

**BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS**

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**DIRECT TESTIMONY OF**

**KEVIN E. BRYANT**

**ON BEHALF OF  
KANSAS CITY POWER & LIGHT COMPANY**

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**IN THE MATTER OF THE PETITION OF  
KANSAS CITY POWER & LIGHT COMPANY (“KCP&L”)  
FOR DETERMINATION OF THE RATEMAKING PRINCIPLES  
AND TREATMENT THAT WILL APPLY TO THE RECOVERY  
IN RATES OF THE COST TO BE INCURRED BY KCP&L FOR  
CERTAIN ELECTRIC GENERATION FACILITIES  
UNDER K.S.A. 66-1239**

**DOCKET NO. 11-KCPE-581 -PRE**

1 **Q: Please state your name and business address.**

2 A: My name is Kevin E. Bryant. My business address is 1200 Main Street, Kansas City,  
3 Missouri 64105.

4 **Q: By whom and in what capacity are you employed?**

5 A: I am employed by Kansas City Power & Light Company (“KCP&L” or “Company”) as  
6 Vice President, Energy Solutions.

7 **Q: What are your responsibilities?**

8 A: My responsibilities include directing the development, coordination and execution of  
9 promotional strategies and programs designed to efficiently and effectively promote and  
10 implement KCP&L’s products and services. I am also responsible for all residential and  
11 commercial sales efforts and for maintaining relationships with KCP&L’s largest

1 customers and trade allies. My duties include initiating and bringing to market new  
2 products and services, as well as improvements and innovations to existing products and  
3 services. My duties also include the development, implementation and evaluation of  
4 customer programs, which include demand side affordability, energy efficiency, and  
5 demand response programs.

6 **Q: Please describe your education, experience and employment history.**

7 A: I received dual undergraduate degrees in finance and real estate from the University of  
8 Missouri – Columbia where I graduated Cum Laude in May 1997. I received my Masters  
9 in Business Administration degree with an emphasis in finance and marketing from the  
10 Stanford University Graduate School of Business in June 2002.

11 I joined Great Plains Energy Incorporated (“GPE”), the parent company to  
12 KCP&L, in 2003 as a Senior Financial Analyst and was promoted to Manager -  
13 Corporate Finance in 2005 where I was responsible for contributing to the development  
14 and maintenance of the sound financial health of both GPE and KCP&L through the  
15 management of company financing activities. I was promoted to my current position at  
16 KCP&L in July 2006. Prior to joining GPE, I worked for THQ Inc. from 2002 to 2003, a  
17 worldwide developer and publisher of interactive entertainment software based in  
18 Calabasas, California. I served as Manager - Strategic Planning where I was responsible  
19 for establishing corporate goals and developing and assisting with the execution of the  
20 Company’s strategic plan. From 1998 to 2000, I worked as a Corporate Finance Analyst  
21 for what is now UBS Paine Webber. I worked on mergers and acquisitions for medium  
22 and large-sized companies. I also worked at Hallmark Cards as a Financial Analyst from  
23 1997 to 1998.

1 **Q: Have you previously testified in a proceeding at the Kansas Corporation**  
2 **Commission (“Commission” or “KCC”) or before any other utility regulatory**  
3 **agency?**

4 A: Yes, I have. I testified before the Commission regarding KCP&L’s application for its  
5 proposed Home Performance with ENERGY STAR<sup>®</sup> program. I also testified before the  
6 Missouri Public Service Commission in Case No. EM-2007-0374 (Aquila acquisition).

7 **Q: What is the purpose of your testimony?**

8 A: Pursuant to the requirements of K.S.A. 66-1239(c)(2)(A) and (B), I am providing  
9 (1) background on the Company’s demand side management (“DSM”) efforts; (2) a  
10 description of the Company’s specific conservation measures and DSM programs; and  
11 (3) a discussion of the Company’s plans for its DSM efforts going forward.

12 **Q: Will you be discussing KCP&L’s overall Company DSM efforts for both Kansas**  
13 **and Missouri or just the Kansas programs and results?**

14 A: I will discuss the programs and results at both the Company level and on a Kansas  
15 jurisdictional basis.

16 **Q: Why not discuss only the Company’s Kansas DSM efforts?**

17 A: KCP&L’s resource planning is conducted on an overall Company basis; that is, KCP&L  
18 does not do separate resource planning for its Kansas and Missouri jurisdictions. All of  
19 its generating stations currently in service, including La Cygne Station Units 1 and 2,  
20 serve both KCP&L’s Kansas and Missouri customers and the costs are allocated to each  
21 jurisdiction as appropriate. Because of this combined planning process, KCP&L’s DSM  
22 efforts in both states affect its resource planning decisions. This will be evident in the  
23 Direct Testimony of Company witness Burton Crawford.

1 **I. BACKGROUND ON KCP&L’S DSM EFFORTS**

2 **Q: When did KCP&L first begin its DSM efforts?**

3 A: In 2004, KCP&L approached the commissions in both Kansas and Missouri with a  
4 comprehensive energy plan (the “Plan”) which looked to the future needs of its customers  
5 and set a path to meet those needs in a comprehensive and well-rounded manner  
6 including new generation – both wind-powered and coal-fired – environmental upgrades  
7 to several existing generating units, upgrades to our transmission and distribution systems  
8 for continued reliability, and implementation of a portfolio of DSM pilot programs,  
9 including affordability, energy efficiency and demand response programs. Input from a  
10 variety of stakeholders was incorporated into this Plan and agreements that embodied the  
11 elements of the Plan and the parameters of implementation and recovery set out by the  
12 parties were approved in each state. In Kansas, this agreement, referred to as the “1025  
13 S&A,” was approved by the Commission in August 2005 in Docket No. 04-KCPE-1025-  
14 GIE. The 1025 S&A envisioned a five-year process for implementation of the Plan. The  
15 1025 S&A expired on December 1, 2010. The Missouri agreement was similar in many  
16 respects including the portfolio of pilot DSM programs.

