STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 20th day of October, 2010.

In the Matter of the Application of Kansas City Power & Light Company for Authority to Encumber Certain Clean Cities Equipment

File No. EO-2011-0090

ORDER GRANTING APPLICATION AND REQUEST FOR WAIVER

Issue Date: October 20, 2010

Effective Date: October 30, 2010

On September 24, 2010, Kansas City Power & Light Company ("KCP&L"), submitted an Application and Request for Waiver. KCP&L would like the Commission to approve an encumbrance of certain Clean Cities equipment ("equipment") by November 1, 2010. KCP&L further asks for waiver of the Commission rule requiring 60 days' notice before filing a contested case.¹

KCP&L is asking for permission to encumber equipment to be acquired with funding from the U.S. Department of Energy ("DOE"). The equipment consists of charging stations for electric vehicles. The total amount of equipment to be purchased and subject to encumbrance would be approximately \$40,000-\$90,000. Per federal regulation, title to the equipment purchased with DOE funds is subject to conditions that limit the buyer's ability to use the equipment, and its ability to dispose of the equipment.²

¹ Commission Rule 4 CSR 240-4.020

² 10 C.F.R. § 600.321.

The Metropolitan Energy Center ("MEC") and DOE have signed an agreement, and KCP&L and MEC has signed an agreement, which would allow KCP&L to receive the DOE funding to purchase the equipment. A description of the property to be encumbered is listed in Attachment 3 of KCP&L's application.

On October 15, Staff filed its Recommendation. Staff explains that because granting KCP&L's application would not result in the encumbrance of KCP&L's general plant and equipment, the Commission should approve the requested encumbrance. Staff's only condition on its recommendation of approval is that the Commission include a standard paragraph in its order indicating that the Commission is not making any finding of the value of the transaction for rate making purposes. The Commission will do so.

The Commission may approve an application to encumber assets if the encumbrance would not be detrimental to the public interest.³ Upon review of the application and Staff's Recommendation, which are admitted into evidence, the Commission finds that the encumbrance would not be detrimental to the public interest. The Commission will approve the application.

KCP&L further asks for waiver of a Commission Rule; specifically, the rule that requires a utility to give 60 days' notice before filing a contested case.⁴ The Commission may waive that rule for good cause.⁵

The Commission finds good cause to waive the 60-day notice requirement of Commission Rule 4 CSR 240-4.020(2), as KCP&L did not know that it would be filing the instant application 60 days prior to the date it was filed.

³Commission Rule 4 CSR 240-3.110(1)(D).

⁴ Commission Rule 4 CSR 240-4.020(2).

⁵ Id.

THE COMMISSION ORDERS THAT:

1. The Application and Request for Waiver are granted.

2. Kansas City Power & Light Company may encumber the assets listed in Attachment 3 of the September 24, 2010 application.

3. Nothing in this order shall be considered a finding by the Commission of the value of this transaction for ratemaking purposes. The Commission reserves the right to consider the ratemaking treatment to be afforded this transaction in any future proceeding.

- 4. Commission Rule 4 CSR 240-4.020(2) is waived.
- 5. This order shall become effective on October 30, 2010.
- 6. This case shall be closed on October 31, 2010.

BY THE COMMISSION

Steven C. Reed Secretary

(SEAL)

Clayton, Chm., Davis, Jarrett, Gunn, and Kenney, CC., concur.

Pridgin, Senior Regulatory Law Judge