

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

In the Matter of Kansas City Power &)
Light Company and KCP&L Greater)
Missouri Operations Company's Notice of)
Intent to File a Joint Application for an)
Accounting Authority Order Related to its)
Electrical Operations)

Case No. EU-2012-0131

NON-UNANIMOUS STIPULATION AND AGREEMENT

COMES NOW Kansas City Power & Light Company ("KCP&L") and KCP&L Greater Missouri Operations Company ("GMO"), (collectively referred to as "Companies") and the Staff of the Missouri Public Service Commission ("Staff") (collectively "Signatories") and for their Non-Unanimous Stipulation and Agreement ("Stipulation"), respectfully state as follows:

1. On December 19, 2011, Companies filed an application for an Accounting Authority Order ("AAO") for KCP&L and GMO to (a) defer and record certain incremental costs associated with the compliance with Missouri's Renewable Energy Standard Law found at Section 393.1020 *et seq.* RSMo., (b) include carrying costs on the balances in these regulatory assets and (c) defer such amounts in a separate regulatory asset with the disposition to be determined in each company's next general rate case.

2. On February 14-15, 2012, the parties to this case met to discuss the Companies' applications. As a result of these discussions, Companies and Staff agree that the Commission should issue an AAO to each Applicant authorizing each Applicant: (a) to record all incremental operating expenses associated with the cost of solar rebates, the cost to purchase renewable energy credits, the cost of the

standard offer and other related costs incurred as result of compliance with Missouri's Renewable Energy Standard Law in USOA Account 182; (b) to include carrying costs based on the Companies' short term debt rate on the balances in those regulatory assets; and (c) to defer such amounts in a separate regulatory asset with the disposition to be determined in KCP&L's and GMO's next general rate cases;

GENERAL PROVISIONS OF STIPULATION

3. This Stipulation is being entered into solely for the purpose of settling the issues in this case explicitly set forth above. Unless otherwise explicitly provided herein, none of the Signatories to this Stipulation shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any cost of service methodology or determination, depreciation principle or method, method of cost determination or cost allocation or revenue-related methodology. Except as explicitly provided herein, none of the Signatories shall be prejudiced or bound in any manner by the terms of this Stipulation in this or any other proceeding, regardless of whether this Stipulation is approved.

4. This Stipulation is a negotiated settlement. Except as specified herein, the Signatories to this Stipulation shall not be prejudiced, bound by, or in any way affected by the terms of this Stipulation: (a) in any future proceeding; (b) in any proceeding currently pending under a separate docket; and/or (c) in this proceeding should the Commission decide not to approve this Stipulation, or in any way condition its approval of same.

5. This Stipulation has resulted from extensive negotiations among the Signatories, and the terms hereof are interdependent. If the Commission does not approve this Stipulation unconditionally and without modification, then this Stipulation shall be void and no Signatory shall be bound by any of the agreements or provisions hereof.

6. If approved and adopted by the Commission, this Stipulation shall constitute a binding agreement among the Signatories. The Signatories shall cooperate in defending the validity and enforceability of this Stipulation and the operation of this Stipulation according to its terms.

7. If the Commission does not approve this Stipulation without condition or modification, and notwithstanding the provision herein that it shall become void, (a) 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 RSMo. §536.080 or Article V, Section 18 of the Missouri Constitution, and (b) 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, 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 purpose whatsoever.

8. If the Commission accepts the specific terms of this Stipulation without condition or modification, only as to the issues in these cases explicitly set forth

above, the Signatories each waive their respective rights to present oral argument and written briefs pursuant to RSMo. §536.080.1, their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2, their respective rights to seek rehearing pursuant to §536.500, and their respective rights to judicial review pursuant to §386.510. This waiver applies only to a Commission order approving this Stipulation without condition or modification issued in this proceeding and only to the issues that are resolved hereby. It does not apply to any matters raised in any prior or subsequent Commission proceeding nor any matters not explicitly addressed by this Stipulation.

9. The terms of this Stipulation and the AAOs described in Paragraph 2 of this Stipulation are based on the Missouri Renewable Energy Standard Law, Section 393.1020 RSMo et seq., in effect as of the date of this Stipulation. If there is any material change to the Missouri Renewable Energy Standard Law after the date of this Stipulation, KCP&L and GMO will request another AAO.

WHEREFORE, for the foregoing reasons, the Signatories respectfully request that the Commission issue an Order approving the terms and conditions of this Non-Unanimous Stipulation and Agreement.

Respectfully submitted,

STAFF OF THE MISSOURI PUBLIC
SERVICE COMMISSION

/s/John D. Borgmeyer

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document has been emailed, hand-delivered or mailed, First Class, U.S. Mail, postage prepaid this 3rd day of April, 2012 to all counsel of record.

/s/ John D. Borgmeyer