

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

In the matter of the Application of)
Kansas City Power & Light Company)
for a Variance From the Provisions of 4)
CSR 240-3.160 related to the)
Submission of A New Depreciation)
Study.)

Case No. EE-2008-0259

STAFF'S RECOMMENDATION TO GRANT VARIANCE

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its recommendation the Commission grant Kansas City Power & Light Company (KCPL) a variance from Rule 4 CSR 240-3.160 states:

1. On February 8, 2008, Kansas City Power & Light (KCPL) filed its Application and Motion for Expedited Treatment, requesting a variance from Commission Rule 4 CSR 240-3.160 "Filing Requirements for Electric Utility General Rate Increases Request." to allow it to delay filing a depreciation study data base, and property unit catalog until it files Rate case No. 4 (2009 rate case)_required by the KCPL Experimental Regulatory Plan approved by the Commission in Case No. EO-2005-0329 (p. 41 of Stipulation and Agreement).

2. On February 8, 2008, the Commission issued its Order Providing Notice, Establishing Intervention Deadline, and Directing Response. That Order directed Staff to file a recommendation no later than February 29, 2008.

3. In the attached Memorandum (Appendix A), the Missouri Public Service Commission Engineering & Management Services Dept. Staff (Staff) recommends that

the Commission issue an Order that grants KCPL the requested variance from the requirement under 4 CSR 240-3.160 that a depreciation study, database and property unit catalog until KCPL files rate increase request number 4 accordance with the Stipulation and Agreement the Commission approved in Case No. EO-2005-0329, which describes the timing of that filing as follows: "Rate schedules with an effective date of September 1, 2010, will be filed with the Commission on October 1, 2009, or eight (8) months prior to the commercial in service operation date of Iatan 2."

WHEREFORE, Staff requests that the Commission issue an Order that grants KCPL a variance from the requirement of 4 CSR 240-3.160 that a depreciation study, database and property unit catalog in connection with the KCPL rate increase request until KCPL files rate increase number 4 in accordance with the Stipulation and Agreement the Commission approved in Case No. EO-2005-0329, which describes the timing of that filing as follows: "Rate schedules with an effective date of September 1, 2010, will be filed with the Commission on October 1, 2009, or eight (8) months prior to the commercial in service operation date of Iatan 2."

Respectfully submitted,

/s/ Sarah Kliethermes
Sarah L. Kliethermes
Legal Counsel
Missouri Bar No. 60024

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Missouri Public Service Commission
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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 28th day of February, 2008.

/s/ Sarah L. Kliethermes

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. EE-2008-0259, Kansas City Power & Light Company

FROM: Guy Gilbert, PE, RG, Utility Services Division,
Engineering & Management Services Department

SUBJECT: Staff Recommendation to Grant Kansas City Power & Light Company (KCPL) a Variance from Rule 4 CSR 240-3.160 to allow it to not be required to file a depreciation study data base, and property unit catalog with a rate case until it files Rate case No. 4 (2009 rate case) which is required by the KCPL Experimental Regulatory Plan approved by the Commission in Case No. EO-2005-0329 (p. 41 of Stipulation and Agreement).

DATE: February 28, 2008

/s/ Guy Gilbert 2/28/08
Utility Services Division/Date

/s/ Sarah Kliethermes 2/28/08
General Counsel's Office/Date

DISCUSSION

On February 8, 2008, Kansas City Power & Light Company (KCPL) filed its Application and Motion for Expedited Treatment, requesting a variance from the requirement under 4 CSR 240-3.160 "Filing Requirements for Electric Utility General Rate Increases Request," of the filing of a depreciation study in connection with the filing of a rate increase request under certain circumstances. Granting this request would allow the Company to delay the filing of its depreciation study, database and property unit catalog until its 2009 Rate Case.

- KCPL has stated that it anticipates filing a Rate Case in June or July of 2008, however, KCPL does not believe that it would request changes to its depreciation rates.
- KCPL has stated that it anticipates filing another rate case in the second half of 2009. This rate case should reflect changes in plant accounts resulting from the additions at Iatan(s) 1 and 2. Material changes to the depreciation rates are more likely to be proposed at this time.
- Staff recognizes that in the Report and Order of Case No. ER-2006-0314, at page 52, that the Commission stated that as regards KCPL's depreciation during the pendency of KCPL's Experimental Regulatory Plan, that any increase or decrease in depreciation accruals would be offset by the allowed additional amortization to meet credit metrics agreed to in Case No. EO-2005-0329.

RECOMMENDATION

Staff has no objection to the Company's application to delay the filing of its depreciation study, database and property unit catalog until its 2009 Rate Case.

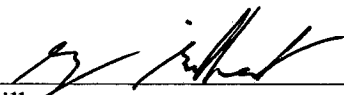
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AFFIDAVIT OF GUY GILBERT

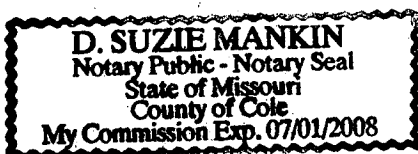
STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

Guy Gilbert, of lawful age, on his oath states: that he has participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was developed by him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true and correct to the best of his knowledge and belief.



Guy Gilbert

Subscribed and sworn to before me this 28 day of February, 2008.





Notary Public