# BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the Matter of Compliance Filings	)	
by Kansas City Power & Light Company,	)	
Westar Energy, Inc., Kansas Gas and	)	Docket No. 19-KCPE 053 -CPL
Electric Company and Evergy, Inc.	)	
Pursuant to the Commission's Order in	)	
Docket No. 18-KCPE-095-MER.	)	

### **AFFILIATE SERVICE AGREEMENT COMPLIANCE FILING**

COME NOW Kansas City Power & Light Company ("KCP&L"), Westar Energy, Inc. and Kansas Gas and Electric Company ("KG&E") (collectively referred to herein as "Westar"; and all collectively referred to herein as "Companies"), and submit this compliance filing, as required by the Order of the State Corporation Commission of the State of Kansas ("Commission") issued in Docket No. 18-KCPE-095-MER ("18-095 Docket") on May 24, 2018 ("Merger Order"). The Merger Order approved the Non-Unanimous Settlement Agreement submitted on March 7, 2018, by certain parties to the 18-095 Docket ("Settlement Agreement"). Attachment A to the Settlement Agreement contains Merger Conditions, some of which require the Companies to make post-merger filings with the Commission of specific documents, agreements, reports and other information. Certain of these post-merger filings are considered compliance filings and will be submitted in this docket established for that purpose.

1. Merger Condition 28 provides as follows:

Affiliate Service Agreements: KCP&L and Westar commit that they will file with the Commission (1) within sixty (60) days of closing of the Merger and (2) with the first post-closing rate case, an executed copy of all additional relevant Affiliate Service Agreements related to the Merger, pursuant to K.S.A. 66-1402 and that includes the service agreement(s) between any service company or affiliate allocating costs to a regulated utility affiliate.

- 2. In accordance with Merger Condition 28 and K.S.A. 66-1402, the Companies hereby submit to the Commission the following agreements, each of which is attached hereto and incorporated herein by reference:
  - A. Services Agreement between Evergy, KCP&L, KCP&L Greater Missouri Operations Company ("GMO"), Westar and Kansas Gas and Electric Company ("KG&E"), dated June 4, 2018.
  - B. Services Agreement between KCP&L ("Provider") and affiliated
     Recipient entities listed on Exhibit A to the Agreement, dated June
     4, 2018.
  - C. Services Agreement between Westar ("Provider") and affiliated
     Recipient entities listed on Exhibit A to the Agreement, dated June
     4, 2018.
  - D. Joint Operating Agreement between KCP&L and GMO, dated October 10, 2008.
  - E. Wolf Creek General Support Services Agreement between KG&E, KCP&L and Kansas Electric Power Cooperative, Inc ("KEPCo"), and acknowledged by Wolf Creek Nuclear Operating Corporation ("WCNOC"), dated January 1, 1987, as amended February 25, 2010.

# Respectfully submitted,

# s Robert J. Hack

Robert J. Hack (#12826) Telephone: (816) 556-2791 Roger W. Steiner (#26159) Telephone: (816) 556-2314

Kansas City Power & Light Company

One Kansas City Place

1200 Main Street – 16<sup>th</sup> Floor Kansas City, Missouri 64105 Facsimile: (816) 556-2787 E-mail: <u>rob.hack@kcpl.com</u> E-mail: <u>roger.steiner@kcpl.com</u>

# |s| Cathryn J. Dinges

Cathryn J. Dinges, (#20848) Phone: (785) 575-8344 Westar Energy, Inc. 818 South Kansas Avenue Topeka, Kansas 66612 Facsimile: (785) 575-8136

E-mail: <a href="mailto:cathryn.dinges@westarenergy.com">cathryn.dinges@westarenergy.com</a>

COUNSEL FOR KANSAS CITY POWER & LIGHT COMPANY, WESTAR ENERGY, INC., AND KANSAS GAS AND ELECTRIC COMPANY

### **VERIFICATION**

STATE OF MISSOURI	)
	) ss
COUNTY OF JACKSON	)

The undersigned, Darrin R. Ives, upon oath first duly sworn, states that he is the Vice President of Regulatory Affairs of KCP&L and Westar, that he has reviewed the foregoing pleading, that he is familiar with the contents thereof, and that the statements contained therein are true and correct to the best of his knowledge and belief.

