BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of KCP&L Greater Missouri Operations Company's Application for Approval of Demand-Side Programs and For Authority to Establish A Demand-Side Programs Investment Mechanism	)))))	Case No.: EO-2012-0009

NON-UNANIMOUS STIPULATION AND AGREEMENT RESOLVING KCP&L GREATER MISSOURI OPERATIONS COMPANY'S MEEIA FILING

COME NOW KCP&L Greater Missouri Operations Company d/b/a KCP&L ("GMO"), Kansas City Power & Light Company (KCPL), the Staff of the Missouri Public Service Commission ("Staff"), the Office of the Public Counsel ("OPC"), the Missouri Department of Natural Resources ("MDNR"), the Natural Resources Defense Council, Sierra Club and Earth Island Institute d/b/a Renew Missouri (collectively, the "Environmental Interveners"), the Missouri Industrial Energy Consumers ("MIEC"), Wal-Mart Stores East, L.P. and Sam's East, Inc. (collectively referred to as "WAL-MART"), (together, the "Signatories") and present this Non-Unanimous[1] Stipulation and Agreement ("Stipulation") to the Commission for the Commission's approval, and in support thereof respectfully state as follows:

BACKGROUND

1. On December 22, 2011, GMO filed an application under the Missouri Energy Efficiency Investment Act ("MEEIA") and the Commission's MEEIA rules, along with its direct testimony. Rebuttal testimony was filed on March 20, 2012, and surrebuttal and cross-surrebuttal testimony was filed on May 10, 2012.

[1] Southern Union Company d/b/a Missouri Gas Energy ("MGE") and Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri") have indicated that they do not oppose this Stipulation.

ATTACHMENT A

SPECIFIC TERMS AND CONDITIONS

2. Complete Settlement of Case. As a result of extensive settlement discussions among all of the Signatories, the Signatories have agreed upon the terms[2] and conditions set forth below in full and final resolution of all remaining issues in this case.

3. Approval of Plan. The Signatories agree for purposes of this Stipulation, the "Plan" the Commission should approve for GMO to implement consists of the 15 demand-side programs ("MEEIA Programs") described in GMO's December 22, 2011 MEEIA Application (modified to reflect the terms and conditions herein), and the demand-side programs investment mechanism ("DSIM") described in this Stipulation.

4. Implementation and Term of the MEEIA Programs. GMO agrees to make its best effort to begin implementation of most of its 15 MEEIA Programs on the effective date of new base rates resulting from a Commission Order in Case No. ER-2012-0175. The three-year Plan period will end three years from the effective date of the tariff sheets of the first MEEIA Programs to be implemented. In the event that some MEEIA Programs (most likely the Residential Lighting and Appliance Program, Residential Energy Report Program (pilot), Multi-Family Rebate Program, Commercial & Industrial Prescriptive Rebate Program and Appliance Turn-In Program) start on a different date, the end date will be on the same date as the end date for GMO's other MEEIA programs.

5. DSIM. The Signatories agree to the DSIM described in this Stipulation. The DSIM addresses recovery of MEEIA Programs' costs, GMO's Throughput Disincentive Net Shared Benefits ("TD-NSB") Share and GMO's Performance Incentive Award. GMO shall recover through the general rates set in Case No. ER-2012-0175 ("base rates") estimated MEEIA

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[2] Unless specifically defined herein, the terms used in the Stipulation are defined in the Commission's rules, 4 CSR 240-20.093(1) and 4 CSR 240-20.094(1)

Programs' costs and ninety percent (90%) of the estimated annualized GMO TD-NSB Share. The MEEIA Programs' costs and TD-NSB Share will be trued-up later, as described in paragraphs 6a and 6b. GMO will not recover any Performance Incentive Award until after the end of the three-year Plan period. Because certain non-residential customers may opt-out of participation in MEEIA Programs and such customers may not be charged for any of the DSIM revenue requirements for those programs, how MEEIA Programs' costs, the GMO TD-NSB Share and GMO's Performance Incentive Award are recovered from customers is addressed differently in this Stipulation for customers in residential versus the non-residential customer classes.

It is the intent of the Signatories that GMO shall ultimately collect from customers an amount as close as reasonably practicable to the MEEIA Programs' costs, the GMO TD-NSB Share and GMO's Performance Incentive Award earned as provided for herein. The Signatories contemplate that unless a rider that allows charges or changes in rates between general electric rate cases as contemplated in this Stipulation is available or they otherwise agree, the method to accomplish this intent will be to create regulatory assets and/or regulatory liabilities for the overcharge/undercharge so that such differences can be billed/returned through future general electric rate proceedings.

a. *MEEIA Programs' Costs*. One third of the estimated costs of the MEEIA Programs[3] ($13,944,367) for the MEEIA Programs shall be added to GMO's revenue requirement determined as if the Plan did not exist, both in Case No. ER-2012-0175 and in each subsequent GMO general electric rate case where new GMO general electric rates

[3] MEEIA Programs' costs include expenditures on items such as program design, administration, delivery, end-use measures and incentive payments, evaluation, measurement and verification, market potential studies and work on the technical resource manual.

("base rates") will become effective before the end of the three-year Plan period of the MEEIA Programs.

GMO shall track, with carrying costs, the differences between the estimated program costs billed to customers through rates and the actual program costs, separately for residential and non-residential customers, for recovery/return of the cumulative differences after the end of the three-year Plan period ("true-up"). Unless recovered/returned between general rate cases through a rider, the recovery/return shall be effectuated by using three-year amortizations of the ending cumulative differences as of the end of the last period used to update or true-up the test year used for setting new rates and including the annual amounts of those amortizations in GMO's revenue requirement upon which its general electric rates are set as well as the class cost of service upon which those rates are designed, i.e., there will be an annual amount included in the cost of service for residential customers and an annual amount included in the cost of service for non-residential customers. This may occur in more than one GMO general electric rate case. Because it is probable that there will be differences over the course of the three-year Plan period between the estimated costs of the programs billed to customers and GMO's actual costs for those programs as it incurs them, each month GMO shall apply a carrying cost using GMO's short-term borrowing rate to the cumulative differences (regulatory asset or regulatory liability accounts). No provision of this paragraph affects the Commission's ability to disallow imprudently incurred program costs through the prudence review process addressed in the Commission's MEEIA rules, and as provided for in paragraph 22 of this Stipulation. After the conclusion of the three-year Plan period, one or more true-ups will be performed to reflect actual MEEIA Programs' costs for the three-year Plan period, as provided for in paragraph 6.a below.

b. *GMO TD-NSB Share*.

i. Net Shared Benefits ("NSB") Relating to the Throughput Disincentive ("TD"). The GMO TD-NSB Share shall be based on the actual number of energy efficiency measures installed each month during the three-year Plan period; however, over the three-year Plan period GMO shall recover in base rates a portion of estimated GMO TD-NSB Share as follows. In addition to the above-mentioned one third of the estimated costs of the MEEIA Programs ($13,944,367), $4,788,509 (90% of estimated annualized GMO TD-NSB Share) also shall be added to the revenue requirement determined as if the approved Plan did not exist, in Case No. ER-2012-0175, and in each subsequent GMO general rate case where new base rates will become effective before the end of the three-year Plan period. The $4,788,509 (as illustrated in Appendix A) is equal to ninety percent (90%) of the estimated amount of GMO's TD-NSB Share. "GMO's TD-NSB Share" or "GMO TD-NSB Share" is the annualized value of a three-year annuity of 13.55% [4] of the actual pre-tax NSB which the Signatories agree GMO is to recover to offset the TD associated with the MEEIA Programs. NSB are the present value of the lifetime avoided costs (i.e., avoided energy, capacity and transmission and distribution, and probable environmental compliance costs) for the approved MEEIA Programs using the deemed values of demand-side measures for each program less the present value of the MEEIA Programs' costs.

[4] The 13.55% is calculated using an assumed combined marginal federal/state tax rate of 38.39% and the customer charge as established in File No. ER- 2010-0356 for each of GMO's rate districts.

The Residential Appliance Turn-in Program will have a NTG ratio of 0.52 that will be used in the calculation of NSB. The revenue requirement addition provided for in this paragraph 5.b shall be trued-up as provided for in paragraph 6.b below.

ii. NSB Relating to the Performance Incentive. After the conclusion of the three-year Plan period, using final Evaluation, Measurement and Verification ("EM&V") results, GMO will be allowed to recover the performance incentive award, which is a percentage of NSB as described on Appendix B attached hereto and incorporated herein by this reference (the "Performance Incentive Award"). The cumulative annual net megawatt-hours ("MWh") and megawatts ("MW") determined through EM&V to have been saved during the three-year Plan period as a result of the MEEIA Programs will be used to determine the amount of GMO's Performance Incentive Award. The cumulative annual net MWh performance achievement level (expressed as a percentage) will be equal to cumulative annual net MWh savings determined through EM&V divided by GMO's total targeted 150,346 MWh (which is the cumulative annual net MWh savings in the third year of the three-year Plan period).[5] The cumulative annual net MW performance achievement level (expressed as a percentage) will be equal to cumulative annual net MW savings determined through EM&V divided by GMO's total targeted 37.521 MW (which is the cumulative annual net MW savings expected to be captured in the third year of

[5] The cumulative 150,347 MWh and 37.521 MW net (net-to-gross ratios are equal to 1.0 except for the Appliance Recycling Program which is equal to 0.52) energy and demand savings are based upon GMO having no approved opt-out customers. The use of a net to gross of 1 is not precedent setting.

the three-year Plan period).[6] The MWh performance achievement level (expressed as a percentage) will be weighted 80% and the MW performance achievement level (expressed as a percentage) will be weighted 20% to determine the overall level of achievement for the Plan when determining the Performance Incentive Award amount. The targeted net energy and demand savings shall be adjusted annually for full program year impacts on targeted net energy and demand savings caused by actual opt-out. [7] Actual net energy and demand savings will be determined through the EM&V, including full retrospective application of net-to-gross ratios at the program level using EM&V results. The total evaluated net cumulative annual net energy and demand savings achieved by the end of the three-year Plan period will be used to determine the amount of the Performance Incentive Award. Recovery of the Performance Incentive Award is addressed in paragraph 6.c.

6. Final Recovery/True-up. It is the Signatories' intent that GMO shall recover as close as reasonably practicable (separately for the residential and non-residential customer classes):

- its actual MEEIA Programs' costs;

- the GMO TD-NSB Share amounts; and

- the Performance Incentive Award determined in accordance with paragraph 5.b.ii. and Appendix B.

Initially, as detailed above, estimates of the MEEIA Programs' costs and 90% of estimated annualized GMO TD-NSB Share shall be recovered through base rates, with the

[6] Because peak demand savings are only relevant during a specific time (i.e., they do not accumulate over time) the *cumulative annual* MW savings in year 3 reflects simply the total peak demand savings achieved in year 3.
[7] This is based on a net-to-gross ratio equal to 1.0 except for the Appliance Recycling Program equal to 0.52.

difference between GMO's estimated and actual MEEIA Programs' costs and the difference between 90% of the estimated annualized GMO TD-NSB Share and actual GMO TD-NSB Share tracked for recovery by means of an amortization in a future general electric rate case. Similarly, GMO's Performance Incentive Award shall be recovered through base rates set in a future general electric rate case by using an amortization described in paragraph 6 c. However, if the pending challenge (currently before the Missouri Western District Court of Appeals in Case No. WD 74676) to the lawfulness of a DSIM rider is ultimately resolved in favor of it being lawful prior to any final true-up of the MEEIA Programs' costs or GMO's TD-NSB Share, then the respective associated regulatory asset or regulatory liability balance, or award shall (except as otherwise provided for in paragraph 7) be recovered from/returned to customers via such a rider. Furthermore, if the pending challenge (currently before the Missouri Western District Court of Appeals in Case No. WD 74676) to the lawfulness of a DSIM rider is ultimately resolved in favor of it being lawful prior to any determination of the amount of GMO's Performance Incentive Award, then (except as otherwise provided for in paragraph 7) the award shall be recovered from customers via such a rider. The basic terms of the riders referenced above are outlined in paragraph 7.

a. *Final Recovery/True-up of Program Costs*: Because the MEEIA Programs' costs to be included in the revenue requirement in Case No. ER-2012-0175, and in each subsequent GMO general electric rate case where new base rates will become effective before the end of the three-year Plan period, are estimated, a true-up will be required to reflect actual MEEIA Programs' costs as compared to the billed amount. Because it is probable that there will be differences over the course of the three-year Plan period between the amount of MEEIA Programs' costs billed in rates to the residential and non-residential customer classes and the amount of MEEIA Programs' costs GMO actually incurs for the residential and non-residential customer classes, GMO shall track such differences and apply each month a carrying cost using GMO's short-term borrowing rate to the cumulative amount of the under- or over-recovery. Unless GMO's cost recovery component of a DSIM is being implemented through a rider, the true-up to reflect differences between billed and actual MEEIA Programs' costs will be effectuated through an amortization (implemented in one or more future general electric rate proceedings) of the balance in a regulatory asset or regulatory liability account. This amortization will reflect the difference between the amount of actual monthly MEEIA Programs' costs and the billed amount of monthly MEEIA Programs' costs at the end of the last period (separately for the residential and non-residential customer classes) used to update or true-up the test year used for setting new general electric rates. With respect to recovery/return of the difference between the amount of billed and the amount of actual MEEIA Programs' costs (separately for the residential and non-residential customer classes), the Signatories agree as follows:

i. Interest shall be applied monthly at GMO's short-term borrowing rate to the cumulative differences between the billed amount of monthly MEEIA Programs' costs and the monthly MEEIA Programs' costs actually incurred.

ii. If the regulatory asset or regulatory liability balance is not being recovered from/returned to customers via a rider, then in any general electric rate proceeding occurring after the conclusion of the three-year Plan period and concluding prior to when the entire difference between actual and billed MEEIA Programs' costs (separately for the residential and non-residential customer classes) have been recovered/returned, the regulatory asset or regulatory liability balance (with interest) as of the end of the last period used to update or true-up the test year used for setting new electric rates in such a general electric rate proceeding shall be amortized over three years and the resulting annual amount included in the revenue requirement used to determine base rates in that general electric rate proceeding. The unamortized balance of any regulatory asset or regulatory liability will be included in GMO's general electric rate base (separately for the residential and non-residential customer classes) in that general electric rate proceeding. It is the intent of the Signatories that GMO shall ultimately bill customers for an amount as close as reasonably practicable (separately for the residential and non-residential customer classes) to the MEEIA Programs' costs. The Signatories contemplate that unless they otherwise agree, the method to accomplish this intent will be to create a regulatory asset or regulatory liability for the overage/underage so that such difference can be billed/returned through future general electric rate proceedings.

iii. The provisions of this paragraph 6.a do not affect the Commission's ability to disallow imprudently incurred MEEIA Programs' costs through the prudence review process addressed in the Commission's MEEIA rules, and as provided for in paragraph 22 of this Stipulation.

b. *Final Recovery/True-up of GMO's TD-NSB Share*: Throughout the three-year Plan period, GMO will determine the monthly energy (KWh) and demand (KW) savings achieved through the demand-side programs to determine GMO's TD-NSB.

The actual energy and demand savings will most likely vary from the estimated energy and demand savings used to calculate the estimated TD-NSB Share to determine the $4,788,509 to be included in GMO's revenue requirement in Case No. ER-2012-0175, as also provided for in paragraph 5.b.i. above. Moreover, $4,788,509 is 90% of the estimate of GMO's TD-NSB Share, and the amount actually billed will almost certainly vary from the $4,788,509 to be reflected in GMO's revenue requirement in Case No. ER-2012-0175. The Signatories agree there is a need to true-up (separately for the residential and non-residential customer classes) the amount of the 90% of estimated annualized GMO TD-NSB Share that is billed to the amount of the GMO TD-NSB Share. GMO shall track the differences (separately for the residential and non-residential customer classes) between the amount billed and the dollar amount that equates to GMO's TD-NSB Share (determined using the actual measure energy and demand savings each month). EM&V shall not be utilized to calculate the actual NSB for the purposes of determining the amount of the GMO TD-NSB Share.

In order to determine the net present value of lifetime energy and demand benefits used to calculate the monthly NSB, GMO will use DSMore XLS Version 6.0.1, GCG Version 6.0.6 and the applicable DSMore electronic spreadsheets, provided as electronic workpapers (labeled as GMO DSMore Files 10-29-12), by month. The values in the DSMore electronic spreadsheets shall not be changed except as provided for in the discussion of each MEEIA Program below. The monthly NSB shall be the sum of cells D41 and B36 of the Test Results tab less cell B46 of the Test Results tab for all updated DSMore electronic spreadsheets.

Cool Homes – Customer Participation (Cell D34 of the Program Input tab) and Utility Program Costs, including incentives (Cells D43 through D46 of the Program Input tab) shall be updated to reflect actual values. In program year 2, the escalation rate data on the utility input tab, in columns D79 through AA87 will be shifted left one column, to cells C79 through Z87. In program year 3, the escalation data on the utility input tab, in columns E79 through AA87 will be shifted left two columns, to cells C79 through Y87.

MPower – GMO will change DSMore cells as necessary to model each participant's contracted curtailable load. GMO will model each MPower contract individually per each participant's contracted agreement for curtailable load and participant incentive payments. In program year 2, the escalation rate data on the utility input tab, in columns D79 through AA87 will be shifted left one column, to cells C79 through Z87. In program year 3, the escalation data on the utility input tab, in columns E79 through AA87 will be shifted left two columns, to cells C79 through Y87. GMO will enter the appropriate load profile on the Program Input sheet, MS-Excel cell A12 and A13. GMO will enter the appropriate electric rate on the Utility Input sheet, MS-Excel cell range A7 through D37.

Optimizer - Customer Participation (Cell D34 of the Program Input tab) and Utility Program Costs, including incentives (Cells D43 through D46 of the Program Input tab) shall be updated to reflect actual values. In program year 2, the escalation rate data on the utility input tab, in columns D79 through AA87 will be shifted left one column, to cells C79 through Z87. In program year 3, the escalation data on the utility input tab, in columns E79 through AA87 will be shifted left two columns, to cells C79 through Y87.

Multi-Family - Customer Participation (Cell D34 of the Program Input tab) and Utility Program Costs, including incentives (Cells D43 through D46 of the Program Input tab) shall be updated to reflect actual values. In program year 2, the escalation rate data on the utility input tab, in columns D79 through AA87 will be shifted left one column, to cells C79 through Z87. In program year 3, the escalation data on the utility input tab, in columns E79 through AA87 will be shifted left two columns, to cells C79 through Y87.

