BEFORE THE CORPORATION COMMISSION

OF THE STATE OF KANSAS

In the Matter of the Application of Kansas City Power & Light Company for Approval to Make Certain Changes in its Charges for Electric Service to Continue the Implementation of its Regulatory Plan	]]]]]	KCC Docket No. 09-KCPE-246-RTS

DIRECT TESTIMONY OF

BRIAN KALCIC

RE: RESIDENTIAL AND SMALL GENERAL SERVICE RATE STRUCTURE

ON BEHALF OF

THE CITIZENS' UTILITY RATEPAYER BOARD

February 3, 2009

Q. Please state your name and business address.

A. Brian Kalcic, 225 S. Meramec Avenue, St. Louis, Missouri 63105.

Q. What is your occupation?

A. I am an economist and consultant in the field of public utility regulation, and principal of Excel Consulting. My qualifications are described in the Appendix to this testimony.

Q. On whose behalf are you testifying in this case?

A. I am testifying on behalf of the Citizens' Utility Ratepayer Board ("CURB").

Q. What is the subject of your testimony?

A. I will review KCPL's current and proposed residential rate structure. Consistent with the policy position previously advocated by CURB, I will also sponsor an alternative, conservation-oriented residential rate structure to be implemented at the conclusion of this proceeding.

In addition, I will discuss the Company's proposed small general service ("SGS") rate structure, and sponsor conservation-oriented changes, where appropriate.

Q. Have you reflected CURB witness Andrea C. Crane's recommended revenue adjustment for KCPL in your alternative rate design proposals?

A. Yes, I have.

Q. Please summarize your primary recommendations.

A. Based upon my analysis of KCPL's filing and interrogatory responses, I recommend that the Kansas Corporation Commission ("KCC" or "Commission"):

- reject the Company's proposed residential rate design;
- adopt CURB's revised residential rate design which would provide a stronger conservation price signal to KCPL's residential customers, while simplifying the Company's existing rate structure;
- reject KCPL's proposed SGS rate design; and
- adopt CURB's revised SGS rate design which would begin a phase-out of the Company's existing SGS declining block energy charges in this proceeding.

The specific details associated with the above recommendations are discussed below.

Residential Rate Structure

Q. Mr. Kalcic, please provide a brief description of KCPL's current residential service rate schedules.

A. The Company serves residential customers via six (6) rate schedules: a) General Use (RES-A); b) General Use and Water Heat – One Meter (RES-B); c) General Use and Space Heat – One Meter (RES-C); d) General Use and Space Heat – Two Meters (RES-D); e) General Use and Water Heat and Separately Metered Heat – Two Meters (RES-E); and f) Time of Day Service (TOD).[1] The majority of KCPL's residential customers (i.e., 73.1%) take service under RES-A. The RES-A rate schedule contains a customer charge, a

[1] CURB will not address the Company's Residential TOD tariff.

declining-block winter energy charge, and a flat rate summer energy charge.[2] Approximately 18.9% of residential customers take service on the Company's RES-C space heating rate schedule. The RES-C rate schedule contains a pronounced declining block winter energy charge, with all rates reflecting a substantial discount from RES-A. Water heating customers on RES-B and RES-E receive a discount on the first 1,000 kWh of winter consumption, but pay different first-block rates. Finally, the Company offers a discounted space-heating rate to customers on RES-D and RES-E, where space-heating equipment must be connected to a separate meter. Any summer usage that is registered on such separate meters (e.g., air conditioning load from a heat-pump) is billed using KCPL's summer energy charge.

Q. Does the Company propose to revise its residential rate *structure* in this proceeding?

A. No, it does not.

Q. Have you provided a summary of the Company's proposed residential rate design in this case?

A. Yes, I have. The Company's present and proposed residential tariff charges are summarized in Schedule BK-1. As shown in column 4 of Schedule BK-1, KCPL is proposing to assign a uniform increase of 17.5% to all of its existing tariff charges.

[2] The Company has one (1) summer energy charge that is applicable to all residential customers except those taking service on the Residential TOD rate schedule.

Q. Does CURB agree with the Company's proposed residential rate design in this proceeding?

A. No. As I discuss below, CURB recommends certain revisions to KCPL's residential rate design in order to simplify the Company's existing rate structure and to provide stronger price signals to consumers to conserve electricity. Accordingly, I have prepared an alternative residential rate design for the Commission's consideration in this proceeding.

Q. Why does CURB believe that it is appropriate to implement a more conservation-oriented residential rate structure in this proceeding?

A. CURB's Consumer Counsel informs me that the Commission has the authority to adjust utility rate structures to accomplish desired goals such as conservation. As a matter of public policy, it is CURB's position that the Commission can, and should, encourage conservation by revising existing rate structures to provide stronger conservation-oriented price signals. Many Kansas electric utilities (such as KCPL) are currently involved with extensive capital expenditure programs. Greater conservation, if achieved, will help consumers manage rising electric utility bills in the coming years and delay the need for additional generation units.

