BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF MISSOURI

In the Matter of the Application of Kansas City Power & Light Company for Approval to Make Certain Changes in its Charges for Electric Service to Continue the Implementation of its Regulatory Plan.	)))))	**Case No. ER-2010-0355** Tariff No. JE-2010-0692

Staff's Motion in Limine Regarding Interim Energy Charge

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and for its *Motion in Limine Regarding Interim Energy Charge* states:

1. Kansas City Power & Light Company employee Tim M. Rush, Director, Regulatory Affairs, testifies on behalf of Kansas City Power & Light Company ("KCPL") in his verified direct testimony pre-filed June 4, 2010, on page 16 at lines 6-7 as follows:

Q: Is the Company requesting an IEC in this case?

A: No, the Company has not included a specific request for an IEC in this filing.

2. Given that KCPL is not requesting an IEC in this case, the portions of the verified direct testimony and schedules of the Kansas City Power & Light Company witnesses pre-filed June 4, 2010, in this case identified below are irrelevant, and Staff objects to their admissibility in the evidentiary record in this case on that basis and requests the Commission order them to be inadmissible as evidence in this case. The portions of the verified direct testimony and schedules of the Kansas City Power & Light Company witnesses that are irrelevant because KCPL is not requesting an IEC are:

- With the exception of line 6 and the first full sentence on line 7 of page 16, page 14, line 21 to page 17, line 7 of the direct testimony of Mr. Rush, and attached Schedules TMR2010-1, TMR2010-2, TMR2010-3 and TMR2010-4.

- With the exception of lines 18-23 on page 18, page 16, line 17 to page 19, line 19 of the direct testimony of Burton L. Crawford, Senior Manager, Energy Resource Management, KCPL, and attached Schedules BLC2010-9 (HC), BLC2010-10, BLC2010-11, BLC2010-12 (HC) and BLC2010-13 (HC).
- Page 23, line 8 to page 26, line 5 of the direct testimony of Wm. Edward Blunk, Supply Planning Manager, KCPL.
- Page 3, the sentence beginning on line 2 and ending on line 4, and page 5, line 15 to page 6, line 19 of the direct testimony of Samuel C. Hadaway,

Copies of the pages of the prefiled direct testimony of the foregoing witnesses with the objected to portions of that testimony highlighted are attached and marked Attachment A, Attachment B, Attachment C and Attachment D, respectively.

WHEREFORE, Staff requests the Commission issue an order in which it finds the portions of Mr. Rush's, Mr. Crawford's, Mr. Blunk's and Mr. Hadaway's pre-filed direct testimonies identified above are irrelevant and orders them to be inadmissible as evidence in this case.

Respectfully submitted,

/s/ Nathan Williams
Nathan Williams
Deputy Staff Counsel
Missouri Bar No. 35512

Attorney for the Staff of the
Missouri Public Service Commission
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 22nd day of November 2010.

/s/ Nathan Williams

Exhibit No.:	
Issue:	Minimum Filing Requirements, Revenues, Depreciation Study, Electric Class Cost of Service Study, Rate Design, Rules and Regulations, Interim Energy Charge, Transmission Tracker, Renewable Energy Standard and Missouri Energy Efficiency Investment Act of 2009
Witness:	Tim M. Rush
Type of Exhibit:	Direct Testimony
Sponsoring Party:	Kansas City Power & Light Company
Case No.:	ER-2010-____
Date Testimony Prepared:	June 4, 2010

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2010-____

DIRECT TESTIMONY

OF

TIM M. RUSH

ON BEHALF OF

KANSAS CITY POWER & LIGHT COMPANY

Kansas City, Missouri
June 2010

"_____**" Designates "Highly Confidential" Information.**
All Such Information Should Be Treated Confidentially
Pursuant To 4 CSR 240-2.135.

Q: Has the Company reflected the estimated **$180,000 in annual additional revenue in its revenue requirement in this rate proceeding?**

A: Yes, this adjustment has been reflected in the revenue requirement, as adjustment R-22 included on Schedule JPW2010-2 attached to the direct testimony of Company witness John Weisensee.

Q: What changes to the tampering rules is the Company seeking?

A: In accordance with the Commission's approval of the Company's definition for "Unauthorized Use" as found in Rate Case ER-2006-0314, we propose adding it to the language in Sheet 1.17, Section 4.10, Tampering With Company Facilities. Within the text of the Rule, the new language, in italics, would read: "…may have received unmetered service *or unauthorized use*." We believe this clarifies that tampering may include metered service which is not authorized by the Company, in addition to those instances where tampering involves unmetered service.

The Company also seeks to amend the language of Sheet 1.17, Section 4.10, Tampering With Company Facilities, so that the following new language, in italics, is added: "…and, in addition thereto, the Customer shall be required to bear all *associated* costs incurred by Company, *including, but not limited to, estimated labor charges, investigation and prosecution costs, material charges, and* such protective equipment as, in the judgment of the Company, may be necessary."

VII. INTERIM ENERGY CHARGE

Q: Does the Company have a Fuel Adjustment Clause ("FAC")?

A: No, it does not. Per the Stipulation and Agreement ("Stipulation") approved in 2005 by the Commission in KCP&L's Experimental Regulatory Plan ("Regulatory Plan") docket,

Case No. EO-2005-0329, the Company agreed that it will not seek an FAC in this rate case. However, the Company is not prohibited from requesting an IEC.

Q: Please explain.

A: As permitted by Section III(B)(1)(c) at pages 7-8 of the Stipulation in Case No. EO-2005-0329, KCP&L can propose an IEC in a general rate case filed before June 1, 2015 within the following parameters:

1. The rates and terms for such an IEC shall be established in a rate case along with a determination of the amount of fuel and purchased power costs to be included in the calculation of base rates.

2. The rate or terms for such an IEC shall not be subjected to change outside of a general rate case where all relevant factors are considered.

3. The IEC rate "ceiling" may be based on both historical data and forecast data for fuel and purchased power costs, forecasted retail sales, mix of generating units, purchased power, and other factors including plant availability, anticipated outages (both planned and unplanned), and other factors affecting the cost of providing energy to retail customers.

4. The duration of any such IEC shall be established for a specific period of time, not to exceed two years.

5. A refund mechanism shall be established which will allow any other over-collections of fuel and purchased power amounts to be returned to ratepayers with interest following a review and true-up of variable fuel and purchased power costs at the conclusion of each IEC. Any uncontested amount of over-collection shall

be refunded to ratepayers no later than 60 days following the filing of the IEC true-up recommendation of the Staff.

6. During an IEC period, KCP&L shall provide to the Staff, Public Counsel and other interested Signatory Parties monthly reports that include any requested energy and fuel purchase power cost data.

Q: Is the Company requesting an IEC in this case?

A: No, the Company has not included a specific request for an IEC in this filing. However, given the expected increases in fuel and purchased power costs beyond the time rates take affect in this case, an IEC may be a preferred method.

Q: What are the rules for establishing an IEC?

A: The requirements for establishing a Rate Adjustment Mechanism ("RAM"), found in Section 386.266, RSMo and Commission Rules 4 CSR 240-20.090 and 4 CSR 240-3.161(2)(A) through (S), became effective January 30, 2007. The RAM rules are inclusive of both FACs and IECs. 4 CSR 240-20.090(12)(B) specifically states that the provisions of the rules shall not affect any experimental regulatory plan that was approved by the Commission and in effect prior to the effective date of the rule.

Q: Has the Company met all of the filing requirements to establish the IEC?

A. Yes. The information required when an electric utility files to establish an IEC is summarized in the attached Schedule TMR2010-1. Schedules TMR2010-2, TMR2010-3 and TMR2010-4 contain certain specific filing requirements and are referenced in Schedule TMR2010-1. However, the information provided does not include a specific dollar request or specific time period for the IEC.

Q: Did the Company also complete a line loss study required in 4 CSR 240-20.090?

A: Yes, it did. A line loss study was completed in October 2009.

Q: Why has the Company performed all of the work necessary to implement an IEC and yet not requested an IEC in this proceeding?

A: KCP&L wanted to raise the issue and have the flexibility to propose an IEC in this proceeding if at some point in this case it was determined that an IEC would be appropriate.

VIII. TRANSMISSION TRACKER

Q: What is the Company's proposal regarding a transmission tracker?

A: The Company requests that a transmission tracking mechanism be authorized in this case to ensure the appropriate recovery of transmission costs. The Company's request for a transmission tracker would be treated similarly to the tracking mechanism for its pension costs and the many other tracker mechanisms throughout the state for the different utilities. Other utilities in Missouri have similar tracking mechanisms, such as Empire District Electric Company's Vegetation Management/Infrastructure Inspection and pension trackers and AmerenUE's SO_2 and pension trackers.