Low-Income Weatherization – The agencies currently managing LIW programs are:

1. Missouri Valley Community Action Agency –MVCAA
2. West Central Missouri Community Action Agency—WCMCAA
3. City of Kansas City, Missouri—KCMO
4. Green Hills Community Action Agency—GHCAA
5. Community Services Inc—CSI

Other communities' agencies that decide to offer LIW programs within GMO's service territory may be included: The Community Action Partnership of Greater St. Joseph is planning to offer a LIW program. GMO will develop the energy savings from the National Energy Assessment Tool (NEAT), which was developed by the Oakridge National laboratory. GMO shall prorate the kWh listed on the NEAT report for the actual measure(s) installed as follows:

GMO incentive payment / total cost on the agency payment sheet x NEAT kWh

GMO shall input the kWh information developed above into the DSMore spreadsheet for the Low Income Weatherization program in cell B21of the Program Input tab and DSMore will calculate the kW savings. The Customer Participation cells (Cell

D34 of the Program Input tab) and Utility Program Costs, including incentives (Cells D43 through D46 of the Program Input tab) will also be updated with GMO's payment to the agency as the incentive costs, plus GMO's administrative cost, implementation cost, and other costs. In program year 2, the escalation rate data on the utility input tab, in columns D79 through AA87 will be shifted left one column, to cells C79 through Z87. In program year 3, the escalation data on the utility input tab, in columns E79 through AA87 will be shifted left two columns, to cells C79 through Y87.

C&I Custom Rebate Program - All rebate applications are submitted to GMO's implementation contractor, a consulting firm that evaluates the potential savings from each project. After the rebate application is submitted, the implementation contractor returns a project evaluation report to GMO with its best independent estimate of the impact savings data by project for measures that were actually installed. GMO will update cells of the DSMore electronic spreadsheets with the implementation contractor's estimate of impact savings data as necessary to calculate the lifetime energy and demand benefits for each project for monthly tracking. In program year 2, the escalation rate data on the utility input tab, in columns D79 through AA87 will be shifted left one column, to cells C79 through Z87. New construction is not eligible for T12 retrofit rebates in any program year. Standard T8 will be the baseline technology used to calculate energy and demand savings for all linear fluorescent new construction projects in program years one, two and three. Rebates for T12 retrofits will not be available in program year three. Standard T8 will be the baseline technology used to calculate energy and demand savings for all linear fluorescent retrofits in program year 3. In program year 3, the escalation data on the utility input tab, in columns E79 through AA87 will be shifted left two columns, to cells C79 through Y87. GMO will enter the appropriate load profile on the Program Input sheet, MS-Excel cell A12 and A13. GMO will enter the appropriate electric rate on the Utility Input sheet, MS-Excel cell range A7 through D37.

Residential Reports - Customer Participation (Cell D34 of the Program Input tab) and Utility Program Costs, including incentives (Cells D43 through D46 of the Program Input tab) shall be updated to reflect actual values. In program year 2, the escalation rate data on the utility input tab, in columns D79 through AA87 will be shifted left one column, to cells C79 through Z87. In program year 3, the escalation data on the utility input tab, in columns E79 through AA87 will be shifted left two columns, to cells C79 through Y87.

Energy Star New Homes - Customer Participation (Cell D34 of the Program Input tab) and Utility Program Costs, including incentives (Cells D43 through D46 of the Program Input tab) shall be updated to reflect actual values. In program year 2, the escalation rate data on the utility input tab, in columns D79 through AA87 will be shifted left one column, to cells C79 through Z87. In program year 3, the escalation data on the utility input tab, in columns E79 through AA87 will be shifted left two columns, to cells C79 through Y87.

Home Performance with Energy Star - Customer Participation (Cell D34 of the Program Input tab) and Utility Program Costs, including incentives (Cells D43 through D46 of the Program Input tab) shall be updated to reflect actual values. In program year 2, the escalation rate data on the utility input tab, in columns D79 through AA87 will be shifted left one column, to cells C79 through Z87. In program year 3, the escalation data on the utility input tab, in columns E79 through AA87 will be shifted left two columns, to cells C79 through Y87.

Residential Appliance Turn-in - Customer Participation (Cell D34 of the Program Input tab) and Utility Program Costs, including incentives (Cells D43 through D46 of the Program Input tab) shall be updated to reflect actual values. In program year 2, the escalation rate data on the utility input tab, in columns D79 through AA87 will be shifted left one column, to cells C79 through Z87. In program year 3, the escalation data on the utility input tab, in columns E79 through AA87 will be shifted left two columns, to cells C79 through Y87.

Residential Lighting and Appliances - Customer Participation (Cell D34 of the Program Input tab) and Utility Program Costs, including incentives (Cells D43 through D46 of the Program Input tab) shall be updated to reflect actual values. In program year 2, the escalation rate data on the utility input tab, in columns D79 through AA87 will be shifted left one column, to cells C79 through Z87. In program year 3, the escalation data on the utility input tab, in columns E79 through AA87 will be shifted left two columns, to cells C79 through Y87.

C&I Prescriptive Rebate Program - Customer Participation (Cell D34 of the Program Input tab) and Utility Program Costs, including incentives (Cells D43 through D46 of the Program Input tab) shall be updated to reflect actual values. New construction is not eligible for T12 retrofit rebates in any program year. Standard T8 will be the baseline technology used to calculate energy and demand savings for all linear fluorescent new construction projects in program years one, two and three. Rebates for T12 retrofits will not be available in program year three. Standard T8 will be the baseline technology used to calculate energy and demand savings for all linear fluorescent retrofits in program year 3. In program year 2, the escalation rate data on the utility input tab, in columns D79 through AA87 will be shifted left one column, to cells C79 through Z87. In program year 3, the escalation data on the utility input tab, in columns E79 through AA87 will be shifted left two columns, to cells C79 through Y87.

Home Energy Analyzer – There are no demand or energy savings associated with this program.

Business Energy Analyzer – There are no demand or energy savings associated with this program.

Building Operator Certification Program – There are no demand or energy savings associated with this program.

If any true-up relating to GMO's TD-NSB Share is not being effectuated through a rider then that true-up shall be effectuated through an amortization (implemented in one or more future general electric rate proceedings) of the balance in a regulatory asset or regulatory liability account (separately for the residential and non-residential customer classes) that will reflect the difference between the actual amount billed and the dollar amount that equates to the actual GMO TD-NSB Share based on the actual measure savings each month. With respect to recovery/return of the difference between the amount billed through base rates and the dollar amount of GMO's TD-NSB Share, the Signatories agree as follows:

i. Interest shall be accrued at GMO's Allowance for Funds Used During Construction ("AFUDC") rate applied (separately for the residential and non-residential customer classes) to the monthly cumulative differences between the billed amount for GMO's TD-NSB Share (which is based upon 90% of GMO's estimated TD-NSB Share) and the amount of the GMO TD-NSB Share based on actual measure savings each month.

ii. If the regulatory asset or regulatory liability balance is not being recovered from/returned to customers via a rider, then in each GMO general electric rate proceeding that occurs after new general electric rates become effective in Case No. ER-2012-0175 and concludes prior to when the entire difference between the amount billed and the amount of GMO's actual TD-NSB Share (separately for the residential and non-residential customer classes) has been recovered/returned, the regulatory asset or regulatory liability balance (plus accrued carrying costs at GMO's AFUDC rates) at the end of the last period used to update or true-up the test year used for setting new general electric rates in such a general electric rate proceeding shall be amortized over three years and the resulting annual amount included in the revenue requirement used to determine base rates in that general electric rate proceeding. The unamortized balance of any regulatory asset or regulatory liability will be included in rate base. If such a general electric rate proceeding during the three-year Plan period, the true-up will only be partial, meaning at least one more true-up will occur (separately for the residential and non-residential customer classes) in later general electric rate proceedings concluding after the three-year Plan concludes. It is the intent of the Signatories that GMO shall ultimately bill customers for an amount as close as reasonably practicable (separately for the residential and non-residential customer classes) to the amount of GMO's TD-NSB Share. The Signatories contemplate that unless they otherwise agree, the method to accomplish this intent will be to create a regulatory asset or regulatory liability for the overage/underage so that such difference can be billed/returned through general electric rate proceedings.

c. *Recovery of Performance Incentive Award*:

If GMO does not recover its Performance Incentive Award amount through a rider, then GMO shall recover its Performance Incentive Award amount through an amortization of the award amount included in GMO's rate base in a general electric rate case that concludes after the Performance Incentive Award amount is determined for the end of the three-year Plan period. With respect to recovery of GMO's Performance Incentive Award amount through an amortization, the Signatories agree that in the first general electric rate proceeding for which the end of the last period used to update or true-up the test year used for setting new general electric rates occurs after the last of the three year Plan EM&V cycles have been completed, the amount of the Performance Incentive Award (plus an accrued carrying cost equal to GMO's short-term borrowing rate calculated from the end of the three-year Plan period until recovery begins) shall be amortized over two years and the resulting annual amount included in the revenue requirement used to determine base rates in that general electric rate proceeding. It is the intent of the Signatories that GMO shall ultimately bill customers for an amount as close as reasonably practicable (separately for the residential and non-residential customer classes) to the Performance Incentive Award earned as provided for in paragraph 5.b.ii. and Appendix B. The Signatories contemplate that unless they otherwise agree, the method to accomplish this intent will be to true-up the balance in the regulatory asset or regulatory liability to bill/return the difference between the amount previously billed for the Performance Incentive Award amount and the amount of the Performance Incentive Award earned.

7. If a rider is utilized in lieu of recovery/true up for the items reflected in paragraphs 5 and 6 above, it shall provide for rate adjustments outside general rate proceedings. The rider will be designed so that sums to be billed/returned via the rider will be billed/returned within two years of the annual period in which the sums being recovered under the rider were recognized in GMO's financial statements prepared in accordance with Generally Accepted Accounting Principles. Sums to be billed/returned under the rider shall bear interest at GMO's short-term borrowing rate until fully billed/returned. The rider will also provide for further adjustments as necessary after the billing/return period is complete to true-up any differences in the sums to be billed/returned and the actual billings/returns caused by a difference between the kilowatt-hour sales used to calculate the rider rate versus the actual kilowatt-hour sales that occurred during the billing/return period. The Signatories agree to cooperate in the creation of the riders referenced in this paragraph, including the tariff sheets to implement it. Notwithstanding anything to the contrary contained in this Stipulation, if the Commission does not approve an agreed-upon rider or a rider meeting the basic terms outlined in this paragraph 6, in either case within a time period that will not result in a delay in any amortization that would otherwise have occurred absent the use of a rider, then a rider shall not be used for recovery/true up for the items reflected in paragraphs 5 and 6 above, and recovery/true-up of such items shall occur as otherwise provided for in this Stipulation, the same as if the lawfulness of a DSIM rider had not ultimately been resolved in favor of it being lawful.

8. Demand-Side Management ("DSM") Programs Tariff Sheets. The tariff sheets in the form of the exemplar tariff sheets attached hereto and incorporated herein by reference as

Appendix E shall be filed as compliance tariff sheets concurrently with the filing of compliance tariff sheets in Case No. ER-2012-0175[8]. The five new programs, Multi-Family Rebate Program, Residential Lighting and Appliance Program, Appliance Turn-In Program, Commercial & Industrial Prescriptive Rebate Program and the Residential Reports Program, will become effective on that date, but could take up to six months to fully implement. The Signatories agree that the exemplar tariff sheets attached hereto (subject to inserting for each individual program the effective start date and end date in the applicable blanks) should be approved in Case No. ER-2012-0175.

The Signatories agree that GMO will be allowed to fulfill all obligations resulting from the existing DSM program tariff sheets.

Customers who opt-out of the demand-side programs will be permitted to participate in the Energy Optimizer and MPower programs. GMO will file tariff sheets that cap the level of participation in its MPower program for each year at the budgeted load curtailment levels (kW) by year shown below. GMO is permitted to propose modified MPower program tariffs that increase availability beyond these budgeted load curtailment levels after the initial tariffs become effective. The MPower program shall have a one year program life.

Year	kW
2013	14,308
2014	18,132
2015	21,637

GMO agrees that it will recommend to Kansas City Power & Light Company ("KCPL") that KCPL utilize DSM programs (i.e. MPower and Energy Optimizer) that are consistent with

[8] Appendix E does not reflect the final formatting of all tariff sheets. When final formatting is completed, the individual tariff sheets' numbers may change for the exemplar tariff sheets filed in Case No. ER-2012-0175.

the agreements in this paragraph. GMO and KCPL also agree that they will not assert in future proceedings that customers who opt out of the demand-side programs should not be permitted to participate in the Energy Optimizer and MPower program as long as the Section 393.1075.10, RSMo Cum. Supp. 2010 is not amended.

9. Case No. ER-2012-0175 Base Rate Schedules/Customer Bills. GMO's rate schedules, which will be submitted as part of its compliance tariff sheets filed in accordance with the Commission's Report and Order to be issued in Case No. ER-2012-0175, shall reflect the residential and non-residential class's allocation of program costs for GMO's demand-side programs in effect prior to the time the MEEIA demand-side programs to be approved as provided herein begin, but those programs' costs will not be reflected in a separate line item on GMO's bills to customers. Said rate schedules shall also reflect the residential and non-residential class's allocation of program costs ($13,944,367) and GMO's TD-NSB Share ($4,788,509) provided for in paragraph 5 relating to the MEEIA Programs. The charges resulting from the sums relating to the MEEIA Programs shall be reflected in a separate line item on GMO's bills that reads: "DSIM Charge." Customers who have opted out of participation in utility demand-side programs as provided in 4 CSR 240-20.094(6) shall not be charged for pre-MEEIA demand-side programs as set out above or the "DSIM Charge." The base rate schedules will also include language providing for the true-ups to be performed as provided for herein and for the prudence reviews referenced in paragraph 22 below. A sample calculation of the rate to be charged for the residential and non-residential class is attached as Appendix C.

10. EM&V.

a. Approximately five percent (5%) of the three-year MEEIA Programs' costs budget will be spent for EM&V. GMO will work with the stakeholder group, as described in paragraph 11, to develop an evaluation plan to determine how best to allocate and utilize the EM&V budget.

b. The following process, as set out in Appendix D, will be used for EM&V reports:

i. 120 days after the end of each program year, the EM&V contractor will circulate a draft EM&V report to all stakeholders participating in the stakeholder group and the Commission's Independent EM&V Auditor ("Auditor"). This provision does not affect the requirement in the MEEIA rules for the EM&V contractors to provide copies of draft EM&V reports to stakeholders participating in the stakeholder group at the same time that draft reports are provided to GMO.

ii. 60 days after circulation of the draft EM&V report, the Auditor and each stakeholder group participant will provide any comments and recommendations for report changes to the EM&V contractor and to all other stakeholder group participants and the Auditor. The Signatories recognize there is a benefit to providing comments as early as possible, as providing comments and recommendations earlier to the EM&V contractor will allow for more time for the incorporation of comments and changes into subsequent drafts and the Final Report.

iii. Prior to issuing the Final Draft EM&V Report, the EM&V contractor will host at least one meeting with the Auditor and the stakeholder group participants to discuss the comments and recommendations for report changes. The EM&V contractor will determine what comments and/or changes are incorporated into the Final Draft EM&V Report. 30 days after the deadline for comments and recommendations for report changes, a Final Draft EM&V report will be provided to all stakeholder group participants and the EM&V Auditor by the EM&V contractor.

iv. Any stakeholder group participant that still has concerns with the Final Draft EM&V Report will simultaneously provide GMO, all participating stakeholders, the EM&V Auditor, and the EM&V contractor any comments within 20 days from issuance of the Final Draft EM&V Report. The EM&V Contractor will meet at least once (likely by phone) with the commenting stakeholder and any stakeholder group participants and the EM&V auditor that choose to participate within 10 days of receipt of comments to attempt to resolve the stakeholder concerns prior to issuance of the Final EM&V Report. Following any final meetings to discuss outstanding comments, the EM&V Contractor will issue a Final EM&V Report within 15 days simultaneously to GMO, all stakeholder group participants and the EM&V Auditor.

iv. Any stakeholder group participant which wants a change to the impact evaluation portion of a Final EM&V Report will have 21 days from the issuance of the Final EM&V Report to file a request with the Commission to make such a change ("Change Request"). Any stakeholder group participant filing a Change Request will set forth all reasons and provide support for the requested change in its initial Change Request filing. Responses to a Change Request may be filed by any stakeholder group participant and are due 21 days after the Change Request is filed. The response should set forth all reasons and provide support for opposing or agreeing with the Change Request. Within two business days after the deadline for filing a Change Request (if a Change Request is filed), the Signatories agree that the stakeholder group participants will hold a conference call/meeting to agree upon a proposed procedural schedule that results in any evidentiary hearing that is necessary to resolve the Change Request to be completed within 60 days of the filing of the Change Request, and which will recommend to the Commission that the Commission issue its Report and Order resolving the Change Request within 30 days after the conclusion of such a hearing. The Signatories anticipate a hearing with live testimony may be required to resolve a Change Request, but if a hearing is not required, they agree to cooperate in good faith to obtain Commission resolution of a Change Request as soon as possible. The Signatories will be parties to a Change Request resolution proceeding without the necessity of applying to intervene. The procedural schedule for such a Change Request proceeding will provide that data request objections must be lodged within 7 days and responses will be due within 10 days (notifications that additional time is required to respond will also be due within 7 days).

v. All Signatories agree to accept the impact evaluation energy and demand savings (MWh and MW) estimates of the Final EM&V Report, as it may be modified by the Commission's resolution of issues in a non-appealable Order related to the impact evaluation portion of the Final EM&V Report, for purposes of calculating achievements towards targeted net energy and demand savings and performance incentives.

c. Consistent with the requirements of 4 CSR 240-20.093(7), the Staff commits to take all steps within its control to complete the State procurement process and provide the Commission with an evaluation and recommendation such that the Commission may award a contract for the Auditor to begin work no later than January 2013. The Auditor will audit and report on the work of GMO's independent EM&V contractors. It is anticipated that the Auditor will (a) monitor EM&V planning, implementation, and analysis of the EM&V contractors, (b) provide on-going feedback to the Signatories on EM&V issues, (c) provide all Signatories with a copy of its final annual report in a timely manner, and (d) ensure an adequate level of independence is maintained between the EM&V contractors and GMO. If, by November 1, 2012, it becomes apparent that the State procurement process will not be completed in time for the Auditor to begin work no later than January 2013, the Staff commits to complete the Commission's local procurement process, and request Commission approval, to obtain the services of an interim Auditor from January 2, 2013 through June 30, 2013. It is anticipated that the interim Auditor will provide limited input on EM&V planning. If an interim Auditor is used, the permanent Auditor will make all reasonably practicable efforts to make the permanent Auditor's findings with respect to EM&V contractors' work completed prior to the permanent Auditor's commencement of work ("prior EM&V work") consistent with the input and findings of the interim Auditor. To the extent the permanent Auditor's input and findings about the prior EM&V work are inconsistent with those of the interim Auditor GMO shall not be required to undertake additional analysis on the prior EM&V work if such analysis would be burdensome. To the extent the permanent Auditor's input and findings about the prior EM&V work are inconsistent with those of the interim Auditor, GMO's actions taken in reliance on the input and findings of the interim Auditor about the prior EM&V work shall have a rebuttable presumption of prudence. If at any point during the process described in this section, neither a permanent nor an interim Auditor has been hired, the process will proceed as described, without the Auditor.

