

**EXHIBIT**

**Exhibit No.:**

**Issue(s):**

**Witness/Type of Exhibit:**

**Sponsoring Party:**

**Case No.:**

Cost of Service

& Rate Design

Meisenheimer/

Supplemental Direct

Public Counsel

ER-2006-0314

**SUPPLEMENTAL**

**DIRECT TESTIMONY**

**OF**

**BARBARA A. MEISENHEIMER**

Submitted on Behalf of the Office of the Public Counsel

**KANSAS CITY POWER & LIGHT COMPANY**

CASE NO. ER-2006-0314

September 8, 2006

CRC Exhibit No. 207  
Case No(s). ER-2006-0314  
Date 10-16-06 Rptr XF

**FILED**

NOV 13 2006

Missouri Public  
Service Commission


In the Matter of the Application of Kansas )  
City Power & Light Company for )  
Approval to Make Certain Changes in its ) **ER-2006-0314**  
Charges for Electric Service to Begin the )  
Implementation of Its Regulatory Plan )

STATE OF MISSOURI )  
 ) SS  
COUNTY OF COLE )

1. My name is Barbara A. Meisenheimer. I am Chief Utility Economist for the Office of the Public Counsel.
2. Attached hereto and made a part hereof for all purposes is my supplemental direct testimony consisting of **3 page, schedule BAM-revDir TOU pages. 1-3 and schedule BAM-revDir pages 1-3.**
3. I hereby swear and affirm that my statements contained in the attached testimony are true and correct to the best of my knowledge and belief.

Subscribed and sworn to me this 8th day of September 2006.



  
Jerene A. Buckman  
Notary Public

My Commission expires August 10, 2009.

**SUPPLEMENTAL DIRECT TESTIMONY**

**OF**

**BARBARA MEISENHEIMER**

**KANSAS CITY POWER & LIGHT**

**CASE NO. ER-2006-0314**

1 **Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.**

2 A. Barbara A. Meisenheimer, Chief Utility Economist, Office of the Public Counsel,  
3 P. O. 2230, Jefferson City, Missouri 65102.

4 **Q. HAVE YOU TESTIFIED PREVIOUSLY IN THIS CASE?**

5 A. Yes, I submitted direct testimony on cost of service and rate design issues on  
6 August 22, 2006.

7 **Q. WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL DIRECT TESTIMONY?**

8 A. The purpose of my supplemental testimony is to present Public Counsel's updated  
9 class cost of service (CCOS) studies and rate design recommendations.

10 **I. CLASS COST OF SERVICE STUDY AND RATE DESIGN EXAMPLES**

11  
12 **Q. HAVE YOU UPDATED YOUR CLASS COST STUDY?**

1 A. Yes. I made four changes to the CCOS studies that I submitted in direct  
2 testimony. Please recall that I originally prepared two CCOS studies. The first  
3 study uses the same method of allocating energy and demand related costs as I  
4 have used in recent cases before the Commission. The second CCOS study  
5 illustrates the results of replacing our traditional allocators with new allocators  
6 based on Time of Use (TOU).

7 The first change to my studies corrects an error in the class allocation of  
8 depreciation reserve associated with lighting costs contained in FERC Account  
9 373. The second change to my studies adjusts for an error in the lighting class  
10 revenues reported by Staff. The last two changes I made to my studies alter the  
11 allocation weights used to apportion the primary and secondary plant costs for  
12 FERC Distribution Plant Accounts 364-368.

13 The updated results of the traditional study are provided in Schedule BAM-  
14 revDIR Page 1. Updated illustrative rate design examples associated with the  
15 traditional allocators are provided in Schedule BAM-revDIR Page 2 and Schedule  
16 BAM-revDIR Page 3. The updated TOU cost of service study results are  
17 provided in Schedule BAM-revDIR TOU Page 1. Corresponding updated  
18 illustrative rate design examples are provided in BAM-revDIR TOU Page 2 and  
19 Schedule BAM-revDIR TOU Page 3.