Q. Couldn't a significant revision to KCPL's existing rate structure exacerbate the rate increases that will be experienced by certain residential customers?

A. Yes. CURB is cognizant of that possibility. In its comments to the Commission in Docket No. 08-GIMX-442-GIV, CURB stated, in pertinent part:

> [W]ith respect to rate impacts on consumers that may result from adjusting the current rate structure or from moving to real-time pricing, the

> Commission must also be an active participant in the creation of mechanisms or rate structures that protect the most vulnerable of our citizens. . . . CURB encourages the Commission to join with CURB, the utilities and other intervenors, where appropriate, in finding mechanisms to make sure there are rate protections and affordability programs for our low-income and fixed-income customers. For example, rate design should ensure that the first block of usage remains affordable for all customers. Rate blocks above this first block can be adjusted upward, if necessary.[3]

In other words, CURB finds that an appropriate residential rate design would encourage conservation while at the same time providing a measure of affordability over a "first block" or baseline level of customer usage. Usage in excess of the baseline level would be subject to significantly greater pricing for all customers.

Q. Did CURB consider establishing a *separate* low-income rate schedule to offer rate protection to low-income customers?

A. No. CURB's Consumer Counsel informs me that the Commission rejected the concept of separate low-income assistance rates in Docket No. 04-GIMX-531-GIV, deciding that such rate designs would be impermissibly discriminatory and unduly preferential.[4]

Q. Mr. Kalcic, which specific feature(s) of the Company's existing residential rate structure does CURB oppose?

A. CURB opposes the Company's existing declining block energy charges, which are applicable during the winter season for general use (RES-A) and space heating (RES-C,

[3] *Comments of the Citizens' Utility Ratepayer Board*, Dec. 21, 2007, pp. 7-8, KCC Docket No, 08-GIMX-442-GIV.

[4] "The Commission has previously determined that low-income assistance rates in the form of pure discounts are impermissibly discriminatory and unduly preferential, and that there is no basis to depart from the prior determination of the Commission in this regard." *Order Accepting Staff's Report and Recommendation and Closing Docket,* August 31, 2005, ¶ 13, KCC Docket No. 04-GIMT-531-GIV.

RES-D and RES-E) customers. As currently configured, the Company's tariff provides various discounts for increased consumption, beginning with the 1,001st kWh consumed by a customer during the winter. Such discounts encourage rather than discourage consumption, and thus send the wrong price signal to customers.

CURB also takes issue with the Company's flat rate energy charge in the summer months. In CURB's view, summer energy charges should be redesigned to provide a flat rate for the first 1,000 kWh of consumption, with a significant price increase applying to all consumption in excess of that level (i.e., a two-step inclining block rate structure).

Q. Are the Company's current space heating rates consistent across its residential heating subclasses (i.e., RES-C, RES-D and RES-E)?

A. No. As shown in column 1 of Schedule BK-1, the winter energy charges applicable to RES-C customers (i.e., $0.04556 and $0.03416 per kWh as shown on lines 10 and 11, respectively) are greater than the corresponding RES-D and RES-E heating rate of $0.03286 per kWh (per lines 14 and 17 of Schedule BK-1).

Q. Is it appropriate for KCPL to charge different heating rates to customers in its RES-C versus RES-D and RES-E subclasses?

A. No. All such customers are presumably receiving exactly the same heating service from KCPL. Therefore, CURB recommends charging all residential heating customers the same rate for winter usage.

Q. Does CURB recommend eliminating all of KCPL's declining block winter rates in this proceeding?

A. Yes. As I discuss below, CURB's recommended rate design incorporates this approach. However, RES-D and RES-E customers would continue to pay a lower rate for their separately metered space heating consumption.

Q. Have you prepared a revised residential rate design and proof of revenue for this proceeding?

A. Yes, in Schedule BK-2.

Q. Please describe Schedule BK-2.

A. Schedule BK-2 consists of six (6) columns. Column 1 contains the pro forma billing determinants filed by KCPL.[5] Column 2 contains the Company's present base rates. Column 3 shows the present revenue that is derived from multiplying KCPL's pro forma billing determinants in column 1 by the present rates shown in column 2. CURB's revised rates are shown in column 4, and its revised revenue is provided in column 5. Finally, column 6 shows the percentage change in revenues under CURB's recommended rate design.

As shown on line 26, columns 5-6 of Schedule BK-2, CURB's recommended rate design would produce a total KCPL residential base rate revenue requirement of $235.3 million, which equates to a base rate increase of 11.41%.

[5] CURB witness Andrea Crane is not recommending any pro forma revenue adjustments in this proceeding. Therefore, CURB is utilizing the Company's filed billing determinants for rate design purposes.

