do so, as well as
7 research any legal issues that might arise from an expansion. CPAG was established
8 specifically as a result of the Stipulation and Agreement in Case No. EO-2005-0329.

9 **Q: Will KCPL perform a benefit-cost analysis for these programs for the Aquila**
10 **service territory?**

11 A: Yes, it is KCPL's intent to perform a benefit-cost analysis for these programs for the
12 Aquila service territory since rates for the Aquila service territory will be different from
13 those for the KCPL service territory.

14 **Q: What are the current expected costs of expanding the programs to the Aquila**
15 **service territory?**

16 A: At this time, we do not have an estimate of what the expected costs would be of offering
17 the same programs to Aquila customers. Great Plains Energy is committed, however, to
18 ensuring that all KCPL and Aquila customers have access to the comprehensive portfolio
19 of affordability, energy efficiency and demand response programs.

20 **Q: What other integration-related activities are you responsible for?**

21 A: As mentioned previously, we intend to leverage KCPL products and services across the
22 Aquila customer base and expand our portfolio of products and services to include
23 current Aquila offerings as applicable. These products and services range from the

1 Affordability, Energy Efficiency and Demand response programs discussed previously to
2 a variety of E-Service web-based applications. As part of the integration, we will also
3 evaluate information systems, personnel resources and business processes to ensure
4 development of the optimal organization to meet our customers' needs.

5 **Q: Does that conclude your testimony?**

6 A: Yes, it does.

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

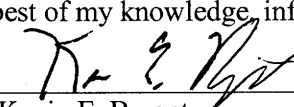
**In the Matter of the Joint Application of Great Plains)
Energy Incorporated, Kansas City Power & Light)
Company, and Aquila, Inc. for Approval of the Merger) Case No. EM-2007-____
of Aquila, Inc. with a Subsidiary of Great Plains Energy)
Incorporated and for Other Requester Relief)**

AFFIDAVIT OF KEVIN E. BRYANT

**STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)**

Kevin E. Bryant, being first duly sworn on his oath, states:

1. My name is Kevin E. Bryant. I work in Kansas City, Missouri, and I am employed by Kansas City Power & Light Company as Vice President, Energy Solutions.
2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Great Plains Energy Incorporated and Kansas City Power & Light Company consisting of twelve (12) pages, all of which 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.



Kevin E. Bryant

Subscribed and sworn before me this 2nd day of April 2007.



Notary Public

My commission expires: Feb. 4, 2011