20 **Q. PLEASE DISCUSS THE IMPACT OF THE CHANGES ON YOUR CLASS COST OF**  
21 **SERVICE RESULTS.**

22 A. The most obvious impact is associated with the correction to Staff's reported  
23 Lighting revenues that I used in my studies. The correction brought the Lighting  
24 Class revenues much closer to its costs: about 1 ½% over or under for my study  
25 that relied on the non-TOU allocator and about 6% over or under for the TOU

1 study. The Residential Class is a little more than 2% below cost of service based  
2 on my TOU study and about 5% from cost of service according to the study that  
3 reflects the traditional method of allocating production cost. According to both  
4 updated studies, the small and medium general service classes are well above cost  
5 of service while the large general service class is just above cost of service.  
6 Finally, the large power and special contract classes are significantly below cost of  
7 service.

8 **Q. Do the results alter your rate design recommendation?**

9 A. Generally no. The method of first limiting revenue neutral shifts to  $\frac{1}{2}$  the  
10 difference between cost of service and second moderating the combined impact of  
11 any overall revenue increase in revenue and a revenue neutral shift has not  
12 changed.

13 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

14 A. Yes.

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ER-2006-0314

Summary of OPC Class Cost of Service Study Results

		TOTAL	Residential	Small GS	Medium GS	Large GS	LPS	SC	Lighting
1	O & M EXPENSES	\$ 329,489,042	\$ 117,750,442	\$ 19,738,722	\$ 37,039,673	\$ 75,752,553	\$ 75,894,698	\$ 174,313	\$ 3,138,641
2	DEPREC. & AMORT. EXPENSE	\$ 51,472,027	\$ 18,838,975	\$ 3,985,311	\$ 5,956,414	\$ 11,317,979	\$ 10,595,485	\$ 25,651	\$ 752,212
3	TAXES	\$ (2,053,956)	\$ (216,510)	\$ (111,363)	\$ (210,648)	\$ (606,901)	\$ (935,862)	\$ (1,220)	\$ 28,549
4	OTHER OPERATING EXPENSE	\$ 113,204,428	\$ 33,729,834	\$ 6,099,635	\$ 13,205,269	\$ 28,591,311	\$ 30,507,513	\$ 65,189	\$ 1,005,677
5	Subtotal - Expenses and Taxes	\$ 492,111,541	\$ 170,102,741	\$ 29,712,305	\$ 55,990,708	\$ 115,054,942	\$ 116,061,834	\$ 263,932	\$ 4,925,079
6	TOTAL RATE BASE	\$ 1,042,994,653	\$ 400,275,669	\$ 75,403,304	\$ 122,962,392	\$ 229,272,317	\$ 201,195,226	\$ 527,911	\$ 13,357,834
7	IMPLICIT RATE OF RETURN	10.68%	10.68%	10.68%	10.68%	10.68%	10.68%	10.68%	10.68%
8	REQUIRED OPERATING INCOME TO EQUALIZE CLASS RATES OF RETURN	\$ 111,421,922	\$ 42,760,990	\$ 8,055,248	\$ 13,135,931	\$ 24,492,899	\$ 21,493,455	\$ 56,396	\$ 1,427,002
9	MISCELLANEOUS REVENUE CREDIT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	OTHER REVENUE	\$ 114,178,128	\$ 34,305,990	\$ 6,191,218	\$ 13,341,144	\$ 28,745,139	\$ 30,533,177	\$ 65,614	\$ 995,845
11	OFFSETTING REVENUES	\$ 114,178,128	\$ 34,305,990	\$ 6,191,218	\$ 13,341,144	\$ 28,745,139	\$ 30,533,177	\$ 65,614	\$ 995,845
12	REQ. OPER. INCOME LESS OFFSETTING REV.	\$ (2,756,206)	\$ 8,455,000	\$ 1,864,030	\$ (205,213)	\$ (4,252,240)	\$ (9,039,722)	\$ (9,218)	\$ 431,157
13	CURRENT RATE REVENUE	\$ 489,355,335	\$ 174,940,039	\$ 37,556,945	\$ 64,013,840	\$ 111,446,986	\$ 95,497,177	\$ 185,115	\$ 5,715,232
14	CURRENT REVENUE PERCENTAGES	100.00%	35.75%	7.67%	13.08%	22.77%	19.51%	0.04%	1.17%
15	RATE REVENUE EXCESS OR DEFICIENCY	\$ -	\$ 3,617,702	\$ (5,980,610)	\$ (8,228,345)	\$ (644,285)	\$ 11,524,935	\$ 69,600	\$ (358,996)
16	RATE REVENUE % CHANGE TO EQUALIZE CLASS RATES OF RETURN	0.00%	2.07%	-15.92%	-12.85%	-0.58%	12.07%	37.60%	-6.28%
17	REV. % WITH EQUALIZED ROR	100.00%	36.49%	6.45%	11.40%	22.64%	21.87%	0.05%	1.09%