Q. How did you determine the level of the residential base rate increase shown in line 26 of Schedule BK-2?

A. Ms. Crane is recommending a total KCPL base rate increase of $47.778 million (inclusive of CIAC) on total base revenues of $409.958 million, or an increase of 11.41%. Consistent with the Company's proposal to assign an across-the-board increase to all rate classes, I have assigned a system average increase of 11.41% to KCPL's residential rate classes.

Q. How do CURB's revised residential rates compare to the Company's proposed rates?

A. CURB's revised residential rate design adopts the Company's approach of assigning a system average increase to customer charges. However, as shown in column 4 of Schedule BK-2, CURB's revised rates would establish a uniform rate of $0.07779 per kWh covering: a) usage up to 1,000 kWh per month in the summer; and b) all winter usage that is not water heating or space heating related.[6] In the winter season, CURB recommends a uniform space-heating rate of $0.04849 per kWh for all space heating consumption. In addition, CURB would establish a uniform water-heating rate of $0.05279 per kWh for the first 1,000 kWh of winter usage for RES-B and RES-E customers. In contrast, the Company's proposed winter energy charges exhibit no such internal consistency (with respect to general use, water heating or space heating service) across the residential subclasses.[7]

In addition, column 4, line 5 of Schedule BK-2 shows a summer consumption charge for usage in excess of 1,000 kWh of $0.09588 per kWh. This equates to an

[6] See lines 4, 7, 8, 11, 16, 17, and 22 of column 4 in Schedule BK-2. The rate for the first 1,000 kWh of usage on the RES-B and RES-E rate schedules reflects KCPL's water heating discounts.
[7] See column 2 of Schedule BK-1.

approximate 1.8¢ differential (or a 23.3% increase) over the rate charged for the 0-1,000 kWh block. As previously mentioned, the Company is proposing to maintain a uniform energy charge applicable to all summer usage.

Q. Mr. Kalcic, how did you determine the level of CURB's recommended space heating and water heating charges shown in Schedule BK-2?

A. CURB's recommended space heating charges shown on lines 13-14 of Schedule BK-2 were set at the same average discount (i.e., in ¢/kWh) from general use winter rates that exists under the Company's present rates. The resulting space heating charge was then applied to (the space heating portion of) RES-D and RES-E.

In a similar fashion, CURB's recommended water heating rate shown on line 10 of Schedule BK-2 was set at the same discount (in ¢/kWh) from the first block general use winter rate as under the Company's present rates.

Q. How should KCPL determine its applicable water heating and space heating discounts in its next rate proceeding?

A. CURB recommends that the Company include residential water heating and residential space heating as *separate* classes in its forthcoming cost-of-service study ("COSS"), with rate discounts tied to differences in class cost of service. This information is not available in the cost of service study filed by KCPL in this case. As a result, there is no evidence in this record to support the Company's current water heating and space heating discounts.

Q. Have you summarized CURB's recommended increases to the Company's residential subclasses?

A. Yes. Schedule BK-3 shows the residential increases produced by CURB's recommended rate design. As shown in Schedule BK-3, such increases would range from 10.0% (for RES-A) to 23.9% (for RES-E). The RES-E increase equates to slightly more than twice the system average increase of 11.41%.

Q. Mr. Kalcic, would you please summarize CURB's rate structure recommendations for the Company's residential rate classes?

A. Yes. CURB recommends that the Commission direct KCPL to: a) establish a uniform residential consumption charge covering up to 1,000 kWh per month in the summer, and all winter usage that is not water heating or space heating related; b) implement a uniform space-heating rate for all space heating consumption; c) implement a uniform water-heating rate for all water heating usage; and d) set the consumption charge for summer usage in excess of 1,000 kWh at a level high enough to encourage conservation. The above rate structure guidelines should be implemented after the Commission has determined both the Company's overall revenue requirement, and individual customer class revenue targets.

SGS Rate Structure

Q. Mr. Kalcic, please provide a brief description of the Company's current SGS rate schedules for secondary voltage service.

A. The Company maintains four (4) secondary SGS rate schedules: a) General Use (SGSS); b) Space Heating – All Electric (SGSSA); c) Separately Metered Space Heat (SGSSH); and

d) Unmetered Service (SGSSU).[8] The SGSS, SGSSA and SGSSU rate schedules contain a customer charge (based on the size of the customer's load in kW), demand charge and a seasonally differentiated, demand-based declining block energy charge.[9] The Company maintains one set of summer energy charges that applies to all SGSS, SGSSA and SGSSH customers. Space heating customers receive non-uniform discounts from the winter energy charges paid by SGSS customers.

Q. Does the Company propose to revise its SGS rate structure in this proceeding?

A. No. As shown in Schedule BK-4, the Company is proposing to assign an across-the-board increase of 17.5% to all of its SGS tariff charges.