Darrin R. Ives

Vice President, Regulatory Affairs

Subscribed and sworn to before me this 3<sup>rd</sup> day of August, 2018.

Notary Public

My appointment expires:  $\frac{4/24}{221}$ 

ANTHONY R WESTENKIRCHNER
Notary Public, Notary Seal
State of Missouri
Platte County
Commission # 17279952
My Commission Expires April 26, 2021

### **CERTIFICATE OF SERVICE**

I, the undersigned, hereby certify that a true and correct copy of the above was electronically served, hand-delivered or mailed, postage prepaid, this  $3^{rd}$  day of August, 2018 to:

AMBER SMITH, CHIEF LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604-4027 a.smith@kcc.ks.gov

MICHAEL NEELEY, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604-4027 m.neeley@kcc.ks.gov

with a courtesy copy to:

DAVID W. NICKEL, CONSUMER COUNSEL CITIZENS' UTILITY RATEPAYER BOARD 1500 SW ARROWHEAD RD TOPEKA, KS 66604 D.NICKEL@CURB.KANSAS.GOV

|s| Robert J. Hack

Robert J. Hack

#### SERVICES AGREEMENT

This Services Agreement ("Services Agreement") is made effective as of June 4, 2018 (the "Effective Date") by and among Evergy, Inc., a Missouri corporation ("Evergy"), Kansas City Power & Light Company, a Missouri corporation ("KCP&L"), KCP&L Greater Missouri Operations Company ("GMO"), Westar Energy, Inc., a Kansas corporation ("Westar"), and Kansas Gas and Electric Company, a Kansas corporation ("KG&E," and collectively with KCP&L, GMO and Westar, the "Regulated Parties"). Evergy, KCP&L, GMO, Westar and KG&E are referred to collectively as the "Parties" and each individually as a "Party."

WHEREAS, KCP&L, GMO and Westar are each wholly-owned direct subsidiaries of Evergy;

WHEREAS, KG&E is a wholly-owned direct subsidiary of Westar, and in turn a wholly-owned indirect subsidiary of Evergy, that is operated by Westar; and

WHEREAS, each Regulated Party is a state-regulated utility operating company and an affiliate of the other Parties;

WHEREAS, each Party desires to provide to (in such capacity referred to as a "<u>Provider</u>") and accept from (in such capacity referred to as a "<u>Recipient</u>") the other Parties certain services and non-power goods; and

WHEREAS, in Cases Nos. EM-2007-0374 and EM-2018-0012 before the Missouri Public Service Commission (the "MPSC"), the MPSC granted certain variances from the MPSC affiliate transaction rules to permit transactions (except wholesale power transactions) between KCP&L, GMO and Westar to occur at cost.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

# ARTICLE I SERVICES

1.1 The Services. Each Party, as a Provider, shall provide to each other Party, as a Recipient, on an as-needed basis, (a) all services required or appropriate for the design, planning, construction, acquisition, disposition, operation, engineering, maintenance and management of each Recipient's business and properties, (b) corporate support services, including, as applicable, corporate oversight, governance, support systems and personnel in respect of payroll, shareholder, financial accounting and reporting, human resources, treasury, tax, records management, pension and benefits management, legal, corporate secretarial, internal audit, corporate security, governmental affairs, executive management, risk management, community relations, communications, procurement, information technology, billing and collection, accounts payable and facility management services, (c) services as set forth on Schedule 1.1 hereto and (d) any

service, non-wholesale power good, asset, property, employee, right, interest, thing or item of value that Recipient may request or require from time to time (collectively, the "Services").