17 **Q: Did other Kansas utilities have DSM programs in place at the time KCP&L**  
18 **proposed implementation of its portfolio?**

19 A: Few Kansas utilities had pursued DSM programs at that time and none had pursued  
20 anything close to the comprehensive portfolio of pilot programs that KCP&L proposed.

21 **Q: What did the 1025 S&A include regarding DSM?**

22 A: KCP&L committed to developing, requesting approval of and, if approval was granted,  
23 implementing a portfolio of pilot DSM programs as defined in Appendix B to the 1025

1 S&A. KCP&L also committed to evaluating the performance of each program roughly  
2 two years after implementation of the program. The estimated budgets for those  
3 programs were laid out in Appendix B-1 to the 1025 S&A.

4 The DSM programs included in the 1025 S&A (and in the Missouri agreement)  
5 were intended as pilot programs to evaluate the impact and value of such programs in  
6 Kansas (and Missouri). As there had been no significant level of DSM in Kansas or  
7 Missouri at that point in time, the idea was to learn from developing new DSM programs  
8 and seeing how customers would respond to such programs. The agreements  
9 contemplated a portfolio of 14 affordability, energy efficiency and demand response  
10 programs plus a market research component. The range of programs was designed to  
11 provide DSM options to all of our customers, including low income customers, and to  
12 provide a balanced and comprehensive energy plan.

13 **Q: What is the status of KCP&L's Kansas DSM program investments?**

14 A: As a result of the 1025 S&A, KCP&L began implementing its portfolio of DSM pilot  
15 programs in late 2005. Each program required Commission approval prior to  
16 implementation. Of the 14 programs originally envisioned in the 1025 S&A, KCP&L  
17 has developed and submitted all 14 programs, and received Commission approval for and  
18 implemented all but two. Of the 12 approved programs, one was implemented in 2005,  
19 four in 2006, six in 2007, and one in 2008. KCP&L withdrew its proposed compact  
20 florescent light bulb rebate program, Change a Light – Save the World, in 2005 after  
21 discussions with Commission Staff concerning the economic evaluation of the program.  
22 The Commission denied the Company's Home Performance with ENERGY STAR®

1 program. All but two of the approved programs have already undergone EM&V; the two  
2 in question being on-line educational programs that were not contracted for EM&V.

3 **Q: How much has KCP&L invested in these programs in Kansas?**

4 A: On an overall portfolio basis, as of December 31, 2010, KCP&L has invested just over  
5 \$28 million total, or over \$4.6 million more than the original budgeted estimates for the  
6 programs and nearly \$2.3 million more than the aggregate total budgeted estimates from  
7 the individual program dockets. On a program-by-program basis, some programs have  
8 exceeded the budgets and some have not hit those budgeted amounts.

9 **Q: Has KCP&L invested an equivalent amount in Missouri?**

10 A: Actually, the investment level in Missouri is higher in part because the two programs not  
11 implemented in Kansas were implemented in Missouri. The total Missouri investment as  
12 of December 31, 2010 is over \$34 million.

13 **Q: Have these programs been successful in Kansas?**

14 A: Yes, for the most part, the programs have been successful. KCP&L saw significant  
15 success with its demand response programs, securing 49.3 MW of curtailable load since  
16 the start of the programs from its Kansas customers and 124 MW when KCP&L Missouri  
17 customers are included. Our energy efficiency programs have also realized significant  
18 success with several energy efficiency programs exceeding the planned energy savings  
19 goals by 100 percent to 200 percent. We currently estimate that these energy efficiency  
20 programs have saved approximately 55,529 and 137,936 cumulative MWh, respectively,  
21 in Kansas and for KCP&L Kansas and Missouri combined. One of our affordability  
22 programs has had moderate success (Low Income Weatherization) while the other has not  
23 realized any participation in Kansas (Affordable New Homes). KCP&L estimates that

1 89 and 1,994 cumulative MWh have been saved as a result of the Low Income  
2 Weatherization program in Kansas and for all of KCP&L, respectively. Overall,  
3 customer response to KCP&L’s portfolio of pilot DSM programs has been very positive.

4 **II. DSM PROGRAMS AND CONSERVATION EFFORTS**

5 **Q: Please discuss the pilot programs included in KCP&L’s DSM portfolio.**

6 A: The DSM program portfolio consisted of the following pilot programs broken down by  
7 energy efficiency, demand response, and affordability.

8 **A. ENERGY EFFICIENCY PROGRAMS**

9 Residential:

- 10 ▪ Online Energy Information (“Home Energy Analyzer”);
- 11 ▪ Cool Homes Program; and
- 12 ▪ ENERGY STAR<sup>®</sup> New Homes.

