

Exhibit No.:

Issue: Steam System History;
Test Project;
Conversion Plan

Witness/Type of Exhibits: Mandacina Direct

Sponsoring Party: KCPL

Case No.: HO-86-139

DIRECT TESTIMONY OF

Michael C. Mandacina

ON BEHALF OF

KANSAS CITY POWER & LIGHT COMPANY

CASE NO. HO-86-139

Exhibit No. 14
Date 4-7-87 Case No. HO-86-139
Reporter J. J. J.

TESTIMONY

OF

MICHAEL C. MANDACINA

Director, Internal Services & Steam Operations

KANSAS CITY POWER & LIGHT COMPANY

Case No. HO-86-139
(October 1986)

1 Q. PLEASE STATE YOUR NAME AND ADDRESS.

2 A. Michael C. Mandacina, 1330 Baltimore Avenue, Kansas City, Missouri.

3 Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

4 A. I am employed by Kansas City Power & Light Company as Director of
5 Internal Services and Steam Operations.

6 Q. PLEASE REVIEW BRIEFLY YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL
7 EXPERIENCE.

8 A. I graduated from St. Louis University in 1969 with a Bachelor of
9 Science degree in Electrical Engineering, and received a Master of
10 Science degree in Electrical Engineering from the University of
11 Missouri in 1973. I became a Registered Professional Engineer in the
12 State of Missouri in 1974. I received a Master of Business
13 Administration degree from the University of Missouri at Kansas City
14 in 1978. I was employed by Wilcox Electric in 1969 and 1970 as an
15 electronic design engineer in the Airborne Development Lab. I left
16 Wilcox to join KCPL and was first employed as a Sales Engineer in the
17 Sales Department. In 1974, I was promoted to District Supervisor in
18 the Marketing Department. My duties included direct supervision of
19 the District Office and Sales Representatives, and coordination of
20 steam customer accounts. In 1978, I was promoted to District Manager

1 in the same department, then called Commercial Operations, and was
2 responsible for the entire District Office operation. I was promoted
3 to Manager, Utility Steam Operations in 1982 where I had general
4 management responsibility for all of KCPL's downtown public utility
5 steam operations. In July, 1984, I was promoted to my current
6 position where I have general management responsibility for Fleet
7 Services, Building and Shop Services, Support Services, and Internal
8 Services Administration, as well as the downtown public utility steam
9 operations.

10 Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE REGULATORY COMMISSIONS?

11 A. Yes. I testified before the Missouri Public Service Commission in
12 KCPL'S Case No. ER-85-128. I have submitted testimony in Case
13 No.HO-83-274.

14 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

15 A. The purpose of my testimony is to:

- 16 1. Briefly review the history of the Downtown District Steam Heating
17 System and its status today.
- 18 2. Describe the electric steam boiler test project.
- 19 3. Review the plan to phase out the district steam heat system by
20 systematic conversion to on-site electric boilers and other
21 electric space heating equipment.

22 Q. HOW DID DISTRICT STEAM DEVELOP IN DOWNTOWN KANSAS CITY, MISSOURI?

23 A. The distribution of steam for heating and other purposes was begun by
24 the Kansas City Electric Light Company (a predecessor of KCPL) from
25 the generating station at 604 Wall Street (now 604 Baltimore), Kansas
26 City, Missouri. This station began operation in 1888 for the purpose

1 of supplying electric energy for incandescent lighting. Limited
2 distribution and sale of steam, as by-product of electric generation,
3 began at that time. The popularity of steam service grew, resulting
4 in the formation of the Kansas City Heating Company in 1905. The 604
5 Wall Street Station then became "Heating Station No. 1."

6 The increased demand for steam in the downtown area necessitated
7 the construction of a more modern heating plant at 1308 Baltimore
8 Avenue. By 1917, growing heat and electrical demand prompted
9 construction of the Wyandotte Station, immediately west of the
10 Baltimore location. These plants were connected and operated jointly
11 as Heating Station No. 2. When the original plant at 604 Wall Street
12 was abandoned as a primary source of electrical power, the
13 installation was converted to a steam heating plant so that service to
14 customers could continue.

15 The purchase of the Missouri River Powerhouse (now called Grand
16 Avenue Station) from the Kansas City Transit Company in 1927 enabled
17 the retirement of Heating Station No. 1 as a steam generating plant.
18 Since the boilers had completely worn out, it was converted to a
19 pressure reduction plant and connected to Grand Avenue with a new high
20 pressure (185 psi) main.