11. Demand Response Programs. GMO will evaluate demand response programs as part of its currently ongoing DSM market potential study. The results of this study will be updated as necessary due to potential changes in assumptions regarding parameters including rate design, avoided costs, Southwest Power Pool (RTO) rules and regulations, and appropriate uncertainty factors will be used in GMO's April 2013 annual update filing under the Commission's Chapter 22 rules. GMO will not limit its evaluation of demand response programs by only adding demand response resources to an alternative resource plan in years where there is a need to reduce peak demand due to shortfalls in GMO's planning capacity reserve margins. Demand response program(s) that are determined to be cost-effective shall be included in at least one candidate resource plan during the integrated resource plan and risk analysis for the April 2013 annual update filing.

12. Market Potential Study. GMO will perform a market potential study meeting the requirements of 4 CSR 240-3.164(2)(A) to be completed in 2013, and will use the same in informing future program designs, future MEEIA applications and in updates to its Chapter 22 triennial compliance and annual update filings beginning with its 2013 annual update filing. GMO will evaluate demand response programs as part of its currently ongoing DSM market potential study, which will include a comprehensive analysis of demand response programs.

13. Stakeholder Meetings. GMO will continue meeting at least quarterly with its stakeholder group which shall consult with and advise GMO on at least the topics the stakeholder group currently addresses, with GMO providing at least information of the nature it currently provides. The stakeholder group will consist of the Signatories who choose to participate and their invitees. [9] The stakeholder group will: (a) receive program updates from GMO and EM&V updates and report presentations from GMO's evaluators; (b) consult with and advise GMO on the possible expansion of energy efficiency and demand response programs, and the design of such programs (possibly including co-delivery of programs with gas/water utilities); and (c) consult with and advise GMO on issues related to EM&V (including GMO's proposed EM&V Requests for Proposals, the scope of work for future EM&V projects, and issues relating to net-to-gross ratios that may be used in future MEEIA plans), and the development and use of a technical resource manual ("TRM"). GMO will solicit agenda items from all stakeholder group participants at least two weeks prior to any scheduled meeting, and will circulate a draft agenda for each stakeholder group meeting approximately one week prior to the scheduled meeting date. Any stakeholder group member can suggest items for the agenda for a stakeholder group meeting. A suggested agenda item will be included on the agenda for a stakeholder group meeting so long as a majority of the Signatories voting on inclusion of the suggested item believe it is appropriate to do so. This stakeholder group fulfills the requirements of 4 CSR 240-20.094(8)(A) regarding a utility specific collaborative. The Signatories agree to support efforts to develop a statewide TRM as set forth in 4 CSR 240-20.094 (8)(B). If a statewide TRM is approved by the Commission prior to the end of GMO's initial three-year

[9] The Signatories agree that Missouri Gas Energy, AG Processing, Inc., and Sedalia Industrial Energy Users Association may participate as a stakeholder in the stakeholder group notwithstanding that they are not a Signatory.

MEEIA programs, the Signatories agree that GMO's measurement of energy and demand savings will continue to be used for the Plan.

14. The Signatories to this Stipulation commit to work with the stakeholder group for the purpose of developing a TRM that will further support savings to be measured and deemed at the measure level relying on best available information rather than the participant level where appropriate. The collaborative will work toward consensus on a NTG framework in the next MEEIA plan. The Signatories will use their best efforts to complete the TRM within 24 months of Commission approval of this Stipulation and the NTG framework will be considered for use in the next program plan. The Signatories will support the efforts to develop a statewide TRM as established in 4 CSR 240-20.094(8)(B).

15. Rate of Return. The Signatories agree that the Commission should not make any decisions in this case regarding the impact (if any) of the approvals reflected in this Stipulation on GMO's business risk. If the Commission determines in Case No. ER-2012-0175, and in each subsequent GMO general rate case where new base rates will become effective before the end of the three-year Plan period, that approval of this Stipulation and the items addressed herein affects GMO's business risk and that consequently an adjustment to the cost of capital is warranted, such adjustment shall be made before any additions provided for in paragraphs 5.a and 5.b and the revenue requirement after such adjustment shall be considered to be the revenue requirement determined as if approved Plan did not exist.

16. No Seasonality of DSIM Rates. The DSIM rates agreed upon herein shall be uniform throughout a billing year, with no summer or winter or other seasonal differentiation.

17. Assignment and Allocation of Program Costs. With the exception of the costs of the low-income program, which will be allocated and trued-up as provided for in paragraph 20,

the costs of all residential MEEIA Programs shall be assigned to the residential class and based upon the test year kWhs used to determine base rates for those rate classes in GMO's pending general electric rate case, Case No. ER-2012-0175 and trued-up. All non-residential (Small General Services (SGS), Large General Service (LGS) and Large Power (LP) Classes) MEEIA Program costs shall be assigned to the non-residential rate classes based upon the test year kWhs used to determine base rates for those rate classes in GMO's pending general electric rate case, Case No. ER-2012-0175, after excluding the kWhs of the opt-out customers and trued-up. General and common costs associated with MEEIA programs shall be allocated to residential and non–residential customer classes based upon true up test year kWh in Case No. ER-2012-0175, excluding opt-out customers. GMO agrees to track actual program costs by rate jurisdictions for L&P and MPS and further broken down by class cost-of-service classes, i.e., SGS, LGS and LP Classes.

18. <u>Assignment and Initial Allocation of GMO's TD-NSB Share and Performance Incentive Award.</u> With the exception of GMO's TD-NSB Share and Performance Incentive Award associated with the low-income program, which will be allocated and trued-up as provided for in paragraph 20, the annual revenue requirement associated with GMO's TD-NSB Share and Performance Incentive Award associated with residential MEEIA Programs shall be allocated to the residential class and trued-up. Likewise, the annual revenue requirement associated with GMO's TD-NSB Share and Performance Incentive Award associated with non-residential MEEIA Programs shall be allocated to the non-residential classes based upon the test year kWhs used to determine base rates for those rate classes in GMO's pending general electric rate case, Case No. ER-2012-0175, after excluding the kWhs of the opt-out customers and trued-up.

19. Tracking of Programs Costs by Jurisdiction and Rate Class. Actual program costs will be tracked by rate jurisdictions for L&P and MPS and further broken down by class cost-of-service classes, i.e., Residential (RES), Small General Services (SGS), Large General Service (LGS) and Large Power (LP) Classes.

20. Allocation and True-Up of Program Costs, GMO's TD-NSB Share and Performance Incentive Award for the Low-Income Program. All costs for the Low-Income program (commonly referred to as Low Income Weatherization), including program costs, the annual revenue requirement of GMO's TD-NSB Share and the annual revenue requirement of GMO's Performance Incentive Award, shall be allocated to the residential and non-residential rate classes based upon the ratio of the true up test year kWh in Case No. ER-2012-0175, excluding opt-out customers to the total kWhs of all the rate classes. The difference between the actual amounts of Program Costs, GMO's TD-NSB Share and Performance Incentive Award for the Low-Income Program allocated to the residential rate class and the non-residential rate classes and the amounts billed to the residential rate class and the non-residential rate classes shall be trued-up as part of the true-up process described in paragraph 6.

21. Non-residential Class Adjustment of Initial Amounts for Program Costs and Company TD-NSB Share. The adjustment to the initial amount for the non-residential program costs will be the difference by rate class (i.e. Small General Service, Large General Service and Large Power) between the estimated and actual demand-side program expenditures arising from business demand-side programs. The adjustment to the initial amount of GMO's TD-NSB Share allocated among the affected non-residential classes will be the difference by rate class (i.e. Small General Service, Large General Service and Large Power) between the initial amounts of the Company's non-Residential TD-NSB Share allocated to affected non-residential rate classes

as described in paragraph 17 and actual amount of the Company's non-Residential TD-NSB Share based on actual energy and demand savings measures. The adjusted amounts will be used as part of the true-up process described in paragraph 6 for GMO general electric rate cases filed after Case No. ER-2012-0175.

22. Prudence Review. A prudence review in accordance with 4 CSR 240-20.093(10) shall be conducted. Any amount ordered refunded as a result of such prudence review shall be a reduction to GMO's revenue requirement in the first general electric rate proceeding occurring after a Commission order specifying such a refund; provided, that if a rider mechanism is in place for the program costs, GMO's TD-NSB Share and the Performance Incentive Award, then a rider mechanism will be used to effectuate the results of the prudence review.

23. Methodologies for Estimation of Targeted Energy Savings (MWh) and Targeted Demand Savings (MW) and for Estimation of Actual Energy Savings (MWh) and Demand Savings (MW) for Tracking and True-Up of the GMO TD-NSB Share. The Signatories agree that the "top-down" methodology used to estimate targeted energy savings of 150,346 MWh and the targeted demand savings of 37.521 MW for this Stipulation is not the preferred methodology to estimate targeted energy savings (MWh) and targeted demand savings (MW) and will not be used in future MEEIA filings by GMO or KCPL. Similarly, the Signatories agree that the methodology described in section 6. b. *Final Recovery/True-up of GMO's TD-NSB Share* of this Stipulation to estimate the actual energy savings (MWh) and demand savings (MW) for tracking and true-up of the GMO TD-NSB Share is not the preferred methodology for estimating actual energy savings (MWh) and demand savings (MW) for tracking and true-up of the GMO TD-NSB Share and will not be used in future MEEIA filings by GMO or KCPL.

Prior to making its next MEEIA application to continue or to modify its DSM programs' plan, GMO agrees to review with the other Signatories its proposed methodologies to estimate targeted energy savings, targeted demand savings, and actual energy and demand savings for tracking and true-up of its TD-NSB share component (or an equivalent component) of its proposed DSIM so that GMO can receive input and advice from the non-utility Signatories. Further, the signatories agree that it is highly desirable to have a common methodology and modeling to estimate targeted energy savings, targeted demand savings, and actual energy and demand savings for tracking and true-up of its TD-NSB share component (or an equivalent component) of its proposed DSIM in any future MEEIA application to continue or to modify GMO's DSM programs' plan.

24. Variances. The Signatories agree that the terms and conditions in this Stipulation may be inconsistent with the following Commission rules, and that good cause exists to grant GMO variances from those rules:[10]

Variances related to timing of recovery of net shared benefits

20.093(2)(H); 20.093(2)(H)3; 20.093(1)(EE); 20.093(1)(A); 20.093(1)(C); 20.093(1)(M)5; 20.094(1)(Z); 20.094(1)(C); 20.094(1)(J)5; 3.163(1)(F)5; 3.164(1)(F)5;

Variances related to calculation of net shared benefits (related to timing)

20.093(2)(H);

Variances related to net shared benefits (annual)

3.163(1)(A); 3.163(1)(J); 20.093(1)(A); 20.093(1)(Q); 20.093(2)(M); 20.093(2)(H); 20.093(1)(EE); 20.094(1)(C); 20.094(1)(Z);

Variances related to Annual Energy and Demand Savings Goals (move forward one year)

20.094(2);

[10] All rule references are to 4 CSR Division 240.

Variances related to TRM (not statewide)

20.093(7)(E);

Variances related to rider - so can file changes at the same time as file FAC changes and so can collect GMO's TD-NSB Share and the Performance Incentive Award payments through the rider - (if rider upheld)

20.093(4);

Variances related to Promotional Practices

14.030(3);

Variances related to Chapter 22 integration analysis and Preferred Plan

20.094(3)(A)(3); and

Variances related to the market potential study

4 CSR 240-3.164(2)(A)

Variances related to annual reports (timing)

4 CSR 240-20.093(8)

GENERAL PROVISIONS

25. This Stipulation is being entered into for the purpose of disposing of the issues that are specifically addressed herein. In presenting this Stipulation, none of the Signatories shall be deemed to have approved, accepted, agreed, consented or acquiesced to any ratemaking principle or procedural principle, including, without limitation, any method of cost or revenue determination or cost allocation or revenue related methodology, and none of the Signatories shall be prejudiced or bound in any manner by the terms of this Stipulation (whether it is approved or not) in this or any other proceeding, other than a proceeding limited to enforce the terms of this Stipulation, except as otherwise expressly specified herein. Without limiting the foregoing, it is agreed that this Stipulation encompasses this particular three-year Plan and does

not serve as a precedent for future MEEIA plans, and does not preclude a party from arguing whether the Plan has (or does not have) an impact on GMO's business risk in any pending or future proceeding.

26. This Stipulation has resulted from extensive negotiations and the terms hereof are interdependent. If the Commission does not approve this Stipulation, or approves it with modifications or conditions to which a party objects, then this Stipulation shall be void and no signatory shall be bound by any of its provisions. Moreover, if the Commission does not implement the terms and conditions agreed upon in this Stipulation in its orders in Case No. ER-2012-0175, then this Stipulation shall also become void and no Signatory shall be bound by any of its provisions.

27. If the Commission does not unconditionally approve this Stipulation without modification, and notwithstanding its provision that it shall become void, neither this Stipulation, nor any matters associated with its consideration by the Commission, shall be considered or argued to be a waiver of the rights that any Signatory has for a decision in accordance with Section 536.080 RSMo 2000 or Article V, Section 18 of the Missouri Constitution, and the Signatories shall retain all procedural and due process rights as fully as though this Stipulation had not been presented for approval, and any suggestions or memoranda, testimony or exhibits that have been offered or received in support of this Stipulation shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any further purpose whatsoever.

28. If the Commission unconditionally accepts the specific terms of this Stipulation without modification, the Signatories waive, with respect to the issues resolved herein: their

respective rights (1) to call, examine and cross-examine witnesses pursuant to Section 536.070(2), RSMo 2000; (2) their respective rights to present oral argument and/or written briefs pursuant to Section 536.080.1, RSMo 2000; (3) their respective rights to seek rehearing pursuant to Section 386.500, RSMo 2000 and (4) their respective rights to judicial review pursuant to Section 386.510, RSMo Supp. 2012. These waivers apply only to a Commission order respecting this Stipulation issued in this above-captioned proceeding, and do not apply to any matters raised in any prior or subsequent Commission proceeding, or any matters not explicitly addressed by this Stipulation.

29. This Stipulation contains the entire agreement of the signatories concerning the issues addressed herein.

30. This Stipulation does not constitute a contract with the Commission. Acceptance of this Stipulation by the Commission shall not be deemed as constituting an agreement on the part of the Commission to forego the use of any discovery, investigative or other power which the Commission presently has. Thus, nothing in this Stipulation is intended to impinge or restrict in any manner the exercise by the Commission of any statutory right, including the right to access information, or any statutory obligation.

31. The Signatories agree that this Stipulation resolves all remaining issues raised in this case, and that the testimonies of all witnesses whose testimony was pre-filed in this case should be received into evidence without the necessity of the witnesses taking the witness stand.

Respectfully submitted,

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Attorneys for Missouri Department of Natural Resources

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been hand-delivered, transmitted by e-mail, or mailed, First Class, postage prepaid, this 29th day of October 2012, to counsel for all parties on the Commission's service list in this case.