Trackers are valuable tools for costs that are material and may fluctuate from year-to-year. Use of the tracker ensures that in the years between rate cases the utility does not under-recover or over-recover its costs.

Q: Why is a tracker appropriate for KCP&L's transmission costs?

A: Transmission costs can vary significantly from year-to-year, and such costs are a material cost of service component. Historically, transmission costs have fluctuated due to load fluctuation, both native and off-system. An added factor in the coming years relates to

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Kansas City Power & Light Company to Modify Its Tariffs to Continue the Implementation of Its Regulatory Plan	)))	Docket No. ER-2010-____

AFFIDAVIT OF TIM M. RUSH

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

Tim M. Rush, being first duly sworn on his oath, states:

1. My name is Tim M. Rush. I work in Kansas City, Missouri, and I am employed by Kansas City Power & Light Company as Director, Regulatory Affairs.

2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Kansas City Power & Light Company consisting of twenty-seven (27) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.

3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.

Tim M. Rush

Subscribed and sworn before me this 28th day of May, 2010.

Nicole A. Wehry
Notary Public

My commission expires: Feb. 4, 2011

"NOTARY SEAL"
Nicole A. Wehry, Notary Public
Jackson County, State of Missouri
My Commission Expires 2/4/2011
Commission Number 07391200

4 CSR 240-3.161 Electric Utility Fuel and Purchased Power Cost Recovery Mechanisms Filing and Submission Requirements

4 CSR 240-3.161(2) When an electric utility files to establish a RAM as described in 4 CSR 240- 20.090(2), the electric utility shall file the following supporting information as part of, or in addition to, its direct testimony:

(A) An example of the notice to be provided to customers as required by 4 CSR 240-20.090(2)(D);

Please see Schedule TMR2010- 2.

(B) An example customer bill showing how the proposed RAM shall be separately identified on affected customers' bills in accordance with 4 CSR 240-20.090(8);

Please see Schedule TMR2010-3.

(C) Proposed RAM rate schedules;

Please see Schedule TMR2010-4.

(D) A general description of the design and intended operation of the proposed RAM;

The Interim Energy Charge (IEC) is a refundable fixed charge, established in this general rate proceeding, that will permit Kansas City Power & Light Company (KCP&L) to recover some of its variable fuel and purchased power costs separate from its base rates.

The IEC will be in effect for one year with an option to extend for a second year. The rate will be based on projected variable fuel and purchased power costs to serve KCP&L's Missouri retail customers for the IEC period. All fixed costs are included in base energy rates. The Off System Sales margin is included in base energy rates and not in the IEC.

There will be two IEC rates: one rate for primary voltage customers and one rate for secondary voltage customers.

During the IEC period, KCP&L shall provide to the Staff, Public Counsel and other interested Signatory parties monthly reports that include any requested energy and fuel and purchased power cost data.

After the IEC term is completed a true-up audit will determine if any portion of the revenues collected exceed KCP&L's actual and prudently incurred cost for fuel and purchased power during the IEC period. KCP&L shall refund the excess, if any, above the greater of the actual or the base, plus interest. Interest will be equal to KCP&L's short-term borrowing rate and will be applied to any amount to be refunded starting with the end of the IEC period. No refund will be made if

KCP&L's actual and prudently incurred costs for fuel and purchased power during the IEC period equal or exceed the projected amount.

Any uncontested amount of over-collection shall be refunded to ratepayers no later than 60 days following the filing of the IEC true-up recommendation of the Staff. Such refunds, if any, will be based on the billing units of the customer to which these amounts were applied. Any refund will appear as a one-time credit on the customer's bill.

(E) A complete explanation of how the proposed RAM is reasonably designed to provide the electric utility a sufficient opportunity to earn a fair return on equity;

Please see the direct testimony of Samuel C. Hadaway.

(F) A complete explanation of how the proposed FAC shall be trued-up to reflect over- or under-collections, or the refundable portion of the proposed IEC shall be trued-up, on at least an annual basis;

Determination of the over- and under-collection status of the IEC will be based on the agreed upon IEC period. In determining the over- or under- collection status, IEC costs will include actual to date costs plus projections for the remainder of the IEC period. IEC revenue will include actual to date amounts billed plus projections for the remainder of the IEC period.

Each calendar month there will be a calculation for over- or under-collection for the IEC period. If the IEC allowable costs over the IEC period exceed the recoverable IEC billing amounts, there will not be an accounting entry to the general ledger. If the IEC allowable fuel costs over the IEC period are less than the recoverable IEC billing amounts, an accrual to reflect the over recovery will be booked in FERC Account 254, Regulatory Liability.

After the defined IEC period, a filing in compliance with the rate case order will be made with the Missouri Public Service Commission. If IEC allowable costs for the IEC period are higher than the IEC billed amounts, no refund will be due customers. If IEC allowable costs for the IEC period are lower than the IEC billed amounts, a refund of any excess up to the IEC billed amounts will be made. The refund made to customers will be based on usage during the IEC period. The timing of the refund will be determined after all applicable parties have completed an audit of the IEC charges subsequent to the IEC period. To the extent that the refund does not match exactly what is owed, any remaining funds shall be donated to a Low-income assistance program to be agreed upon by the parties.

In cases where a (former) customer is no longer a customer in the billing month in which bill credits appear, KCP&L will mail to the last known address of such former customer a check for the amount of the refund owed. No such checks will be issued a refund amount of less than $3.00. KCP&L may apply the amount of any refund owed a particular former customer for the IEC against any amount owed KCP&L by that former customer.

If the IEC is extended for a second period, the above process will be repeated.

(G) A complete description of how the proposed RAM is compatible with the requirement for prudence reviews;

4 CSR 240-20.090 sets forth the definitions, structure, operation, and procedures relevant to a Fuel Adjustment Clause. Section (7) is specific to prudence reviews, requiring a review no less frequently than at eighteen (18)-month intervals. KCP&L agrees that prudence reviews should occur no less frequently than at 18 month intervals.

It is anticipated that parties to any prudence review proceeding would apply the standard of determining whether decisions were prudent given the facts know at the time those decisions were made, as opposed to a "hindsight" review. If Staff or other parties believe that the evidence supports a prudence adjustment, they have the opportunity to bring that proposal to the Commission for an evidentiary hearing and decision.

(H) A complete explanation of all the costs that shall be considered for recovery under the proposed RAM and the specific account used for each cost item on the electric utility's books and records;

Variable fuel and purchased power costs are eligible for recovery.

The Federal Energy Regulatory Commission (FERC) Code of Federal Regulations is the basis for the KCP&L's accounting codes. Fuel used in the production of steam for the generation of electricity (Coal Plants) is included in FERC account 501. Emission Cost is in FERC account 509. Nuclear Fuel is in FERC account 518. Fuel used in other power generation (Combustion Turbines) is included in FERC account 547. Purchased Power is in FERC account 555. The following six digit KCP&L accounts expanded from the FERC accounts will be included as allowable IEC costs:

General Ledger Account	Expense
501000	Coal and Freight Costs (Variable)
501001	Coal and Freight Costs (Variable)
501003, 501004	Coal SO2 Premiums
501009, 501010	Coal and Freight Costs (Variable)
501020	Contra Coal and Freight Costs to SFR
501100, 501101	Oil Costs
501200, 501201	Natural Gas Costs
501300	Additives - Limestone Costs
501301	Additives - Ammonia Costs
501302	Additives - PAC
501400	Residuals Costs
501509	Fuel Handling (Fuel for Fuel Handling ONLY)
509000, 509002, 509003	Emission Allowances
518000	Nuclear Fuel Expense
518100	Nuclear Pwr-Fuel Expense-Oil
518200	Nuclear Fuel-Decontam&Decommis
518201	Nuclear Fuel-Disposal Cost
547001, 547010	Oil Costs
547002, 547004	Gas Costs & Transportation (Variable)

547020	Contra Gas Costs & Transportation to SFR
547301	Additives - Ammonia Costs
555000, 555020, 555021	Purchased Power-Energy
555005	Purchased Power-Capacity (Short-term ONLY)
555000	Renewable REC's

Accounts provided were used as of December 31, 2009; however, additional accounts may be added in the future as business needs arise.

(I) A complete explanation of all the revenues that shall be considered in the determination of the amount eligible for recovery under the proposed RAM and the specific account where each such revenue item is recorded on the electric utility's books and records;

IEC revenues are billed as a separate line item on a customer's bill and recorded in the following revenue accounts to accurately track revenues and facilitate the review process. In addition, the CIS+ billing system tracks the IEC billed line item.