21 In 1930 a high pressure main was built from the Grand Avenue
22 plant to 10th and McGee and by 1954 it was further extended to a
23 pressure reduction plant in the basement of the KCPL parking garage
24 1319 Wyandotte. Heating Station No. 2 was becoming obsolete and used
25 only for peaking until it was demolished in 1958. By then, a second
26 high pressure main had been built from Grand Avenue to the Wall Street
27 plant and continued up Wyandotte to the pressure reduction station at
28 1319 Wyandotte.

29 This is the basic system as it exists today. The downtown service

1 area, shown in Exhibit No. ____ (MCM) Schedule 1, extends generally
2 from 3rd Street to 14th Street on the south; and from Oak on the east
3 to Broadway on the west.

4 From 1918 to 1982, the total length of steam main increased from
5 26,000 feet to over 61,000 feet. The bulk of this increase occurred
6 in 1930, 1954 and 1958 when high pressure mains were extended from
7 Grand Avenue to the south end of the system. Much of the steam
8 distribution piping (15 psi) was built by the Kansas City Heating
9 Company in 1905 and is therefore over 80 years old. Since 1982, about
10 5,457 feet of pipe have been cut off due to an increasing number of
11 customers leaving the system.

12 Q. WHAT IS THE PRESENT CONDITION OF THE STEAM SYSTEM?

13 A. In the last four years, crews have repaired 190 major leaks in the
14 underground piping system. The leaks have occurred throughout the
15 system but primarily in the low pressure 15 psi piping. The majority
16 of leaks on the high pressure system are generally due to expansion
17 joint failure. The deteriorated condition of pipe, fittings,
18 expansion devices and valves has resulted from long-term corrosion.
19 The corrosion has resulted primarily from water contacting the piping.
20 This water comes from numerous sources such as ground water, leaking
21 city water lines and broken storm sewers. The steam lines are
22 typically between 8 and 25 feet below the surface of the street. They
23 are encased in concrete and direct buried so there is no way to
24 inspect or perform preventive maintenance on the pipe lines.

25 New leaks are occurring frequently, and the amount of manpower
26 and equipment necessary to keep the system functioning will not
27 decrease in the future. It will be necessary to increase resources to
28 maintain operations as leaks occur more often on the aging system

1 without a major replacement of the underground facilities. The cost
2 to completely rebuild the underground system is estimated to be
3 approximately \$15 million. This estimate is based primarily on the
4 experience of replacing 1,200 feet of low pressure piping in downtown
5 Kansas City in the summer of 1984, at a cost of \$400 per linear foot,
6 and is considered representative for extensive pipe replacement.

7 Steam losses in 1981 were close to 45% of the total steam
8 produced. More recently, steam losses have been reduced to about
9 20-25% yearly through a concentrated program of leak repairs.
10 Presently, steam leaks are occurring at the rate of about three or
11 four a month. Due to their urgency, most leaks are repaired on
12 overtime. An average leak repair, including expansion joint
13 replacements, costs about \$15,000. In 1984, a leak at 7th and Main
14 cost \$27,000 just for the contracted excavation necessary to find the
15 leak.

16 As leaks are repaired in one section of old line, it is typical
17 to have new leaks occur in nearby sections of pipe, similar to the old
18 rubber garden hose problem. The problem is exacerbated by the growing
19 unbalanced conditions in the distribution system with the continuing
20 loss of customers.

21 Repairing steam leaks is costly and greatly inconveniences the
22 public with excavation obstructions that impede the flow of traffic in
23 the downtown area. Some repair jobs last three to four weeks due to
24 weather conditions, traffic restrictions, and depth of excavation.
25 See KCPL Exhibit No. ____ (BJB), Schedule 1, pages 2.7-2.10 for
26 pictorial examples.

27 Steam leaks and foreign water evaporating from contact with hot
28 steam pipes can damage other utility equipment located near the steam
29 line. Telephone and electric lines are very susceptible to such

1 overheating conditions. So repair of some small leaks can not be
2 postponed because of the damage the steam could do.

3 Q. DESCRIBE THE STEAM PRODUCTION AT GRAND AVENUE STATION.

4 A. Steam for the downtown heating system is generated at Grand Avenue
5 Station which was originally designed as an electric generating plant
6 in the early 1920's. There are currently three large boilers fired by
7 coal or natural gas, and one small package boiler fired with gas or
8 oil, used to generate steam. These boilers were designed primarily to
9 produce electricity. Thus, the steam for the downtown system is
10 generated at a higher temperature and pressure than would otherwise be
11 required, introducing an inherent thermal inefficiency in the overall
12 steam heat cycle.