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ER-2005-0314

Summary of OPC Class Cost of Service Study Results

	Total	Residential	Small GS	Med GS	Large GS	LPS	SC	Lighting
1 Revenue Neutral Shifts (RNS) to Equalize Class								
2 Rates of Return (ROR)	(\$0)	\$3,617,702	(\$5,980,610)	(\$8,228,345)	(\$644,285)	\$11,524,935	\$69,600	(\$358,996)
3 Percentage Revenue Change to Equalize Class ROR		2.07%	-15.92%	-12.85%	-0.58%	12.07%	37.60%	-6.28%
4								
5 Current Class Revenue Percentages		35.75%	7.67%	13.08%	22.77%	19.51%	0.04%	1.17%
6								
7 COS Indicated Class Revenue Percentages	100.00%	36.49%	6.45%	11.40%	22.64%	21.87%	0.05%	1.09%
8								
9 OPC's Recommended Revenue Neutral Shifts	(0)	1,808,851	(2,990,305)	(4,114,173)	(322,142)	5,762,467	34,800	(179,498)
10 OPC Recommended Revenue Neutral Shift Percentage		1.03%	-7.96%	-6.43%	-0.29%	6.03%	18.80%	-3.14%
11								
12 OPC's Recommended Revenue Percentages	100.00%	36.12%	7.06%	12.24%	22.71%	20.69%	0.04%	1.13%
13								
14 <u>Spread of Possible Rate Change</u>								
15 \$5 Million Rate Reduction	\$ (5,000,000)	\$ (1,805,936)	\$ (353,185)	\$ (612,026)	\$ (1,135,421)	\$ (1,034,623)	\$ (2,247)	\$ (56,561)
16 \$5 Million Rate Increase	\$ 5,000,000	\$ 1,805,936	\$ 353,185	\$ 612,026	\$ 1,135,421	\$ 1,034,623	\$ 2,247	\$ 56,561
17								
18 <u>Combined Impact of Revenue Decrease and OPC's RNS</u>								
19 Combined Impact \$5 Million Decrease and OPC Shifts	\$ (5,000,000)	\$ 2,915	\$ (3,343,491)	\$ (4,726,199)	\$ (1,457,563)	\$ 4,727,844	\$ 32,553	\$ (236,060)
20 Combined Impact \$5 Million Increase and OPC Shifts	\$ 5,000,000	\$ 3,614,787	\$ (2,637,120)	\$ (3,502,146)	\$ 813,279	\$ 6,797,090	\$ 37,047	\$ (122,937)
21								
22 <u>Percentage Change in Class Rate Revenue</u>								
23 Combined Impact \$5 Million Decrease and OPC Shifts	-1.02%	0.00%	-8.90%	-7.38%	-1.31%	4.95%	17.59%	-4.13%
24 Combined Impact \$5 Million Increase and OPC Shifts	1.02%	2.07%	-7.02%	-5.47%	0.73%	7.12%	20.01%	-2.15%
25								
26 <u>Adjusted Impact of Revenue Decrease and OPC's RNS</u>								
27 Combined Impact \$5 Million Decrease and OPC Shifts	\$ (5,000,000)	\$ 1,530	\$ (1,755,235)	\$ (2,481,117)	\$ (765,178)	\$ -	\$ -	\$ -
28 Combined Impact \$5 Million Increase and OPC Shifts	\$ 5,000,000	\$ 1,604,831	\$ -	\$ -	\$ 361,065	\$ 3,017,656	\$ 16,447	\$ -
29								
30 <u>Adjusted Percentage Change in Class Rate Revenue</u>								
31 Combined Impact \$5 Million Decrease and OPC Shifts	-1.02%	0.00%	-4.67%	-3.88%	-0.69%	0.00%	0.00%	0.00%
32 Combined Impact \$5 Million Increase and OPC Shifts	1.02%	0.92%	0.00%	0.00%	0.32%	3.16%	8.88%	0.00%