/s/ Jennifer Hernandez
Jennifer Hernandez

CALCULATION OF NINETY PERCENT OF GMO TD-NSB Share

Calculation of Net Shared Benefits:

NPV Program Costs	$39,053,053
NPV Benefits	$149,244,770
NPV Net Benefits	$110,191,717

NPV Throughput Disincentive ($MM)	$14.93
Sharing Percentage	13.55%

	Net Benefit (PV)	$110.19		
	Initial Sharing Percent	13.55%		
	Initial Sharing Amount (PV)	$14.93		
	Class	RES	BUS	
	MWh (3-Year Cum.)	69,701	80,646	150,347
	Percent Allocation*	44.8%	55.2%	100.0%
	Before-Tax Rev. Req. (PV)	$6.69	$8.24	$14.93
Discount Rate 7.06%	Revenue Requirement (3-Year Annuity)	$2.39	$2.94	$5.32
	Percent in Rates	90.0%	90.0%	
	Final Revenue Requirement (ER-2012-0175)	$2.15	$2.64	$4.79

Allocation based on %age of Retail Sales (Kwh) in GMO's last rate case update (3/31/2012)

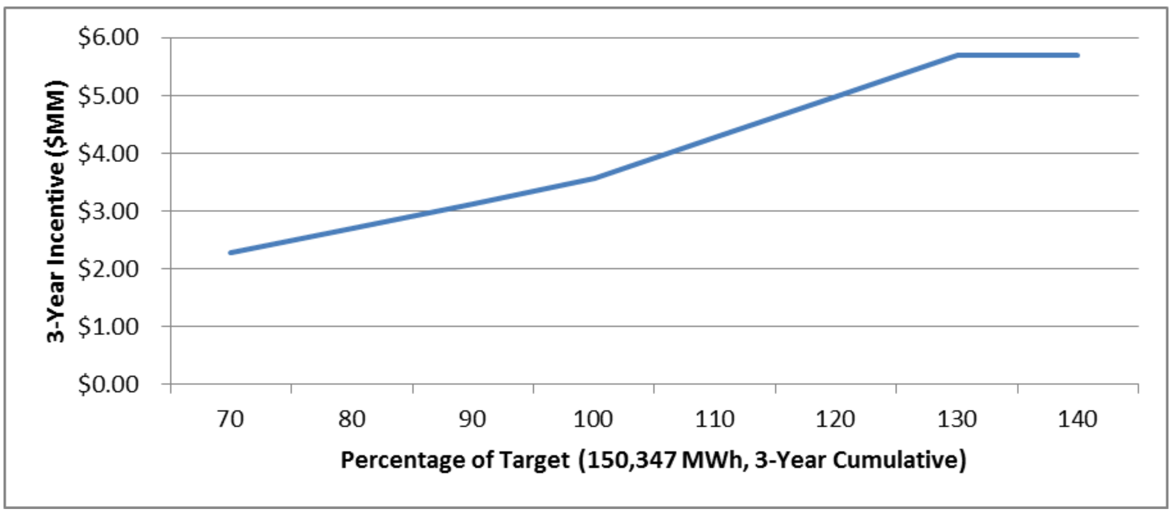
Throughput Disincentive Check

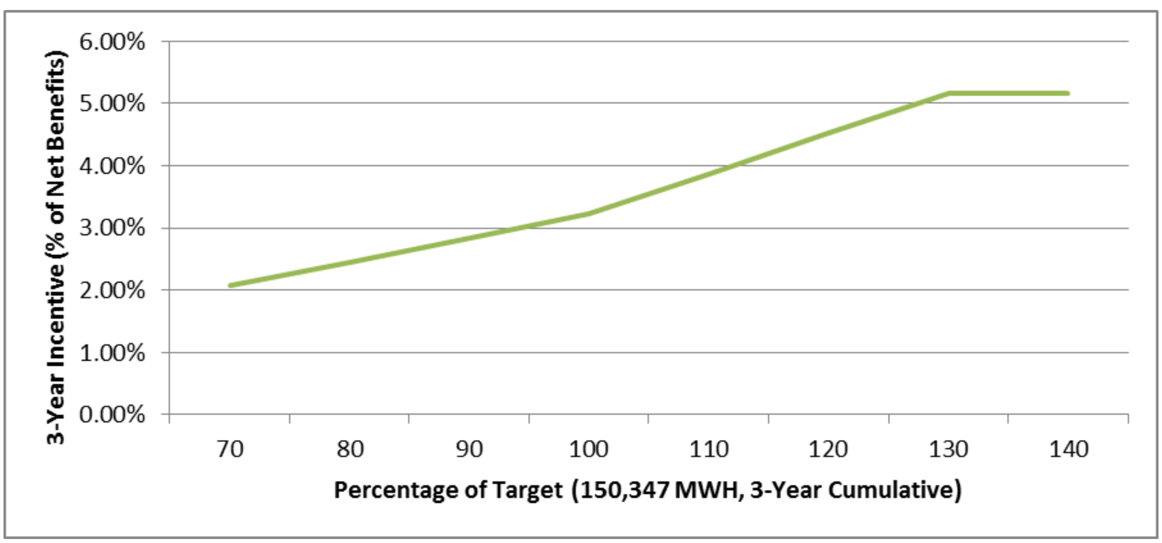
	Total	100% TD
2013	$1.39	$5.32
2014	$3.93	$5.32
2015	$6.13	$5.32
2016	$3.64	0
2017	$2.00	0
2018	$0.05	0
2019	$0.00	
Total	$17.14	$15.96
NPV	$14.93	$14.93
check	0.00	(0.00)

Performance Incentive

Percent of KWh/Kw Target	3 Year Total ($MM)	Percent of Net Benefits
<70	$0.00	0.00%
70	$2.27	2.06%
80	$2.70	2.45%
90	$3.13	2.84%
100	$3.55	3.23%
110	$4.27	3.87%
120	$4.98	4.52%
130	$5.69	5.16%
>130		5.16%

*Includes income taxes (i.e. results in revenue requirements without adding income taxes). Dollar figures shown in the table above are for initial design purposes only. The performance incentive awarded will be based upon percent of net benefits. The percentages are interpolated linerarly between the performance levels.





Energy/Demand Performance Incentive Plan Calculation Example
KCP&L-GMO MEEIA Filing EO-2012-0009

80/20 Weighting Example

Period Covered 2013-2015

EXAMPLE 1

	Net Benefit (PV)	$105.58		
	Percent of Savings earned	3.00%		
	Initial Sharing Amount (PV)	$3.16		
	Class	RES	BUS	
	Percent Allocation*	44.8%	55.2%	
	Before-Tax Rev. Req (PV)	$1.42	$1.75	
7.06%	Revenue Requirement (2-Year Recovery)	$0.73	$0.90	$1.64 +

+This amount will be recovered over 2 years (i.e. 1.64+1.64=3.28)

**Allocation based on %age of Retail Sales (Kwh) in GMO's last rate case update (3/31/2012)*

EXAMPLE 1-Detailed Calculation

	Savings Targets	Savings Results from EM&V **	Ratio - Results to Target	Weighting	Incentive Threshold
	Kwh	Kwh			
Annual Energy	150,346,739	143,000,000	0.95	80%	0.76
80 % weighted					
	Kw	Kw			
Annual Demand*	37,521	37,000	0.99	20%	0.20
20 % weighted					
Overall Performance					0.96

2.84+((100-96)/10)*(3.23-2.84)	=	3.00	% of actual net benefits

****Note-Demand Savings include all demand savings associated with both EE and DR programs for 3rd year only.***

*****Savings results reflect actual savings achieved with adjustments made for actual NTG factors realized.***

Assumes Net Benefits	$105.58

Actual energy savings from EM&V of 143,000,000 KWh

Actual demand savings from EM&V of 37000 KW

Net to gross from EM&V .95

Weighted performance incentive award 96 percent of KWh/KW target

Results in 3.0% award of Net Benefits of $105.58M or $3.16 million award

EXAMPLE 2

	Net Benefit (PV)	$118.48		
	Percent of Savings earned	3.74%		
	Initial Sharing Amount (PV)	$4.43		
	Class	RES	BUS	
	Percent Allocation*	44.8%	55.2%	
	Before-Tax Rev. Req (PV)	$1.99	$2.45	
7.06%	Revenue Requirement (2-Year Recovery)	$1.03	$1.26	$2.292

Allocation based on %age of Retail Sales (Kwh) in GMO's last rate case update (3/31/2012)

EXAMPLE 2

	Savings Targets	Savings Results from EM&V **	Ratio - Results to Target	Weighting	Incentive Threshold
	Kwh	Kwh			
Annual Energy	150,346,739	160,000,000	1.06	80%	0.85
80 % weighted					
	Kw	Kw			
Annual Demand*	37,521	42,000	1.12	20%	0.22
20 % weighted					
Overall Performance					1.08

3.23+((108-100)/10*(3.87-3.23)	=	3.74	% of actual net benefits

Note-Demand Savings include all demand savings associated with both EE and DR programs for 3rd year only.

*****Savings results reflect actual savings achieved with adjustments made for actual NTG factors realized.***

Assumes Net Benefits	$118.48

Actual energy savings from EM&V of 160,000,000 KWh

Actual demand savings from EM&V of 42000 KW

Net to gross from EM&V 1.05

Weighted performance incentive award 108 percent of KWh/KW target

Results in 3.74% award of Net Benefits of $118.48M or $4.43 million award

Sample Calculation of Rate					
	Residential	**Non-Residential**	**Total**		
DSIM Program Costs	$8,921,297	$5,023,069	$13,944,367		
DSIM TD-NSB	$2,146,558	$2,641,950	$4,788,509		
Total Revenue Requirement	$11,067,856	$7,665,019			
Total KWH*	3,535,010,543	4,350,835,387	7,885,845,930		
DSIM Rate	**$ 0.00313**	**$ 0.00176**			

EM&V SCHEDULE

	12/31/2013	**Program Year Ends**
# Days	**1/1/2014**	**EM&V Analysis Starts**
120	4/30/2014	EM&V Draft Completed
60	6/29/2014	Stakeholder comments due
	TBD	Stakeholder meeting
30	7/29/2014	Final Draft Report Due
20	8/18/2014	Stakeholder comments to Final Draft Report are due to GMO, all participating stakeholders, EM&V Auditor and EM&V contractor
10	8/28/2014	EM&V contractor initiated conference call with stakeholder group and EM&V auditor regarding stakeholder comments
15	9/12/2014	Final EM&V Report due
21	10/3/2014	Grace period to file with Commission to request impact change
5 after change request	10/8/2014	Conference Call if needed
21 after change request	10/24/2014	Stakeholder responses to impact change requests to Commission are due
60 after change request	12/2/2014	Evidentiary hearings complete
30	1/1/2015	Commission order resolving change requests
365	**1/1/2015**	**EM&V Results Final**

RULES AND REGULATIONS
ELECTRIC

9. PROMOTIONAL PRACTICES

9.01 Fuel Cost Comparisons – Company assists customers and prospective customers in evaluating the optional energy to be used for any particular application.

9.02 Equipment Selection - Company provides customers and prospective customers with educational information on the latest technical improvements in electric equipment.

9.03 Energy Consulting - Company provides customers, prospective customers, suppliers or other interested parties with technical information.

9.04 Reserved for future use.

9.05 Reserved for future use.

9.06 Reserved for future use.

9. PROMOTIONAL PRACTICES

9.07

Reserved for future use.

Reserved for future use.

9. PROMOTIONAL PRACTICES

9.08 Reserved for future use.

9. PROMOTIONAL PRACTICES

9.09

Reserved for future use

Reserved for future use

9. PROMOTIONAL PRACTICES

9.10

Reserved for future use.

9. PROMOTIONAL PRACTICES

9.11

Reserved for future use

Reserved for future use

Reserved for future use

Reserved for future use

9. PROMOTIONAL PRACTICES

9.12

Reserved for future use

Reserved for future use

Reserved for future use

9. PROMOTIONAL PRACTICES

9.13

Reserved for future use

9. PROMOTIONAL PRACTICES

9.14 Reserved for future use

Reserved for future use

RULES AND REGULATIONS
ELECTRIC

9. PROMOTIONAL PRACTICES

9.15

Reserved for future use

Reserved for future use

Reserved for future use

9. PROMOTIONAL PRACTICES

9.16

Reserved for future use

KCP&L Greater Missouri Operations Company
KANSAS CITY, MO 64105 For Territory Served as L&P and MPS

RULES AND REGULATIONS
ELECTRIC

10.01 Summary of Types and Amount of Reimbursements Allowed

Energy Efficiency and Demand Response Programs and Reimbursement

Section	Program	Type	Amount	Limits
10.03 (E)	Low Income Weatherization	Weatherization Assistance	Up to $3,500	per home
10.04 (E)5	Energy Star® New Homes	HERS Inspection	Up to $750	per new home
10.04 (E)6	Energy Star® New Homes	Energy Star®	Up to $800	per new home
10.04 (C)	Energy Star® New Homes: Annual Maximum per builder or per development is $150,000			
10.05 (D)	Bldg Operator Certification	Tuition	$575	per level
10.07 (F)	Cool Homes	Replacement Cooling System SEER 14 or 15	$650	per unit
		Replacement Cooling System SEER 16.0 or above	$850	per until
10.10 (E)	Home Performance With Energy Star®	Residential Audit and Prescriptive Measures	Up to $600	per home
10.11 (E)	Commercial and Industrial Custom Rebate	All Classes New and Retrofit	Up to $250,000	per customer per program year
10.12	MPower Rider	Commercial Curtailment		per contract terms
10.13 (F)	Residential Lighting and Appliance	Eligible Lighting and Appliance Measures	$10-$100	per measure
10.15 (E)	Multi-Family Rebate	Energy Efficient Products	Up to $250,000	per participant
10.16 (F)	Commercial & Industrial Prescriptive Rebate	All Classes Retrofit	Up to $250,000	one rebate per measure per premise every 5 years
10.17 (E)	Appliance Turn-In	Removal of Inefficient Secondary Appliances	$75	per unit for up to 3 units

Issued: Effective:
Issued by: Darrin R. Ives, Senior Director

10.02 Projected Annual Energy and Demand Savings Targets by Program During the Three-Year Plan, MEEIA Program Revenue Requirements and Opt-Out Provisions

These targets are based on savings at customers' meters (excluding transmission and distribution line losses).

Total kWh savings by program 2013-2015

Program	***2013***	**2014**	**2015**
Residential Lighting & Appliance	*1,250,047*	2,571,764	2,617,676
Multi-Family	833,364	1,714,509	1,745,118
Energy Star New Homes	1,264,882	1,285,882	1,308,838
Cool Homes	6,398,183	6,632,546	6,890,465
Home Performance with Energy Star	2,108,136	2,143,137	2,181,397
Low Income Weatherization	421,627	428,627	436,279
Appliance Recycling	400,015	822,964	837,656
C&I Prescriptive Rebates	4,166,822	8,572,547	8,725,588
C&I Custom Rebates	19,394,851	19,716,858	20,068,853
Energy Optimizer	0	0	0
MPower	0	0	0
Business Energy Analyzer	0	0	0
Home Energy Analyzer	0	0	0
Residential Reports	3,048,049	11,180,029	11,180,029
Building Operator Certification	0	0	0
Total	39,285,976	55,068,863	55,991,899

Total kW savings by program 2013-2015

Program	***2013***	**2014**	**2015**
Residential Lighting & Appliance	*636*	1308	1331
Multi-Family	56	115	117
Energy Star New Homes	386	392	399
Cool Homes	3,743	3,882	4,036
Home Performance with Energy Star	971	988	1,005
Low Income Weatherization	30	30	31
Appliance Recycling	0	60	61
C&I Prescriptive Rebates	858	1,765	1,796
C&I Custom Rebates	2,634	2,678	2,726
Energy Optimizer	2,977	2,822	2,662
MPower	14,308	18,132	21,637
Business Energy Analyzer	0	0	0
Home Energy Analyzer	0	0	0
Residential Reports	469	1,720	1,720
Building Operator Certification	0	0	0
Total	27,067	33,891	37,521

Projected Annual Energy and Demand Savings Targets by Program During the Three-Year Plan, MEEIA Program Revenue Requirements and Opt-Out Provisions (continued)

Program Revenue Requirements

Revenue requirements of the MEEIA demand-side management programs shall be reflected in a charge titled, “DSIM Charge” appearing as a separate line item on customers’ bills and applied to customers’ bills as a per kilowatt-hour charge as specified in the residential and non-residential rate schedules. All customers taking service under the Company’s rate schedules shall pay the charge regardless of whether a particular customer utilizes a demand-side program available herein, unless the Customer has opted-out of participation in the programs pursuant to 4 CSR 240-20.094(6).

Opt-Out Provisions (Non-Residential Customers)

Pursuant to Missouri Rule 4 CSR 240-20.094(6)(A): Any customer meeting one (1) or more of the following criteria shall be eligible to opt-out of participation in utility-offered demand side programs:

1. The customer has one (1) or more accounts within the service territory of the electric utility that has a demand of the individual accounts of five thousand (5,000) kW or more in the previous twelve (12) months;
2. The customer operates an interstate pipeline pumping station, regardless of size; or
3. The customer has accounts within the service territory of the electric utility that have, in aggregate across its accounts, a coincident demand of two thousand five hundred (2,500) kW or more in the previous twelve (12) months, and the customer has a comprehensive demand-side or energy efficiency program and can demonstrate an achievement of savings at least equal to those expected from utility-provided programs.
    - A. For utilities with automated meter reading and/or advanced metering infrastructure capability, the measure of demand is the customer coincident highest billing demand of the individual accounts during the twelve (12) months preceding the opt-out notification.

A customer electing to opt-out under requirements 1 and 2 above must provide written notice to the electric utility no earlier than September 1 and not later than October 30 to be effective for the following calendar year. Customers electing to opt-out under requirement 3 above must provide notice to the utility and the manager of the energy resource analysis section of the commission during the stated timeframe. Customers electing to opt-out shall still be allowed to participate in interruptible or curtailable rate schedules or tariffs offered by the electric utility.

10.03 Low-Income Weatherization

A. PURPOSE: This voluntary Program is intended to assist residential Customers in reducing their energy usage by weatherizing the homes of qualified Customers. This Program is offered in accordance with Section 393.1075, RSMo. Supp. 2009 (the Missouri Energy Efficiency Investment Act).

B. AVAILABILITY: This Program is available to any Customer currently receiving service under any generally available residential rate schedule for a minimum of one year prior to completion of an application for weatherization assistance and who also meets the additional Customer eligibility requirements defined in the agreement between the Company and the Social Service Agency. Customer participation is limited to fund availability and the Company reserves the right to modify or terminate this Program at any time, subject to Commission approval.

Unless otherwise provided for in the tariff sheets governing a particular program, customers may participate in multiple programs, but may receive only one incentive per measure.

Pursuant to Section 393.1075 (14) RSMo, any customer who has received a state tax credit under Section 135.350 through 135.362, RSMo, or under Sections 253.545 through 253.561, RSMo. shall not be eligible for participation in this program due to the monetary incentives offered to the customer. As provided for in the Commission's rules, customer shall attest to non-receipt of any such tax credit during the application process and acknowledge that the penalty for a customer who provides false documentation is a class A misdemeanor.

C. PROGRAM ADMINISTRATION: The Program will be administrated by Missouri-based Social Service Agencies that are directly involved in qualifying and assisting Customers under this Program.

D. PROGRAM ADMINISTRATION COSTS: Program funds cannot be used for administrative costs except those incurred by the Social Service Agency that is directly related to qualifying and assisting Customers under this Program. The amount of reimbursable administrative costs per Program year shall not exceed 13% of the total Program funds that are utilized by the Social Service Agency within a Program year, as defined in the agreement between the Company and the Social Service Agency.

E. PROGRAM GRANTS: The total amount of grants offered to a qualifying Customer will be defined in the agreement between the Company and the Social Service Agency using established criteria for Low-Income Weatherization. The average expenditure per Customer in each program year shall not exceed the Adjusted Average Expenditure Limit for weatherization determined by the U.S. Department of Energy that is applicable for the month that the weatherization is completed.

Low-Income Weatherization (continued)

F. CUSTOMER ELIGIBILITY: The Social Service Agency will determine an applicant's eligibility for Low-Income Weatherization using the following criteria: The Customer's household earnings meet the low income guidelines for weatherization specified by the Department of Energy (DOE) for the number of persons in the residence, the residence must have energy consumption greater than 3,000 kWh per year, the Customer has received electric service from the Company for a minimum of one year prior to completion of an application, and other eligibility requirements defined in the agreement between the Company and the Social Service Agency.