Q. Does CURB accept the Company's proposed SGS rate design in this proceeding?

A. No. CURB opposes the Company's declining block SGS rate structure since it does not promote conservation.

Q. Does CURB recommend eliminating all of KCPL's declining block SGS energy charges in this proceeding?

A. No. Eliminating all of the Company's declining block energy charges at one time would impose excessive rate impacts within the class. As I discuss below, CURB's recommended rate design begins a phase-out of the Company's declining-block energy charges in this case.

[8] CURB will not address the Company's SGS – Unmetered Service tariff.

[9] The Company's declining block energy charges are defined according to "hours use" breakpoints, rather than fixed kWh usage levels. As a result, the higher the SGS customer's load factor, the greater the percentage of the customer's usage that is billed at a lower rate per kWh.

Q. What type of SGS rate design does CURB recommend?

A. CURB's recommended SGS rate design is shown in Schedule BK-5. In general, CURB's revised rate design adopts the Company's approach of assigning a system average increase to non-usage charges. However, as shown in column 4, line 4 of Schedule BK-5, CURB recommends implementing a demand charge of $1.17 per kW (or one-half the amount charged for demand in excess of 25 kW) on the first 25 kW of monthly billing demand.

At present, KCPL does not charge SGS customers for the first 25 kW of billing demand. Instead, the Company recovers such costs in its initial rate block(s). As a result, simply eliminating the Company's declining block rates would shift revenue responsibility from lower load factor to higher load factor SGS customers. In order to begin a phase-out of the Company's demand-based declining block rates without causing an undue shift in revenue responsibility within the class, CURB recommends implementing a demand charge for the first 25 kW of monthly billing demand.

Q. How did you determine the SGS energy charge levels shown in column 4 of Schedule BK-5?

A. CURB's recommended SGS rate design reflects a multi-step process. First, I used the demand charge revenues produced by CURB's 0-25 kW demand charge to reduce the Company's first 180 hours use energy rate in the summer and winter proportionally. Second, I assigned an increase equal to one-half of the average (required) SGS energy charge increase to the initial summer rate block. Third, I assigned the residual energy charge increase to the Company's overall SGSSA energy charges, while combining the

second and third rate blocks.[10] This combined second and third block rate was also applied to the separately metered winter heating load of SGSSH customers. Fourth, I assigned the remaining energy charge increase to the Company's overall SGSS winter energy charges, while once again combining the second and third rate blocks. [11]

Q. Does CURB's recommended SGS rate design make reasonable progress toward eliminating the Company's declining block rate structure?

A. I believe so. CURB's rate design would eliminate one SGS rate block and establish consistent heating rates across the SGSSA and SGSSH subclasses, without imposing unreasonable rate impacts on SGS customers. CURB recommends that this process be continued in KCPL's next rate proceeding.

Q. How did you determine the level of the SGS base rate increase shown on line 25 of Schedule BK-5?

A. I assigned a system average increase of 11.41% to KCPL's SGS rate classes.

Q. Have you summarized CURB's recommended increases to the Company's SGS subclasses?

A. Yes. Schedule BK-6 shows the SGS increases produced by CURB's recommended rate design. As shown in Schedule BK-6, such increases would range from 10.79% (for SGSS) to 18.15% (for SGSSH).

[10] See lines 15-17 of Schedule BK-5.
[11] See lines 11-13 of Schedule BK-5.

Q. Mr. Kalcic, do KCPL's existing Medium General Service, Large General Service and Large Power Service rate schedules also contain declining block energy charges?

A. Yes. While CURB is not sponsoring alternative rate designs for the above rate schedules in this case, CURB recommends that the Company examine and promote more conservation-oriented rate structures, where feasible, for its larger commercial and industrial customers in its next rate proceeding.

Q. Does this conclude your direct testimony?

A. Yes.

APPENDIX

Qualifications of Brian Kalcic

Mr. Kalcic graduated from Illinois Benedictine College with a Bachelor of Arts degree in Economics in December 1974. In May 1977 he received a Master of Arts degree in Economics from Washington University, St. Louis. In addition, he has completed all course requirements at Washington University for a Ph.D. in Economics.

From 1977 to 1982, Mr. Kalcic taught courses in economics at both Washington University and Webster University, including Microeconomic and Macroeconomic Theory, Labor Economics and Public Finance.

During 1980 and 1981, Mr. Kalcic was a consultant to the Equal Employment Opportunity Commission, St. Louis District Office. His responsibilities included data collection and organization, statistical analysis and trial testimony.

From 1982 to 1996, Mr. Kalcic was employed by the firm of Cook, Eisdorfer & Associates, Inc. During that time, he participated in the analysis of electric, gas and water utility rate case filings. His primary responsibilities included cost-of-service and economic analysis, model building, and statistical analysis.

