

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

In the Matter of the Exploration of a Joint)
Proceeding with the Kansas Corporation)
Commission to Investigate the Off-System)
Sales Allocation Methods of Kansas City)
Power & Light Company)

File No. EO-2012-0020

ORDER DIRECTING FILING

Issue Date: July 22, 2011

Effective Date: July 22, 2011

On April 12, 2011, the Commission issued its Report and Order in Kansas City Power & Light Company's ("KCP&L") most recent rate case, File No. ER-2010-0355. In that case, and in prior cases, the Commission learned of differences in the ways that this Commission and the Kansas Corporation Commission ("KCC") have ordered KCP&L to allocate its non-firm off system sales. Due to the differences in the way those sales are allocated, it appears that KCP&L may actually lose money on non-firm off-system sales.

That, in turn, could result in KCP&L being unable to meet its authorized rate of return in either or both jurisdictions and, more importantly, may act as a disincentive to KCP&L making off-system sales that benefit ratepayers.

Section 386.210.7 RSMo permits this Commission to "make joint investigations, hold joint hearings within or without the state, and issue joint or concurrent orders in conjunction or concurrence with any railroad, public utility or similar commission." This order is designed to solicit the opinions of the interested parties (defined as those who participated in the last KCP&L rate case as well as anyone else who may be interested) as to whether they think it would be a worthwhile endeavor for the Commission to

explore a joint proceeding with the KCC to further examine how both jurisdictions currently treat non-firm off system sales, and how the Commission should treat such sales in the future.

THE COMMISSION ORDERS THAT:

1. All parties in the most recent rate case of Kansas City Power & Light Company, File No. ER-2011-0355, are made parties to this case.
2. The Kansas Corporation Commission shall receive copies of all orders and pleadings filed in this case.
3. The parties are invited to file pleadings discussing the above-referenced issue or other issues connected to the jurisdictional allocation and whether they believe a joint proceeding between this Commission and the Kansas Corporation Commission, would be constructive in resolving the non-firm off system sales issue as described above.
4. The parties are also invited to provide proposals on how the Commissions should handle a joint proceeding.
5. The Staff of the Commission shall identify any other potential issues for inquiry.
6. Pleadings shall be filed no later than August 8, 2011.

7. This order shall become effective upon issuance.

BY THE COMMISSION



Steven C. Reed
Secretary

(S E A L)

Ronald D. Pridgin, Senior Regulatory
Law Judge, by delegation of authority
pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 22nd day of July, 2011.