

Company Name: KCP&L  
Case Description: OPC Investigation of LaCygne Retrofit  
Case: OPC Investigation of LaCygne Retrofit

Filed  
December 04, 2012  
Data Center  
Missouri Public  
Service Commission

Response to Mills Lewis Interrogatories – Set OPC\_20101229  
Date of Response: 01/21/2011

Question No.: 107

(A) Will any of the material going into the ponds potentially be regulated as hazardous under the proposed Coal Combustion Residues rule (40 CFR Parts 257, 261, 264 et al.; and particularly the “Subtitle C option”)? (B) What is KCPL’s assessment of the likelihood of the Subtitle C option being chosen? (C) On what is that assessment based? (D) Please provide all analyses supporting this assessment including workpapers and supporting documents.

RESPONSE:

- (A) The discharge from the La Cygne Unit 1 scrubber into the scrubber sludge ponds may in the future be regulated as hazardous waste under the proposed Coal Combustion Residues rule (40 CFR Parts 257, 261, 264 et al.; and particularly the “Subtitle C option”). The discharge from the La Cygne Unit 2 boiler into bottom ash settling ponds may be similarly regulated in the future.
- (B) EPA’s proposed Coal Combustion Residues rule requested comments on two options. Under the first proposal, the EPA would regulate coal combustion residuals as special wastes subject to regulation under subtitle C of Resource Conservation and Recovery Act (RCRA), when they are destined for disposal in landfills or surface impoundments. Under the second proposal, the EPA would regulate disposal of coal combustion residuals under subtitle D of RCRA. KCP&L is unable to predict which option will be selected by the EPA.
- (C) Proposed Coal Combustion Residues rule.
- (D) No attachments.

Date of Response: January 3, 2011  
Responding Witness: Paul M. Ling

Exhibit No. 318  
Date 12/26/12 Reporter PSG  
File No. ER-2012-0174; ER-2012-0175

Company Name: KCP&L  
Case Description: OPC Investigation of LaCygne Retrofit  
Case: OPC Investigation of LaCygne Retrofit

Response to Mills Lewis Interrogatories – Set OPC\_20101229  
Date of Response: 01/21/2011

Question No. :109

In a Settlement Agreement, EPA agreed to propose standards for cooling water for existing facilities under Clean Water Act Section 316(b) by March 14, 2011, and after considering public comments, to take final action by July 27, 2012. This rulemaking could require cooling tower(s) at La Cygne at a point in time before La Cygne's projected retirement. (A) Does KCPL agree that this is a possible outcome of the rulemaking?(B) What is KCPL's overall assessment of the likelihood of this outcome? (C) What percent likelihood has KCPL assigned to the possibility of cooling tower(s) being required at La Cygne by 2015? (D) What percent likelihood has KCPL assigned to the possibility of cooling tower(s) being required at La Cygne by 2020? (E) What percent likelihood has KCPL assigned to the possibility of cooling tower(s) being required at La Cygne by 2025? (F) What percent likelihood has KCPL assigned to the possibility of cooling tower(s) being required at La Cygne by 2030? (G) What percent likelihood has KCPL assigned to the possibility of cooling tower(s) being required at La Cygne by 2035? (H) On what is each of the assessments in (B)-(G) based? (I) Please provide all analyses supporting each assessment including workpapers and supporting documents.

RESPONSE:

- (A) KCP&L agrees it is a possible outcome that the proposed Clean Water Act Section 316(b) rulemaking could require cooling tower(s) at La Cygne at some point in time before La Cygne's projected retirement.
- (B) Until the rule is proposed and finalized, KCP&L is unable to provide an overall assessment of the likelihood of this outcome.
- (C) Until the rule is proposed and finalized, KCP&L is unable to provide a likelihood of the possibility of cooling tower(s) being required at La Cygne by 2015.
- (D) Until the rule is proposed and finalized, KCP&L is unable to provide a likelihood of the possibility of cooling tower(s) being required at La Cygne by 2020.
- (E) Until the rule is proposed and finalized, KCP&L is unable to provide a likelihood of the possibility of cooling tower(s) being required at La Cygne by 2025.
- (F) Until the rule is proposed and finalized, KCP&L is unable to provide a likelihood of the possibility of cooling tower(s) being required at La Cygne by 2030.
- (G) Until the rule is proposed and finalized, KCP&L is unable to provide a likelihood of the possibility of cooling tower(s) being required at La Cygne by 2035.
- (H) The proposed or final rules have not been issued by EPA.
- (I) No attachments.

Date of Response: January 3, 2011  
Responding Witness: Paul M. Ling

Company Name: KCP&L  
Case Description: OPC Investigation of LaCygne Retrofit  
Case: OPC Investigation of LaCygne Retrofit

Response to Mills Lewis Interrogatories – Set OPC\_20101229  
Date of Response: 01/21/2011

Question No. :113

Please refer to the “LaCygne Retrofit Analysis Update 11-3-10 v2.ppt” provided in an email from Curtis Blanc to Lewis Mills on November 22, 2010. (A) If the Henry Hub natural gas price is held constant at \$5 over the time horizon, the “Replace with Gas-fired generation Combined Cycle” option is chosen, and all other variables are held constant, what is the ranking (in net present value of revenue requirement) of each of the “Environmental Retrofit or Retirement Decision” options on slide 4?

RESPONSE:

This attached file is Highly Confidential because it contains information concerning marketing analyses and other market-specific information relating to services offered in competition with others and strategies to be employed.

The Company has not performed the analysis scenario described above. However, one of the 64 uncertainty scenarios had similar assumptions as requested. Attached are the results and NPVRR rankings of the retrofit and replacement scenarios using those assumptions and the natural gas prices used for this specific scenario.

Note that the Company will be performing an update of this study in the near future, using updated input assumptions, including revised high / base / low natural gas prices.

Attachment: HC\_OPC DR113-114.xls