In March 1996, Mr. Kalcic founded Excel Consulting, a consulting practice that offers business and regulatory analysis.

Mr. Kalcic has previously testified before the state regulatory commissions of Delaware, Kansas, Kentucky, Maine, Massachusetts, Minnesota, Missouri, New Jersey, New York, Ohio, Oregon, Pennsylvania, and Texas, and also before the Bonneville Power Administration.

VERIFICATION

STATE OF MISSOURI)
) ss:
COUNTY OF)

I, Brian Kalcic, of lawful age, being first duly sworn upon his oath states:

That he is a consultant for the Citizens' Utility Ratepayer Board; that he has read the above and foregoing Testimony, and, upon information and belief, states that the matters therein appearing are true and correct.

Brian Kalcic

SUBSCRIBED AND SWORN to before me this 2nd day of February, 2009.

Janet M. Roseman

Notary of Public

My Commission expires:

" NOTARY SEAL "
Janet M. Roseman, Notary Public
St. Louis County State of Missouri
My Commission Expires 3/10/2010
Commission Number 05-23986

KANSAS CITY POWER & LIGHT COMPANY

Summary of Present and Proposed Residential Base Rates

Line	Description	Present Rates (1)	Proposed Rates (2)	Proposed Increase Amount (3)	Proposed Increase Percent (4)
	Customer Charge				
1	One Meter 1/	$7.93	$9.32	$1.39	17.53%
2	Two Meters 2/	$9.85	$11.57	$1.72	17.46%
3	Time of Day	$11.58	$13.61	$2.03	17.53%
	Energy Charge				
	Summer -- All Customers				
4	First 1,000 kWh	$0.07779	$0.09140	$0.01361	17.50%
5	All add'l kWh	$0.07779	$0.09140	$0.01361	17.50%
	Winter				
	General Use - (RES-A)				
6	First 1,000 kWh	$0.07026	$0.08256	$0.01230	17.51%
7	All add'l kWh	$0.06996	$0.08220	$0.01224	17.50%
	Water Heating - (RES-B)				
8	First 1,000 kWh	$0.04526	$0.05318	$0.00792	17.50%
9	All add'l kWh	$0.06916	$0.08126	$0.01210	17.50%
	Space Heating - (RES-C)				
10	First 1,000 kWh	$0.04556	$0.05353	$0.00797	17.49%
11	All add'l kWh	$0.03416	$0.04014	$0.00598	17.51%
	S.H. 2 Meters - (RES-D)				
12	First 1,000 kWh	$0.06796	$0.07985	$0.01189	17.50%
13	All add'l kWh	$0.06726	$0.07903	$0.01177	17.50%
14	Separate Space Heating	$0.03286	$0.03861	$0.00575	17.50%
	W.H./S.H. 2 Meters - (RES-E)				
15	First 1,000 kWh	$0.04286	$0.05036	$0.00750	17.50%
16	All add'l kWh	$0.06426	$0.07551	$0.01125	17.51%
17	Separate Space Heating	$0.03286	$0.03861	$0.00575	17.50%
	Time of Day - (RTOD)				
18	Summer On-Peak	$0.12979	$0.15250	$0.02271	17.50%
19	Summer Off-Peak	$0.05419	$0.06367	$0.00948	17.49%
20	Winter - All Hours	$0.05666	$0.06658	$0.00992	17.51%

Notes:

1/ Applicable to RES-A, RES-B and RES-C.

2/ Applicable to RES-D and RES-E.

KANSAS CITY POWER & LIGHT COMPANY

CURB Recommended Residential Rate Design and Proof of Revenue
(Excludes TOD Customers)