G. PROGRAM PERIOD:

This energy efficiency program shall be effective for three years from the effective date of the tariff. If the program has not begun implementation at the effective date, the program will end three years from the effective date of the tariff sheet. If the program is terminated prior to the end of the three-year program plan under this provision, only incentives for qualifying measures that have been installed or approved for installation prior to the program termination will be provided to the customer.

10.04 Energy Star® New Homes

A. PURPOSE: This voluntary Energy Star® New Homes (ESNH) Program is designed to improve the energy efficiency of homes built in the residential construction market by applying efficient construction techniques and high-performance products (windows, doors, appliances, lighting, and heating and cooling systems) in accordance with guidelines set by the U.S. Environmental Protection Agency through the Energy Star® program. Homes built under the Energy Star® guidelines are typically 20–30% more energy efficient than standard homes. This Program is offered in accordance with Section 393.1075, RSMo. Supp. 2009 (the Missouri Energy Efficiency Investment Act).

B. DEFINITIONS:
1. Builder – Companies or individuals in the business of constructing new, residential homes in the Company service territory.
2. HERS Index – The Home Energy Rating System (HERS) Index is a scoring system established by the Residential Energy Services Network. In that system homes are given a score indicating their relative level of energy efficiency:
    - a home built to the specifications of the HERS Reference Home, based on the 2006 International Energy Conservation Code (IECC), scores a HERS Index of 100,
    - a home that produces as much energy as it consumes in a year, achieving net zero energy consumption, scores a HERS Index of 0, and
    - a home that does not meet the 2006 IECC would have a HERS Index greater than 100.

    The lower a home's HERS Index, the more energy efficient it is in comparison to the HERS Reference Home. Each 1-point decrease in the HERS Index corresponds to a 1% reduction in energy consumption compared to the HERS Reference Home.
3. HERS Rater – A person certified by the Residential Energy Services Network, in accordance with their standards, to produce accurate and fair HERS Index ratings.

C. AVAILABILITY: The training, rating and incentive elements of the Program are available to Builders constructing new homes (homes that are three stories or less including site-constructed homes, attached or detached homes, single or low-rise multi-family residential buildings, system-built homes (structural insulated panels or modular) and log homes) within the Company service territory area. Multi-family buildings greater than three stories are allowed if permitted as residential by local building codes and each individual unit has its own heating, cooling, and hot water system. Annual maximum rebates will be capped at $150,000 per builder per development. A development is defined as 5 or more dwellings.

Unless otherwise provided for in the tariff sheets governing a particular program, customers may participate in multiple programs, but may receive only one incentive per measure.

Energy Star® New Homes (continued)

Pursuant to Section 393.1075 (14) RSMo, any customer who has received a state tax credit under Section 135.350 through 135.362, RSMo, or under Sections 253.545 through 253.561, RSMo. shall not be eligible for participation in this program due to the monetary incentives offered to the customer. As provided for in the Commission's rules, customer shall attest to non-receipt of any such tax credit during the application process and acknowledge that the penalty for a customer who provides false documentation is a class A misdemeanor.

D. PROGRAM PERIOD:

This energy efficiency program shall be effective for three years from the effective date of the tariff. If the program has not begun implementation at the effective date, the program will end three years from the effective date of the tariff sheet. If the program is terminated prior to the end of the three-year program plan under this provision, only incentives for qualifying measures that have been installed or approved for installation prior to the program termination will be provided to the customer.

E. PROGRAM PROCESS:

1. The company will complete the necessary requirements to obtain status with Energy Star® to promote the ESNH Program regionally.
2. The Company will work with Builders in the Company's Missouri service territory to help them achieve Partner status with Energy Star® under the ESNH program.
3. As necessary, the Company will expand the availability of Raters certified to evaluate homes under the Home Energy Rating System (HERS) standards within the Company's service territory. The HERS program will be used to provide independent, third party verification of ESNH construction
4. Builders will construct homes according to one of the following agreement structures:
   a. <u>Performance agreement</u> – In this structure Builders submit construction plans for analysis prior to construction. Using standardized software, the analysis will yield a HERS Index Rating. Homes built to the specifications of construction plans analyzed to have an index of 85 or below will qualify for Energy Star® rating.
   b. <u>Prescriptive agreement</u> – In this structure Builders apply specific energy efficiency measures, pre-defined by Energy Star® and available through their website (www.energystar.gov), to a new home. The measures include high efficiency heating and cooling equipment, ductwork, windows, water heating, lighting, and appliances. High efficiency measures are defined as above ASHRAE baseline standards. Where applicable, Energy Star® rated equipment is specified.

Energy Star® New Homes (Continued)

E. PROGRAM PROCESS (Continued):

5. For single homes, onsite inspections will be completed by HERS Raters twice during the construction and once following completion of the home to verify compliance with Energy Star® requirements. For multiple homes built in the same subdivision, HERS Raters will use the "Energy Star® for Homes Revised Sampling Protocol Guidelines." HERS Raters will be assigned to a Builder by the Company. The Company will reimburse Builders for HERS ratings per Section 10 of these Rules. A Builder whose homes consistently fail the verification process will become ineligible to participate in the Program.
6. For homes that achieve Energy Star® qualification, Builders may request a rebate per Section 10 of these Rules toward the incremental cost of meeting Energy Star® requirements. The rebate request form is available from the Company.
7. The Company will promote the Program to residential Customers through mediums that may include press releases, direct mailings, bill messages, bill inserts, trade ally communications, and web site materials.
8. The Company will obtain Energy Star® materials and establish a clearinghouse of training materials, marketing resources and tools that can be used by Builders and the Company to implement and promote the Program.

F. PROGRAM ADMINISTRATION: The Program will be administered by the Company in compliance with terms established by Energy Star®.

10.05 Building Operator Certification Program

A. PURPOSE: This voluntary program is designed to establish and encourage Building Operator Certification through the Northwest Energy Efficiency Council's Building Operator Certification Level 1 and Level 2 curriculums. This effort will include certification update and refresh as appropriate. In support of partnerships with the Missouri Department of Natural Resources Energy Center (MDNR) and the Midwest Energy Efficiency Alliance (MEEA), the Company will:
1. Reimburse MDNR for the annual cost to license the Level 1 and Level 2 curriculums for the Company's Missouri service territory.
2. Reimburse portions of the tuition costs for Building Operators associated with properties in the Company's service area who successfully complete or refresh the certifications.

This Program is offered in accordance with Section 393.1075, RSMo. Supp. 2009 (the Missouri Energy Efficiency Investment Act).

B. AVAILABILITY: The certification courses funded by this Program will be available through MDNR for any Building Operator employed by a company having at least one Missouri commercial property receiving electrical service from the Company.

Reimbursements for the successful completion of the certifications are available to any individual paying the tuition or utility account holder associated with at least one Missouri commercial property receiving electrical service from the Company.

Unless otherwise provided for in the tariff sheets governing a particular program, customers may participate in multiple programs, but may receive only one incentive per measure.

Pursuant to Section 393.1075 (14) RSMo, any customer who has received a state tax credit under Section 135.350 through 135.362, RSMo, or under Sections 253.545 through 253.561, RSMo. shall not be eligible for participation in this program due to the monetary incentives offered to the customer. As provided for in the Commission's rules, customer shall attest to non-receipt of any such tax credit during the application process and acknowledge that the penalty for a customer who provides false documentation is a class A misdemeanor.

Building Operator Certification Program (continued)

C. PROGRAM ADMINISTRATION: The Program will be administered by the MDNR and the MEEA.

D. PROGRAM COST: The Company will reimburse the MDNR for the amount paid annually to license the Level 1 and Level 2 curriculums for the Company area per certification class (about 20 students per class).

Tuition reimbursements per Section 10 of these Rules will be paid to the individual paying the tuition. To receive the reimbursement, the individual paying the tuition or the utility account holder associated with at least one Missouri commercial property must complete a reimbursement request and submit it to the Company. The reimbursement form is available by contacting the Company directly.

E. PROGRAM PERIOD:

This energy efficiency program shall be effective for three years from the effective date of the tariff. If the program has not begun implementation at the effective date, the program will end three years from the effective date of the tariff sheet.

10.06 Energy Optimizer Program

A. PURPOSE:
The voluntary Energy Optimizer Program is intended to help reduce system peak load and thus defer the need for additional capacity. The Program accomplishes this by cycling the Participants' air conditioning unit temporarily in a Company coordinated effort to limit overall system peak load. This Program is offered in accordance with Section 393.1075, RSMo. Supp. 2009 (the Missouri Energy Efficiency Investment Act).

B. AVAILABILITY:
The Energy Optimizer Program is available to any Customer currently receiving or requesting service under any residential, small general service or medium general service rate schedule. Customers must also have adequate paging and/or radio coverage and have a working, central air conditioning system of suitable size and technology to be controlled by the programmable thermostat. Other appliances such as pool pumps or electric hot water heaters may be controlled with Participant's permission. Residential property owner's (owner occupant or landlord for a rental property) permission is required to participate. Commercial property owner's permission may be required for a tenant to participate.

Unless otherwise provided for in the tariff sheets governing a particular program, customers may participate in multiple programs, but may receive only one incentive per measure.

Pursuant to Section 393.1075 (14) RSMo, any customer who has received a state tax credit under Section 135.350 through 135.362, RSMo, or under Sections 253.545 through 253.561, RSMo. shall not be eligible for participation in this program due to the monetary incentives offered to the customer. As provided for in the Commission's rules, customer shall attest to non-receipt of any such tax credit during the application process and acknowledge that the penalty for a customer who provides false documentation is a class A misdemeanor.

Pursuant to Missouri Rule 4 CSR 240-20.094(6)(A): Any customer meeting one (1) or more of the following criteria shall be eligible to opt-out of participation in utility-offered demand side programs:

1. The customer has one (1) or more accounts within the service territory of the electric utility that has a demand of the individual accounts of five thousand (5,000) kW or more in the previous twelve (12) months;
2. The customer operates an interstate pipeline pumping station, regardless of size; or
3. The customer has accounts within the service territory of the electric utility that have, in aggregate across its accounts, a coincident demand of two thousand five hundred (2,500) kW or more in the previous twelve (12) months, and the customer has a comprehensive demand-side or energy efficiency program and can demonstrate an achievement of savings at least equal to those expected from utility-provided programs.
   A. For utilities with automated meter reading and/or advanced metering infrastructure capability, the measure of demand is the customer coincident highest billing demand of the individual accounts during the twelve (12) months preceding the opt-out notification.

A customer electing to opt-out under requirements 1 and 2 above must provide written notice to the electric utility no earlier than September 1 and not later than October 30 to be effective for the following calendar year. Customers electing to opt-out under requirement 3 above must provide notice to the utility and the manager of the energy resource analysis section of the commission during the stated timeframe. Customers electing to opt-out shall still be allowed to participate in interruptible or curtailable rate schedules or tariffs offered by the electric utility.

Energy Optimizer Program (continued)

C. CONTROLS AND INCENTIVES:

Participants will receive a programmable thermostat that can be controlled via radio signals sent to the unit by the Company or its assignees. During a curtailment event, the Company or its assignee will send a radio signal to the thermostat that will cycle the Participants air conditioner and any other authorized equipment. Participants may use the programmable thermostat throughout the year to improve heating and cooling efficiency.

D. CYCLING METHODS:

The Company may elect to cycle Participant's air conditioner units either by raising the thermostat setting, or by directly cycling the compressor unit.

E. NOTIFICATION:

The Company will notify Participants of a curtailment event via a website and/or on the thermostat. The notification can occur prior to or at the start of a curtailment event.

F. CURTAILMENT SEASON:

The Curtailment Season will extend from June 1 to September 30.

G. CURTAILMENT LIMITS:

The Company may call a curtailment event any weekday, Monday through Friday, excluding Independence Day and Labor Day, or any day officially designated as such. A curtailment event occurs whenever the thermostat is being controlled by the Company. The Company may call a maximum of one curtailment event per day lasting no longer than four (4) hours per Participant. The Company is not required to curtail all Participants simultaneously and may stagger curtailment events across participating Participants.

H. CURTAILMENT OPT OUT PROVISION:

A Participant may opt out of one air conditioning cycling curtailment event each month during the Curtailment Season by notifying the Company at any time prior to or during a curtailment event. Notification must be communicated to the Company by using the Company's website (www.kcpl.com) or by calling the Company at the telephone number provided with the air conditioner cycling agreement. If a curtailment event does not occur on the day the Participant requested to opt out, the Participant is not considered as having used their once-per-month opt out provision.

Energy Optimizer Program (continued)

I. NEED FOR CURTAILMENT:

Curtailments may be requested for operational or economic reasons. Operational curtailments may occur when any physical operating parameter(s) approaches a constraint on the generation, transmission or distribution systems or to maintain the Company's capacity margin requirement. Economic reasons may include any occasion when the marginal cost to produce or procure energy or the price to sell the energy in the wholesale market is greater than a Customer's retail price.

J. CONTRACT TERM:

Initial contracts will be for a period of three years, terminable thereafter on 90 days written notice. At the end of the initial term, the thermostat becomes the Participant's property; however, so long as the contract is in force, the Company will provide maintenance and repair to the programmable thermostat as may be required due to normal use. If the Participant leaves the Program prior to the end of the initial contract, the Company will have 60 days thereafter to remove the thermostat; otherwise, it becomes the Participant's property.

10.07 Cool Homes Program

A. PURPOSE:

The Cool Homes Program (CHP or Program) is designed to encourage Residential Customers to:

- Have working, central cooling systems evaluated and, if feasible, brought back to factory specifications (re-commissioned), or
- Replace less efficient, working central cooling systems with high efficiency central cooling systems.

This Program is offered in accordance with Section 393.1075, RSMo. Supp. 2009 (the Missouri Energy Efficiency Investment Act).

B. DEFINITIONS:

CheckMe!® **–** A testing process developed by Proctor Engineering Group, Ltd. used to properly evaluate air conditioning system performance.

EER – *Energy Efficiency Ratio*, the efficiency rating for the air conditioner or heat pump at a particular pair of external and internal temperatures. Calculated by dividing the amount of cooling put out by an air conditioning system, in British thermal units (Btu), divided by the amount of energy put in to it in watts (W). If the air conditioning capacity of a heat pump is 48,000 Btu and the compressor, fan and pumps consume 3.43 kW (3,430 watts), the EER is: 48,000 / 3,430 = 14.0.

HVAC **–** *Heating, Ventilation, Air Conditioning*.

Program Administrator – The Program will be implemented by a third-party vendor specializing in programs of this type.

CHP HVAC Contractor – A properly licensed HVAC contractor who requests to participate in the Cool Homes Program and completes training courses conducted by the Program Administrator.

SEER **–** *Seasonal Energy Efficiency Ratio*, the efficiency rating for the air conditioner or heat pump over a range of expected external temperatures (i.e., the temperature distribution for the geographical location for the SEER test). SEER rating is the Btu of cooling output during a simulated, typical cooling season divided by the total electric energy input in watt-hours during the same period. The relationship between SEER and EER is relative because equipment performance is dependent on seasonal temperature, humidity, and air pressure patterns.

C. AVAILABILITY:

This Program is available to any current Customer with a working, central home cooling system receiving service under any generally available residential rate schedule.

Cool Homes Program (continued)

C. AVAILABILITY (continued)

Unless otherwise provided for in the tariff sheets governing a particular program, customers may participate in multiple programs, but may receive only one incentive per measure.

Pursuant to Section 393.1075 (14), any customer who has received a state tax credit under Section 135.350 through 135.362, RSMo, or under Sections 253.545 through 253.561, RSMo. shall not be eligible for participation in this program due to the monetary incentives offered to the customer As provided for in the Commission's rules, customer shall attest to non-receipt of any such tax credit during the application process and acknowledge that the penalty for a customer who provides false documentation is a class A misdemeanor.

D. PROGRAM PROCESS:

Prospective Customer participants will be identified in three ways:

- Customer electric usage data will be evaluated to identify Customers with a high probability of operating less efficient central air conditioning equipment.
- Participating CHP HVAC contractors may identify existing Customers within the Company service area that are suitable for the Program.
- Customers interested in the program, but not identified through the above means may contact a participating CHP HVAC contractor or the Company directly. A listing of participating CHP HVAC Contractors will be posted on the Company website.

The following general process will be followed to serve Customers in the Program:

- The Program Administrator will assign participating Customers to a CHP HVAC Contractor for service.
- The CHP HVAC Contractor will evaluate the Customer's cooling system using CheckMe!®.
- Customers with working equipment that can be re-commissioned to operate above an EER rating of 8.0 will be offered an opportunity to return the equipment as close as possible to manufacturer specifications at no cost to the customer. Re-commissioning efforts will be limited to refrigerant charge, non-ductwork air flow system adjustments, and basic filters.
- Customers with working equipment that cannot be re-commissioned to operate above an EER rating of 8.0 will be eligible for program early replacement incentives.
- All participating Customers will receive a cost estimate for replacement of their system with a higher efficiency system. The Customer will be responsible for the cost of the replacement equipment. (Estimates for higher efficiency systems will include the applicable incentives.)
- The Customer may choose not to re-commission or replace their equipment.
- Six Compact Florescent Lights will be given to all Customers completing the initial CheckMe!® process regardless of their equipment choices.
- Where work is performed, a second CheckMe!® evaluation will be completed to verify the re-commissioning modifications or ensure the quality installation of new equipment.
- Incentives are provided to Customers through the CHP HVAC Contractors to help offset equipment costs and provide for quality installation practices.

Cool Homes Program (continued)

E. PROGRAM ADMINISTRATION: The CHP Program will be implemented by the Program Administrator. The Program Administrator will be responsible for market research, marketing, training, incentive processing, and status reporting associated with the Program. The Company will maintain oversight of the Program through monthly, quarterly, and yearly status reports and meetings with the Administrator.

The Program Administrator will identify and contact HVAC Contractors associated with national brand networks or industry associations to recruit CHP HVAC Contractors. Other HVAC Contractors wishing to become CHP HVAC Contractors may contact the Company directly for consideration. Prospective Contractors will be required to complete training courses and adhere to all Program Guidelines conducted and implemented by the Program Administrator.

F. PROGRAM COST:

Program related services and incentives will be paid to the CHP HVAC Contractor by the Program Administrator who will then bill the Company on a per unit basis. Unit pricing is defined in agreements with the Program Vendor. Incentive amounts of $650 per unit for installation of replacement SEER 14.0 or SEER 15.0 rated systems and $850 per unit for installation of SEER 16.0 or above rated systems will be paid to the CHP HVAC Contractor. The CHP HVAC contractor will pass the replacement equipment incentive to the Customer in the form of an itemized credit on the transaction documents. Similarly, if re-conditioning is feasible the cost will be paid by the Company through the Program Administrator to the CHP HVAC contractor.