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## Summary of OPC Class Cost of Service Study Results

	Total	Residential	Small GS	Med GS	Large GS	LPS	SC	Lighting
1 Revenue Neutral Shifts (RNS) to Equalize Class								
2 Rates of Return (ROR)	(\$0)	\$3,617,702	(\$5,980,610)	(\$8,228,345)	(\$644,285)	\$11,524,935	\$69,600	(\$358,996)
3 Percentage Revenue Change to Equalize Class ROR		2.07%	-15.92%	-12.85%	-0.58%	12.07%	37.60%	-6.28%
4								
5 Current Class Revenues	489,355,335							
6 Current Class Revenue Percentages		35.75%	7.67%	13.08%	22.77%	19.51%	0.04%	1.17%
7								
8 COS Indicated Class Revenue Percentages	100.00%	36.49%	6.45%	11.40%	22.64%	21.87%	0.05%	1.09%
9								
10 OPC's Recommended Revenue Neutral Shifts	(0)	1,808,851	(2,990,305)	(4,114,173)	(322,142)	5,762,467	34,800	(179,498)
11 OPC Recommended Revenue Neutral Shift Percentage		1.03%	-7.96%	-6.43%	-0.29%	6.03%	18.80%	-3.14%
12								
13 OPC's Recommended Revenue Percentages	100.00%	36.12%	7.06%	12.24%	22.71%	20.69%	0.04%	1.13%
14								
15 <b>Spread of Possible Rate Change</b>								
16 0.0%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17 5.0% Increase	\$ 24,467,767	\$ 8,837,444	\$ 1,728,332	\$ 2,994,983	\$ 5,556,242	\$ 5,062,982	\$ 10,996	\$ 276,787
18 7.5% Increase	\$ 36,701,650	\$ 13,256,167	\$ 2,592,498	\$ 4,492,475	\$ 8,334,363	\$ 7,594,473	\$ 16,494	\$ 415,180
19 10% Increase	\$ 48,935,534	\$ 17,674,889	\$ 3,456,664	\$ 5,989,967	\$ 11,112,484	\$ 10,125,964	\$ 21,991	\$ 553,573
20								
21 <b>Combined Impact of Revenue Decrease and OPC's RNS</b>								
22 Combined Impact No Increase and OPC Shifts	\$ -	\$ 1,808,851	\$ (2,990,305)	\$ (4,114,173)	\$ (322,142)	\$ 5,762,467	\$ 34,800	\$ (179,498)
23 Combined Impact 5% Increase and OPC Shifts	\$ 24,467,767	\$ 10,646,296	\$ (1,261,973)	\$ (1,119,189)	\$ 5,234,100	\$ 10,825,450	\$ 45,796	\$ 97,289
24 Combined Impact 7.5% Increase and OPC Shifts	\$ 36,701,650	\$ 15,065,018	\$ (397,807)	\$ 378,302	\$ 8,012,221	\$ 13,356,941	\$ 51,293	\$ 235,682
25 Combined Impact 10% Increase and OPC Shifts	\$ 48,935,534	\$ 19,483,740	\$ 466,359	\$ 1,875,794	\$ 10,790,342	\$ 15,888,432	\$ 56,791	\$ 374,075
26								
27 <b>Adjusted Impact of Revenue Decrease and OPC's RNS</b>								
28 Combined Impact No Increase and OPC Shifts	\$ -	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ 0
29 Combined Impact 5% Increase and OPC Shifts	\$ 24,467,767	\$ 9,702,103	\$ -	\$ -	\$ 4,769,901	\$ 9,865,368	\$ 41,734	\$ 88,660
30 Combined Impact 7.5% Increase and OPC Shifts	\$ 36,701,650	\$ 14,903,480	\$ -	\$ 374,246	\$ 7,926,308	\$ 13,213,718	\$ 50,743	\$ 233,155
31 Combined Impact 10% Increase and OPC Shifts	\$ 48,935,534	\$ 19,483,740	\$ 466,359	\$ 1,875,794	\$ 10,790,342	\$ 15,888,432	\$ 56,791	\$ 374,075
32								
33 <b>Percentage Change in Class Rate Revenue</b>								
34 Combined Impact No Increase and OPC Shifts		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
35 Combined Impact 5% Increase and OPC Shifts	5.00%	5.55%	0.00%	0.00%	4.28%	10.33%	22.54%	1.55%
36 Combined Impact 7.5% Increase and OPC Shifts	7.50%	8.52%	0.00%	0.58%	7.11%	13.84%	27.41%	4.08%
37 Combined Impact 10% Increase and OPC Shifts	10.00%	11.14%	1.24%	2.93%	9.68%	16.64%	30.68%	6.55%