General Ledger Account	Revenue
440001	Residential Electric Revenue
442001, 442003	Commercial Electric Revenue
442004	Street Lighting Primary Revenue
442101	Primary Revenue
442201	Manufacturing Primary Revenue
442202	Manufacturing Other Revenue
444001	Public Street Lighting Revenue
444002	Traffic Signals Revenue

At each month end, a journal entry to record the estimated unbilled revenue is recorded in the following revenue accounts with the IEC component included. The estimate is reversed in the following month.

General Ledger Account	Revenue
440003	Electric Sales – Unbilled Residential
442005	Electric Sales – Unbilled Commercial
442102	Electric Sales – Unbilled Primary
442203	Electric Sales – Unbilled Mfg Primary Power
442204	Electric Sales – Unbilled Mfg
444003	Electric Sales – Unbilled Street Lights
445002	Electric Sales – Pub Authorities

IEC revenues are recorded as revenue (as shown above) when processed by CIS+ or recorded as unbilled IEC revenue. Unlike an FAC, IEC revenue is not offset in the Accrued Fuel Clause account (182380). IEC revenue will be recognized as KWh usage occurs.

Current period over/under accrued IEC revenues are defined above as total IEC allowable costs less total IEC revenues. Accruals of over collected IEC revenues will be based on the full projected costs and revenues for the IEC period as defined above. When the projected IEC period revenues are over collected (e.g.,

costs are lower than revenue), accrued IEC revenues will be offset in FERC Account 254, Regulatory Liability. The over accrued IEC revenues will be booked to a separate set of revenue accounts, as follows:

General Ledger Account	Revenue
440007	Residential Electric Revenue FAC/IEC Unbilled
442007	Commercial Electric Revenue FAC/IEC Unbilled
442205	Industrial Firm Electric Rev FAC/IEC Unbilled
444005	Sales Street Lighting FAC/IEC Unbilled
445005	Sales Public Authority Electric FAC/IEC Unbilled

When the projected IEC period revenues are under collected (e.g., costs are higher than revenue), revenue will not be affected by under recovery.

This accounting process, and the information used to support the recording of these entries, creates a paper audit trail to enable the audit of the accounts.

(J) A complete explanation of any incentive features designed in the proposed RAM and the expected benefit and cost each feature is intended to produce for the electric utility's shareholders and customers;

No incentive features are designed.

(K) A complete explanation of any rate volatility mitigation features designed in the proposed RAM;

Please see the direct testimony of Wm. Edward Blunk.

(L) A complete explanation of any feature designed into the proposed RAM or any existing electric utility policy, procedure, or practice that can be relied upon to ensure that only prudent costs shall be eligible for recovery under the proposed RAM;

KCP&L's RAM expenses are subject to periodic Prudence Reviews to ensure that only prudently-incurred fuel and purchased power costs are collected from customers through the RAM.

Rules and procedures for contracts are outlined in the Sarbanes Oxley documentation.

Rules and procedures for the hedging program are in the Risk Management Policy.

(M) A complete explanation of the specific customer class rate design used to design the proposed RAM base amount in permanent rates and any subsequent rate adjustments during the term of the proposed RAM;

A class cost of service study and rate design change are a part of this current rate filing. The existing rate design is maintained by allocating the rate increase as a percentage increase to all classes.

The proposed IEC will be billed to customers based on usage and is not a part of base rates. The IEC allocates cost by voltage.

(N) A complete explanation of any change in business risk to the electric utility resulting from implementation of the proposed RAM in setting the electric utility's allowed return in any rate proceeding, in addition to any other changes in business risk experienced by the electric utility;

Please see the direct testimony of Samuel C. Hadaway.

(O) The supply-side and demand-side resources that the electric utility expects to use to meet its loads in the next four (4) true-up years, the expected dispatch of those resources, the reasons why these resources are appropriate for dispatch and the heat rates and fuel types for each supply-side resource; in submitting this information, it is recognized that supply- and demand-side resources and dispatch may change during the next four (4) true-up years based upon changing circumstances and parties will have the opportunity to comment on this information after it is filed by the electric utility;

Please see the direct testimony of Burton L. Crawford.

(P) A proposed schedule and testing plan with written procedures for heat rate tests and/or efficiency tests for all of the electric utility's nuclear and non-nuclear generators, steam, gas, and oil turbines and heat recovery steam generators (HRSG) to determine the base level of efficiency for each of the units;

Please see the direct testimony of Burton L. Crawford.

(Q) Information that shows that the electric utility has in place a long-term resource planning process, important objectives of which are to minimize overall delivered energy costs and provide reliable service;

Please see the direct testimony of Burton L. Crawford.

(R) If emissions allowance costs or sales margins are included in the RAM request and not in the electric utility's environmental cost recovery surcharge, a complete explanation of forecasted environmental investments and allowances purchases and sales; and

Please see the direct testimony of Wm. Edward Blunk and Burton L. Crawford.

(S) Authorization for the commission staff to release the previous five (5) years of historical surveillance reports submitted to the commission staff by the electric utility to all parties to the case.

The commission staff is authorized to release the previous five (5) years of historical surveillance reports to all parties to the case based on the Confidentiality designations of the parties.

Important Notice

Kansas City Power & Light Company ("KCP&L" or "Company") has filed a rate increase request with the Missouri Public Service Commission ("PSC"). The increase would total approximately 13.78 percent. For the average KCP&L residential customer the proposed increase would be approximately $12.69 per month.

The Company has also asked the PSC to establish an Interim Energy Charge ("IEC"). The IEC would allow the Company to recover _____ per kWh in addition to base rates for variable fuel and purchased power costs from _____ to _____ (the IEC period). Any over-collection of fuel and purchased power amounts would be returned to ratepayers with interest following a review and true-up of variable fuel and purchased power costs at the conclusion of the IEC period.

A local public hearing (or evidentiary hearing) has been set before the PSC at ___o'clock, on (date) at _____, (address), City, Missouri. The local public hearing will be held in a facility that meets the accessibility requirements of the Americans with Disabilities Act. Any person who needs additional accommodations to participate in this hearing should call the Public Service Commission's hotline at 1-800-392-4211 (voice) or Relay Missouri at 711 before the hearing.

Consumers wishing to comment on the rate proposal may also: Mail a written comment to the Public Service Commission, P.O. Box 360, Jefferson City, Missouri 65102; Electronically submit a comment to the PSC through the Internet by accessing the PSC's Electronic Filing and Information System at http://m1e.net/c?56264906-ClNdZeKsfZhIg%405245396-gGo4ESsd/nMTk (please reference case number _____); or Contact the Office of the Public Counsel, P.O. Box 2230, Jefferson City, Missouri 65102, telephone 573-751-4857 or toll-free 866-922-2959, opcservice@ded.mo.gov . Comments are viewable by the public. Do not include any information in a public comment that you do not wish to be made public.

For billing and service information : **816-701-0450**
or toll-free : **1-866-601-9405**
For emergencies or lights out : **1-888-544-4852** (1-888-LIGHT-KC)

Customer Name [redacted]
Service Address [redacted]
Account Number : [redacted]

Due upon receipt : **$ 1,540.79**

Billing Date: 04/08/2010

Message Board

Summer rates begin May 16. A reminder, the price for electricity is slightly higher during the four months ahead. The annual difference corresponds with KCP&L's tariffs on file with the Commission. To even out seasonal highs and lows and balance payments, enroll in KCP&L's Budget Billing plan. Learn more at ***www.kcpl.com***.

It pays to be energy efficient. KCP&L's Custom Rebate Program rewards commercial and industrial customers who implement pre-approved energy-saving measures. For more details, call ***1-800-541-2475*** or visit ***www.kcpl.com/business/rebates***.

Account Summary

for service from 03/05/2010 to 04/05/2010

Previously Billed	$ 992.46
Late Payment Charge - 03/26/2010	7.72
Current Charges *(details on back)* [redacted]	547.17
Due upon receipt	$ 1,547.35
Late charge if received after April 22, 2010	8.23
Amount due with late charge	$1,555.58

***** DISCONNECT NOTICE *****

Your account is **$992.46 past due.** A new or additional deposit may be required and your service could be disconnected if this amount is not received on or before **04/19/2010.**

Should disconnection become necessary, the following charges will apply:
$25 for reconnection at the meter, or
$50 for reconnection at the pole

Disregard this notice if you have either paid the past due amount or made payment arrangements.