13 Commercial/Industrial (“C&I”):

- 14 ▪ Online Energy Information and Analysis (“Business Energy Analyzer”);
- 15 ▪ Energy Audit which includes:
  - 16 a. C&I Audit Rebate;
  - 17 b. Custom Rebate – Retrofit;
  - 18 c. Custom Rebate – New Construction; and
- 19 ▪ Building Operator Certification.

20 **B. DEMAND RESPONSE PROGRAMS**

- 21 ▪ Residential, Small and Medium General Service Air Conditioner Cycling Rider,  
22 Energy Optimizer Program (“Energy Optimizer”); and
- 23 ▪ C&I Curtailment (“MPower”).

1           **C.     AFFORDABILITY PROGRAMS**

- 2           ▪ Affordable New Homes; and
- 3           ▪ Low Income Weatherization.

4           The following table presents KCP&L’s DSM portfolio of pilot programs split into the  
 5           three categories – Demand Response, Energy Efficiency, and Affordability – and also  
 6           shows whether each program serves residential or commercial & industrial customers.

7           The Affordability programs are specifically targeted to low income residential customers.

<b>KANSAS CITY POWER &amp; LIGHT COMPANY DEMAND SIDE MANAGEMENT PILOT PROGRAM PORTFOLIO (Current)</b>		
<b>PROGRAM TYPE</b>	<b>CLASS OF CUSTOMER SERVED</b>	
	<b>Residential</b>	<b>Commercial &amp; Industrial</b>
<b>Demand Response</b>	Energy Optimizer	Energy Optimizer MPower
<b>Energy Efficiency</b>	ENERGY STAR® New Homes Cool Homes Home Energy Analyzer	Energy Audit Energy Savings – Retrofit Energy Savings – New Construction Business Energy Analyzer Building Operator Certification
<b>Affordability</b>	Low Income Weatherization Affordable New Homes	
<b>Market Research Program</b>		

8     **Q:     What are the total program portfolio energy and demand savings achieved through**  
 9     **December 31, 2010?**

10    **A:**    Through December 31, 2010, looking at all energy and demand savings from each DSM  
 11    program, KCP&L’s total DSM portfolio of programs are estimated to have saved  
 12    149,311 MWh and 166.8 MW of energy and demand, respectively, with 58,660 MWh  
 13    and 73.5 MW of energy and demand, respectively, attributable to Kansas.



1 **Q: Please provide a brief description of KCP&L’s residential customer energy**  
2 **efficiency programs.**

3 A: The Home Energy Analyzer program provides information to customers on how they use  
4 energy based on their specific usage data. It also provides information on ways  
5 customers can save energy and on what their payback might be based on the  
6 improvements made.

7 The Cool Homes program is designed to incent customers to install high  
8 efficiency cooling equipment, before failure of their existing equipment, to maximize the  
9 energy savings benefit.

10 The ENERGY STAR<sup>®</sup> New Homes program requires new homes be constructed  
11 to a standard at least 15 percent more energy efficient than the 2004 International  
12 Residential Code and provides a rebate to builders for each home that is built to the  
13 ENERGY STAR<sup>®</sup> requirements. The program also offers a rebate for third-party  
14 inspection and/or rating required to qualify the home as ENERGY STAR<sup>®</sup> label.

15 **Q: Are you able to measure success of the residential customer energy efficiency**  
16 **programs?**

17 A: Yes. Participation in the Home Energy Analyzer program is exceeding expectations. As  
18 of December 31, 2010, 34,783 Kansas customers have participated in the program—  
19 about 278 percent better than goal.<sup>1</sup> On a total KCP&L basis, 68,260 customers have  
20 participated in the program.

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<sup>1</sup> The comparison to goal uses the prorated goal for the amount of time the program has been in place. This is consistent for all of the goal numbers provided.

1 Cool Homes is also very successful in Kansas where, as of December 31, 2010,  
2 over 14,201 Check Me! evaluations were performed compared to its goal of  
3 4,721 evaluations. Actual expenditures are 146 percent above budget and energy savings  
4 are 103 percent above budget. On a total KCP&L basis 20,590 evaluations were  
5 performed. Participation in Cool Homes was positively impacted by the Federal tax  
6 credit for replacement to high efficiency units since 2009, as well as by the significant  
7 contractor network of Check Me! trained technicians.

8 The ENERGY STAR<sup>®</sup> New Homes program has had significant participation in  
9 Kansas since its launch with 1,011 builder rebates paid compared to a budget of  
10 728 rebates. Actual expenditures and energy savings as of December 31, 2010, are  
11 commensurate with this level of participation and are at about 47 percent and 39 percent  
12 above budget, respectively. Total KCP&L participation in the program provided  
13 2,088 rebates to builders. Much of the participation in the ENERGY STAR<sup>®</sup> New  
14 Homes program in 2009 was from multi-family builders. The economic recession  
15 limited participation from single family homebuilders although the numbers in this  
16 segment increased in 2010.

17 **Q: Please briefly describe KCP&L's commercial and industrial customer energy**  
18 **efficiency programs.**

19 A: The Business Energy Analyzer ("BEA") program provides information to business  
20 customers on how they use energy based on their specific usage data. It provides  
21 information on ways they can save energy and what their payback might be based on the  
22 improvements made. It also allows businesses to benchmark themselves against like  
23 businesses.