13 When Grand Avenue was retired from electric production in 1985,
14 it was the oldest active generating station in the KCPL system, a
15 factor contributing significantly to several operating constraints
16 that affect the cost of steam. Designed in a era prior to plant
17 automation, operations are highly labor intensive. Further, with no
18 electric generation, the boiler design itself limits the burning of
19 coal to high steam load periods, requiring the more expensive natural
20 gas fuel be burned during lower load periods. With the drastic
21 reduction in steam load over the last few years, natural gas is now
22 used predominantly as fuel to generate steam.

23 Q. WHAT WAS THE IMPACT OF THE CORN PRODUCTS CORPORATION (CPC) STEAM LOAD?

24 A. In 1982, KCPL filed a downtown steam rate case, Case No. HR-83-245,
25 with the Commission and, concurrently, began negotiating a high load
26 factor steam contract with CPC that would more than triple KCPL's
27 annual steam load.

1 In 1983 KCPL committed to its downtown steam customers to
2 withdraw the pending steam heat rate increase if CPC entered into an
3 interruptible steam heat agreement (Agreement). The Agreement was
4 signed, and on August 8, 1983, KCPL withdrew its steam filing. The
5 Agreement allowed KCPL to spread its costs related to Grand Avenue
6 Station steam heat production over a greater volume of steam heat
7 sales, thus reducing KCPL's average fixed cost of service per pound of
8 steam heat. Additionally, that Agreement permitted KCPL to reduce its
9 fuel cost per pound of steam by (i) changing the required fuel mix to
10 greater amounts of lower cost coal and smaller amounts of higher
11 priced gas throughout each year, and (ii) providing coal for Grand
12 Avenue Station in greater volumes at a reduced price. These events
13 precluded the immediate need for a steam rate increase. During 1984,
14 the CPC Agreement effectively reduced KCPL's steam heat production
15 cost per pound for all of its steam heat customers below the 1983
16 level. However, CPC's actual steam requirements declined to about 60%
17 of the original estimate. Thus the anticipated economies were
18 diminished.

19 KCPL was advised in late 1984 that CPC had sold its Corn Products
20 Plant to National Starch, effective in 1985. KCPL then negotiated a
21 separate agreement with National Starch effective December, 1985. The
22 steam heat requirements of National Starch were originally estimated
23 to average 60,000 pounds per hour, about one-fourth of the initial
24 estimate of the CPC steam load. However, since the National Starch
25 process has come on line and stabilized operations in early 1986, its
26 steam load has actually averaged only 45,000 pounds per hour, some 25%
27 less than the estimate. This reduction adversely affects the
28 economics of KCPL's steam production at Grand Avenue Station and has
29 increased KCPL's average cost per pound of steam delivered.

1 In the electric rate case completed in July 1983, (Case No.
2 ER-83-49), the Commission had ordered the Company to file its plan to
3 phase-out the electric generating facilities at Grand Avenue Station.
4 A KCPL study committee recommended that the Grand Avenue Station
5 electric facilities be retired from commercial operation when Wolf
6 Creek began commercial operation in 1985 and after certain electric
7 substation facilities were installed. This phase-out of the Grand
8 Avenue Station electric facilities caused additional production,
9 operating, maintenance, and plant investment costs to be allocated to
10 steam service.

11 Thus, the projected lower steam demand from National Starch
12 coupled with the reallocation of Grand Avenue Station steam production
13 costs to the steam facilities--without any rate increase to the
14 downtown steam customers--has created unacceptable operating losses
15 for KCPL's steam operation.

16 Q. WILL YOU BRIEFLY REVIEW THE PURPOSE OF THE CONVERSION TEST PROJECT?

17 A. The purpose of the conversion test project was to establish the
18 operational feasibility of converting customers to on-site electric
19 boiler steam supply. Historically, the Company's involvement has
20 ended at the customer's service entrance, for both electric service
21 and steam service. Installing, operating, and maintaining
22 Company-owned production equipment in a privately-owned system is new
23 to KCPL. The test project provided experience in designing and
24 installing the boilers in significantly different physical settings as
25 well as in determining customer acceptance of on-site electric
26 boilers.

27 The initial scope of the project included working with up to
28 eight customers that were presently served by steam laterals which

1 could be disconnected once the conversion was complete.

2 Q. HOW WERE THE CUSTOMERS SELECTED FOR THE TEST PROJECT?

3 A. In August 1984, a majority of KCPL's steam customers were surveyed to
4 determine the space available at their locations for on-site boilers.
5 This preliminary survey showed that most locations could readily
6 accommodate the necessary equipment and that the boilers could be
7 located in areas that already housed the present steam service pipe
8 entering the building.

9 KCPL prepared cost estimates for initial installations of on-site
10 boilers at various customer locations and began to confirm specific
11 customer participation. Those customers were selected because their
12 locations allowed KCPL to abandon sections of deteriorated underground
13 steam laterals after completing the conversions to electric boilers.