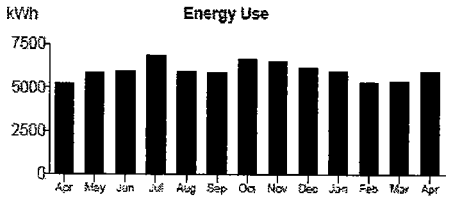
Customer Name : [redacted]
Service Address : [redacted]
Account Number : [redacted]

Billing Date: 04/08/2010

[redacted]

Deposit paid : $ 1,000.00

Small General Service - 1SGSE



Comparative Usage Information

Period	kWh	Days	kWh / day	Total $ / day
Current	5,965	31	192.4	**$ 17.43**
Previous	5,391	29	185.8	**$ 17.07**
Last year	5,209	28	186.0	**$ 14.93**

Billing Details - service from 03/05/2010 to 04/05/2010

Energy Charge	$ 439.67
Customer Charge	15.25
IEC for 5965 kWh@$0.0011	6.56
subtotal :	$ 461.48
Kansas City franchise fee :	50.55
Missouri state sales tax :	19.22
Jackson county sales tax :	5.12
Kansas City sales tax :	10.80
Current Charges :	**$ 547.17**

Meter	Start Read Date	End Read Date	Days	End Read	(-)	Start Read	(=)	Read Difference	(x)	Meter Multiplier	(=)	Actual kWh Used	Actual kW Demand
[redacted]	3/5	4/5	31	22997		17032		5965		1		5965	13.9

KANSAS CITY POWER & LIGHT COMPANY

P.S.C. MO. No. 7 ☒ Original Sheet No. ____
☐ Revised

Cancelling P.S.C. MO. 6 All previous sheets ☐ Original Sheet No. ____
☐ Revised

For Missouri Retail Service Area

INTERIM ENERGY CHARGE
Schedule IEC

APPLICATION:

The Interim Energy Charge (Schedule IEC) is applicable to all electric service billed under any of the Company's electric rate schedules, metered or unmetered, subject to the jurisdiction of the Commission as reflected separately on each rate schedule. The revenue from this tariff will be collected on an interim and subject to true-up and refund basis under the terms ordered in Case No. ER-2010-____.

RATE:

In addition to the charges that the Company makes for electric service set forth in its approved and effective rate schedules, the following applicable amount will be added:

Secondary voltage customers per kWh	$0._____
Primary voltage customers per kWh	$0._____

CONDITIONS OF SERVICE:

This interim energy charge shall be in effect from _____ through _____. Subsequent to the expiration a true-up audit will determine if any portion of the revenues collected exceed the Company's actual and prudently incurred costs for fuel and purchased power during the interim period, and refunds, if warranted, will be issued. The Company shall refund the excess, if any, above the greater of the actual or the base, plus interest. Interest will be equal to the Company's short-term borrowing rate and will be applied to any amount to be refunded. No refund will be made if the Company's actual and prudently incurred costs for fuel and purchased power during the IEC period equal or exceed the IEC forecast amount.

Such refunds, if any, shall be based upon the billing units of the customer to which these amounts were applied. Any refund will appear as a one-time credit on the customer's bill.

DATE OF ISSUE: DATE EFFECTIVE:
ISSUED BY: Curtis D. Blanc, Sr. Director Kansas City, Mo.

Attachment B

Exhibit No.:	
Issue:	Fuel and Purchased Power, Electric Utility Fuel and Purchased Power Cost Recovery Mechanism Requirements
Witness:	Burton L. Crawford
Type of Exhibit:	Direct Testimony
Sponsoring Party:	Kansas City Power & Light Company
Case No.:	ER-2010-____
Date Testimony Prepared:	June 4, 2010

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2010-____

DIRECT TESTIMONY

OF

BURTON L. CRAWFORD

ON BEHALF OF

KANSAS CITY POWER & LIGHT COMPANY

Kansas City, Missouri
June 2010

Certain Schedules Attached To This Testimony Designated "(HC)"
Contain Highly Confidential Information.
All Such Information Should Be Treated Confidentially
Pursuant To 4 CSR 240-2.135.

adjustment to Mr. Schnitzer's off-system sales margin. Absent this adjustment, RNU related charges and credits would not otherwise be reflected in the Company's retail cost of service.

Q: What is the basis of the net SPP Revenue Neutrality Uplift charge amount included in this case?

A: The amount of RNU charges included in this case is the actual test year net SPP RNU charges. This adjustment is show in Schedule BLC2010-8.

Q: Please summarize the off-system sales margins reflected in cost of service in this rate proceeding.

A: Off-system sales margins reflect the combination of Mr. Schnitzer's 25th percentile computation and adjustments to that computation for Purchases for Resale, SPP line loss charges and RNU charges. The resulting off-system sales margin is included in the derivation of adjustment R-35, which is reflected in Schedule JPW2010-2 sponsored by company witness John Weisensee.

IV. ELECTRIC UTILITY FUEL AND PURCHASED POWER COST RECOVERY MECHANISM

Q: Which portions of the Electric Utility Fuel and Purchased Power Cost Recovery Mechanism filing requirements are you addressing in your testimony?

A: I will address all or portions of 4 CSR 240-3.161 (2) (O), (P), (Q) and (R). Requirement (O) addresses the projected generation and Demand Side Management ("DSM") dispatch over the next four years, requirement (P) addresses procedures for heat rate tests, requirement (Q) addresses the long-term resource planning process, and requirement (R) addresses forecasted environmental investments.

Q: Please describe your support for compliance with rule 4 CSR 240-3.161 (2)(O)?

A: 4 CSR-3.161 (2)(O) states that, "*The supply-side and demand-side resources that the electric utility expects to use to meet its loads in the next four (4) true up years, the expected dispatch of those resources, the reasons why these resources are appropriate for dispatch and the heat rates and fuel types for each supply-side resource; in submitting this information, it is recognized that supply- and demand-side resources and dispatch may change during the next four (4) true-up years based upon changing circumstances and parties will have the opportunity to comment on this information after it is filed by the electric utility*; …."

The expected resource dispatch levels for the next four years and fuel types can be found in Schedule BLC2010-9 (HC). Heat rate test will be conducted per the testing schedule provided in Schedule BLC2010-10.

Q: Why are these resources appropriate for dispatch?

A: The resources shown in Schedule BLC2010-9 (HC) include those resources owned, under contract, or proposed based on the company's Integrated Resource Planning process. These resources are dispatched on an economic basis. This means the lowest cost resources are generally dispatched to serve KCP&L's native load obligations before higher cost resources. Any remaining generating capability above that needed to meet native load obligations is made available for sale in the wholesale market. The expected resource dispatch levels shown in Schedule BLC2010-9 (HC) are based on an economic dispatch.

Q: Has KCP&L developed a heat rate test procedure and proposed testing schedule for its generating units required per 4 CSR 240-3.161 (2) (P)?

A: Yes. The general procedure for non-nuclear facilities is provided in Schedule BLC2010-11. A proposed schedule for performing heat rate testing is provided in Schedule BLC2010-10. Further procedure detail is to be developed on a plant-specific basis. For Wolf Creek, a monthly heat rate calculation is performed. The thermal gross generation is divided by the electrical gross generation and multiplied by 3,431 to derive the plant's heat rate in terms of Btu/kWh. The historical results of this heat rate calculation are provided in Schedule BLC2010-12 (HC)

Q: Please provide your support for 4 CSR-3.161 (2)(Q).

A: 4 CSR-3.161 (2) (Q) states that, "*Information that shows that the electric utility has in place a long-term resource planning process, important objectives of which are to minimize overall delivered energy costs and provide reliable service; ….*"

KCP&L has a long-term resource planning process. The electric utility resource plan produced by the process is also known as an integrated resource plan ("IRP"). An objective of this planning process is to identify the least cost and preferred resource plans while maintaining adequate capacity reserves for reliability.

Q: When was KCP&L's last IRP prepared?

A: KCP&L prepared and filed its latest IRP report in August 2008 under Case No. EE-2008-0034.

Q: When will the next KCP&L IRP be prepared?

A: Under the current IRP rule, the next KCP&L IRP is to be filed in August 2011. This date may change with the adoption of a new IRP rule by the Commission.

Q: Please provide your support for 4 CSR 3.161 (2) (R).

A: 4 CSR 3.161 (2) (R) states that, *" If emission allowance costs or sales margins are included in the RAM request and not in the electric utility's environmental cost recovery surcharge, a complete explanation of forecasted environmental investments and allowance purchase and sales; …."* KCP&L is currently making plans for a significant investment in environmental controls at the LaCygne Station. These investments include:

LaCygne 1

- Flue Gas Desulfurization (scrubber) replacement primarily for SO2 control.
- Pulse Jet Fabric Filter (baghouse) addition for particulate matter control.

LaCygne 2

- Selective Catalytic Reduction (SCR) system addition for NOx control.
- Flue Gas Desulfurization (scrubber) addition primarily for SO2 control.
- Pulse Jet Fabric Filter (baghouse) addition for particulate matter control.