1           The Energy Audit Rebate program has three general components: audit, custom  
2 rebates for retrofit projects, and custom rebates for new construction projects. The  
3 components are identified as Custom Rebate—Retrofit and Custom Rebate—New  
4 Construction. The Energy Audit Rebate program offers rebates to customers to cover  
5 fifty percent of the cost of an energy audit after the customer implements at least one of  
6 the audit recommendations qualifying for a KCP&L C&I Custom Rebate.

7           The Energy Savings Measures portion of this program offers C&I customers  
8 rebates to install, replace or retrofit qualifying electric savings measures, including  
9 HVAC systems, motors, lighting, pumps, etc. Custom rebates are calculated as the lesser  
10 of a buy-down to a two-year payback or 50 percent of the incremental cost.

11           Training under the Building Operator Certification program is a market  
12 transformation effort to train facility operators in efficient building operations and  
13 management (“O&M”), establish recognition of, and value for, certified operators,  
14 support the adoption of resource-efficient O&M as the standard in building operations,  
15 and create a self-sustaining entity for administering and marketing the training.

16 **Q: What progress has KCP&L seen with the C&I energy efficiency programs?**

17           The Business Energy Analyzer tariff became effective December 12, 2006. As of  
18 December 31, 2010, the BEA program in Kansas achieved 97 percent of the participation  
19 target with about 40 percent of the budget spent. For all KCP&L, the numbers are very  
20 similar with 95 percent of the participation achieved. KCP&L actively promotes the  
21 availability and benefits of the BEA program. Also, the Company and its vendor  
22 regularly work to improve the Website—ensuring relevance and ease of use.

1           The Energy Audit (“EAESR”) tariff became effective January 17, 2007. Two  
2 EAESR components have been disappointing—the Audit Rebate and Custom Rebate-  
3 New Construction. The Customer Rebate—Retrofit is very successful, with Kansas  
4 customer participation 17 percent over target, 385 percent over the program's budget, and  
5 845 percent over the program’s energy savings goals. The total KCP&L program has had  
6 equally successful results.

7           One of the challenges for the New Construction program is the long lead times,  
8 and the amount of time for consultation and evaluation to get to the approval stage. On  
9 average, it requires two months to pre-approve a project from the date it is submitted.  
10 Then it takes 12 months to move the project from application to completion.  
11 Comparatively, the retrofit program requires an average of three months to move a  
12 project from application to completion.

13           The Building Operator Certification (“BOC”) program tariff became effective  
14 May 16, 2007. KCP&L in Kansas has spent 50 percent of the program budget as of  
15 December 31, 2010. The program is well received in the industry but struggles with  
16 participation at 33 percent of goal in Kansas and 60 percent of goal for all of KCP&L.  
17 Recognizing a need to increase participation, the Company sought to change the physical  
18 location of the class to encourage more participation in Kansas. The first class held at  
19 Johnson County Community College in Overland Park, Kansas was conducted in 2010.  
20 By utilizing this location, participation by Kansas customers increased 186 percent over  
21 the average participation rate in previous classes.

1 **Q: Please provide an overview of KCP&L's demand response programs.**

2 A: The Company's demand response programs are very well received and include the  
3 residential Energy Optimizer curtailment program, and the commercial & industrial  
4 curtailment program called MPower.

5 Energy Optimizer is an air conditioning cycling program that reduces residential  
6 and small commercial air conditioning load during peak summer days by sending a  
7 paging signal to a control device in a thermostat attached to the customer's air  
8 conditioner. The Company then signals the control device to turn the air conditioner off  
9 and on or increase the setting a couple of degrees for a period of time, depending on the  
10 load reduction strategy.

11 MPower is a curtailment program where C&I customers with the ability to curtail  
12 25 kW or more are incented to contract with KCP&L to curtail their load when requested  
13 by the Company.

14 **Q: You mentioned the success of KCP&L's demand response programs. Please share  
15 any data that highlights that success.**

16 A: Energy Optimizer exceeded the goals set for the program. As of December 31, 2010,  
17 KCP&L installed approximately 19,419 thermostats in Kansas and 39,500 in the total  
18 KCP&L Kansas and Missouri service territories.

19 Regarding the MPower program, 32.1 MW load reduction—72 percent of goal—  
20 from Kansas customers was achieved through December 31, 2010. For the total  
21 Company, 88.6 MW of curtailable load has been secured through the program. The  
22 program is popular; however, KCP&L currently has a moratorium on the program due to  
23 the economic downturn which reduces the need for additional MWs under this program.

1 KCP&L currently maintains a waiting list of participants interested in joining the  
2 program and expects to expand the number of participants as the economy recovers and  
3 as the need for the program increases.

4 **Q: Describe KCP&L's Affordability programs.**

5 A: Certainly. Affordability programs are consistent with KCP&L's efforts to implement  
6 programs that promote energy efficiency in all markets. These programs are designed to  
7 assist low income customers who have limited, if any, resources to invest in energy  
8 efficiency. Together, they target both the retrofit and new construction markets.

9 The Affordable New Homes program is designed as a partnership between  
10 KCP&L and independent organizations to achieve energy efficient affordable new  
11 housing for the low-income community. Financial incentives are available at the full  
12 incremental cost for high efficiency central air conditioners and heat pumps. An  
13 incentive is available towards the purchase of an ENERGY STAR<sup>®</sup> rated refrigerator,  
14 ENERGY STAR<sup>®</sup> rated lighting fixtures, and installation of higher than standard levels  
15 of insulation in the attic, floor, or crawlspace.