14 Securing customer agreement proved time consuming.
15 Uncertainties, such as the future of the building, the TWA corporate
16 changeover, and out of town ownership of the buildings, caused some
17 buildings to be excluded from the test.

18 Q. WHICH CUSTOMERS WERE INITIALLY SCREENED FOR THE TEST PROJECT?

19 A. Customers initially screened for the test project included:

20	112 W. 9th	Faultless Starch
21	807 Wyandotte	Henry Nelkin Trust
22	909-911 Wyandotte	*McWhirter
23	1331 Main	*American Formal Wear
24	1411 Main	Missouri Division of
25		Employment
26		Security
27	1336 Walnut	*Upsher Laboratories

1	1406 Walnut	*Stanley Sargent
2	1305 Baltimore	Trans World Airlines
3	1400 Main	Empire Theatre

4 *Boilers actually installed.

5 In addition, the owners of the Home Savings Building at 1006
6 Grand Avenue, requested to be included in the test project. They were
7 facing a very costly replacement of their own leaky steam service
8 lines in the building. Since we had not been able to secure
9 installation agreements with some of the other customer originally
10 screened, the Company agreed to include 1006 Grand in the test
11 project.

12 Q. HOW WERE THE BOILER INSTALLATIONS DESIGNED?

13 A. Local contractors were selected for mechanical and electrical work at
14 the customer premises. Generally, these contractors were responsible
15 for the detailed engineering while KCPL retained overall project
16 management.

17 Once a customer was selected for the project, KCPL calculated the
18 required boiler size, based primarily on a survey of the building and
19 past steam consumption data. When a customer signed an easement to
20 allow a boiler installation on his premises, a selected contractor was
21 instructed to order a boiler and proceed with the detailed
22 engineering. Boiler deliveries averaged four to six weeks. During
23 that time, the necessary construction permits were secured from the
24 City of Kansas City. The construction period averaged six to eight
25 weeks to final acceptance.

26 Q. BRIEFLY OUTLINE THE GENERAL RESULTS OF THE TEST PROJECT.

27 A. As of December 1985, five locations had boilers on site. The first

1 boiler was energized for service on September 30, 1985. Two
2 additional boilers were test run and placed in service the second week
3 of December. The fourth installation was found to be undersized, and
4 was tested but not actually used. This sizing problem can be
5 corrected in the future. The fifth boiler was installed at 1006 Grand
6 by January, 1986, but testing was not completed until May 1986 because
7 construction of the new United Missouri Bank Building prevented
8 KCPL's electrical installation crews from completing the vault work
9 necessary to serve this boiler. These five sites provided data about
10 installation and O&M costs plus indications of the typical problems
11 and customer reactions that may be encountered. For example, at
12 locations where the customer is not served by the downtown electrical
13 network or the electric service capacity is inadequate, lead time to
14 install new electric distribution equipment can take some 16 to 24
15 weeks.

16 Q. HOW WERE THE TEST BOILER INSTALLATIONS METERED?

17 A. Where possible, the test installations have used the condensate
18 metering systems already in place. Each installation has a magnetic
19 tape electric meter. Meters measure the feed water to the boiler and
20 all boiler blow downs. One installation includes a special steam flow
21 meter on the output of the boiler. The purpose of this extensive
22 metering is to check the efficiency of the on-site systems as well as
23 the condition of customer condensate return systems. For a properly
24 maintained steam and condensate system, all water sent to the boiler
25 should be returned through the condensate return system and metered by
26 the condensate meter except that which is lost to blow down or used
27 for humidification.

28 Q. PLEASE DESCRIBE A TYPICAL BOILER INSTALLATION.

1 A. The schematic design of a Typical Electric Boiler Installation, in
2 Exhibit No. __ (MCM), Schedule 2, shows the main components of an
3 on-site steam supply system.

4 The boilers purchased for the test project were manufactured by
5 the Lattner Boiler Manufacturing Company, which is locally represented
6 by the Hughes Machinery Company. This manufacturer has successfully
7 supplied package boilers that are in use in several privately-owned
8 commercial applications throughout the Kansas City area.

9 The electric boiler systems consist of a high pressure steam
10 boiler with electric immersion resistance elements, a condensate
11 collection system, and miscellaneous equipment including power
12 disconnect switches. Controls cycle these resistance elements on and
13 off depending on the steam load demand.

14 A condensate collection system, operating in conjunction with the
15 electric boiler, generally utilizes an existing condensate return
16 system to collect the condensate and store it in a tank connected to
17 the boiler. Additional equipment includes power switches and current
18 transformers, electrical cabinets, water, condensate and power meters,
19 blow down tank, boiler make up water line, and electrical conduit.