This equipment is required to meet the Kansas State Implementation Plan for addressing the Clean Air Visibility Rule, also known as BART (best available retrofit technology). The current estimated cost of these environmental investments is shown in Schedule BLC2010-13 (HC). The forecasted emission allowance purchases required by 4 SCR 3.161 (2) (R) can be found in the Direct Testimony of Mr. Wm. Edward Blunk.

Q: Does that conclude your testimony?

A: Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Kansas City Power & Light Company to Modify Its Tariffs to Continue the Implementation of Its Regulatory Plan) Docket No. ER-2010-____

AFFIDAVIT OF BURTON L. CRAWFORD

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

Burton L. Crawford, being first duly sworn on his oath, states:

1. My name is Burton L. Crawford. I work in Kansas City, Missouri, and I am employed by Kansas City Power & Light Company as Senior Manager, Energy Resource Management.

2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Kansas City Power & Light Company consisting of nineteen (19) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.

3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.

Burton L. Crawford

Subscribed and sworn before me this 28th day of May, 2010.

Nicole A. Wehry
Notary Public

My commission expires: Feb. 4, 2011

" NOTARY SEAL "
Nicole A. Wehry, Notary Public
Jackson County, State of Missouri
My Commission Expires 2/4/2011
Commission Number 07391200

2012-14 KCPL ENERGY RESOURCES						
		Dispatch - GWH				
Resources	Fuel	2010	2011	2012	2013	2014
Hawthorn 6/9	Gas	190.96	248.60	300.05	287.10	361.96
Hawthorn 5	Coal	3,746.13	3,538.39	3,329.34	3,304.15	3,202.49
Hawthorn 7	Gas	11.75	15.64	16.71	18.40	21.40
Hawthorn 8	Gas	11.06	14.52	16.57	18.70	22.60
Higginsville	Gas	5.46	6.27	7.06	7.72	8.50
Iatan 1	Coal	3,764.85	3,252.72	3,558.03	3,416.77	3,512.85
Iatan 2	Coal	617.01	3,468.92	3,160.16	3,486.74	3,125.02
Lacygne 1	Coal	2,197.64	1,551.05	1,818.93	1,541.13	1,532.61
Lacygne 2	Coal	2,390.77	2,026.55	2,168.41	2,210.96	1,577.95
Montrose 1	Coal	1,111.35	1,127.47	1,114.11	891.14	1,084.72
Montrose 2	Coal	835.94	847.80	982.63	935.17	876.58
Montrose 3	Coal	1,131.78	1,172.11	1,002.52	1,157.42	1,116.69
Morgan Stanley Purchase	Gas	4.12	6.51	7.99	0.01	0.00
Northeast 11	Oil	0.29	0.06	0.08	0.11	0.17
Northeast 12	Oil	0.38	0.13	0.27	0.38	0.53
Northeast 13	Oil	0.39	0.22	0.25	0.32	0.58
Northeast 14	Oil	0.75	0.24	0.25	0.41	0.64
Northeast 15	Oil	0.55	0.22	0.26	0.32	0.51
Northeast 16	Oil	0.17	0.01	0.08	0.09	0.17
Northeast 17	Oil	0.54	0.19	0.26	0.37	0.44
Northeast 18	Oil	0.53	0.12	0.14	0.19	0.25
Osawatomie	Gas	14.50	11.98	12.28	12.64	15.31
West Gardner 1	Gas	15.88	15.71	17.05	19.13	21.64
West Gardner 2	Gas	14.14	15.92	16.78	17.04	21.76
West Gardner 3	Gas	12.45	14.98	16.51	17.22	21.18
West Gardner 4	Gas	12.21	11.48	13.42	13.51	15.51
Wolf Creek	Nuclear	4,816.35	4,328.43	4,255.62	4,973.21	4,374.15
Spearville I	Wind	403.21	402	400.29	401.37	402.98
Spearville II	Wind	66.20	383.85	383.85	383.85	383.85
Wind 2011 PPA	Wind	0.00	79.59	459.91	465.03	460.10
Wind 2012	Wind	0.00	0.00	53.42	305.76	305.76
Wind 2012	Wind	0.00	0.00	27.40	155.01	153.37
Solar 2011	Solar	0.00	3.52	3.52	3.52	3.52
Solar 2014	Solar	0.00	0.00	0.00	0.00	5.45
DSM	DSM	49.28	132.00	239.59	367.04	484.84

Tentative Heat Rate Testing Schedule

Unit	Test complete by	Comments
Iatan 1	12/31/2010	perform in conjunction with 2010 SPP capability testing
Iatan 2	12/31/2010	In-service testing
LaCygne 1	9/30/2011	
LaCygne 2	12/31/2010	perform in conjunction with 2010 SPP capability testing
Hawthorn 5	12/31/2010	perform in conjunction with 2010 SPP capability testing
Hawthorn 6/9	12/31/2011	
Hawthorn 7	12/31/2010	perform in conjunction with 2010 SPP capability testing
Hawthorn 8	12/31/2010	perform in conjunction with 2010 SPP capability testing
Montrose 1	12/31/2010	perform in conjunction with 2010 SPP capability testing
Montrose 2	12/31/2010	perform in conjunction with 2010 SPP capability testing
Montrose 3	12/31/2010	perform in conjunction with 2010 SPP capability testing
Northeast 11	12/31/2011	
Northeast 12	12/31/2011	
Northeast 13	12/31/2011	
Northeast 14	12/31/2011	
Northeast 15	12/31/2011	
Northeast 16	12/31/2011	
Northeast 17	12/31/2011	
Northeast 18	12/31/2011	
West Gardner 1	12/31/2010	perform in conjunction with 2010 SPP capability testing
West Gardner 2	12/31/2010	perform in conjunction with 2010 SPP capability testing
West Gardner 3	12/31/2010	perform in conjunction with 2010 SPP capability testing
West Gardner 4	12/31/2010	perform in conjunction with 2010 SPP capability testing
Osawatomie 1	12/31/2010	perform in conjunction with 2010 SPP capability testing

In response to the KCPL decision to file for the Interim Energy Charge (IEC), the requirements mandate that a Heat Rate testing schedule and procedure be developed.

Schedule BLC2010-10

GENERATING UNIT HEAT RATE TESTING PROCEDURE

ETP- 002

Revision: 0	Date: 04/26/2010
Submitted: /s/ Nick McCarty	Operations Programs Specialist
Reviewed: /s/ Tony Russaw	Operations Programs Superintendent
Reviewed: /s/ Dave Daraban	Manager, Central Plant Operations
Reviewed: /s/ Kevin Noblet	Director, Supply Services
Plant Manager Review	
Hawthorn: /s/ Darrel Hensley	Iatan: /s/ Tom Mackin
La Cygne: /s/ Ron Sheffield	Lake Road: /s/ Mark Howell
Montrose: /s/ Greg Lee	Sibley: /s/ Dan Rembold
Approved: /s/ Marvin Rollison	Vice President, Renewables
Approved: /s/ Scott Heidtbrink	Senior Vice President, Supply

Revision List

Rev Number	Date	Comments
0	04/26/2010	Issue for use.

1. Purpose

1.1. To establish a standardized procedure for testing and reporting generating unit heat rates to facilitate an accurate means for evaluating generating unit performance. This test will be conducted in accordance with the requirements of Public Service Commission (PSC).

2. Scope

2.1. This procedure will address Heat Rate testing for generating facilities. It defines when Heat Rate Testing will be conducted and where the data is to be sent. Specific information and testing instructions will be handled at each individual generating facility.

3. References

3.1. Unit Capability Testing Procedure – ETP-001

3.2. Aquila PSC FAC ruling – section 4 CSR 240-3.161

3.3. Rules of the Department of Economic Development, Division 240 – Public Service Commission, Chapter 3 – Filing and Reporting Requirements, Section 4 CSR 240-3.161

4. Definitions

4.1. Heat Rate: A measure of generating station thermal efficiency, generally expressed in Btu per net kilowatt-hour. It is computed by dividing the total Btu content of fuel burned for electric generation by the resulting net kilowatt-hour generation.

5. Responsibility

5.1. It will be the responsibility of the Station Performance Engineer, or the Operations Superintendent in their absence, to ensure that the Heat Rate Test is performed on the unit(s) in compliance with each individual plant testing instructions.

5.2. It will be the responsibility of the Performance Testing Coordinator in Central Engineering to coordinate Heat Rate Tests with the Power Control Center and the Generating Facility and then send the data to the Resource Planning Engineer in Energy Resource Management (ERM) to be dispersed as necessary.

5.3. It will be the responsibility of the Resource Planning Engineer in ERM to make the initial notification to the Station Performance Engineers and Central Engineering for Heat Rate tests that are due for the upcoming year.