G. PROGRAM PERIOD:

This energy efficiency program shall be effective for three years from the effective date of the tariff. If the program has not begun implementation at the effective date, the program will end three years from the effective date of the tariff sheet. If the program is terminated prior to the end of the three-year program plan under this provision, only incentives for qualifying measures that have been installed or approved for installation prior to the program termination will be provided to the customer.

10.08 Home Energy Analyzer

A. PURPOSE:

This Program allows all residential customers with access to the Internet to retrieve their billing information, make comparisons of electric usage on a monthly or yearly basis, analyze electric usage on an end use basis, and research energy savings by end use through a searchable resource center. Customers can also compare their bills to analyze changes from one month to another. Residential customers can also compare their home to a similar home in terms of average energy usage using the Energy Guide label concept. This Program is offered in accordance with Section 393.1075, RSMo. Supp. 2009 (the Missouri Energy Efficiency Investment Act).

B. AVAILABILITY:

This Program is available to any Customer currently receiving service under any generally available residential rate schedule.

Unless otherwise provided for in the tariff sheets governing a particular program, customers may participate in multiple programs, but may receive only one incentive per measure.

C. PROGRAM PERIOD:

This energy efficiency educational program shall be effective for three years from the effective date of the tariff. If the program has not begun implementation at the effective date, the program will end three years from the effective date of the tariff sheet.

10.09 Business Energy Analyzer

A. PURPOSE:

This Program allows customers with access to the Internet to retrieve their billing information, make comparisons of electric usage on a monthly or yearly basis, analyze electric usage on an end use basis, and research energy savings by end use through a searchable resource center. Customers can also compare their bills to analyze changes from one month to another. Business customers can also compare their business to a similar business in terms of average energy usage using the Energy Guide label concept. This Program is offered in accordance with Section 393.1075, RSMo. Supp. 2009 (the Missouri Energy Efficiency Investment Act).

B. AVAILABILITY:

This Program is available to any Customer currently receiving service under GS, SGS, LGS, or LPS rate schedule.

Unless otherwise provided for in the tariff sheets governing a particular program, customers may participate in multiple programs, but may receive only one incentive per measure.

C. PROGRAM PERIOD:

This energy efficiency educational program shall be effective for three years from the effective date of the tariff. If the program has not begun implementation at the effective date, the program will end three years from the effective date of the tariff sheet.

10.10 Home Performance with Energy Star®

A. PURPOSE:
The Home Performance with Energy Star® (HPwES) Program is intended to encourage residential Customers to identify deficiencies and implement measures in energy efficiency in their homes. These improvements in energy efficiency should increase comfort while protecting the environment. This is achieved by conducting a comprehensive home audit (Audit) and implementing at least one of the recommended improvements. The Company may partner with a Program Administrator to implement the Program. This Program is offered in accordance with Section 393.1075, RSMo. Supp. 2009 (the Missouri Energy Efficiency Investment Act).

B. DEFINITIONS:
1. Audit – An energy evaluation of the home that includes observation of lighting and appliances as well as performance testing of the ventilation and mechanical systems, building tightness, and insulation levels that will result in a scope of work outlining recommended energy efficiency measures. All measures performed will be verified after completion.
2. Consultant – A third party certified to perform the Audit and provide a scope of work to the Customer detailing the recommended measures.
3. Contractor – A third party certified to perform the Audit, provide a scope of work to the Customer detailing the recommended measures and perform the work necessary for the implementation of the specified measures.
4. Home Performance with Energy Star® Program – A national program from the U.S. Environmental Protection Agency (EPA) and U.S. Department of Energy (DOE) that offers a comprehensive, whole-house approach to improving energy efficiency and comfort at home, while helping to protect the environment. The HPwES state sponsor is the Missouri Department of Natural Resources Energy Center (MDNR) and the Company partners with the MDNR to implement the national program locally.
5. Program Administrator – The Program will be implemented by a third-party vendor specializing in programs of this type.
6. Qualifying Improvements – Energy efficient building envelope changes applied to the home, which may include eliminating air leaks, adding insulation, sealing ductwork, and/or replacing windows and doors. All improvements performed will be verified after completion.

C. AVAILABILITY: This Program is available to any Customer receiving service under any generally available residential rate schedule offered by the Company. All Audits must be requested by the owner of the home, multiplex, or apartment. Tenant agreement, as applicable, is required. Program rebates are limited to one rebate per Audit.

Home Performance with Energy Star® (continued)

C. AVAILABILITY (continued)

Unless otherwise provided for in the tariff sheets governing a particular program, customers may participate in multiple programs, but may receive only one incentive per measure.

Pursuant to Section 393.1075 (14) RSMo, any customer who has received a state tax credit under Section 135.350 through 135.362, RSMo, or under Sections 253.545 through 253.561, RSMo. shall not be eligible for participation in this program due to the monetary incentives offered to the customer. As provided for in the Commission's rules, customer shall attest to non-receipt of any such tax credit during the application process and acknowledge that the penalty for a customer who provides false documentation is a class A misdemeanor.

D. PROGRAM PERIOD:

This energy efficiency program shall be effective for three years from the effective date of the tariff. If the program has not begun implementation at the effective date, the program will end three years from the effective date of the tariff sheet. If the program is terminated prior to the end of the three-year program plan under this provision, only incentives for qualifying measures that have been installed or approved for installation prior to the program termination will be provided to the customer.

E. PROGRAM PROCESS:

Customers who participate in the Program must participate in a comprehensive pre- and post- home energy Audit from an approved and certified Contractor/Consultant. This process may be facilitated and quality checked by a third party Program Administrator on behalf of the Company in accordance with established Program guidelines. Participating customers who complete the Audit process and implement at least one Qualifying Improvement listed on their final Audit report are eligible for up to $600 in reimbursement from the Company per Audit.

The criteria for Qualifying Improvements will be kept current with the Department of Energy, EPA Energy Star® standards.

Home Performance with Energy Star® (continued)

F. QUALIFYING IMPROVEMENTS
A Customer may receive a rebate of up to $600 for the following Qualifying Improvements.

Measure	Criteria	Rebate Calculation and/or Eligible Maximum Rebate
Audit		
Audit – Single Family	Single family home or attached units of two.	Rebate is $200 per unit.
Audit – Multi-Family	Attached units of three or more	Rebate is $100 per unit.
Insulation		
Attic – Customer must insulate to a minimum value of R-38. No rebate will be provided to increase existing insulation that is greater than R-40.	Existing insulation is less than R-27.	$0.02 X R-Value Added (up to R-49) X Sq. Footage Rebate not to exceed $250.
	Existing insulation is between R-28 and R-40.	$0.01 X R-Value Added (up to R-49) X Sq. Footage Rebate not to exceed $250.
Walls	Rebate will be provided for insulation installed up to R-19.	$0.03 X R-Value Added X Sq. Footage Rebate not to exceed $300.
Floors	Rebate will be provided for insulation installed up to R-19.	$0.01 X R-Value Added X Sq. Footage Rebate not to exceed $200.
Air Infiltration and Duct Sealing		
Air Sealing Reduction in air leakage to the outside.	$5 per each % of CFM50 reduction up to 40%. Minimum starting reduction is 10%. CFM50 airflow (in Cubic Feet per Minute) needed to create a change in building pressure of 50 Pascals. CFM50 is the most commonly used measure of building air tightness.	Rebate not to exceed $200. No incentive less than 10% reduction.
Duct Sealing	$2.50 per each % of CFM25 reduction up to 40%. Minimum starting reduction is 10%. For these tests the registers are covered and a fan flowmeter is attached to the duct system to pressurize it. The flow is measured at a reference pressure of 25 Pa and is referred to as cfm25.	Rebate not to exceed $100. No incentive less than 10% reduction.
Windows and Doors		
Windows and Doors	ENERGY STAR qualified and U-Factor <=.30 and SHGC <= .30	Rebate is $100 per window or door up to 2 windows or doors or $200.

G. PROGRAM ADMINISTRATION: The Program may be administered by a Program Administrator. The Program Administrator will be responsible for managing the process and flow of the local Home Performance with Energy Star® Program. This may include Contractor/Consultant recruiting, training and certification, management of the lead generation process, comprehensive home audit education for Customers, quality assurance, and other services contracted. The Program Administrator is responsible for oversight of the Contractor/Consultants and will be responsible for resolving any reported Customer complaints.

10.11 Commercial and Industrial Custom Rebate Program

A. PURPOSE: The Company's Commercial and Industrial Custom Rebate Program (Program) is designed to encourage more effective utilization of electric energy through energy efficiency improvements in the building shell, installation of efficient electrical equipment in new construction, or the replacement of inefficient electrical equipment with efficient electrical equipment. The Program provides rebates for improvements in the energy efficiency of the building space and/or equipment.

B. AVAILABILITY: This Program is available to any of the Company's customers served under GS, SGS, LGS or LPS rate schedules. All rebates will be distributed by the Company. Customer applications will be evaluated and the rebates will be distributed on a first-come basis according to the date of the customer's application. This Program is offered in accordance with Section 393.1075, RSMo. Supp. 2009 (the Missouri Energy Efficiency Investment Act).

Unless otherwise provided for in the tariff sheets governing a particular program, customers may participate in multiple programs, but may receive only one incentive per measure.

Pursuant to Section 393.1075 (14) RSMo, any customer who has received a state tax credit under Section 135.350 through 135.362, RSMo, or under Sections 253.545 through 253.561, RSMo. shall not be eligible for participation in this program due to the monetary incentives offered to the customer. As provided for in the Commission's rules, customer shall attest to non-receipt of any such tax credit during the application process and acknowledge that the penalty for a customer who provides false documentation is a class A misdemeanor.

C. PROGRAM PERIOD:

This energy efficiency program shall be effective for three years from the effective date of the tariff. If the program has not begun implementation at the effective date, the program will end three years from the effective date of the tariff sheet. If the program is terminated prior to the end of the three-year program plan under this provision, only incentives for qualifying measures that have been installed or approved for installation prior to the program termination will be provided to the customer.

Commercial and Industrial Custom Rebate Program (continued)

D. TERMS:
Energy Saving Measures: This provides a rebate for installing qualifying higher energy efficiency equipment or systems, or replacing or retrofitting HVAC systems, motors, lighting, pumps or other qualifying equipment or systems with higher energy efficiency equipment or systems. Both new construction projects and retrofit projects are eligible to apply. To become a Participant in the Program customers must request a rebate for an energy saving measures project by submitting an application through the Company's website (www.kcpl.com) or on paper. Rebates can be for either new construction or retrofit projects.

E. REBATES: The total amount of Program rebates that a customer can receive during a Program year is limited to the maximum incentive discussed below. Rebate applications for different energy saving measures at the same facility may be submitted. A customer with multiple facilities may participate for each facility by submitting an application for each facility. The maximum amount of each rebate will be calculated as the lesser of the buy down to a two-year payback, 50% of the incremental cost of the higher efficiency equipment, system, or energy saving measure, or the customer annual maximum rebate. The total amount of Program rebates that a Participant can receive during a Program year is limited to $250,000 per customer. The rebate for the measure will be issued upon completion of the project.

Total rebates for the Commercial and Industrial Prescriptive Rebate Program and the Commercial and Industrial Custom Rebate Program may not exceed $250,000 per customer per year.

New construction is not eligible for T12 retrofit rebates at any time. Other rebates for T12 retrofits will not be available in program year three.

10.12 MPower Rider

PURPOSE

This voluntary rider (MPOWER Rider or Rider) is designed to reduce customer load during peak periods to help defer future generation capacity additions and provide for improvements in energy supply. MPower is considered a curtailable rate schedule.

This Program is offered in accordance with Section 393.1075, RSMo. Supp. 2009 (the Missouri Energy Efficiency Investment Act).

AVAILABILITY

This Rider is available to any Customer currently receiving or requesting electric service under any generally available non-residential rate schedule. The Customer must have a load curtailment capability of at least 25 kW during the Curtailment Season and within designated Curtailment Hours, and must agree to establish Firm Power Levels as set forth herein. Availability is further subject to the economic and technical feasibility of the installation of required Company equipment. The Company reserves the right to limit the total Curtailable Load determined under this Rider. Customer participation is limited to fund availability and the Company reserves the right to modify or terminate this Program at any time, subject to Commission approval.

Unless otherwise provided for in the tariff sheets governing a particular program, customers may participate in multiple programs, but may receive only one incentive per measure.

Pursuant to Section 393.1075 (14) RSMo, any customer who has received a state tax credit under Section 135.350 through 135.362, RSMo, or under Sections 253.545 through 253.561, RSMo. shall not be eligible for participation in this program due to the monetary incentives offered to the customer. As provided for in the Commission's rules, customer shall attest to non-receipt of any such tax credit during the application process and acknowledge that the penalty for a customer who provides false documentation is a class A misdemeanor.

Pursuant to Missouri Rule 4 CSR 240-20.094(6)(A): Any customer meeting one (1) or more of the following criteria shall be eligible to opt-out of participation in utility-offered demand side programs:

1. The customer has one (1) or more accounts within the service territory of the electric utility that has a demand of the individual accounts of five thousand (5,000) kW or more in the previous twelve (12) months;
2. The customer operates an interstate pipeline pumping station, regardless of size; or
3. The customer has accounts within the service territory of the electric utility that have, in aggregate across its accounts, a coincident demand of two thousand five hundred (2,500) kW or more in the previous twelve (12) months, and the customer has a comprehensive demand-side or energy efficiency program and can demonstrate an achievement of savings at least equal to those expected from utility-provided programs.
    A. For utilities with automated meter reading and/or advanced metering infrastructure capability, the measure of demand is the customer coincident highest billing demand of the individual accounts during the twelve (12) months preceding the opt-out notification.

A customer electing to opt-out under requirements 1 and 2 above must provide written notice to the electric utility no earlier than September 1 and not later than October 30 to be effective for the following calendar year. Customers electing to opt-out under requirement 3 above must provide notice to the utility and the manager of the energy resource analysis section of the commission during the stated timeframe. Customers electing to opt-out shall still be allowed to participate in interruptible or curtailable rate schedules or tariffs offered by the electric utility.

MPower Rider (continued)

AGGREGATION OF A CUSTOMER'S MULTIPLE ACCOUNTS

For the purposes of this Rider only and at the Company's option, a Customer with multiple accounts may request that some or all of its accounts be aggregated with respect to Estimated Peak Demands, Curtailable Loads and Firm Power Levels, so long as each account in the aggregation is able to provide a Curtailable Load of at least 25 kW.

The aggregated account will be treated as a single account for purposes of calculating the Program Participation Payments, Curtailment Occurrence Payments and Penalties.

TERM OF CONTRACT

Contracts under this Rider shall be for a one-year, three-year or five-year term. Thereafter, Customers may enter into a new contract for a term of one-year, three, or five years subject to the terms and conditions of this Rider as may be modified from time to time. Written notice by either the Customer or Company to terminate a contract must be given at least thirty (30) days prior to commencement of the Curtailment Season.

CURTAILMENT SEASON

The Curtailment Season shall be June 1 through September 30. The Curtailment Season will exclude Independence Day and Labor Day, or the days celebrated as such.

CURTAILMENT HOURS

Curtailment will occur during the hours of 12:00 noon through 10:00 pm, Monday through Friday during the Curtailment Season. The Curtailment Hours associated with a Curtailment Event will be established at the time of the Curtailment Notification.

CURTAILMENT NOTIFICATION

Customers will receive curtailment notification a minimum of four (4) hours prior to the start time of a Curtailment Event.

CURTAILMENT LIMITS

The Customer contract shall specify the Maximum Number of Curtailment Events for which the Customer agrees to curtail load during each Curtailment Season. The Maximum Number of Curtailment Events shall be at least one (1) but shall not exceed ten (10) separate occurrences per Curtailment Season. Each Curtailment Event shall be no less than two and no more than eight consecutive hours and no more than one occurrence will be required per day. The Company may call a Curtailment Event no more than three consecutive days per calendar week. The cumulative hours of Curtailment Hours per Customer shall not exceed eighty (80) hours in any Curtailment Season.

ESTIMATED PEAK DEMANDS

The Estimated Peak Demand is the average of the Customer's Monthly Maximum Demand for Monday through Friday between 12:00 noon and 10:00 pm for June 1 through September 30 from the previous year.

The Company may use such other data or methodology as may be appropriate to establish the Estimated Peak Demand.

MPower Rider (continued)

ESTIMATED PEAK DEMAND MODIFICATIONS

The Company may review and, if necessary, adjust the Customer's Estimated Peak Demand based on evidence that the Customer's actual peak demand has changed, or will change, significantly from the Estimated Peak Demand currently being used to calculate the Customer's Curtailable Load. If a change in the Customer's Estimated Peak Demand results in a change in its Curtailable Load, the Customer shall lose and/or repay its curtailment compensation proportional to the number of days curtailment was not available and the change in the Curtailable Load.

FIRM POWER LEVELS

During the months of June through September, the Customer's Firm Power Level, which is the maximum demand level to be drawn during a Curtailment Event, shall be set at least 25 kW less than the Customer's Estimated Peak Demand.

The Company may use a Test Curtailment to establish the Firm Power Levels for the Customer.

FIRM POWER LEVEL MODIFICATIONS

After the Curtailment Season, and upon ninety (90) days written notice by the Customer, the Firm Power Level may be modified to reflect significant change in Customer load, subject to verification and approval by the Company. At any time the Company may adjust the Customer's Firm Power Level downward based on evidence that the Customer's actual demand has dropped, or will drop, significantly from the Estimated Peak Demand. Any adjusted Firm Power Level shall continue to provide for a Curtailable Load of at least 25 kW. Future customer compensation will be adjusted accordingly for any change in Firm Power Level.

Additionally, for any change in Firm Power Level that decreases Curtailable Load for the Customer shall result in re-evaluation of all curtailment compensation to the Customer including any payment or credits made in advance of the Curtailment Season. The Customer shall repay the Company prior payments/credits made in excess of the curtailment compensation due based on the decreased level of Curtailable Load.

CURTAILABLE LOAD

Curtailable Load shall be that portion of a Customer's Estimated Peak Demand that the Customer is willing and able to commit for curtailment, and that the Company agrees to accept for curtailment. The Curtailable Load shall be the same amount for each month of the contract. Under no circumstances shall the Curtailable Load be less than 25 kW. Curtailable Load is calculated as the difference between the Estimated Peak Demand as determined above, and the Firm Power Level.