20 The electric boiler ratings range from 6KW, roughly 2' x 3' x 5'
21 in size, to 1100KW, roughly 5' x 5' x 10'. The electric power supply
22 is 3 phase 4 wire at 208 volts or 480 volts. Some of the larger
23 installations may be served at primary voltage. A picture of an
24 electric boiler is on page 3.10 of the Downtown Steam System
25 Conversion Study presented as Exhibit No. ____ (BJB), Schedule 1.

26 Q. DID THE TEST PROJECT CONSIDER WATER TREATMENT?

27 A. The test project also addresses feed water treatment. Customer
28 condensate was analyzed before KCPL put the boiler in service to

1 ensure that any corrosion problem that existed within the customer's
2 system was documented prior to energizing the boiler. If a boiler
3 requires large amounts of makeup water, it may well have a leak either
4 in the steam system or in the condensate return system. This
5 continued use of makeup water will eventually cause an increase of
6 dissolved solids to collect in the boiler, which generally requires
7 more frequent and more lengthy blow downs. Overall, the test project
8 has required a full range of water treatment techniques.

9 Q. WHAT HAS BEEN THE OPERATING RESULTS OF THE TEST PROJECT?

10 A. The boiler test program undertaken by KCPL demonstrated that it is
11 feasible to replace central station steam service with on-site
12 electric boilers. Once a boiler began operation, personnel inspected
13 the site daily during the work week. All meter readings were recorded
14 on the log sheets. Any problems with the equipment were noted and
15 reported to the operations supervisor, who would then schedule any
16 required work.

17 Q. WHAT INFORMATION DID THE RESULTS OF THE INDIVIDUAL BOILER LOCATIONS
18 PROVIDE?

19 A. It is difficult to compare one installation with another because each
20 was operated differently during the heating season. When the weather
21 would turn warm some of the customers would request that the boiler be
22 shut down.

23 The total system efficiency, which was equal to the sum of the
24 BTU's in steam sales for the entire period of operation divided by the
25 sum of KW input derived from the KWH meter which measured all electric
26 power going to the boiler and auxiliaries, ranged from 88.15 percent

1 for McWhirter Printers up to 93.5 percent for Stanley Sargent. This
2 gives the Company a range in which future installations of these size
3 ranges should fall.

4 Water analysis has been performed periodically by an independent
5 consultant to determine these systems' water treatment needs. This
6 has been accomplished on all locations, both testing prior to boiler
7 start-up and then again after the operation has stabilized. Also,
8 boiler water samples were taken at numerous times during the heating
9 season. This information coupled with the results of boiler
10 inspections will be used to determine what chemical treatment if any
11 is required on the above installations prior to next heating season.

12 Chemical water treatment was recommended by the consultant for
13 the Home Savings installation and the equipment is ready for
14 operation. However, operational experience will not be gained until
15 the winter of 1986-87.

16 The test project also demonstrated the various requirements for:
17 1) building permits, 2) mechanical and electrical inspections, 3) fire
18 codes compliance prior to construction, and 4) operation of on-site
19 boilers at customer locations.

20 Some unusual problems that have surfaced during the test project
21 include providing adequate mechanical support for the boiler. One
22 location required rebuilding a portion of the floor where the boiler
23 was to be placed. At two locations deteriorated drains needed repair.
24 At another location it was necessary to provide a storage area for
25 items displaced by the boiler.

26 Q. WHAT WAS THE CUSTOMER RESPONSE TO THE BOILER INSTALLATION AND
27 OPERATION?

28 A. Once a customer was selected for the test project, Commercial

1 Operations personnel met with the property owners to explain the
2 project. Owners were informed that they would be billed at the
3 present steam rate and that their metering method would be the same as
4 it had been. Customers were told that the installation, operation,
5 and maintenance costs would be borne by KCPL. The only item that the
6 customer needed to provide was suitable space for the electric boiler
7 installation.

8 Customers who have elected to participate in the test project
9 have been very cooperative with KCPL and the contractors in completing
10 the installation. Complaints have been of a minor nature and
11 primarily have dealt with the inconveniences of conducting business in
12 the midst of installation work.

13 Q. IN REFERENCE TO KCPL'S PROPOSED CONVERSION SCHEDULE, WHAT ARE THE
14 REASONS THE STEAM CONVERSIONS NEED TO BE IMPLEMENTED UNDER A PHASED
15 SYSTEMATIC PLAN?