- 1.2 <u>Right to Refuse</u>. Each Party shall have the right, at its sole discretion, to refuse to provide or furnish any Services requested pursuant to this Services Agreement. Receiving a refusal from another Party to a request under this Services Agreement shall not be a prerequisite for any Party to obtain from any third party any property, service or thing which is or could be provided or furnished under this Services Agreement. Refusals of requests by any Party under this Services Agreement shall not terminate all or any portion of this Services Agreement.
- 1.3 <u>Cooperation; Information and Access</u>. The Parties will cooperate in good faith in all matters relating to the provision and receipt of the Services. Without limiting the generality of the foregoing, each Recipient will provide a Provider, in a timely manner, all information and access to facilities required or reasonably requested by the Provider in connection with providing the Services.
- 1.4 <u>Customer Information</u>. In providing the Services, a Provider will not provide specific customer information to any Recipient without the consent of the customer or as otherwise provided by law, rule or order of the MPSC or the Kansas Corporation Commission (the "<u>KCC</u>"), as applicable.
- 1.5 <u>Additional Resources</u>. In providing the Services, a Provider is not obligated to (a) hire any additional employees, (b) maintain the employment of any specific employee or (c) purchase, lease or license any additional equipment or materials.
- 1.6 <u>Legal Advice</u>. The Parties agree and acknowledge that any legal advice or legal services provided, or arranged to be provided, by or on behalf of any Provider hereunder will be for the direct or indirect benefit or common interest of all of the Recipients, and it is therefore the intention of all Parties hereto to maintain all privileges that may apply to any communications related to the provision or receipt of such legal advice or services.
- 1.7 <u>Interaction with Joint Operating Agreement</u>. KCP&L shall not provide any Service to GMO under this Services Agreement if such Service is already provided for under that certain Joint Operating Agreement, dated as of October 10, 2008, as may be amended, between KCP&L and GMO (the "<u>Joint Operating Agreement</u>").

## ARTICLE II TERM AND TERMINATION

- 2.1 <u>Term.</u> This Services Agreement will commence on the Effective Date and, unless earlier terminated in accordance with Section 2.2, will continue until the first anniversary of the Effective Date (the "<u>Initial Term</u>"). After the Initial Term, this Services Agreement, unless earlier terminated in accordance with Section 2.2, will automatically renew for successive one-year terms (each, a "<u>Renewal Term</u>").
- 2.2 <u>Termination</u>. Any Party may terminate its obligations and be removed as a party under this Services Agreement at any time, including during the Initial Term or any Renewal Term,

by providing not less than 30-days' prior written notice to the other Parties. This Services Agreement shall terminate automatically if fewer than two Parties remain as parties to this Services Agreement.

2.3 <u>Effect of Termination</u>. Upon a termination of its obligations under this Services Agreement, a Party will have no further obligations hereunder with respect to the Services; <u>provided</u>, <u>however</u>, that notwithstanding such termination or the termination of this Services Agreement, (a) a Recipient will remain liable to a Provider for all amounts payable in respect of the Services provided prior to the effective date of such termination and (b) the provisions of Articles II, IV, V and VII of this Services Agreement will survive any such termination indefinitely.

### ARTICLE III COMPENSATION

- 3.1 Fee for Services. A Recipient will compensate a Provider as follows:
- (a) any Services provided by any Regulated Party, as Provider, to another Regulated Party, as Recipient, shall be priced at the fully distributed cost to the Provider for the Services, as reasonably determined by the Provider;
- (b) any Services provided by any Regulated Party, as Provider, to Evergy, as Recipient, shall be priced at the greater of (i) the fully distributed cost to the Provider for the Services, as reasonably determined by the Provider and (ii) the fair market price of the Services; and
- (c) any Services provided by Evergy, as Provider, to any Regulated Party, as Recipient, shall be priced at the lesser of (i) the fully distributed cost to the Provider for the Services, as reasonably determined by the Provider and (ii) the fair market price of the Services.

For this purpose, "fully distributed cost" means cost determined pursuant to a methodology that takes into account all direct and indirect costs in relation to the Services provided, whether through the direct assignment of costs or through a reasonable cost allocation process, including, but not limited to, cost of salaries and wages, office supplies and expenses, third-party vendor costs, property insurance, injuries and damages, employee pensions and benefits, taxes, miscellaneous general expenses, rents, maintenance of structures and equipment, depreciation and amortization and compensation for use of capital. Provider shall maintain reasonable supporting documentation in connection with its charges to provide the Services. Notwithstanding anything herein to the contrary, the price of the Services and the allocation factors and costs assignments used herein shall comply with all applicable rules and regulations of the Federal Energy Regulatory Commission (the "FERC"), the MPSC, the KCC and all other applicable regulatory commissions, and the provisions of any applicable cost allocation manuals filed from time to time with applicable regulatory commissions.

3.2 <u>Payment Terms</u>. Unless the Parties otherwise agree, (a) a Provider will bill a Recipient on a monthly basis for all Services and (b) payment shall be made by remittance of the

amounts billed within thirty (30) days of the date of the statement or by making appropriate accounting entries on the books of the Parties.