Line	Description	Pro Forma Billing Determinants	Present Rates	Present Revenue	CURB Rates	CURB Revenue	Percentage Change in Revenues
		(1)	(2)	(3) = (1)*(2)	(4)	(5) = (1)*(4)	(6) = (5)/(3)
	Customer Charge						
1	One Meter	2,317,911	$7.93	$18,381,034	$8.83	$20,467,154	11.35%
2	Two Meters	151,432	$9.85	$1,491,605	$10.97	$1,661,209	11.37%
3	Subtotal	2,469,343		$19,872,639		$22,128,363	11.35%
	Energy Charge						
	Summer						
4	First 1,000 kWh	724,120,825	$0.07779	$56,329,359	$0.07779	$56,329,359	0.00%
5	All add'l kWh	414,818,078	$0.07779	$32,268,698	$0.09588	$39,772,757	23.25%
6	Subtotal Summer	1,138,938,903		$88,598,057		$96,102,116	8.47%
	Winter						
	General Use - (RES-A)						
7	First 1,000 kWh	822,979,321	$0.07026	$57,822,527	$0.07779	$64,019,561	10.72%
8	All add'l kWh	237,339,510	$0.06996	$16,604,272	$0.07779	$18,462,640	11.19%
9	Subtotal RES-A	1,060,318,831		$74,426,799		$82,482,201	10.82%
	Water Heating - (RES-B)						
10	First 1,000 kWh	22,118,383	$0.04526	$1,001,078	$0.05279	$1,167,629	16.64%
11	All add'l kWh	9,970,423	$0.06916	$689,554	$0.07779	$775,599	12.48%
12	Subtotal RES-B	32,088,806		$1,690,632		$1,943,228	14.94%
	Space Heating - (RES-C)						
13	First 1,000 kWh	248,066,712	$0.04556	$11,301,919	$0.04849	$12,028,755	6.43%
14	All add'l kWh	172,166,403	$0.03416	$5,881,204	$0.04849	$8,348,349	41.95%
15	Subtotal RES-C	420,233,115		$17,183,123		$20,377,104	18.59%
	S.H. 2 Meters - (RES-D)						
16	First 1,000 kWh	5,356,401	$0.06796	$364,021	$0.07779	$416,674	14.46%
17	All add'l kWh	1,189,960	$0.06726	$80,037	$0.07779	$92,567	15.66%
18	Sep. Space Heating - W	7,475,179	$0.03286	$245,634	$0.04849	$362,471	47.57%
19	Sep. Space Heating - S	2,533,658	$0.07779	$197,093	$0.09588	$242,927	23.26%
20	Subtotal RES-D	16,555,198		$886,785		$1,114,639	25.69%
	W.H./S.H. 2 Meters - (RES-E)						
21	First 1,000 kWh	35,539,789	$0.04286	$1,523,235	$0.05279	$1,876,145	23.17%
22	All add'l kWh	32,764,246	$0.06426	$2,105,430	$0.07779	$2,548,731	21.06%
23	Sep. Space Heating - W	84,300,599	$0.03286	$2,770,118	$0.04849	$4,087,736	47.57%
24	Sep. Space Heating - S	27,245,577	$0.07779	$2,119,433	$0.09588	$2,612,306	23.25%
25	Subtotal RES-D	179,850,211		$8,518,216		$11,124,918	30.60%
26	Total Residential	2,847,985,064		$211,176,251		$235,272,569	11.41%

Source: KCC DR 127

Target $235,272,321
Rounding $248

KANSAS CITY POWER & LIGHT COMPANY
Summary of CURB Recommended Residential Revenue Increases

Line	Description	Present Revenue	Recommended Revenue	Recommended Increase Amount	Recommended Increase Percent
		(1)	(2)	(3)	(4)
	Residential Service				
1	General Use: RES-A	$158,040,411	$173,850,583	$15,810,172	10.00%
2	Water Heating: RES-B	$3,586,409	$3,999,302	$412,893	11.51%
3	Space Heating: RES-C	$36,534,319	$41,349,080	$4,814,761	13.18%
4	S.H. 2 Meters: RES-D	$1,308,051	$1,563,424	$255,373	19.52%
5	W.H./S.H. 2 Meters: RES-E	$11,707,058	$14,510,177	$2,803,119	23.94%
6	Total Residential	$211,176,248	$235,272,566	$24,096,318	11.41%

Source: CURB rates times class billing determinants.

KANSAS CITY POWER & LIGHT COMPANY

Summary of Present and Proposed SGS Base Rates -- Secondary Voltage

Line	Description	Present Rates (1)	Proposed Rates (2)	Proposed Increase Amount (3)	Proposed Increase Percent (4)
	Customer Charge				
1	0-24 kW	$13.63	$16.02	$2.39	17.53%
2	25 kW or above	$35.64	$41.88	$6.24	17.51%
3	Add'l Meter 1/	$1.62	$1.90	$0.28	17.28%
	Demand Charge				
4	First 25 kW	$0.00	$0.00	$0.00	-
5	All add'l kW	$2.10	$2.47	$0.37	17.52%
	Energy Charge				
	Summer				
6	First 180 hours use	$0.10714	$0.12589	$0.01875	17.50%
7	Next 180 hours use	$0.04704	$0.05527	$0.00823	17.50%
8	Over 360 hours use	$0.04204	$0.04940	$0.00736	17.51%
	Winter				
	General Use - (SGSS)				
9	First 180 hours use	$0.08529	$0.10022	$0.01493	17.50%
10	Next 180 hours use	$0.04019	$0.04722	$0.00703	17.49%
11	Over 360 hours use	$0.03169	$0.03724	$0.00555	17.51%
	All Electric - (SGSSA)				
12	First 180 hours use	$0.05789	$0.06802	$0.01013	17.50%
13	Next 180 hours use	$0.03519	$0.04135	$0.00616	17.50%
14	Over 360 hours use	$0.03049	$0.03583	$0.00534	17.51%
	Separate Meter - (SGSSH)				
15	All kWh	$0.03169	$0.03724	$0.00555	17.51%

Notes:

1/ Applicable to customers with separately metered space heating.