16 A. There are six major reasons as follows:

- 17 1. Losses can be reduced more effectively by first converting
18 customers located on ends of steam laterals. Conversion of the
19 customers located in the initial five phases will allow crews to
20 disconnect old and leaky steam pipes from the system, thereby
21 reducing total system losses.
- 22 2. Throughout the conversion process, the operating reliability of
23 the remaining steam system needs to be maintained. Therefore,
24 the removal of steam line connections to the main line has to be
25 carefully sequenced to protect the integrity of operations for
26 the remaining customers.
- 27 3. The high pressure (185 psi) customers who can be converted to low
28 pressure (15 psi) will be included in the conversion phase

located nearest to them. However, since the high pressure steam main will be the last pipe disconnected, many of the high pressure customers could be included in the last phases.

4. During the period of the test project, several steam customers indicated they would not need steam after the 1985-86 winter due to new construction in the Walnut and Grand Avenue areas. Obviously, there will be a reduction of steam customers in various areas of the system throughout the conversion period; and there may have to be some resequencing during the conversion process. For the most part, the Downtown Steam System Conversion Study (Exhibit No. ____ (BJB) Schedule 1) recognizes some of these variables and should therefore maintain reliability of operations unless there is a drastic change in steam line loading.

5. The installation of boilers usually requires some additional electric service also. These phases consider potential electrical supply needs and the availability of electrical feeders in the downtown area.

6. The timing for completion of each phase is critical to the operating reliability and maintenance of the entire steam system. The plan considers coordinating the customers' needs, the design and installation of the boilers and associated electrical equipment, disrupting vehicular traffic, and completing the conversion in the most economical manner for the steam customers.

Q. WHAT IS THE SCHEDULE FOR CONVERTING THE EXISTING DOWNTOWN STEAM CUSTOMERS TO ELECTRIC BOILERS?

A. The original schedule for the conversions was developed in conjunction with the Downtown Steam System Conversion Study in 1985 (see Exhibit No. ____ (BJB) Schedule 1). The Conversion Schedule, filed as part of

1 KCPL's July 7, 1986, tariff filing, divided KCPL's steam service
2 territory into eleven areas, and assigned a date certain to each area
3 after which KCPL would not be obligated to offer or provide steam
4 service from Grand Avenue. In light of the proceeding's present
5 procedural schedule, the dates in the Conversion Schedule are no
6 longer a reasonable projection of actual conversion periods for the
7 areas. Exhibit No. ____ (MCM) Schedule 3 lists each area or phase, the
8 name and location of each customer in each phase, and indicates the
9 present estimated time period in which KCPL will perform the
10 conversions. These time periods have been structured so that
11 customers are not converted during a heating season.

12 Q. WILL THE CUSTOMER RECEIVE NOTICE PRIOR TO THE CONVERSION OF HIS
13 PARTICULAR PHASE AREA?

14 A. Yes, as each phase is scheduled for conversion, a substantial effort
15 will be made to provide each customer ample opportunity to decide if
16 he wishes to remain a KCPL steam customer. At the end of the time
17 allocated for conversion of each phase, the steam laterals to that
18 area will be disconnected from the system. Each customer converted to
19 an electric boiler in that phase will be fully operational prior to
20 his steam line being disconnected.

21 At the beginning of each phase year, each customer in that
22 section would be personally contacted by a KCPL representative. A
23 complete explanation would be made, a time schedule discussed, an
24 energy survey made of the building if appropriate, and a copy of the
25 easement contract presented to the customer. The contract would allow
26 for the electric boiler installation on the customer's premises and
27 outline the complete commitment that the Company and customer would
28 agree to. This contract is contained in the proposed revision to

1 Section 9.02 of the General Rules and Regulations Applying To Steam
2 Service.

3 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

4 A. Yes it does.

AFFIDAVIT

STATE OF MISSOURI
COUNTY OF JACKSON

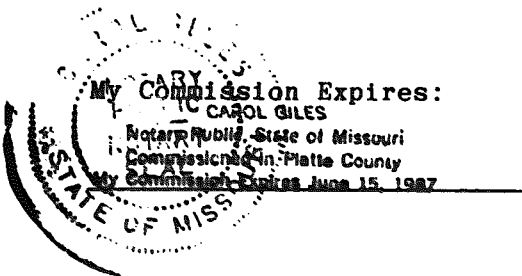
)
) ss.
)