6. Safety

6.1. No additional safety requirements beyond those in the KCP&L Safety Rules and Procedures.

7. Instructions

7.1. Instrument calibration shall be performed prior to the test as appropriate.

7.2. Determine appropriate heat rate testing conditions exist, this includes items such as ensuring the furnace and convection pass are relatively clean and clear of eyebrows, slag and fouling, each condenser section are clean and the boiler has no tube leaks.

7.3. Test duration requires a 30 minute settling period once the load requirement is met and steady state operation within 5% of the target load. The remainder of the test shall be 4 hours for coal units and 2 hours for Combustion Turbine (CT) and combined cycle units.

7.4. Fuel samples shall be collected for the settling period and once hourly during the test in accordance with fuel sampling protocol. Samples shall be tested for Btu content using the Central Laboratory. Fuel blend shall be noted.

7.5. For coal units, ash samples shall be collected and tested for Loss on Ignition (LOI) by the Central Laboratory according to the appropriate procedure.

7.6. Station Performance Engineers, or the Plant Operations Superintendent in their absence, shall review preliminary test data to ensure test validity. If data is acceptable, perform heat rate calculation using only the data for the testing period to determine the final net unit heat rate. This calculation will be performed by the station Performance Engineer or Central Engineering.

8. Documentation

8.1. In accordance with the Rules of the Department of Economic Development, Division 240 – Public Service Commission, Chapter 3 – Filing and Reporting Requirements, Section 4 CSR 240-3.161, Heat Rate Testing shall be conducted at least once every 2 years and will coincide with the required Accredited Capacity Testing.

8.2. All data collected from the test along with analysis/calculations shall be forwarded to the Resource Planning Engineer in Energy Resource Management (ERM) and the Performance Testing Coordinator in Central Engineering. These two groups will collectively develop a formal heat rate test report for each individual test that includes test data, analyses/calculations and an Executive Summary. The report will be forwarded to management staff at the appropriate facility for review and comments prior to further distribution.

8.3. Energy Resource Management (ERM) will forward the formal heat rate test report to KCP&L Regulatory Department and other departments as appropriate.

9. Recordkeeping

9.1. The Operations Programs Group will maintain this document. The original will be stored electronically by the Operations Programs Group and a copy will be available for use on the Operations Programs Website. A signed hard copy will be maintained by the Operations Programs Group. There will be no other hard copies produced or maintained. This procedure should be reviewed every five years for revision. It will be reviewed by the Operations Programs Group Superintendents and the Operations Programs Manager. It will be approved by the Vice President, Supply Division.

THERMAL PERFORMANCE

GROSS HEAT RATE

(THERMAL GEN GROSS/ELECTRICAL GEN GROSS X 3413)

MO/YR	MONTH	YTD	CUMULATIVE
Jan-07	9,853.2	9,853.2	9,865.7
Feb-07	9,857.4	9,855.2	9,865.7
Mar-07	9,915.3	9,875.8	9,865.9
Apr-07	9,846.8	9,868.5	9,865.9
May-07	9,919.6	9,879.0	9,866.1
Jun-07	9,931.3	9,887.6	9,866.4
Jul-07	10,016.8	9,906.3	9,867.1
Aug-07	10,041.4	9,923.3	9,867.9
Sep-07	9,952.1	9,926.5	9,868.3
Oct-07	9,885.3	9,922.3	9,868.3
Nov-07	9,852.8	9,916.0	9,868.3
Dec-07	9,859.4	9,911.2	9,868.2
Jan-08	9,937.3	9,937.3	9,868.5
Feb-08	9,863.2	9,897.7	9,868.5
Mar-08	9,885.6	9,894.9	9,868.5
Apr-08	0.0	9,894.9	0.0
May-08	9,992.4	9,912.7	9,868.8
Jun-08	9,946.2	9,921.3	9,869.1
Jul-08	9,987.5	9,935.1	9,869.6
Aug-08	10,002.7	9,946.7	9,870.2
Sep-08	9,947.5	9,946.8	9,870.5
Oct-08	9,873.1	9,937.2	9,870.5
Nov-08	9,849.6	9,927.4	9,870.5
Dec-08	9,853.6	9,919.7	9,870.4
Jan-09	9,855.6	9,855.6	9,870.3
Feb-09	9,880.2	9,867.3	9,870.4
Mar-09	9,894.0	9,876.4	9,870.5
Apr-09	9,853.0	9,870.9	9,870.4
May-09	9,956.1	9,887.7	9,870.7
Jun-09	9,988.3	9,904.7	9,871.2
Jul-09	10,014.9	9,921.0	9,871.8
Aug-09	10,068.7	9,936.8	9,872.5
Sep-09	9,948.2	9,938.1	9,872.8
Oct-09	9,918.6	9,937.5	9,872.8
Nov-09	10,168.2	9,944.1	9,873.1
Dec-09	9,869.1	9,936.5	9,873.1
Jan-10	9,859.0	9,859.0	9,873.1
Feb-10	9,860.1	9,859.5	9,873.0
Mar-10	9,935.1	9,880.8	9,873.2
Apr-10			
May-10			
Jun-10			
Jul-10			
Aug-10			
Sep-10			
Oct-10			
Nov-10			
Dec-10			

ESTIMATED LA CYGNE UNIT 1, 2, COMMON ENVIRONMENTAL RETROFITS
Cost Spread / Cash Flow