16 The Company's Low Income Weatherization program is designed to assist  
17 qualified lower income customers to get help managing their energy use and bills. The  
18 program works directly with local Community Action Program ("CAP") agencies that  
19 already provide weatherization services to low income customers. KCP&L provides  
20 supplemental funds to the CAPs to cover the cost of additional cost-effective  
21 weatherization measures.

22 **Q: What is the progress or success made with KCP&L's Affordability programs?**

23 A: The Affordability programs have experienced mixed success. The Low Income

1 Weatherization program has been moderately successful, but the Affordable New Homes  
2 program has been a challenge with respect to participation. Overall, KCP&L estimates  
3 that these programs across KCP&L's entire service territory have added an additional  
4 2,012 MWh of energy savings as of December 31, 2010, of which an estimated  
5 89.5 MWh come from KCP&L's Kansas customers. While 757 homes have been  
6 weatherized under KCP&L's Low Income Weatherization program Company-wide, only  
7 34 of those homes have been in Kansas. This program primarily affects urban core and  
8 rural homes, neither of which is significant in KCP&L's Kansas service territory.

9 KCP&L's Affordable New Homes program has not met success in Kansas.

10 **Q: How does KCP&L engage customers to participate in its programs?**

11 A: Marketing and Engagement activities occur in both the Residential and Commercial  
12 sectors.

13 ***Residential***

14 Mass market strategies include campaigns in print, web, radio, television  
15 advertising, and bill inserts. These campaigns are designed to peak interest in  
16 participation by identifying available incentives, demonstrating economic and energy  
17 savings potential and reducing negative environmental impacts through program  
18 participation.

19 Retail and manufacturer partnerships provide a delivery mechanism for rebates  
20 and incentives and help to bundle opportunities, co-op advertising and build a stronger  
21 presence in the KCP&L service territory.

22 Channel marketing provides significant customer awareness through channel-  
23 partner communication efforts. Channel-partners include HVAC contractors, thermostat

1 strategic partners, builders, developers, architects, not-for-profits partners, and  
2 governmental organizations. Each channel-partner develops marketing programs to  
3 increase participation, which KCP&L oversees and approves to ensure consistency and  
4 effectiveness.

5 Finally, a strong presence in the community helps to demonstrate KCP&L's  
6 commitment to energy efficiency and the role of energy efficiency in providing for the  
7 long-term economic delivery of reliable energy services. KCP&L has a communication  
8 strategy to reach community organizations, churches, trade organizations, and participate  
9 in local meetings and forums to continue educating customers and build awareness.

#### 10 ***Commercial and Industrial (C&I)***

11 Company account managers work closely with facility managers to identify  
12 opportunities and engage appropriate third parties, industry experts, etc. to deliver energy  
13 saving solutions on an on-going basis. Marketing materials and presentations are created  
14 to feature C&I products and services that are distributed at trade shows, meetings, and  
15 presentations.

16 Customized newsletters are created and sent to C&I partners and prospects to  
17 educate and inform them about KCP&L's product suite. Events are sponsored to build  
18 relationships with partners. Partnerships are created with key users to include actual  
19 energy savings programs as well as educational and community components to build  
20 KCP&L's awareness through its strategic partners.

21 Again, each program and sales contact are monitored and evaluated to improve  
22 optimal performance. Messages are created for segments that are based on data, behavior,



1 and relevance. Continuous customer management is a critical function of the marketing  
2 strategy for C&I.

3 **B. CONSERVATION MEASURES AND OTHER DSM EFFORTS**

4 **Q: What other activities has KCP&L engaged in to support DSM?**

5 A: KCP&L has participated in numerous activities in both Kansas and Missouri. Some of  
6 those activities are:

- 7       ▪ Take Charge Challenge;
- 8       ▪ Smart Lights for Smart Cities;
- 9       ▪ Clean Cities Electric Vehicle Supply Equipment Project;
- 10      ▪ EnergyWorks KC;
- 11      ▪ SmartGrid Demonstration Project;
- 12      ▪ Climate Protection Partnership;
- 13      ▪ Energy Efficiency Education Pilot;
- 14      ▪ Connections Campaign; and
- 15      ▪ Leadership in Energy and Environmental Design (“LEED”) certification of  
16         KCP&L facilities.

17 **Q: Please describe each of these activities.**

18 A: Certainly. The following provides a high level description of each project.

19 **Take Charge Challenge**

20           The Take Charge Challenge-2009 was a competition between six Kansas towns to  
21 reduce their electricity use over a one-year timeframe. The Climate and Energy Project  
22 (“CEP”) of the Land Institute developed the Challenge which began in April 2009. The  
23 City of Merriam partnered with KCP&L. Merriam took the grand prize for the most

1 kilowatt-hours saved during the Challenge year, reducing the city’s residential energy  
2 usage over 5%. For the team’s efforts, Merriam received a solar panel array at their  
3 Historic Plaza & Visitors Bureau.

4 The Take Charge Challenge-2011 is a friendly competition between 16 Kansas  
5 towns to reduce their energy use, save money, and take charge of their energy future.  
6 CEP, in partnership with the Kansas Energy Office (“KEO”), is hosting this Take Charge  
7 Challenge from January through September 2011. The KEO, a division of the KCC,  
8 awarded nearly \$1 million in American Recovery and Reinvestment Act (“ARRA”)  
9 grants to fund this year’s Take Charge Challenge and will reward one winning  
10 community in each of four regions with a renewable energy or energy efficiency project  
11 valued at \$100,000 each. KCP&L has partnered with the City of Paola in this latest  
12 effort.