ER-2006-0314

## Summary of OPC Class Cost of Service Study Results

## KCPL

		TOTAL	Residential	Small GS	Medium GS	Large GS	LPS	SC	Lighting
1	O & M EXPENSES	\$ 329,489,042	\$ 119,681,616	\$ 19,911,937	\$ 36,975,534	\$ 75,198,330	\$ 74,058,950	\$ 178,318	\$ 3,484,358
2	DEPREC. & AMORT. EXPENSE	\$ 51,472,027	\$ 19,750,286	\$ 4,030,651	\$ 5,972,970	\$ 11,051,557	\$ 9,849,163	\$ 26,307	\$ 791,093
3	TAXES	\$ (2,053,956)	\$ (297,627)	\$ (115,763)	\$ (211,653)	\$ (583,236)	\$ (868,231)	\$ (1,291)	\$ 23,844
4	OTHER OPERATING EXPENSE	\$ 113,204,428	\$ 36,657,632	\$ 6,245,284	\$ 13,258,480	\$ 27,735,369	\$ 28,109,837	\$ 67,295	\$ 1,130,531
5	Subtotal - Expenses and Taxes	\$ 492,111,541	\$ 175,791,907	\$ 30,072,109	\$ 55,995,330	\$ 113,402,021	\$ 111,149,720	\$ 270,629	\$ 5,429,826
6	TOTAL RATE BASE	\$ 1,042,994,653	\$ 417,125,086	\$ 76,227,803	\$ 123,286,246	\$ 224,344,548	\$ 187,441,817	\$ 539,569	\$ 14,029,582
7	IMPLICIT RATE OF RETURN	10.68%	10.68%	10.68%	10.68%	10.68%	10.68%	10.68%	10.68%
8	REQUIRED OPERATING INCOME TO EQUALIZE CLASS RATES OF RETURN	\$ 111,421,922	\$ 44,560,994	\$ 8,143,329	\$ 13,170,528	\$ 23,966,471	\$ 20,024,194	\$ 57,642	\$ 1,498,764
9	MISCELLANEOUS REVENUE CREDIT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	OTHER REVENUE	\$ 114,178,128	\$ 36,536,127	\$ 6,313,078	\$ 13,367,632	\$ 28,094,623	\$ 28,670,861	\$ 67,589	\$ 1,128,218
11	OFFSETTING REVENUES	\$ 114,178,128	\$ 36,536,127	\$ 6,313,078	\$ 13,367,632	\$ 28,094,623	\$ 28,670,861	\$ 67,589	\$ 1,128,218
12	REQ. OPER. INCOME LESS OFFSETTING REV.	\$ (2,756,206)	\$ 8,024,867	\$ 1,830,251	\$ (197,104)	\$ (4,128,153)	\$ (8,646,667)	\$ (9,947)	\$ 370,546
13	CURRENT RATE REVENUE	\$ 489,355,335	\$ 174,940,039	\$ 37,556,945	\$ 64,013,840	\$ 111,446,986	\$ 95,497,177	\$ 185,115	\$ 5,715,232
14	CURRENT REVENUE PERCENTAGES	100.00%	35.75%	7.67%	13.08%	22.77%	19.51%	0.04%	1.17%
15	RATE REVENUE EXCESS OR DEFICIENCY	\$ -	\$ 8,876,735	\$ (5,654,585)	\$ (8,215,614)	\$ (2,173,118)	\$ 7,005,875	\$ 75,567	\$ 85,140
16	RATE REVENUE % CHANGE TO EQUALIZE CLASS RATES OF RETURN	0.00%	5.07%	-15.06%	-12.83%	-1.95%	7.34%	40.82%	1.49%
17	REV. % WITH EQUALIZED ROR	100.00%	37.56%	6.52%	11.40%	22.33%	20.95%	0.05%	1.19%