UNIT 1		UNIT 2		COMMON		UNIT 1, UNIT 2 & COMMON	
	Total		Total		Total		Total
PTD	2,032,948	PTD	2,092,451	PTD	1,365,077	PTD	5,490,475.82
Jan-10	(1,163,744)	Jan-10	(1,187,299)	Jan-10	2,304,517	Jan-10	(46,525.17)
Feb-10	(5,047)	Feb-10	(6,045)	Feb-10	118,543	Feb-10	107,451.56
Mar-10	68	Mar-10	(308)	Mar-10	465,042	Mar-10	464,803.03
Apr-10	-	Apr-10	130	Apr-10	634,439	Apr-10	634,568.77
May-10	-	May-10	-	May-10	856,492	May-10	856,492.41
Jun-10	-	Jun-10	-	Jun-10	856,492	Jun-10	856,492
Jul-10	-	Jul-10	-	Jul-10	856,492	Jul-10	856,492
Aug-10	-	Aug-10	-	Aug-10	856,492	Aug-10	856,492
Sep-10	-	Sep-10	-	Sep-10	1,603,433	Sep-10	1,603,433
Oct-10	-	Oct-10	-	Oct-10	1,603,433	Oct-10	1,603,433
Nov-10	-	Nov-10	-	Nov-10	1,603,433	Nov-10	1,603,433
Dec-10	-	Dec-10	-	Dec-10	1,603,433	Dec-10	1,603,433
Jan-11	15,518,454	Jan-11	18,422,812	Jan-11	5,835,513	Jan-11	39,776,779
Feb-11	3,879,614	Feb-11	4,605,703	Feb-11	3,197,828	Feb-11	11,683,145
Mar-11	7,759,227	Mar-11	9,211,406	Mar-11	4,077,056	Mar-11	21,047,690
Apr-11	7,759,227	Apr-11	9,211,406	Apr-11	4,077,056	Apr-11	21,047,690
May-11	7,759,227	May-11	9,211,406	May-11	5,236,356	May-11	22,206,990
Jun-11	7,759,227	Jun-11	9,211,406	Jun-11	5,236,356	Jun-11	22,206,990
Jul-11	7,759,227	Jul-11	9,211,406	Jul-11	6,395,656	Jul-11	23,366,290
Aug-11	7,759,227	Aug-11	9,211,406	Aug-11	6,395,656	Aug-11	23,366,290
Sep-11	11,638,841	Sep-11	13,817,109	Sep-11	7,274,884	Sep-11	32,730,834
Oct-11	11,638,841	Oct-11	13,817,109	Oct-11	6,115,584	Oct-11	31,571,534
Nov-11	11,638,841	Nov-11	13,817,109	Nov-11	4,956,284	Nov-11	30,412,234
Dec-11	7,759,227	Dec-11	9,211,406	Dec-11	4,077,056	Dec-11	21,047,690
Jan-12	7,759,227	Jan-12	9,211,406	Jan-12	5,406,228	Jan-12	22,376,861
Feb-12	7,759,227	Feb-12	9,211,406	Feb-12	2,423,042	Feb-12	19,393,675
Mar-12	7,759,227	Mar-12	9,211,406	Mar-12	3,417,437	Mar-12	20,388,071
Apr-12	7,759,227	Apr-12	9,211,406	Apr-12	3,417,437	Apr-12	20,388,071
May-12	11,638,841	May-12	13,817,109	May-12	4,131,761	May-12	29,587,711
Jun-12	11,638,841	Jun-12	13,817,109	Jun-12	4,131,761	Jun-12	29,587,711
Jul-12	15,518,454	Jul-12	18,422,812	Jul-12	4,846,084	Jul-12	38,787,351
Aug-12	15,518,454	Aug-12	18,422,812	Aug-12	4,846,084	Aug-12	38,787,351
Sep-12	15,518,454	Sep-12	18,422,812	Sep-12	5,840,479	Sep-12	39,781,746
Oct-12	11,638,841	Oct-12	13,817,109	Oct-12	5,126,156	Oct-12	30,582,106
Nov-12	7,759,227	Nov-12	9,211,406	Nov-12	4,411,832	Nov-12	21,382,466
Dec-12	7,759,227	Dec-12	9,211,406	Dec-12	3,417,437	Dec-12	20,388,071
Jan-13	7,759,227	Jan-13	9,211,406	Jan-13	3,747,247	Jan-13	20,717,880
Feb-13	7,759,227	Feb-13	9,211,406	Feb-13	3,747,247	Feb-13	20,717,880
Mar-13	7,759,227	Mar-13	9,211,406	Mar-13	3,747,247	Mar-13	20,717,880
Apr-13	7,759,227	Apr-13	9,211,406	Apr-13	3,747,247	Apr-13	20,717,880
May-13	11,638,841	May-13	13,817,109	May-13	5,620,870	May-13	31,076,820
Jun-13	11,638,841	Jun-13	13,817,109	Jun-13	5,620,870	Jun-13	31,076,820
Jul-13	11,638,841	Jul-13	13,817,109	Jul-13	5,620,870	Jul-13	31,076,820
Aug-13	7,759,227	Aug-13	9,211,406	Aug-13	3,747,247	Aug-13	20,717,880
Sep-13	7,759,227	Sep-13	9,211,406	Sep-13	3,747,247	Sep-13	20,717,880
Oct-13	7,759,227	Oct-13	9,211,406	Oct-13	3,747,247	Oct-13	20,717,880
Nov-13	7,759,227	Nov-13	9,211,406	Nov-13	3,747,247	Nov-13	20,717,880
Dec-13	7,759,227	Dec-13	9,211,406	Dec-13	3,747,247	Dec-13	20,717,880
Jan-14	5,911,099	Jan-14	7,058,927	Jan-14	2,341,225	Jan-14	15,311,250
Feb-14	5,911,099	Feb-14	7,058,927	Feb-14	2,341,225	Feb-14	15,311,250
Mar-14	2,031,485	Mar-14	2,453,224	Mar-14	467,601	Mar-14	4,952,310
Apr-14	6,926,842	Apr-14	8,285,539	Apr-14	2,575,025	Apr-14	17,787,406
May-14	6,926,842	May-14	8,285,539	May-14	2,575,025	May-14	17,787,406
Jun-14	6,926,842	Jun-14	8,285,539	Jun-14	2,575,025	Jun-14	17,787,406
Jul-14	7,942,584	Jul-14	9,512,151	Jul-14	2,808,826	Jul-14	20,263,561
Aug-14	7,942,584	Aug-14	9,512,151	Aug-14	2,808,826	Aug-14	20,263,561
Sep-14	6,094,456	Sep-14	7,359,672	Sep-14	1,402,804	Sep-14	14,856,931
Oct-14	8,125,941	Oct-14	9,812,896	Oct-14	1,870,405	Oct-14	19,809,242
Nov-14	11,173,169	Nov-14	13,492,732	Nov-14	2,571,807	Nov-14	27,237,708
Dec-14	12,188,912	Dec-14	14,719,344	Dec-14	2,805,607	Dec-14	29,713,863
Jan-15	13,864,195	Jan-15	16,692,037	Jan-15	4,564,260	Jan-15	35,120,492
Feb-15	13,864,195	Feb-15	16,692,037	Feb-15	4,564,260	Feb-15	35,120,492
Mar-15	11,832,710	Mar-15	14,238,813	Mar-15	4,096,659	Mar-15	30,168,182
Apr-15	10,816,967	Apr-15	13,012,201	Apr-15	3,862,859	Apr-15	27,692,027
May-15	8,785,482	May-15	10,558,977	May-15	3,395,257	May-15	22,739,716
Total	489,535,627	Total	583,231,500	Total	227,232,873	Total	1,300,000,000

HIGHLY CONFIDENTIAL
Schedule BLC2010-13
Rev Date 5/12/2010

Exhibit No.:	
Issue:	Fuel Prices, Fuel Hedging, Fuel Related Commodities, Future Fuel and Fuel Related Commodities, Inventory, and Emission Allowances including SO2
Witness:	Wm Edward Blunk
Type of Exhibit:	Direct Testimony
Sponsoring Party:	Kansas City Power & Light Company
Case No.:	ER-2010-____
Date Testimony Prepared:	June 4, 2010

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2010-____

DIRECT TESTIMONY

OF

WM. EDWARD BLUNK

ON BEHALF OF

KANSAS CITY POWER & LIGHT COMPANY

Kansas City, Missouri
June 2010

"_____**" Designates "Highly Confidential" Information.**
Certain Schedules Attached To This Testimony Designated "(HC)"
Also Contain Highly Confidential Information.
All Such Information Should Be Treated Confidentially
Pursuant To 4 CSR 240-2.135.

Q: **Will you know if you are going to file a freight rate complaint case with the STB, by the true-up date in this proceeding?**

A: **It is unlikely we will have filed the rate complaint case, but we will likely have determined if we believe such a case has enough merit to file.**

Q: Do you expect to true-up all emission allowance, fuel, fuel additive, fuel adder and transportation related costs during the course of this proceeding?

A: Yes.

IV. FUTURE FUEL and FUEL RELATED COMMODITIES

Q: What is the purpose of this portion of your testimony?

A: The purpose of this part of my testimony is to explain how prices for fuel and fuel related commodities were forecast to project fuel expense beyond the test period that may be addressed, if an Interim Energy Charge ("IEC") were determined to be an appropriate vehicle to recover fuel and fuel related commodities in this case after the anticipated effective date of tariffs. This also gives the Commission insight into what direction fuel and fuel related commodities are expected to move.

A. Fuel Price Forecast

Q: How did you forecast the natural gas prices that could be used to develop an IEC?

A: Natural gas prices for the 12 months from January 2011 through December 2011 were used to develop the cost of natural gas. Monthly natural gas prices for January 2011 through December 2011 were based on the average of the six (6) business days from March 9 through March 16, 2010, for the NYMEX closing prices for the January 2011 through December 2011 Henry Hub natural gas futures contracts. These monthly Henry Hub prices were then adjusted for basis using the CME Group's ClearPort Panhandle

Basis Swap futures contracts. These basis-adjusted values were used to develop the cost of natural gas.

Q: How did you forecast the oil prices?

A: The price of oil used for flame stability and start-up was based on the average of the six (6) business days from March 9 through March 16, 2010, for the NYMEX closing prices for the December 2011 heating oil futures contract. The heating oil futures contract price was adjusted for basis and transportation to determine the station specific delivered cost for the units that use oil for these purposes. Northeast, on the other hand, uses oil as a primary fuel. For modeling purposes, Northeast was dispatched using replacement fuel prices like those used for flame stability and start-up. Northeast fuel expense, however, was determined using Northeast's projected average inventory value.

Q: How did you forecast the coal prices?

A: The January 2012 delivered prices of PRB coal were forecast as the sum of mine price and transportation rate. About half of KCP&L's expected coal requirements for 2012 currently are under contract. I forecast the 2012 contract prices like the 2011 contract prices I described earlier. The prices for the half of expected coal purchases that are not currently under contract were simply forecast to equal the price of the market-based contract I described earlier for the 2011 prices. The January 2012 price for KCP&L's long-term bituminous coal contract was assumed to equal the contractually specified price for 2011.

Q: How did you develop projections of the freight rates?

A: For the January 2012 freight rates, **I escalated the January 2011 values by the "Average Rate Increase in New Contracts" reported in the November 2009 Rail Price Advisor.**

For those shipments under a contract that extends beyond 2011, I used the mechanism defined in that contract. Where those contracts or proposals called for an index, I constructed the index from data forecast by Moody's Analytics.

B. Fuel Adders and Fuel Additives

Q: How did you develop projections of fuel adders and additives?

A: We included those adders and additives that are volumetric in nature or have price uncertainty. That included coal dust mitigation, natural gas hedging costs, volumetric costs associated with transporting natural gas, ammonia, lime, limestone, PAC, and sulfur.

C. Rate Volatility Mitigation Features

Q: What rate volatility mitigation features are designed in the proposed IEC?

A: As discussed above, KCP&L uses hedging programs for coal and natural gas to mitigate the impacts of market price volatility.

D. Emission Allowance Purchases and Sales

Q: Would emissions allowance costs or sales margins be included in an IEC?