### 13 **Smart Lights for Smart Cities**

14 In 2010, Mid-America Regional Council (“MARC”) was awarded a \$4.5 million  
15 Energy Efficiency Conservation Block grant to advance high-efficiency street lighting.  
16 The goal of the Smart Lights for Smart Cities project is to transform the streetlight  
17 market in the Kansas City metropolitan area through a partnership of the Smart Lights  
18 coalition (26 cities), MARC, and local utilities, including KCP&L, Westar and Platte-  
19 Clay Electric Cooperative. This unique partnership will deploy different technologies  
20 from different vendors in a number of cities to demonstrate effective technologies and  
21 identify appropriate vendors. The project will create payment and tariff systems to  
22 encourage the development of a revolving loan fund and other financing tools to finance  
23 the adoption of these new technologies. The immediate impact of the deployment of

1 high-efficiency lights in the coalition cities will be a substantial reduction in electricity  
2 use, a reduction in utility bills for coalition members, and a reduction in greenhouse gases  
3 and other pollutants.

#### 4 **Clean Cities Electric Vehicle Supply Equipment Project**

5 Through the regional Clean Cities Coalition, KCP&L has received a sub-award  
6 grant to install ten public access electric vehicle charging stations. The emphasis is to  
7 promote the adoption of electric vehicles in the region. The Clean Cities grant will have  
8 Department of Energy (“DOE”) oversight through December 31, 2013. Through that  
9 period, KCP&L will be required to report on the energy usage at each station. Eight  
10 Electric Vehicle Supply Equipment Site Partners have been selected to host the stations.  
11 These hosts cover both the Missouri and Kansas territories and include educational, retail,  
12 banking, and other various public destinations.

#### 13 **EnergyWorks KC**

14 As a part of the U.S. Department of Energy’s new Better Buildings program,  
15 EnergyWorks KC is a Kansas City, Missouri program funded in the amount of  
16 \$20 million with American Recovery and Reinvestment Act resources. It is an initiative  
17 consisting of several projects designed to: (1) reduce energy use and utility bills in our  
18 buildings; (2) reduce the output of greenhouse gas emissions that damage our  
19 environment and economy; (3) create or retain jobs that support a greener Kansas City;  
20 and (4) change the energy efficiency market by making demand for energy efficiency a  
21 first choice in home improvement and creating the jobs necessary to conduct the work.  
22 Key partners in the initiative are: Kansas City, Missouri office of Environmental Quality,  
23 Metropolitan Energy Center, MARC, KCP&L, Missouri Gas Energy, Missouri

1 Department of Natural Resources, Greater KC Chamber of Commerce and seven start-up  
2 neighborhood areas.

### 3 **SmartGrid Demonstration Project**

4 KCP&L's SmartGrid Demonstration Project will be an end-to-end SmartGrid  
5 which will include advanced renewable generation, storage resources, leading edge  
6 substation and distribution automation and control, energy management interfaces, and  
7 innovative customer programs and rate structures. KCP&L's project complies with the  
8 DOE's funding guidelines and introduces commercial innovation with a unique approach  
9 to SmartGrid development and demonstration.

10 The project introduces new technologies in the substation and the distribution  
11 network as well as advanced renewable resources such as large-scale energy storage to  
12 supply electricity and offset peak electrical demand. Finally, end-users will be provided  
13 transparent actual and predictive usage information, digital tools, and innovative  
14 programs to allow them to optimize energy consumption.

15 As part of the end-user experience, KCP&L has identified and/or developed a  
16 suite of Programs and Services to offer to customers within the demonstration area. The  
17 Programs are:

- 18 ▪ My Smart Portal (Energy Management Web Portal);
- 19 ▪ My Smart Display (In Home Display);
- 20 ▪ My Smart Thermostat (AMI Programmable Thermostat);
- 21 ▪ Home Area Network;
- 22 ▪ Time Of Use Rates; and
- 23 ▪ Commercial Energy Management Systems.

1           **Climate Protection Partnership**

2           The Greater Kansas City Climate Protection Partnership, coordinated by the  
3 Greater Kansas City Chamber of Commerce, offers businesses and organizations the  
4 opportunity to lead the community toward the complementary goals of reduced regional  
5 greenhouse gas emissions and increased economic competitiveness.

6           Greater Kansas City employers are in a unique position to contribute to solutions  
7 to address climate change. Innovation, creativity, and entrepreneurial talent—all in  
8 abundant supply within our business community—are essential to success. The  
9 relationships employers have with their customers, partners, and employees are crucial to  
10 communicating the information needed to effect positive change.

11           To assist companies that have signed the Greater Kansas City Chamber of  
12 Commerce Climate Protection Partnership (“CPP”) Agreement, Burns & McDonnell,  
13 BNIM, and KCP&L have formed a volunteer Climate Protection Assessment Team  
14 (“CPAT”). Members of the CPAT have been assisting the Chamber by identifying  
15 resources and tools, and developing methods for participation and reporting that we hope  
16 the climate protection partners will find valuable. Those organizations have agreed to  
17 build capacity for CPP members, quantify the Green House Gas (“GHG”) inventories of  
18 those members, and identify potential reduction opportunities for CPP members.