MPower Rider (continued)

CUSTOMER COMPENSATION

Customer compensation shall be defined within each Customer contract and will be based on contract term, Maximum Number of Curtailment Events and the number of actual Curtailment Events per Curtailment Season. Timing of all payments/credits shall be specified in the curtailment contract with each Customer. Payments shall be paid to the Customer in the form of a check or bill credit as specified in the contract. The credits shall be applied before any applicable taxes. All other billing, operational, and related provisions of other applicable rate schedules shall remain in effect.

Compensation will include:

PROGRAM PARTICIPATION PAYMENT: For each Curtailment Season, Customer shall receive a payment/credit based upon the contract term, the number of consecutive years under contract, and the Maximum Number of Curtailment Events. The Program Participation Payment for a Curtailment Season is equal to the per kilowatt of Curtailable Load rate as defined in the table below multiplied by the Maximum Number of Curtailment Events stated in the Customer's contract.

Contract Term	# of Consecutive Years Under Contract	$/kW of Curtailable Load
One year	1	$2.50
One year	2	$2.50
One year	3	$3.25
One year	4	$3.25
One year	5 or more	$4.50
Three years	1 to 3	$3.25
Three years	4	$3.25
Three years	5 or more	$4.50
Five years	Any	$4.50

The Program Participation Payment will be divided by the number of months in the Curtailment Season and applied as bill credits equally for each month of the Curtailment Season.

INTIAL PAYMENT: Upon agreement with the Company, a Customer may receive a one-time payment to purchase specific equipment necessary to participate in the MPOWER Rider. The amount of any Initial Payment will be deducted from the net present value (NPV) of the Program Participation Payments expected under the contract as calculated by the Company. The Initial Payment amount, when subtracted from the NPV of the expected Program Participation Payments, may not result in an annual Program Participation Payment of less than $2.50 per kilowatt of Curtailable Load per Curtailment Event.

CURTAILMENT EVENT PAYMENT: The Customer will also receive $0.35 per kW of Curtailable Load for each Curtailment Hour during which the Customer's metered demand is less than or equal to the Customer's Firm Power Level.

NEED FOR CURTAILMENT

Curtailments can be requested for operational or economic reasons. Operational curtailments may occur when physical operating parameters approach becoming a constraint on the generation, transmission, or distribution systems, or to maintain the Company's capacity margin requirement. Economic curtailment may occur when the marginal cost to produce or procure energy, or the opportunity to sell the energy in the wholesale market, is greater than the Customer's retail price.

MPower Rider (continued)

PENALTIES

Failure of the Customer to effect load reduction to its Firm Power Level or lower in response to any Company request for curtailment shall result in the following reduction or refund of Program Participation Payments and Curtailment Occurrence Payments for each such failure as follows:

Reduction of Curtailment Occurrence Payment: Customer will forfeit Curtailment Event Payment for every Curtailment Hour during which it fails to effect load reduction to its Firm Power Level or lower.

Reduction of Program Participation Payment: Customer will receive reduced future Program Participation Payments or a bill debit, in an amount equal to 150% of the Program Participation Payment divided by the Maximum Number of Curtailment Events, the result of which is multiplied by the percentage by which the Customer underperformed during a Curtailment Event.

Any Customer who fails to reduce load to its Firm Power Level on three or more days within any Curtailment Season may be ineligible for this Rider for a period of two years from the date of the third failure.

CURTAILMENT CANCELLATION

The Company reserves the right to cancel a scheduled Curtailment Event prior to the start time of such Curtailment Event. However, if cancellation occurs with less than two hours of the notification period remaining prior to commencement of a Curtailment Event, the canceled Curtailment Event shall be counted as a separate occurrence with a zero-hour duration.

TEST CURTAILMENT

The Company reserves the right to request a Test Curtailment once each year and/or within three months after a Customer's failure to effect load reduction to its Firm Power Level or lower upon any Company request for curtailment. Test Curtailments do not count toward the Maximum Number of Curtailment Events. Customers will not be compensated for Test Curtailments.

VOLUNTARY LOAD REDUCTION

Customers served on this Rider also will be served on the Voluntary Load Reduction Rider, subject to the paragraph entitled "Special Provisions for MPOWER Customers." A separate Contract for service on the Voluntary Load Reduction Rider is not required for customers served on the MPOWER Rider.

ADDITIONAL VOLUNTARY EVENTS

At any time while the Customer's contract is in effect, the Company may request a Customer to participate, on a voluntary basis, in additional Curtailment Events. Customers who are asked and who participate in these additional voluntary curtailments will receive Curtailment Event Payments as outlined previously in this Rider, but will not receive additional Program Participation Payments. This provision applies to all Customers whose contracts are still in force, whether or not they have participated in a number of Curtailment Events equal to their chosen Maximum Number of Curtailment Events.

At its sole discretion, the Company will decide to apply the terms of Voluntary Load Reduction or Additional Voluntary Events for a given Curtailment Event.

RULES AND REGULATIONS

Service will be furnished under and this schedule shall be subject to Company Rules and Regulations.

The above rate or minimum bill does not include franchise, occupational or sales taxes. The Company "Tax and License Rider," "Demand Side Investment Mechanism Rider," and "Fuel Adjustment Clause" are applicable to all service and charges under this schedule.

10.13 Residential Lighting and Appliance Program

A. PURPOSE: The Residential Lighting and Appliance Program promotes ENERGY STAR® appliances, lighting and home electronics. The program also promotes several products that are energy efficient, for which there are not yet ENERGY STAR® labels.

The program uses a two-pronged approach: (1) increasing supply of qualifying products through partnerships with retailers, manufacturers and distributors, and (2) creating demand through consumer awareness and understanding of the ENERGY STAR® label and the benefits of energy efficiency.

B. AVAILABILITY: This Program is available to any present KCP&L customer receiving service under any generally available residential rate schedule. Residential customers may participate in this program by purchasing any of the ENERGY STAR® qualified products listed in this tariff from participating Program Partners. This Program is offered in accordance with Section 393.1075, RSMo. Supp. 2009 (the Missouri Energy Efficiency Investment Act).

Unless otherwise provided for in the tariff sheets governing a particular program, customers may participate in multiple programs, but may receive only one incentive per measure.

Pursuant to Section 393.1075 (14) RSMo, any customer who has received a state tax credit under Section 135.350 through 135.362, RSMo, or under Sections 253.545 through 253.561, RSMo. shall not be eligible for participation in this program due to the monetary incentives offered to the customer. As provided for in the Commission's rules, customer shall attest to non-receipt of any such tax credit during the application process and acknowledge that the penalty for a customer who provides false documentation is a class A misdemeanor.

C. PROGRAM PERIOD: This energy efficiency program shall be effective for three years from the effective date of the tariff. If the program has not begun implementation at the effective date, the program will end three years from the effective date of the tariff sheet. If the program is terminated prior to the end of the three-year program plan under this provision, only incentives for qualifying measures that have been installed or approved for installation prior to the program termination will be provided to the customer.

Residential Lighting and Appliance Program (continued)

D. DEFINITIONS:

Administrator – The Program will be implemented by a third-party vendor specializing in programs of this type. The Administrator will be responsible for marketing, training, incentives and reports.

Eligible Lighting and Appliance Measure – Products incentivized in the Program which are pre-screened and determined to provide the required energy efficiency benefit.

Program Partner – A retailer, distributor, or manufacturer of ENERGY STAR® qualified products who has met the qualifications and executed the necessary agreements for participating in the Lighting and Appliance Program. Participating Program Partners will be listed on the KCPL.com website with store name and location listed as well as any in-store promotions being offered at the current time.

E. PROGRAM PROVISIONS: The Program Administrator will provide program services to Program Partners and directly or indirectly to customers for the purpose of increasing awareness, sales, and market share of residential ENERGY STAR® qualified products listed in the Eligible Lighting and Appliance Measures section of this tariff.

Retail promotions will be made available at stores located within the Company's electric service territory. Activities included in the program may include Special Promotions, Program Partner Incentives, Cost Reductions (buy-downs or mark-downs), In-Store Display Materials, Product Lists and Labels, Tools and Training.

The Program Administrator may make available, either directly or indirectly through Program Partners, rebates and incentives on certain approved ENERGY STAR® products. Customer Incentives to purchase Eligible Lighting and Appliance Measures may be provided on the Company's website, KCPL.com.

Customers who purchase and install a refrigerator or freezer will be mailed two compact florescent lights regardless of other measures implemented.

F. ELIGIBLE LIGHTING AND APPLIANCE MEASURES:

MEASURE	REBATE
EnergyStar® High Efficiency Window AC, EER >= 10.8	$25
Install EnergyStar® Ceiling Fans	$25
Install Smart Power Strips	$10
Install Compact Fluorescent Lamps	-0-
Purchase Energy Star Labeled Refrigerator	$100
Purchase Energy Star Labeled Freezer	$100
Install Programmable Thermostat	$35

Residential Lighting and Appliance Program (continued)

G. PROGRAM ADMINISTRATION: The Program will be implemented by the Administrator. The Administrator will be responsible for market research, participant identification, advertising, training, incentive processing, and status reporting associated with the Program. The Company will maintain oversight of the Program through monthly, quarterly, and yearly status reports and meetings with the Administrator.

10.14 Residential Energy Report Program

A. PURPOSE: The Residential Energy Reports Program (Program) provides residential customers with an Energy Report that provides a comparison of the household energy usage information with similar type customers or "neighbors." The intention of the Energy Report is to provide information that will influence customers' behavior in such a way that they lower their energy usage. This is a behavioral modification program.

B. AVAILABILITY: This Program is directed to customers currently receiving service under any generally available residential rate schedule. The Company will conduct a three-year pilot of the Program, selecting 57,000 customers per year for participation. The Program will operate as an opt-out only program, meaning the Company will select customers for participation in the program and will allow opt-out if desired. This Program is offered in accordance with Section 393.1075, RSMo. Supp. 2009 (the Missouri Energy Efficiency Investment Act).

Unless otherwise provided for in the tariff sheets governing a particular program, customers may participate in multiple programs, but may receive only one incentive per measure.

C. PROGRAM PERIOD:

This energy efficiency program shall be effective for three years from the effective date of the tariff. If the program has not begun implementation at the effective date, the program will end three years from the effective date of the tariff sheet.

D. PROGRAM PROCESS: Program participants will be delivered an energy usage report on how energy is used by their households four to six times per year. The reports are delivered separate from the regular bill. The Customer's home energy usage is compared to the average usage of households that are geographically located in close approximation of one another and have similar characteristics such as dwelling size and heating type. Reports will be generated using customer energy usage data and data from public records. The report displays a monthly neighbor comparison, a twelve-month neighbor comparison, a personal comparison of this year's usage versus last year and specific energy tips that are based on the characteristics and usage of the household.

Residential Energy Report Program (continued)

E. PROGRAM OPT-OUT: Customer choosing to opt-out of the Program should contact the Company to have their premise removed from the reporting group.

F. PROGRAM ADMINISTRATION: The Program will be implemented by the Administrator. The Administrator will deliver a turn-key program with responsibility for all aspects of customer selection, report generation, energy savings quantification, customer communications, and reporting. All Residential Energy Reports will be automatically delivered to the target market by the Administrator. The Company will maintain oversight of the Program through monthly, quarterly, and yearly status reports and meetings with the Administrator. The Company will jointly develop marketing messages contained in the Residential Energy Reports with the Administrator. The Program will also serve as an integrated marketing vehicle for all other residential DSM measures.

10.15 Multi-Family Rebate Program

A. PURPOSE: The Multi-family Rebate Program advances comprehensive energy efficiency measures, including: whole house solutions, plug load efficiency, visual monitoring and displays, performance standards, local government opportunities and DSM integration.

Multi-family property owners and managers have been historically less responsive to energy efficiency efforts than have residential customers. This unique customer segment warrants additional attention and effort to motivate property owners and managers to actively participate in energy efficiency programs. The Multi-family Rebate Program proposes a series of comprehensive measures designed to address systems within multi-family housing establishments.

The Multi-family Rebate Program offers prescribed rebates for energy efficient products to motivate the multi-family property owners/managers to install energy efficient products in both common and dwelling areas of multi-family complexes and common areas of mobile home parks and condominiums. An additional objective is to heighten property owners/managers and tenants awareness and knowledge of energy efficiency.

This Program is offered in accordance with Section 393.1075, RSMo. Supp. 2009 (the Missouri Energy Efficiency Investment Act).

B. AVAILABILITY: Eligible Participants include property owners, managers and authorized agents of existing residential multifamily complexes with two or more dwellings, receiving electric service from the company, may participate in this Program. New construction does not qualify.

Unless otherwise provided for in the tariff sheets governing a particular program, customers may participate in multiple programs, but may receive only one incentive per measure.

Pursuant to Section 393.1075 (14) RSMo, any customer who has received a state tax credit under Section 135.350 through 135.362, RSMo, or under Sections 253.545 through 253.561, RSMo. shall not be eligible for participation in this program due to the monetary incentives offered to the customer. As provided for in the Commission's rules, customer shall attest to non-receipt of any such tax credit during the application process and acknowledge that the penalty for a customer who provides false documentation is a class A misdemeanor.

Multi-Family Rebate Program (continued)

C. PROGRAM PERIOD:
This energy efficiency program shall be effective for three years from the effective date of the tariff. If the program has not begun implementation at the effective date, the program will end three years from the effective date of the tariff sheet. If the program is terminated prior to the end of the three-year program plan under this provision, only incentives for qualifying measures that have been installed or approved for installation prior to the program termination will be provided to the customer.

D. PROGRAM PROCESS:

The following general process will be followed:

- Participants should obtain and review the Multi-family Rebate Program Application.
- Participants submit Application to the Company to reserve rebates funds for the property. Upon approval (or denial) of the Application, Participants will receive confirmation by letter.
- Purchase and install eligible energy efficient products.
- Complete the rebate documentation along with a copy of all purchase receipts.

E. PROGRAM PROVISIONS:

Reservations for rebates are required and will be accepted on a first-come, first-served basis prior to the installation of any product(s). Rebates will not be paid without a corresponding reservation. Multiple rebate reservations for different phases of the energy efficiency retrofit projects for the same complex are acceptable. A single Participant cannot have more than $250,000 in rebate reservations at any point in time. Reservations are valid for 90 calendar days from the date of reservation request. Contact details will be posted on KCPL.com.

Participants are free to hire any licensed contractor to install these eligible measures. The Company has no liability or responsibility whatsoever, concerning the contractor.

Participants are responsible for complying with applicable permitting requirements, restrictions, codes, ordinances, rules, and regulations pertaining to all installations. All eligible measures must be purchased new. Measures that are used, rebuilt, resale, rented or leased, won as prizes, or provided by insurance companies do not qualify.

Rebates are limited to only one rebate per eligible measure (for example, lighting retrofit) per address every five (5) years. The final requested total rebate amount for the total project cannot exceed the reserved total rebate amount.

The Company may conduct an on-site inspection to verify eligible measure(s) eligibility, installation, and operation prior to payment of the rebate.

Eligible measures installed and paid incentives under this Program are not eligible for an incentive through any of the Company's other Energy Efficiency programs.

Multi-Family Rebate Program (continued)

E: PROGRAM PROVISIONS (continued)

A rebate check for eligible measure(s) will be mailed no later than eight weeks after the Company receives the completed application including all required documentation. If the project is selected for inspection, the verification process may delay payment. Incomplete or incorrect applications cannot be processed. Participants will be notified if applications do not meet the requirements. The Program Administrator may make available, either directly or indirectly through Program Partners, rebates and incentives on certain approved ENERGY STAR® products. Customer Incentives to purchase Eligible Lighting and Appliance Measures may be provided on the Company's website, KCPL.com.

F. ELIGIBLE MEASURES:

MEASURE	REBATE
Attic Insulation	$0.15/Square Foot
Wall Insulation	$0.15/Square Foot
High Performance Dual Pane Windows	$0.75/Square Foot
HVAC Remove or Add Refrigerant	$30 / Unit
Tune-up Service for AC Unit to 8.5 SEER	$30 / Unit
HVAC - Early Retirement Install 14 SEER AC or HP	$ 450 / Unit
HVAC - Early Retirement Install 15 SEER AC or HP	$500 / Unit
HVAC - Early Retirement Install 16 SEER AC or HP	$575 / Unit
HVAC - Upon Failure Install 14 SEER AC or HP	$ 100 / Unit
HVAC - Upon Failure Install 15 SEER AC or HP	$125 / Unit
HVAC - Upon Failure Install 16 SEER AC or HP	$140 / Unit
Room A/C - Install 10 EER or Higher Window AC	$25 / Unit
Install Ceiling Fan	$50 / Unit
Install programmable thermostat	$35 / Unit
Install electronically commutated motors, for AC and Heat Pump Blowers	$50 / Unit
Replace 13 Seer A/C with 16 SEER HP	$140 / Unit
Install Compact Fluorescent Lamps in all Apartments	$0.25 per Lamp
Install CFLs in corridors, laundry and mechanical rooms	$0.25 per Lamp
Install High Efficiency Exterior Lighting Systems	$0.75 per Lamp
Purchase Energy Star Refrigerator	$ 75 / Unit
Reduce infiltration to 15000 CFM50	$0.10/Square Foot

Multi-Family Rebate Program (continued)

F.ELIGIBLE MEASURES (continued):

For two family residential buildings, all building thermal envelope measures are required to meet minimum requirements of the 2012 International Residential Code, Part IV, Chapter 11, Section N1102.1.1 through N1102.1.4 ("IRC Code"). Table N1102.1.1 of the IRC Code specifies the minimum R-factor insulation and fenestration requirements by component. Alternative U-Factors may be used provided they meet the requirements of the IRC Code. For other residential buildings, other than single or two-family, building thermal envelope measures are required to meet the minimum requirements of the IECC 2012 International Energy Efficiency Code, Chapter 4, Section 402. Table 402.1.1 of the IEEC code specifies the minimum R-Factor insulation and fenestration requirements by component.

10.16 Commercial & Industrial Prescriptive Rebate Program

A. PURPOSE: The Commercial & Industrial Prescriptive Rebate Program (Program) is designed to encourage Commercial & Industrial (C&I) customers to install energy efficient measures in existing facilities. More specifically, the program is designed to:

- provide incentives to facility owners and operators for the installation of high efficiency equipment and controls; and
- provide a marketing mechanism for electrical contractors, mechanical contractors, and their distributors to promote energy efficient equipment to end users.