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## Summary of OPC Class Cost of Service Study Results

	Total	Residential	Small GS	Med GS	Large GS	LPS	SC	Lighting
1 Revenue Neutral Shifts (RNS) to Equalize Class								
2 Rates of Return (ROR)	(\$0)	\$8,876,715	(\$5,654,585)	(\$8,215,614)	(\$2,173,118)	\$7,005,875	\$75,567	\$85,140
3 Percentage Revenue Change to Equalize Class ROR		5.07%	-15.06%	-12.83%	-1.95%	7.34%	40.82%	1.49%
4								
5 Current Class Revenue Percentages		35.75%	7.67%	13.08%	22.77%	19.51%	0.04%	1.17%
6								
7 COS Indicated Class Revenue Percentages	100.00%	37.56%	6.52%	11.40%	22.33%	20.95%	0.05%	1.19%
8								
9 OPC's Recommended Revenue Neutral Shifts	(0)	4,438,368	(2,827,293)	(4,107,807)	(1,086,559)	3,502,938	37,783	42,570
10 OPC Recommended Revenue Neutral Shift Percentage		2.54%	-7.53%	-6.42%	-0.97%	3.67%	20.41%	0.74%
11								
12 OPC's Recommended Revenue Percentages	100.00%	36.66%	7.10%	12.24%	22.55%	20.23%	0.05%	1.18%
13								
14 <u>Spread of Possible Rate Change</u>								
15 \$5 Million Rate Reduction	\$ (5,000,000)	\$ (1,832,803)	\$ (354,851)	\$ (612,091)	\$ (1,127,610)	\$ (1,011,536)	\$ (2,277)	\$ (58,830)
16 \$5 Million Rate Increase	\$ 5,000,000	\$ 1,832,803	\$ 354,851	\$ 612,091	\$ 1,127,610	\$ 1,011,536	\$ 2,277	\$ 58,830
17								
18 <u>Combined Impact of Revenue Decrease and OPC's RNS</u>								
19 Combined Impact \$5 Million Decrease and OPC Shifts	\$ (5,000,000)	\$ 2,605,564	\$ (3,182,144)	\$ (4,719,898)	\$ (2,214,169)	\$ 2,491,402	\$ 35,506	\$ (16,261)
20 Combined Impact \$5 Million Increase and OPC Shifts	\$ 5,000,000	\$ 6,271,171	\$ (2,472,442)	\$ (3,495,716)	\$ 41,051	\$ 4,514,474	\$ 40,061	\$ 101,400
21								
22 <u>Percentage Change in Class Rate Revenue</u>								
23 Combined Impact \$5 Million Decrease and OPC Shifts	-1.02%	1.49%	-8.47%	-7.37%	-1.99%	2.61%	19.18%	-0.28%
24 Combined Impact \$5 Million Increase and OPC Shifts	1.02%	3.58%	-6.58%	-5.46%	0.04%	4.73%	21.64%	1.77%
25								
26 <u>Adjusted Impact of Revenue Decrease and OPC's RNS</u>								
27 Combined Impact \$5 Million Decrease and OPC Shifts \$	(5,000,000) \$	- \$	(1,570,270) \$	(2,329,095) \$	(1,092,611) \$	- \$	- \$	(8,024)
28 Combined Impact \$5 Million Increase and OPC Shifts \$	5,000,000 \$	2,858,808 \$	- \$	- \$	18,714 \$	2,057,991 \$	18,262 \$	46,225
29								
30 <u>Adjusted Percentage Change in Class Rate Revenue</u>								
31 Combined Impact \$5 Million Decrease and OPC Shifts	-1.02%	0.00%	-4.18%	-3.64%	-0.98%	0.00%	0.00%	-0.14%
32 Combined Impact \$5 Million Increase and OPC Shifts	1.02%	1.63%	0.00%	0.00%	0.02%	2.16%	9.87%	0.81%