19           **Energy Efficiency Education Pilot**

20           The Energy Efficiency Education Pilot Program will provide curriculum materials  
21 and hands-on learning about saving energy to approximately 100 fourth grade students in  
22 the Shawnee Mission School District as well as approximately 200 students in two  
23 Missouri school districts. The Program curriculum assists the students with developing a

1 clear understanding of the science of energy, and builds knowledge of the sources of  
2 energy, uses of energy, and the saving and efficiency of energy. Students are also  
3 provided hands-on opportunities to learn about energy efficiency through a School  
4 Energy Audit, a Home Energy Efficiency Kit, and Classroom Energy Kits.

#### 5 **Connections Campaign**

6 KCP&L's Connections Campaign gives customers access to resources that can  
7 make their life easier in this tough economic environment. The campaign includes a  
8 range of payment options and ways that customers can connect to assistance programs in  
9 the community. In addition, products and services that help customers save energy and  
10 money are highlighted and promoted throughout the campaign.

11 Through the campaign, KCP&L has reached over 375 customers at Energy  
12 Resource Fairs and over 5,000 calls have been fielded through the dedicated Connections  
13 Line since 2009.

#### 14 **LEED Certification of KCP&L Facilities**

15 Twelve (12) floors occupied by KCP&L in One Kansas City Place are LEED  
16 Gold certified within the LEED for Commercial Interiors™ rating system from the U.S.  
17 Green Building Council® ("USGBC"). The remodel, which took place over seven  
18 months in 2009, was designed by BNIM and implemented by an integrated team  
19 including KCP&L, JE Dunn and Executive Hills.

20 The LEED Green Building Rating System is the nationally-accepted benchmark  
21 for the design, construction, operation and certification of high-performance green  
22 buildings. The KCP&L space is one of the first in the Kansas City region to be certified  
23 within the rating system "LEED for Commercial Interiors." This rating system is

1 designed for tenants who do not always have control over whole building operations  
2 because they are not the building owner.

3 To receive the certification, the building was measured on how well it performs in  
4 the categories of energy and water efficiency, reduction of carbon dioxide (“CO<sub>2</sub>”)  
5 emissions, improved indoor environmental quality, and use of resources. The energy  
6 reduction strategies used in the KCP&L space will result in annual energy consumption  
7 savings of more than 30 percent. Some of the measures taken in the headquarters  
8 building include:

- 9       ▪ High-efficiency lighting that automatically dims or brightens depending on the  
10       amount of incoming daylight;
- 11       ▪ Energy-efficient under-floor heating, ventilation and air conditioning (“HVAC”)  
12       equipment and easy-access voice and data cabling;
- 13       ▪ Water-efficient restrooms that reduce water usage by 44 percent; and
- 14       ▪ Carpet and materials that do not release pollutants typical of traditional office  
15       materials.

### 16 **III. DSM PLANS GOING FORWARD**

17 **Q: Does KCP&L plan to continue offering its DSM programs under the current**  
18 **regulatory frameworks?**

19 **A:** KCP&L believes that policy changes in both Kansas and Missouri must be made in order  
20 for the Company to continue offering its DSM programs in each respective state.

21 **Q: Are there any policy changes that can be made to encourage more DSM programs?**  
22 **If so, what has KCP&L done to pursue these policy changes?**

1 A: Yes, there are policy changes that should be made. The decision to continue pursuing the  
2 goals of DSM rests in part upon KCP&L's timely ability to satisfactorily recover its costs  
3 and its lost revenue and have the opportunity to earn a return on its investment of  
4 shareholder capital. KCP&L has been an active participant in Kansas and Missouri in  
5 proceedings to advance such policy changes.

6 **Q: Please discuss the activities KCP&L has participated in for Kansas.**

7 A: In Kansas, the Company participated in the KCC's four generic dockets to investigate  
8 DSM programs and related issues. Docket No. 07-GIMX-247-GIV ("247 Docket")  
9 opened in September 2006 was the first Commission investigation into energy efficiency  
10 programs. In late 2007, the 247 Docket was closed and replaced with two new dockets:  
11 Docket No. 08-GIMX-441-GIV ("441 Docket"), which addressed Cost Recovery and  
12 Incentives for DSM programs, and Docket No. 08-GIMX-442-GIV ("442 Docket"),  
13 which addressed Benefit-Cost Analysis and Program Evaluation. In mid-2009, the  
14 Commission opened a companion docket, Docket No. 10-GIMX-013-GIV, which  
15 addressed Evaluation, Measurement and Verification of DSM programs. Upon the  
16 guidance rendered through the 441 and 442 Dockets, KCP&L filed an Application  
17 (Docket No. 10-KCPE-795-TAR) on June 11, 2010, to approve a portfolio of DSM  
18 programs and to approve a DSM rider, including mechanisms for cost recovery and a  
19 performance incentive. The Commission's Staff and the Citizen's Utility Ratepayers  
20 Board ("CURB") took positions on cost recovery in the case that, if adopted, would have  
21 required KCP&L to abandon its filing and notify the Commission that it could not move  
22 forward with its DSM programs. KCP&L's management determined that it was not in  
23 the Company's best interest to continue with its initial application in light of the



1 increased exposure to risk caused by the positions taken by Staff and CURB. Therefore,  
2 on December 15, 2010, KCP&L filed a Motion to Amend Application or Alternative  
3 Motion to Withdraw Application and Request for Expedited Order, stating that it is not in  
4 the best interests of the Company and its shareholders to proceed with an aggressive  
5 portfolio of DSM programs, in light of the differing views of the parties as to the scope of  
6 the Commission's prior policies concerning energy efficiency and demand side  
7 management programs. On January 5, 2011, the Commission denied KCP&L's Motion  
8 to Amend Application and granted KCP&L's Motion to Withdraw Application, but  
9 ordered the docket remain open pending a Commission ruling on whether or not KCP&L  
10 met its DSM obligations under the 1025 S&A.