This Program is offered in accordance with Section 393.1075, RSMo. Supp. 2009 (the Missouri Energy Efficiency Investment Act).

B. AVAILABILITY: These Programs are available to any of the Company's customers served under GS, SGS, LGS, or LPS rate schedules. Customer applications will be evaluated and the rebates will be distributed on a first-come basis according to the date of the customer's application.

Unless otherwise provided for in the tariff sheets governing a particular program, customers may participate in multiple programs, but may receive only one incentive per measure.

Pursuant to Section 393.1075 (14) RSMo, any customer who has received a state tax credit under Section 135.350 through 135.362, RSMo, or under Sections 253.545 through 253.561, RSMo. shall not be eligible for participation in this program due to the monetary incentives offered to the customer. As provided for in the Commission's rules, customer shall attest to non-receipt of any such tax credit during the application process and acknowledge that the penalty for a customer who provides false documentation is a class A misdemeanor.

C. PROGRAM PERIOD:

This energy efficiency program shall be effective for three years from the effective date of the tariff. If the program has not begun implementation at the effective date, the program will end three years from the effective date of the tariff sheet. If the program is terminated prior to the end of the three-year program plan under this provision, only incentives for qualifying measures that have been installed or approved for installation prior to the program termination will be provided to the customer.

Commercial & Industrial Prescriptive Rebate Program (continued)

D. DEFINITIONS:

Administrator – The Program will be implemented by a third-party vendor specializing in programs of this type. The Administrator will be responsible for marketing, training, incentives and reports.

Eligible Measure – Products incentivized in the Program which are pre-screened and determined to provide the required energy efficiency benefit.

Program Partner – A retailer, distributor, or manufacturer of ENERGY STAR® qualified products who has met the qualifications and executed the necessary agreements for participating in the Lighting and Appliance Program. Participating Program Partners will be listed on the KCPL.com website with store name and location listed as well as any in-store promotions being offered at the current time.

E. PROGRAM PROCESS: The following general process will be followed:

- Participants should obtain and review the C&I Prescriptive Rebate Program Application.
- Participants submit Application to the Company to reserve rebate funds for the premise. Upon approval (or denial) of the Application, Participants will receive confirmation by letter.
- Purchase and install eligible energy efficient measures.
- Complete the rebate documentation along with a copy of all purchase receipts.

F. PROGRAM PROVISIONS: Reservations for rebates are required and will be accepted on a first-come, first-served basis prior to the installation of any product(s). Rebates will not be paid without a corresponding reservation. Multiple rebate reservations for different phases of the energy efficiency retrofit projects for the same premise are acceptable. A single Participant cannot have more than $250,000 in rebate reservations at any point in time. Reservations are valid for six months from the date of reservation request. Contact details will be posted on KCPL.com.

Participants are free to hire any licensed contractor to install these eligible measures. The Company has no liability or responsibility whatsoever, concerning the contractor.

Participants are responsible for complying with applicable permitting requirements, restrictions, codes, ordinances, rules, and regulations pertaining to all installations. All eligible measures must be purchased new. Measures that are used, rebuilt, resale, rented or leased, won as prizes, or provided by insurance companies do not qualify.

The final requested total rebate amount for the total project cannot exceed the reserved total rebate amount. Total rebates for the Commercial & Industrial Custom Rebate Program and the Commercial & Industrial Prescriptive Rebate Program may not exceed $250,000 per customer per year.

Commercial & Industrial Prescriptive Rebate Program (continued)

F. PROGRAM PROVISIONS (continued)

The Company may conduct an on-site inspection to verify eligible measure(s) eligibility, installation, and operation prior to payment of the rebate.

Eligible measures installed and paid incentives under this Program are not eligible for an incentive through any of the Company's other Energy Efficiency programs.

A rebate check for eligible measure(s) will be mailed no later than eight weeks after the Company receives the completed application including all required documentation. If the project is selected for inspection, the verification process may delay payment. Incomplete or incorrect applications cannot be processed.

G. ELIGIBLE MEASURES:

New construction is not eligible for T12 retrofit rebates at any time. Other rebates for T12 retrofits will not be available in program year three.

LIGHTING & CONTROLS PRESCRIPTIVE MEASURES	
Measure	Rebate
T8 with Electronic Ballast	
T8 8ft 1 lamp replacing T12 (retrofit only)	$25.00
T8 8ft 2 lamp replacing T12 (retrofit only)	$27.00
T8 4ft 4 lamp replacing T12 (retrofit only)	$28.50
T8 4ft 3 lamp replacing T12 (retrofit only)	$27.00
T8 4ft 2 lamp replacing T12 (retrofit only)	$18.00
T8 4ft 1 lamp replacing T12 (retrofit only)	$16.50
T8 3ft 4 lamp replacing T12 (retrofit only)	$28.50
T8 3ft 3 lamp replacing T12 (retrofit only)	$27.00
T8 3ft 2 lamp replacing T12 (retrofit only)	$18.00
T8 3ft 1 lamp replacing T12 (retrofit only)	$16.50
T8 2ft 4 lamp replacing T12 (retrofit only)	$28.50
T8 2ft 3 lamp replacing T12 (retrofit only)	$27.00
T8 2ft 2 lamp replacing T12 (retrofit only)	$18.00
T8 2ft 1 lamp replacing T12 (retrofit only)	$16.50
T8 HO 8ft 1 lamp replacing T12 (retrofit only)	$33.00
T8 HO 8ft 2 lamp replacing T12 (retrofit only)	$36.00
T8 HB 4ft 4L (retrofit only replacing 250-399W HID)	$60.00
T8 HB 4ft 6L (retrofit only replacing 400-999W HID)	$80.00
T8 HB 4ft 8L (retrofit only replacing 400-999W HID)	$100.00
2 fixtures – T8 32W HB 4ft 8 Lamp (retrofit only replacing 1,000W HID-2 for one replacement)	$200.00

Commercial & Industrial Prescriptive Rebate Program (continued)

G. ELIGIBLE MEASURES: (continued)

LIGHTING & CONTROLS PRESCRIPTIVE MEASURES - Continued	
Measure	Rebate
T5 with Electronic Ballast	
T5 1 lamp replacing T12 (retrofit only)	$30.00
T5 2 lamp replacing T12 (retrofit only)	$37.00
T5 3 lamp replacing T12 (retrofit only)	$40.00
T5 4 lamp replacing T12 (retrofit only)	$44.00
T5 HO 1 lamp replacing T12 (retrofit only)	$60.00
T5 HO 2 lamp replacing T12 (retrofit only)	$70.00
T5 HO 3 lamp replacing T12 (retrofit only)	$88.00
T5 HO 4 lamp replacing T12 (retrofit only)	$112.00
T5 HO HB 3L (retrofit only replacing 250-399W HID)	$90.00
T5 HO HB 4L (retrofit only replacing 400-999W HID)	$96.00
T5 HO HB 6L (retrofit only replacing 400-999W HID)	$175.00
2 fixtures – T5 HO HB 6 Lamp (retrofit only replacing 1,000W HID-2 for one replacement)	$350.00
Compact Fluorescents (CFL)	
42W 8 lamp HB CFL	$200.00
CFL – Screw In (lamp only)	$2.00
CFL – Hardwired (Fixture and lamp)	$22.00
320W Pulse Start Halide (retrofit only)	$75.00
Low Watt High Performance T8 Lighting	
Re-lamp T8 fixtures with low Watt T8 lamps-30 watts or less	$0.50/lamp
Replace standard T8 systems with 4' 25W, 28W, or 30W T8 U lamps and approved ballast OR relamp existing T8 fixtures with low Watt T8 lamps 28W or less. In order to qualify for incentives, ballasts must be from CEE approved list (www.cee1.org).	
Other Efficient Lighting Technologies	
21" Tubular Skylight/Light Tube	$250.00/fixture
LED Exit Signs (replacement fixture only)	$10.00/fixture
Daylight Sensor Lighting Control (over 10,000 square feet controlled)	$0.09 per Watt controlled
Centralized Lighting Control (over 10,000 square feet controlled automatically)	$0.09 per Watt controlled
Multilevel Lighting Control (over 10,000 square feet controlled)	$0.09 per Watt controlled

Commercial & Industrial Prescriptive Rebate Program (continued)

G. ELIGIBLE MEASURES: (continued)

Occupancy Sensors	
Under 500 W connected to sensor	$0.11 per Watt controlled
Over 500 W connected to sensor	$0.11 per Watt controlled

High Efficiency Pumps		
HP	Minimal Efficiency	Rebate
1.5	Pump efficiency of 75% or greater for the dominant operating conditions as demonstrated by a pump performance curve	$210.00
2		$220.00
3		$230.00
5		$240.00
7.5		$250.00
10		$260.00
15		$300.00
20		$400.00

Variable Frequency Drives (VFDs)	
HP	Rebate
1.5	$868.50
2	$893.00
3	$922.50
5	$1,035.00
7.5	$1,430.00
10	$1,430.00
15	$1,632.50
20	$2,257.50
25	$2,560.00
30	$2,885.00
40	$4,047.50
50	$4,475.00
VFD = Variable frequency drive HP = Horsepower	

Commercial & Industrial Prescriptive Rebate Program (continued)

G. ELIGIBLE MEASURES: (continued)

HVAC PRESCRIPTIVE MEASURES		
Size	Efficiency	Rebate
Unitary and Rooftop Air Conditioning		
<65,000 BTUH (1 Phase)	14 SEER	$28 / Ton
<65,000 BTUH (3 Phase)	13 SEER	$40 / Ton
65,000-135,000 BTUH	11 EER	$40 / Ton
136,000-240,000 BTUH	11 EER	$40 / Ton
241,000-760,000 BTUH	10 EER	$40 / Ton
>760,000 BTUH	10 EER	$40 / Ton
Unitary and Rooftop HP		
<65,000 BTUH (1 Phase)	14 SEER	$40 / Ton
<65,000 BTUH (3 Phase)	13 SEER	$40 / Ton
65,000-135,000 BTUH	11 EER	$40 / Ton
136,000-240,000 BTUH	10 EER	$40 / Ton
>240,000 BTUH	10 EER	$40 / Ton
Water Source Heat Pump		
<17,000	11.5 EER	$16 / Ton
17,000-65,000	12.3 EER	$16 / Ton
65,000-135,000	12.3 EER	$16 / Ton
Ground Source Heat Pump		
Ground Source Closed Loop	13.7 EER	$40 / Ton
Water Cooled Chillers, Rotary Screw and Scroll		
< 75 Tons	FL: 0.702 kW/T ILPV: 0.540 kW/T	$25 / Ton
≥ 75 and < 150 T	FL: 0.698 kW/T ILPV: 0.527 kW/T	$25 / Ton
150-300 tons	FL: 0.612 kW/T ILPV: 0.486 kW/T	$40 / Ton
> 300 tons	FL: 0.588 kW/T ILPV: 0.441 kW/T	$40 / Ton
Water Cooled Chillers, Centrifugal		
< 150 T	FL: 0.571 kW/T ILPV: 0.405 kW/T	$30 / Ton
150-300 tons	FL: 0.571 kW/T ILPV: 0.405 kW/T	$35 / Ton
> 300 tons	FL: 0.513 kW/T ILPV: 0.360 kW/T	$40 / Ton

Commercial & Industrial Prescriptive Rebate Program (continued)

G. ELIGIBLE MEASURES:

HVAC PRESCRIPTIVE MEASURES - Continued		
Size	Efficiency	Rebate
Air Cooled Chillers		
Minimum Full Load Efficiency of a 10.52 EER, or an Integrated Part Load Value of 13.75 EER for units less than 150 Tons or an ILPV of 14.03 EER for units greater than or equal to 150 Tons		$25 / Ton
HP Water Heater		
500 gallon/day	3.0 COP	$3,500.00
1000 gallon/day	3.0 COP	$5,000.00
1500 gallon/day	3.0 COP	$7,000.00
Packaged Terminal A/C		
	9.2 EER	$60.00
Packaged Terminal HP		
	9.0 EER	$60.00
Chilled Water Reset Air Cooled		
0-100 tons		$2 / Ton
100-200 tons		$2 / Ton
200-300 tons		$2 / Ton
300-400 tons		$2 / Ton
400-500 tons		$2 / Ton
Chilled Water Reset Water Cooled		
0-1000 tons		$0.40 / Ton
1000-2000 tons		$0.40 / Ton
2000-3000 tons		$0.40 / Ton
Energy Star Sleeve Air Conditioners		
> 14,000 BTU/h		$15.00
< 14,000 BTU/h		$15.00
Other Measures		
Economizer		$50.00
Tuneup - Refrigerant Charge (retrofit only)		$3.50 / Ton
Setback/Programmable Thermostat		$35.00
Window Film		$1 / sq. ft.

Commercial & Industrial Prescriptive Rebate Program (continued)

G. ELIGIBLE MEASURES:

PROCESS PRESCRIPTIVE MEASURES	
Measure	Rebate
Engineered Nozzles	$20.00/nozzle
Barrel Wraps for Injection Molders & Extruders	$1.00/ton
Insulated Pellet Dryer Ducts-3" diameter	$15.00/ft.*
Insulated Pellet Dryer Ducts-4" diameter	$20.00/ft.*
Insulated Pellet Dryer Ducts-5" diameter	$25.00/ft.*
Insulated Pellet Dryer Ducts-6" diameter	$30.00/ft.*
Insulated Pellet Dryer Ducts-8" diameter	$40.00/ft.*
*capped at 50% of final invoiced product cost	

ENERGY STAR® PRESCRIPTIVE MEASURES	
Measure	Rebate
ENERGY STAR Commercial Solid Door Refrigerators	
Less than 20 ft^3	$125.00/refrigerator
20-40 ft3	$250.00/refrigerator
More than 48 ft^3	$450.00/refrigerator
ENERGY STAR Commercial Solid Door Freezers	
Less than 20 ft^3	$75.00/freezer
20-40 ft3	$200.00/freezer
More than 48 ft^3	$350.00/freezer
Ice Machines**	
Less than 500 lbs ice production	$300.00/machine
500-1000 lbs ice production	$750.00/machine
More than 1000 lbs ice production	$1,000/machine
Energy Star Commercial Clothes Washers	
Washers with electric water heater	$130.00/washer
** Must meet Consortium for Energy Efficiency's (CEE) Tier 1 ice machine specification. Flake and nugget machines are not included.	

Commercial & Industrial Prescriptive Rebate Program (continued)

G. ELIGIBLE MEASURES:

BUSINESS COMPUTING PRESCRIPTIVE MEASURES	
Measure	Rebate
Plug Load Occupancy Sensor Document Stations*	$40.00/station
80 PLUS Desktop Computer	$5.00/computer
80 PLUS Desktop-Derived Server	$10.00/server
Network Desktop Computer Power Management Software	$15.00/desktop computer
*Must have three (3) devices connected to plug load service	

FOOD SERVICE AND REFRIGERATION PRESCRIPTIVE MEASURES	
Measure	Rebate
Cold Beverage Vending Machine Controllers	$50.00/unit
Anti-sweat Heater Controls*	$40.00/door
Efficient Refrigeration Condenser	$17.50/ton of refrigeration capacity
Night Covers For Open Displays**	$17.50/per linear foot
Head Pressure Control*	$60.00/ton of refrigeration
*Up to 50% of project costs	
**Store operation must allow covers to be covering cases at least 6 hours per 24 hour period.	

10.17 Appliance Turn-In Program

A. PURPOSE: The Appliance Turn-In Program (Program) is designed to incent residential customers to remove operating, inefficient, secondary appliances (older vintage room air conditioners, refrigerators, freezers, and humidifiers manufactured before 2002), taking the appliances out of the home and recycling them in an environmentally safe manner. The secondary purpose is to raise awareness of the energy benefits of Energy Star® appliances.

B. AVAILABILITY: This Program is available to any Customer currently receiving service under any generally available residential rate schedule. This Program is offered in accordance with Section 393.1075, RSMo. Supp. 2009 (the Missouri Energy Efficiency Investment Act).

Appliances (older vintage room air conditioners, refrigerators, freezers, and humidifiers) shall be in working order at the time of turn-in and manufactured before 2002. Refrigerators or freezers must be clean, empty defrosted, and at least 10 cubic feet and no more than 32 cubic feet in size.

Unless otherwise provided for in the tariff sheets governing a particular program, customers may participate in multiple programs, but may receive only one incentive per measure.

Pursuant to Section 393.1075 (14) RSMo, any customer who has received a state tax credit under Section 135.350 through 135.362, RSMo, or under Sections 253.545 through 253.561, RSMo. shall not be eligible for participation in this program due to the monetary incentives offered to the customer. As provided for in the Commission’s rules, customer shall attest to non-receipt of any such tax credit during the application process and acknowledge that the penalty for a customer who provides false documentation is a class A misdemeanor.

C. PROGRAM PERIOD:

This energy efficiency program shall be effective for three years from the effective date of the tariff. If the program has not begun implementation at the effective date, the program will end three years from the effective date of the tariff sheet. If the program is terminated prior to the end of the three-year program plan under this provision, only incentives for qualifying measures that have been installed or approved for installation prior to the program termination will be provided to the customer.

Appliance Turn-In Program (continued)

D. PROGRAM PROCESS: The following general process will be followed:

- Customers will contact the Administrator through a toll-free phone number or online at KCPL.com to schedule the appliance pickup.
- A confirmation message will be provided to the customer by telephone.
- The Administrator verifies the unit is eligible and removes it from the home.
- Upon collection of the unit, Customer will verify collection by signing a transfer of ownership.
- The unit is permanently disabled and taken to a certified recycling agency or disposed of in accordance with Environmental Protection Agency (EPA) approved practices.
- Incentives are mailed to the Customer within six (6) weeks of the appliance pick-up.

Additionally, special promotions and coupons toward more efficient units will be distributed at retailer locations to encourage appliance turn-in.

E. PROGRAM INCENTIVE: Customers will receive $75 per unit turned-in. Customers are eligible to receive a per unit incentive for up to three (3) qualifying units. One of the three qualifying units must be a refrigerator or freezer.

F. PROGRAM ADMINISTRATION: The Program will be implemented by the Administrator. The Administrator will be responsible for market research, participant identification, advertising, training, incentive processing, and status reporting associated with the Program. KCP&L will maintain oversight of the Program through monthly, quarterly, and yearly status reports and meetings with the Administrator.