A: Yes, but as discussed above, KCP&L has enough "free" emission allowances to cover its native load. Generation for off-system sales will require the purchase of NOx allowances. The cost for those NOx allowances is being recognized as a variable cost of providing off-system sales and is reflected in KCP&L witness Michael M. Schnitzer's off-system contribution margin calculations.

Q: What are KCP&L's forecasted allowance purchases and sales?

A: **Currently KCP&L is not proposing to sell emission allowances during the period that would be covered by an IEC. Allowances will be purchased as required to support off-

system sales.** This position may change with changes in the laws, rules, or regulations governing emission allowances.

Q: Based on this analysis, what is the expected annual increase in fuel and fuel related expenses for KCP&L Missouri Operations that would be reflected in an IEC?

A: **$23.4 million.**

V. FUEL INVENTORY

Q: What is the purpose of this portion of your testimony?

A: The purpose of this portion of my testimony is to explain the process by which KCP&L determines the amount of fuel inventory to keep on hand and how the level of fuel inventory impacts KCP&L's COS.

Q: Why does KCP&L hold fuel inventory?

A: KCP&L holds fuel inventory because of the uncertainty inherent in both fuel requirements and fuel deliveries. Both fuel requirements and deliveries can be impacted by weather. Fuel requirements can also be impacted by unit availability, both the availability of the unit holding the inventory and the availability of other units in KCP&L's system. Fuel deliveries can also be impacted by breakdowns at a mine or in the transportation system. Events like the flood of 1993 and the 2005 joint line derailments in the SPRB interrupt the delivery of coal to KCP&L's plants. Fuel inventories are insurance against events that interrupt the delivery of fuel or unexpectedly increase the demand for fuel. All of these factors vary randomly. Fuel inventories act like a "shock absorber" when fuel deliveries do not exactly match fuel requirements. They are the working stock that enables KCP&L to continue generating electricity between fuel shipments.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Kansas City Power & Light Company to Modify Its Tariffs to Continue the Implementation of Its Regulatory Plan	)))	Docket No. ER-2010-____

AFFIDAVIT OF WILLIAM EDWARD BLUNK

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

William Edward Blunk, appearing before me, affirms and states:

1. My name is William Edward Blunk. I work in Kansas City, Missouri, and I am employed by Kansas City Power & Light Company as Supply Planning Manager.

2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Kansas City Power & Light Company consisting of thirty-nine (39) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.

3. I have knowledge of the matters set forth therein. I hereby affirm and state that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.

William Edward Blunk

Subscribed and affirmed before me this 28th day of May, 2010.

Nicole A. Wehry
Notary Public

My commission expires: Feb. 4, 2011

" NOTARY SEAL "
Nicole A. Wehry, Notary Public
Jackson County, State of Missouri
My Commission Expires 2/4/2011
Commission Number 07391200

Attachment D

Exhibit No.:
Issue: Cost of Capital
Witness: Samuel C. Hadaway
Type of Exhibit: Direct Testimony
Sponsoring Party: Kansas City Power & Light Company
Case No.: ER-2010-____
Date Testimony Prepared: June 4, 2010

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2010-____

DIRECT TESTIMONY

OF

SAMUEL C. HADAWAY

ON BEHALF OF

KANSAS CITY POWER & LIGHT COMPANY

June 2010

"**_____**" Designates "Highly Confidential" Information.**
Certain Schedules Attached To This Testimony Designated "(HC)"
Also Contain Highly Confidential Information.
All Such Information Should Be Treated Confidentially
Pursuant To 4 CSR 240-2.135.

Q. Please outline and describe the testimony you will present.

A. My testimony is divided into five additional sections. Following this introduction, in Section II, I discuss the impact on ROE if KCP&L were to propose an interim energy charge rate adjustment mechanism ("IEC RAM"). In Section III, I present and explain the Company's requested capital structure and overall cost of capital. In Section IV, I review various methods for estimating the cost of equity. In this section, I discuss the discounted cash flow ("DCF") model, as well as risk premium methods and other approaches that are often used to estimate the cost of capital. In Section V, I review general capital market costs and conditions, and discuss recent developments in the electric utility industry that affect the cost of capital. In Section VI, I discuss the details of my cost of equity studies and provide a summary table of my ROE results.

Q. Please describe the general approach you use in your cost of equity studies.

A. First, my recommendation is premised upon the fair rate of return principles established by the U.S. Supreme Court in *Federal Power Comm'n v. Hope Natural Gas Co.,* 320 US 591, 603 (1944) ("*Hope*") and *Bluefield Water Works & Improvements Co. v. Public Service Commission,* 262 US 679, 693 (1923) ("*Bluefield*"). That is to say, a utility's return authorized by a regulatory body, such as the MPSC, should be commensurate with returns on investments in other enterprises having corresponding risks. The return should also be sufficient to assure confidence in the financial integrity of the utility so as to maintain its credit, and to attract capital so that it is able to properly discharge its public duties. Given these legal principles, I have reviewed several methods to determine an appropriate ROE and overall rate of

("S&P") is forecasting for the coming year. S&P forecasts that long-term government and corporate interest rates will increase from current levels by 30 basis points (0.30%) during 2010. The data sources and the details of my cost of equity studies are contained in my Schedules SCH2010-1 through SCH2010-6.

Q. Please state your ROE recommendation and summarize the results of your cost of equity studies.

A. I estimate the midpoint cost of equity for my comparable group to be 10.75 percent. My DCF analysis indicates that an ROE range of 10.5 percent to 11.0 percent is appropriate. My risk premium analysis indicates an ROE range of 10.61 percent to 10.82 percent. Based on these quantitative results and my further review of other economic data, the reasonable comparable group midpoint ROE is 10.75 percent. As discussed in the testimony of Company witness Curtis Blanc, the Company is requesting an ROE of 11.0 percent commensurate with the top of my DCF range to reflect the Company's reliability and customer satisfaction achievements.

II. IMPACT OF KCP&L'S INTERIM ENERGY CHARGE RATE ADJUSTMENT MECHANISM ON ROE

Q. Have you considered the effect of an IEC RAM on the Company's business risk profile and its required ROE?

A. Yes. I have considered the effect of an IEC RAM discussed by KCP&L witness Tim Rush in his Direct Testimony from several perspectives, and I have concluded from my analysis that no adjustment to ROE should be made if the Company were to request one. Most important, implementation of the IEC RAM would not materially reduce KCP&L's business risk because the Company would remain at risk for any

under-recovery of energy costs and would, in fact, refund to customers any over-recovery that might occur. While the Company would include in base rates its projected energy costs, it would not have an opportunity to adjust its energy cost recovery until the next rate case, and then only on a forward-looking basis. As I will explain below, the level of KCP&L's business risk, with respect to the proposed IEC RAM would be higher, not lower than the typical situation for the comparable companies I use to estimate ROE. For this reason, no downward adjustment to ROE would be necessary if the Company were to propose an IEC RAM.

All of the companies in my 31-company comparable group have rate adjustment mechanisms that reduce the risk of their recovering their energy costs. Schedule SCH2010-1, pages 2-3 lists the companies and shows their cost recovery mechanism at the operating company level. In this regard, if KCP&L were to propose an IEC RAM, it would put the company at least into the category of companies with energy cost adjustment mechanisms. However, it clearly would not have the same risk-mitigating effect that the adjustment mechanisms have on the comparable companies. This is because of the asymmetrical risk posed by the IEC RAM described above and discussed further in Mr. Rush's testimony. Therefore, no adjustment to the base ROE obtained from the comparable company group would be applied to KCP&L if the Company were to request an IEC RAM.

III. KCP&L CAPITAL STRUCTURE AND OVERALL RATE OF RETURN

Q. Please summarize the Company's requested capital structure and overall rate of return.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Kansas City Power & Light Company to Modify Its Tariffs to Continue the Implementation of Its Regulatory Plan	)))	Docket No. ER-2010-____

AFFIDAVIT OF SAMUEL C. HADAWAY

STATE OF TEXAS)
) **ss**
COUNTY OF TRAVIS)

Samuel C. Hadaway, being first duly sworn on his oath, states:

1. My name is Samuel C. Hadaway. I am employed by FINANCO, Inc. in Austin, Texas. I have been retained by Great Plains Energy, Inc., the parent company of Kansas City Power & Light Company, to serve as an expert witness to provide cost of capital testimony on behalf of Kansas City Power & Light Company.

2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Kansas City Power & Light Company consisting of (45) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.

3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.

Samuel C. Hadaway
Samuel C. Hadaway

Subscribed and sworn before me this 20th day of May, 2010.

Notary Public

My commission expires: 01-14-2012

AMRITA SINGH
Notary Public
STATE OF TEXAS
My Comm. Exp. 01-14-2012