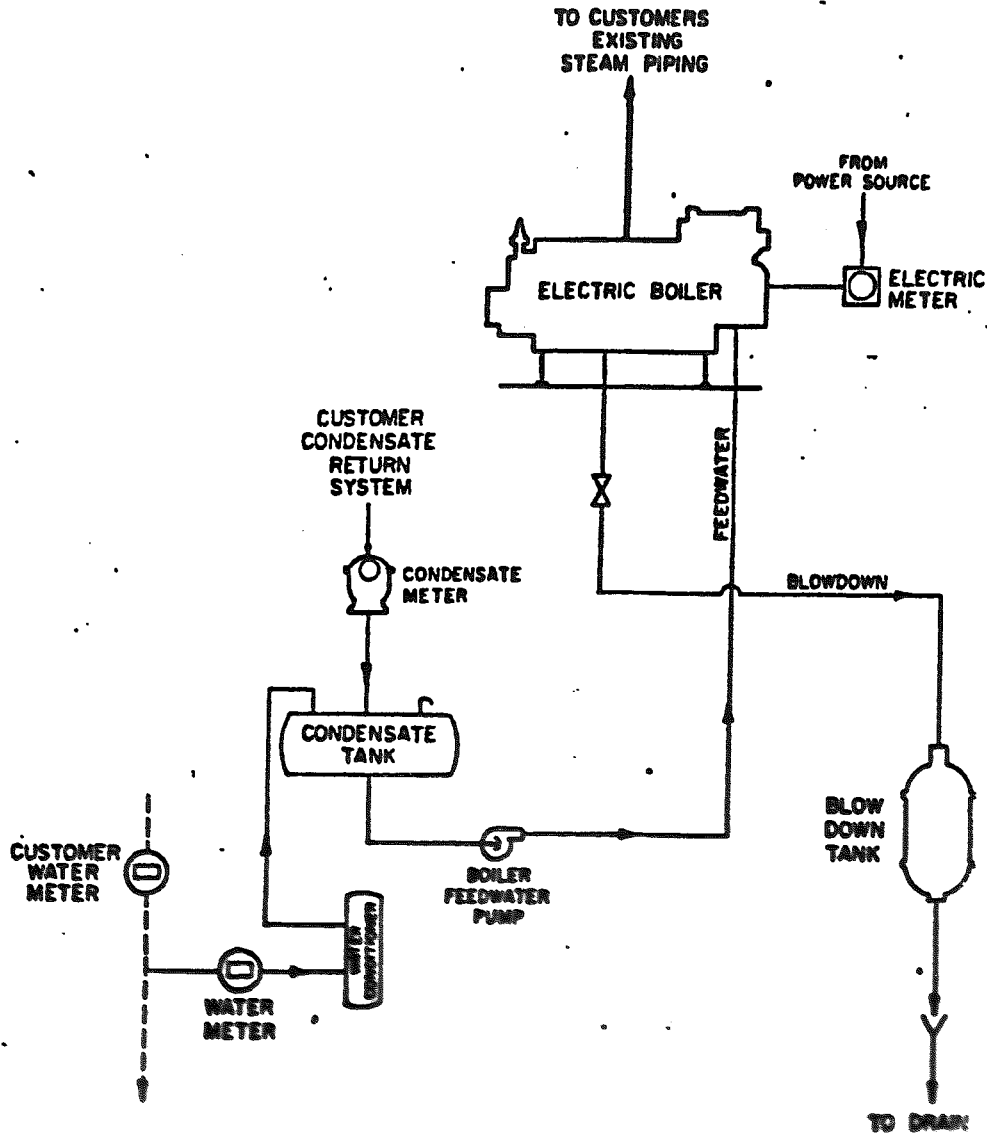
Michael C. Mandacina, being first duly sworn, on his oath states: that he has participated in the preparation of the foregoing written testimony, in question and answer form, consisting of 18 pages, to be presented to the Public Service Commission of the State of Missouri in Case No. HO-86-139; that the answers therein contained were given by him; that he has knowledge of the matters set forth in said answers; and that such answers are true to the best of his knowledge and belief.


Michael C. Mandacina

September, 1986. Subscribed and sworn to before me this 22nd day of


Notary Public



TYPICAL ELECTRIC BOILER INSTALLATION

SCHEDULE OF CONVERSION PHASES
September 8, 1986

PHASE 1: 1985-1986 Completed

<u>Name</u>	<u>Address</u>
Upsher Labs	1336 Walnut Comp.1985
McWhirter Printers	909 Wyandotte Comp.1985
Home Savings Building	1006 Grand Comp.1986
Stanley Sargent	1406 Walnut Comp.1985

PHASE 1: 1987

American Formal Wear	1329 Main
Missouri Division of Employment Security	1411 Main
Faultless Starch	114 W. 9th St.
Nelkin Trust	807 Wyandotte

PHASE 2: 1987

Rodeway Inn	601 Main
Rodeway Inn	701 Main
Executive Plaza	122 W. 8th
Downtown Redevelopment	811 Main
Waltower Building	823 Main
R. K. Powell	810 Baltimore
John A. Marshall	110 W. 9th Street
Baltimore Inn	109 W. 9th
Racket Merchandise	713 Walnut