KANSAS CITY POWER & LIGHT COMPANY

CURB Recommended SGS Rate Design and Proof of Revenue
(Secondary Service Only - Excludes Unmetered Service)

Line	Description	Pro Forma Billing Determinants	Present Rates	Present Revenue	CURB Rates	CURB Revenue	Percentage Change in Revenues
		(1)	(2)	(3) = (1)*(2)	(4)	(5) = (1)*(4)	(6) = (5)/(3)
	Non-Usage Charges						
1	Customer 0-24 kW	222,312	$13.63	$3,030,113	$15.19	$3,376,919	11.45%
2	Customer 25 kW +	13,598	$35.64	$484,633	$39.71	$539,977	11.42%
3	Add'l Meter 1/	4,816	$1.62	$7,802	$1.80	$8,669	11.11%
4	Demand First 25 kW	1,755,067	$0.00	$0	$1.17	$2,053,429	-
5	Demand All add'l kW	263,084	$2.10	$552,476	$2.34	$615,617	11.43%
6	Subtotal			$4,075,024		$6,594,611	61.83%
	Energy Charges						
	Summer						
7	First 180 hours use	80,067,610	$0.10714	$8,578,444	$0.10156	$8,131,666	-5.21%
8	Next 180 hours use	28,119,774	$0.04704	$1,322,754	$0.05301	$1,490,629	12.69%
9	Over 360 hours use	5,753,910	$0.04204	$241,894	$0.05301	$305,015	26.09%
10	Subtotal Summer	113,941,294		$10,143,092		$9,927,310	-2.13%
	Winter						
	General Use - (SGSS)						
11	First 180 hours use	120,078,381	$0.08529	$10,241,485	$0.08839	$10,613,728	3.63%
12	Next 180 hours use	40,890,741	$0.04019	$1,643,399	$0.04468	$1,826,998	11.17%
13	Over 360 hours use	10,313,702	$0.03169	$326,841	$0.04468	$460,816	40.99%
14	Subtotal SGSS	171,282,824		$12,211,725		$12,901,542	5.65%
	All Electric - (SGSSA)						
15	First 180 hours use	9,148,489	$0.05789	$529,606	$0.06643	$607,734	14.75%
16	Next 180 hours use	3,020,704	$0.03519	$106,299	$0.03898	$117,747	10.77%
17	Over 360 hours use	1,065,926	$0.03049	$32,500	$0.03898	$41,550	27.85%
18	Subtotal SGSS	13,235,119		$668,405		$767,031	14.76%
	Separate Meter - (SGSSH)						
19	First 180 hours use	2,759,969	$0.08529	$235,398	$0.08839	$243,954	3.63%
20	Next 180 hours use	793,318	$0.04019	$31,883	$0.04468	$35,445	11.17%
21	Over 360 hours use	161,476	$0.03169	$5,117	$0.04468	$7,215	40.99%
22	Sep. Space Heating - W	4,461,681	$0.03169	$141,391	$0.03898	$173,916	23.00%
23	Sep. Space Heating - S	634,928	$0.11104	$70,502	$0.12371	$78,547	11.41%
24	Subtotal SGSSH	8,811,371		$484,291		$539,077	11.31%
25	Total SGS	307,270,608		$27,582,537		$30,729,571	11.41%
	Source: KCC DR 127				Target	$30,729,817	
					Rounding	($246)	

KANSAS CITY POWER & LIGHT COMPANY
Summary of CURB Recommended SGS Revenue Increases

Line	Description	Present Revenue	Recommended Revenue	Recommended Increase Amount	Recommended Increase Percent
		(1)	(2)	(3)	(4)
	SGS - Secondary				
1	General Use - SGSS	$25,238,021	$27,961,561	$2,723,540	10.79%
2	All Electric - SGSSA	$1,436,609	$1,695,315	$258,706	18.01%
3	S.H. Separate Meter - SGSSH	$907,901	$1,072,679	$164,778	18.15%
4	Total SGS - Secondary	$27,582,531	$30,729,554	$3,147,024	11.41%

Source: CURB rates times class billing determinants.

