## Notice of Ex Parte Contact

TO:

Data Center

All Parties in Case No. EF-2008-0214

FROM:

Chairman Jeff Davis

Commissioner Connie Morray

Commissioner Robert Clayton

Commissioner Lin Appling

Commissioner Terry Jarrett 1 M.

DATE:

February 14, 2008



On February 13, 2008, the above Commissioners received the attached anonymous letter. This case, **EF-2008-0214**, is a contested case. The Commission is bound by its *ex parte* rule, and, we are therefore giving notice to the parties this communication has been received.

Although communications from members of the public and members of the legislature are always welcome, those communications must be made known to all parties to a contested case so that those parties have the opportunity to respond. According to the Commission's rules (4 CSR 240-4.020(8)), when a communication (either oral or written) occurs outside the hearing process, any member of the Commission or Regulatory Law Judge who received the communication shall prepare a written report concerning the communication and submit it to each member of the Commission and the parties to the case. The report shall identify the person(s) who participated in the *ex parte* communication, the circumstances which resulted in the communication, the substance of the communication, and the relationship of the communication to a particular matter at issue before the Commission.

Therefore, we submit this report pursuant to the rules cited above. This will ensure that any party to this case will have notice of the attached information and a full and fair opportunity to respond to the comments contained therein.

cc:

Commissioners

**Executive Director** 

Secretary/Chief Regulatory Law Judge

General Counsel

## Chairman Davis and Other Concerned Parties,

Because of things that have transpired over the last week I am writing this letter out of concern with the many issues involved in the merger of KCPL and Aquila. I am also an employee, shareholder and customer of KCPL and I applaud the previous letter writer for bringing these issues to light. Although there are many issues I am writing of specific concerns with construction of IATANII and with synergy savings that are suppose to come with the merger.

I have been in the utility industry for many years and I don't recall ever being involved in a fiasco such as IATAN. We are getting run through the wringer out here. As you are aware our Vice President of Construction, Dave Price, has resigned. This is going to be the fourth change in leadership with this project. His replacement when found will make five changes. I know how our management is spinning his leaving is for a better job, but if you look at where he is going it's easy to see the truth. His coming was the best thing that has happened out here. His leaving the worst and to bring Downey and Easley out here is a joke. They are a majority of the problem to begin with. Sir I know that there is a lot of information being withheld related to the reforecast of the projected cost for constructing IATANII. There are projections that Dave and our team put together that our management did not like. I know their credibility as well as Dave's will be attacked, but hopefully someone will see through it all. Dave is an extremely competent and honest leader. He was brought in to clean up the mess created by existing management and was doing a great job. The construction cost information is going to be withheld until the transaction is approved. Then it is going to be too late. If the credit agencies really knew they would probably downgrade us in a heart beat. I am not a legal scholar, but if withholding information such as this is not fraud it should be. Our overall capital expenditures are going to sky rocket. Not only for IATAN, but they are going to increase for all the CEP projects. And the Sierra Club can kiss their deal with us good bye. It will never happen. You need to ask for emails to and from our Regulatory group, Chris Giles, and senior management related to these expenses and why they should not be disclosed.

You also need to look at these synergy savings we keep talking about. People are being forced to agree to savings that they know will never happen. But it is either they do it or lose their jobs. Mike Chesser is so disconnected from reality it is scary. The sad thing about all of this is that if approved Mike and his gang will walk away with millions of dollar and we the shareholders, customers and employees will be left holding the bag. The consultants will make millions on the front end putting us in the mess and then another group will come in and make millions to tell how to fix it. This merger may make sense at some point and time, but not now. Not with this management team. Are you really willing to stand by and let this happen? Who is going to stand up and take responsibility down the road? Who is going to be the scapegoat? It will fall at all your feet. The only thing that's going to happen is a lot of people are going to lose their jobs and the customers are going to be forced to bail us out of this mess.

Thank you,
A concerned customer, shareholder and employee of GPE

Also, one last thing, although I am not directly involved, from what I understand the sale of strategic energy is not going to get the money we are including in our models. That will only add to our misery. They may tell you it is, but there is no way. That business was designed for a deregulated industry and that's not reality with many states going back to regulation. Who in their right mind would buy something that's already out of the money?