PHASE 3: 1988

Kansas City Missouri Library	311 E. 12th
Missouri Court of Appeals	1300 Oak
Union National Bank	405 E. 13th
William H. Pickett	417 E. 13th

PHASE 4: 1988

Goldsmith Properties	817 Broadway
Mark Twain Bank	819 Broadway
William Ashley	909 Broadway
Anjer Corporation	913 Broadway
National Equipment Corporation	923 Broadway
Sieden Furs	935 Broadway

Rothenburg Tobacco
Naval Jelly
Jac-Bilt Company
Letter Carriers Union
Uhlmann Company
Downtown Investors

930 Broadway
412 W. 10th
908 Central
304 W. 10th
219 W. 10th
222 W. 10th

PHASE 5: 1988

Landmark Marketing Company
Financial Assurance
Kansas City Southern Industry
Folly Theater
Kansas City St. Joe Diocese
Kansas City St. Joe Diocese
Cathedral Square Tower
Carpenter Vulquarz
First Development

1020 Central
300 W. 11th
301 W. 11th
300 W. 12th
414 W. 12th
416 W. 12th
444 W. 12th
427 W. 12th
1235 Washington

PHASE 6: 1989

Graphix Plus
Moore & Kessinger
Continental Tower Building
Mia Jamison
Club Midwest
Downtown Properties
South Western Bell Telephone
Royal Blue Print
Argyle Building
Lathrop Building
Farm & Home Building
Kansas-New York Building
Bryant Building
Gate City Building
Traders Bank
Steve Scruby
Dension Optical
L. Gepford
12th & Walnut Building
Sentinel Federal Savings

1005 McGee
1009 McGee
1021 McGee
1000 McGee
1012 McGee
1040 McGee
1101 McGee
1118 McGee
306 E. 12th
1001 Grand
1021 Grand
1101 Grand
1100 Grand
1109 Grand
1125 Grand
1207 Grand
1217 Grand
1222 McGee
25 E. 12th
1001 Walnut

PHASE 7: 1989

Hadley-McHugh
DST
Kroh Brothers
Church's Chicken
Four Kings
Copaken-White-Blitt (Dillards)

15 W. 10th
21 W. 10th
1007 Baltimore
1008 Main
1016 Main
1030 Main

Metropolitan Savings
Woolf Brothers
First National Bank
CBC Investors
Ad Club
University Club
Lane Blue Print

1012 Walnut
1022 Walnut
14 W. 10th
930 Main
913 Baltimore
914 Baltimore
906 Baltimore

PHASE 8: 1990

Centerre Bank
Demaree Stationary
Quick-Print
Harriman Mtg. Inv.
GSA
First Federal Savings
United Missouri Bank
United Missouri Bank
Osco Drugs
Safety Federal Savings
United Missouri Bank
United Missouri Bank
Grand Avenue Temple
Federal Reserve
Federal Reserve
Federal Reserve
Federal Reserve

900 Walnut
908 Walnut
910 Walnut
920 Walnut
901 Walnut
915 Walnut
925 Walnut
112 W. 10th Street
925 Main
908 Grand
918 Grand
922 Grand
205 E. 9th
903 Grand
915 Grand
921 Grand
916 McGee

PHASE 9: 1990

Downtown Investors
Kansas City Southern
Phillips House Hotel
Trans Am. Investment
Municipal Auditorium
TWA
Gaylord Prop.
Empire Theatre

1001 Wyandotte
114 W. 11th
104 W. 12th
1205 Wyandotte
1300 Baltimore
1305 Baltimore
1330 Baltimore
1402 Main

PHASE 10: HIGH PRESSURE - 1989-1990

Kansas City Club
Jackson County Court House
Jackson County Justice Center
Jackson County Jail
Federal Office Building
Missouri State Office Building
Kansas City Power & Light Company
Grayhound
Bartle Hall

1230 Baltimore
405 E. 12th
1305 Locust
1307 Locust
601 E. 12th
615 E. 13th
1400 Baltimore
700 E. 12th
1220 Central

PHASE 11: HIGH PRESSURE - 1989-1990

Vista Motel	200 W. 12th
Burd & Fletcher	321 W. 7th
South Western Bell Telephone	500 W. 8th
Kansas City Missouri City Hall	415 E. 11th
Kansas City Missouri Courts	1101 Locust
Kansas City Missouri Police	1129 Locust
Federal Court House	811 Grand
Heritage House	1016 Locust
Old Townley	16 E. 3rd
Market Area Development Corporation (7 cust.)	20 E. 5th
Folgers Coffee	330 W. 8th