11 **Q: Please describe the activities the Company participated in for Missouri.**

12 A: In Missouri, KCP&L was instrumental in the passage of Senate Bill 376 ("SB 376") on  
13 May 14, 2009. SB 376 states that "[i]t shall be the policy of the state to value demand-  
14 side investments equal to traditional investments in supply and delivery infrastructure and  
15 allow recovery of all reasonable and prudent costs of delivering cost-effective demand-  
16 side programs." Additionally, the policy states that "[t]he Commission shall:

- 17 (1) Provide timely cost recovery for utilities;
- 18 (2) Ensure that utility financial incentives are aligned with helping  
19 customers use energy more efficiently and in a manner that sustains or  
20 enhances utility customers' incentives to use energy more efficiency;  
21 and
- 22 (3) Provide timely earnings opportunities associated with cost-effective  
23 measurable and verifiable efficiency savings."

24 KCP&L attended the Commission's rulemaking workshops in 2010; provided comments  
25 to the Staff's proposed SB 376 Rules; and was an active participant in the evidentiary

1 hearing held on December 20, 2010. The Commission's Rules were filed with the Joint  
2 Committee on Administrative Rules on February 9, 2011.

3 **Q: What are KCP&L's plans going forward with DSM?**

4 A: In Kansas, KCP&L has indicated that it will make appropriate filings regarding its  
5 existing DSM tariffs on or before April 1, 2011. In Missouri, KCP&L expects to do  
6 similar filings but the timeframe is dependent upon the final issuance of the SB 376  
7 Rules. KCP&L has been a leader and a fully engaged partner in demand side  
8 management over the last five years and hopes that a sustainable cost recovery model will  
9 eventually be approved in both Kansas and Missouri to allow the Company to continue  
10 this partnership. Once a sustainable model is in place, KCP&L plans to work with its  
11 stakeholders to develop and re-establish a comprehensive DSM portfolio.

12 **Q: If KCP&L discontinues its DSM programs in Kansas and Missouri, will all of the  
13 progress made to date in demand and energy savings be lost?**

14 A: No. Many of the benefits (savings) associated with the 1025 S&A DSM pilot programs  
15 and the sister DSM programs implemented in KCP&L's Missouri service territory will  
16 not end with the expiration of those programs. Just a few examples of continuing energy  
17 savings include (1) the higher efficiency air conditioners that customers installed in  
18 response to our programs will continue operating for the life of those units; (2) the  
19 equipment installed under the C&I Rebate programs will continue to save energy; and  
20 (3) houses built to ENERGY STAR<sup>®</sup> standards will continue to be more energy efficient.

1 **Q: What DSM assumptions has KCP&L included in its generation resource evaluation**  
2 **for the La Cygne environmental project?**

3 A: Mr. Crawford covers the DSM assumptions in his testimony. For the baseline resource  
4 evaluation, the assumptions consider a winding down of all programs in KCP&L's  
5 Kansas and Missouri service territories as quickly as possible to match remaining  
6 obligations with no future DSM spending. In order to assess the sensitivity of the  
7 resource evaluation to impacts of DSM plans, additional analysis was performed  
8 assuming an increasing level of DSM programs starting in the third year, with revisions  
9 to resource additions to account for the impact of this increased level of DSM programs.  
10 This latter scenario assumes that reasonable rate treatment for DSM can be worked out in  
11 the next 24 months.

12 **Q: Does that conclude your testimony?**

13 A: Yes, it does.

BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

In the Matter of the Petition of Kansas )  
City Power & Light Company ("KCP&L") )  
for Determination of the Ratemaking )  
Principles and Treatment that Will Apply )  
to the Recovery in Rates of the Cost to be )  
Incurred by KCP&L for Certain Electric )  
Generation Facilities Under K.S.A. 2003 )  
SUPP. 66-1239 )

Docket No. 11-KCPE-\_\_\_\_-PRE

AFFIDAVIT OF KEVIN E. BRYANT

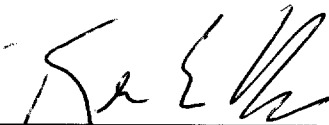
STATE OF MISSOURI )  
) ss  
COUNTY OF JACKSON )

Kevin E. Bryant, being first duly sworn on his oath states:


1. My name is Kevin E. Bryant. I work in Kansas City, Missouri, and I am employed by Kansas City Power & Light Company as Vice President, Energy Solutions.

2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Kansas City Power & Light Company consisting of twenty seven (27) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.

3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereof, are true and accurate to the best of my knowledge, information and belief.

  
\_\_\_\_\_  
Kevin E. Bryant

Subscribed and sworn before me this 12<sup>th</sup> day of February 2011.

  
\_\_\_\_\_  
Notary Public

My commission expires: May 23, 2014