KCPL

	Total	Residential	Small GS	Med GS	Large GS	LPS	SC	Lighting
1 Revenue Neutral Shifts (RNS) to Equalize Class								
2 Rates of Return (ROR)	(\$0)	\$8,876,735	(\$5,654,585)	(\$8,215,614)	(\$2,173,118)	\$7,005,875	\$75,567	\$85,140
3 Percentage Revenue Change to Equalize Class ROR		5.07%	-15.06%	-12.83%	-1.95%	7.34%	40.82%	1.49%
4								
5 Current Class Revenues	489,355,335							
6 Current Class Revenue Percentages		35.75%	7.67%	13.08%	22.77%	19.51%	0.04%	1.17%
7								
8 COS Indicated Class Revenue Percentages	100.00%	37.56%	6.52%	11.40%	22.33%	20.95%	0.05%	1.19%
9								
10 OPC's Recommended Revenue Neutral Shifts	(0)	4,438,368	(2,827,293)	(4,107,807)	(1,086,559)	3,502,938	37,783	42,570
11 OPC Recommended Revenue Neutral Shift Percentage		2.54%	-7.53%	-6.42%	-0.97%	3.67%	20.41%	0.74%
12								
13 OPC's Recommended Revenue Percentages	100.00%	36.66%	7.10%	12.24%	22.55%	20.23%	0.05%	1.18%
14								
15 <u>Spread of Possible Rate Change</u>								
16 0.0%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17 5.0% Increase	\$ 24,467,767	\$ 8,968,920	\$ 1,736,483	\$ 2,995,302	\$ 5,518,021	\$ 4,950,006	\$ 11,145	\$ 287,890
18 7.5% Increase	\$ 36,701,650	\$ 13,453,380	\$ 2,604,724	\$ 4,492,952	\$ 8,277,032	\$ 7,425,009	\$ 16,717	\$ 431,835
19 10% Increase	\$ 48,935,534	\$ 17,937,841	\$ 3,472,965	\$ 5,990,603	\$ 11,036,043	\$ 9,900,012	\$ 22,290	\$ 575,780
22								
23 <u>Combined Impact of Revenue Decrease and OPC's RNS</u>								
24 Combined Impact No Increase and OPC Shifts	\$ -	\$ 4,438,368	\$ (2,827,293)	\$ (4,107,807)	\$ (1,086,559)	\$ 3,502,938	\$ 37,783	\$ 42,570
25 Combined Impact 5% Increase and OPC Shifts	\$ 24,467,767	\$ 13,407,288	\$ (1,090,810)	\$ (1,112,505)	\$ 4,431,462	\$ 8,452,943	\$ 48,928	\$ 330,460
26 Combined Impact 7.5% Increase and OPC Shifts	\$ 36,701,650	\$ 17,891,748	\$ (222,569)	\$ 385,146	\$ 7,190,473	\$ 10,927,946	\$ 54,501	\$ 474,405
27 Combined Impact 10% Increase and OPC Shifts	\$ 48,935,534	\$ 22,376,208	\$ 645,673	\$ 1,882,796	\$ 9,949,484	\$ 13,402,949	\$ 60,073	\$ 618,350
28								
29 <u>Adjusted Impact of Revenue Decrease and OPC's RNS</u>								
30 Combined Impact No Increase and OPC Shifts	\$ -	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)
31 Combined Impact 5% Increase and OPC Shifts	\$ 24,467,767	\$ 12,399,703	\$ -	\$ -	\$ 4,065,376	\$ 7,754,640	\$ 44,886	\$ 303,161
32 Combined Impact 7.5% Increase and OPC Shifts	\$ 36,701,650	\$ 17,783,902	\$ -	\$ 382,824	\$ 7,147,131	\$ 10,862,076	\$ 54,172	\$ 471,546
33 Combined Impact 10% Increase and OPC Shifts	\$ 48,935,534	\$ 22,376,208	\$ 645,673	\$ 1,882,796	\$ 9,949,484	\$ 13,402,949	\$ 60,073	\$ 618,350
34								
35 <u>Percentage Change in Class Rate Revenue</u>								
36 Combined Impact No Increase and OPC Shifts	\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
37 Combined Impact 5% Increase and OPC Shifts	5.00%	7.03%	0.00%	0.00%	3.65%	8.12%	24.25%	5.30%
38 Combined Impact 7.5% Increase and OPC Shifts	7.50%	10.17%	0.00%	0.60%	6.41%	11.37%	29.26%	8.25%
39 Combined Impact 10% Increase and OPC Shifts	10.00%	12.79%	1.72%	2.94%	8.93%	14.03%	32.45%	10.82%