CERTIFICATE OF SERVICE

09-KCPE-246-RTS

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing document was placed in the United States mail, postage prepaid, e-mailed, or hand-delivered this 3rd day of February, 2009, to the following:

* JAMES G. FLAHERTY, ATTORNEY
ANDERSON & BYRD, L.L.P.
216 SOUTH HICKORY
PO BOX 17
OTTAWA, KS 66067
Fax: 785-242-1279
jflaherty@andersonbyrd.com

JAMES R. WAERS, ATTORNEY
BLAKE & UHLIG PA
475 NEW BROTHERHOOD BLDG
753 STATE AVE., STE. 475
KANSAS CITY, KS 66101
Fax: 913-321-2396
jrw@blake-uhlig.com

JANE L. WILLIAMS, ATTORNEY
BLAKE & UHLIG PA
475 NEW BROTHERHOOD BLDG
753 STATE AVE., STE. 475
KANSAS CITY, KS 66101
Fax: 913-321-2396
jlw@blake-uhlig.com

* GLENDA CAFER, ATTORNEY
CAFER LAW OFFICE, L.L.C.
2921 SW WANAMAKER DR
STE 101
TOPEKA, KS 66614
Fax: 785-271-9993
gcafer@sbcglobal.net

* KELLY S. WALTERS, REGULATORY & GENERAL SERVICES
EMPIRE DISTRICT ELECTRIC COMPANY
602 JOPLIN
PO BOX 127
JOPLIN, MO 64802
kwalters@empiredistrict.com

* BRIAN KALCIC, PRINCIPAL
EXCEL CONSULTING
225 S MERAMEC AVE. STE. 7207
ST. LOUIS, MO 63105
excel.consulting@sbcglobal.net

* C. EDWARD PETERSON, ATTORNEY
FINNEGAN CONRAD & PETERSON LC
1209 PENNTOWER OFFICE CENTER
3100 BROADWAY
KANSAS CITY, MO 64111
Fax: 816-756-0373
epeters@fcplaw.com

DARRELL MCCUBBINS, BUSINESS MANAGER
IBEW LOCAL UNION NO. 1464
6200 CONNECTICUT
SUITE 105
KANSAS CITY, MO 64120
Fax: 816-483-4239
local1464@aol.com

MIKE LONG, BUSINESS MANAGER
IBEW LOCAL UNION NO. 1613
6200 CONNECTICUT
SUITE 105
KANSAS CITY, MO 64120
local1613@earthlink.net

BILL MCDANIEL, BUSINESS MANAGER
IBEW LOCAL UNION NO. 412
6200 CONNECTICUT
SUITE 105
KANSAS CITY, MO 64120
Fax: 816-231-5515
bmcdaniel412@msn.com

* CHRIS B GILES, SR. DIRECTOR, REVENUE AND RESOURCE MGMT
KANSAS CITY POWER & LIGHT COMPANY
1201 WALNUT (64106)
PO BOX 418679
KANSAS CITY, MO 64141-9679
Fax: 816-556-2924
chris.giles@kcpl.com

* WILLIAM RIGGINS, GENERAL COUNSEL
KANSAS CITY POWER & LIGHT COMPANY
1201 WALNUT (64106)
PO BOX 418679
KANSAS CITY, MO 64141-9679
Fax: 816-556-2787
bill.riggins@kcpl.com

CERTIFICATE OF SERVICE

09-KCPE-246-RTS

* MELISSA HUNSICKER WALBURN, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD ROAD
TOPEKA, KS 66604-4027
Fax: 785-271-3167
m.walburn@kcc.ks.gov
**** Hand Deliver ****

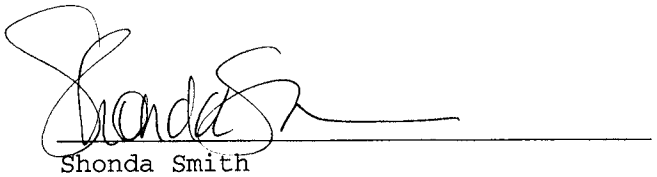
* PATRICK T SMITH, LITIGATION COUNSEL
KANSAS CORPORATION COMMISSION
1500 SW ARROWHEAD ROAD
TOPEKA, KS 66604-4027
Fax: 785-271-3167
p.smith@kcc.ks.gov
**** Hand Deliver ****

* ANNE E. CALLENBACH, ATTORNEY
POLSINELLI SHALTON FLANIGAN & SUELTHAUS
6201 COLLEGE BLVD
SUITE 500
OVERLAND PARK, KS 66211
Fax: 913-451-6205
acallenbach@polsinelli.com

* FRANK A. CARO, JR., ATTORNEY
POLSINELLI SHALTON FLANIGAN & SUELTHAUS
6201 COLLEGE BLVD
SUITE 500
OVERLAND PARK, KS 66211
Fax: 913-451-6205
fcaro@polsinelli.com

JAMES P. ZAKOURA, ATTORNEY
SMITHYMAN & ZAKOURA, CHTD.
7400 W 110TH STREET
SUITE 750
OVERLAND PARK, KS 66210
Fax: 913-661-9863
jim@smizak-law.com

* JACQUELINE SQUILLETS, CONSULTANT
VANTAGE CONSULTING, INC.
21460 OVERSEAS HWY
CUDJOE KEY, FL 33042
Fax: 305-744-3450
jsquillets@vantageconsulting.com



Shonda Smith

* Denotes those receiving the Confidential version