- 3.3 <u>Sales and Use Taxes</u>. For state and local sales and use tax purposes, a Provider and a Recipient will cooperate in good faith to segregate amounts payable under this Services Agreement into the following categories: (a) taxable Services; (b) non-taxable Services and (c) payments made by a Provider merely as a purchasing agent for a Recipient in procuring goods or services. A Provider will collect from a Recipient all state and local sales and use taxes, if any, in respect of the Services and will timely remit such taxes to the appropriate state and local tax authorities.
- 3.4 <u>Dispute Resolution</u>. In the event that a dispute arises among any of the Parties regarding the costs charged for Services hereunder, representatives of the applicable Parties will attempt to resolve the issues. Unresolved disputes regarding costs or any other claim or dispute related to this Services Agreement shall be resolved by binding arbitration by the American Arbitration Association under its Commercial Arbitration Rules. Any award of the arbitrator(s) may be entered as a judgment in any court of competent jurisdiction.
- 3.5 Records Inspection. A Recipient at its own expense may examine a Provider's pertinent books, records, data and other documents once each year for the purpose of evaluating the accuracy of billing statements hereunder. Such examination shall begin no fewer than thirty (30) days after a Provider receives a written notice requesting an examination and shall be completed no later than thirty (30) days after the start of such examination. If a Recipient utilizes a third party in the examination, a Provider may, in its sole discretion, require any such third party to execute a nondisclosure agreement reasonably acceptable to the Provider prior to the third party participating in the examination. Each audit shall be conducted on the premises of the Provider during normal business hours. The Provider shall cooperate fully in any such audit, providing reasonable access to appropriate Provider employees and books, records and other documents reasonably necessary to assess the accuracy of Provider's invoices. The results of the examination shall be provided to the Provider. If the Provider and Recipient agree that the amount of any statement should be adjusted as a result of the examination, the amount of the adjustment shall be paid or reimbursed, as applicable, promptly with interest at a rate equal to the applicable compensation for use of capital if the adjustment is related to Services provided from the due date of the applicable invoice. Any unresolved dispute shall be submitted to arbitration pursuant to Section 3.4, and any resulting award shall include interest calculated on Services as previously described from the due date of the applicable invoice.

# ARTICLE IV PERFORMANCE STANDARDS; DISCLAIMER; REMEDIES

- 4.1 <u>Performance Standards</u>. A Provider shall provide the Services in accordance with its practices, methods, standards, guides, policies and procedures in effect from time to time. A Provider will comply with all applicable federal, state and local laws, regulations, ordinances and other requirements in the provision of Services.
- 4.2 <u>Compliance with Policies and Agreements</u>. In connection with the Services, A Provider shall comply with (i) all applicable policies and procedures of Recipient and (ii) all

applicable terms and conditions of any third-party agreements pursuant to which a Recipient receives Services, including terms and conditions preserving the confidentiality and security of proprietary information of vendors.

- 4.3 <u>Parity of Services and Internal Operations</u>. A Provider will at all times use its commercially reasonable efforts to provide the Services in scope, quality and schedule equivalent to those it provides to its own internal operations. In providing the Services, a Provider will seek to maximize the aggregate synergies to all of the Parties, and shall not take any action that would unduly prefer any Party over another Party.
- Confidentiality. Each Party shall treat in confidence all information that it may 4.4 obtain from or regarding the other Parties and their respective businesses and customers during the term of this Services Agreement. Each Party agrees to protect the other Parties' information using the same degree of care which it uses to protect its own confidential information, and in no event less than reasonable care, and in compliance with the relevant rules and decisions of applicable regulatory commissions. Except to the extent disclosure of such information is requested by a governmental authority having jurisdiction, such information shall not be communicated to any person other than the Parties and their respective officers, directors, employees, subcontractors, advisors, representatives and agents in connection with the performance of the Services and the administration of this Services Agreement. If a Party is requested to disclose confidential information to a governmental authority, such Party shall take reasonable steps to make any such disclosure confidential under the rules of such governmental authority. Information provided hereunder shall remain the sole property of the Party providing such information. Except as otherwise provided by the relevant rules and decisions of applicable regulatory commissions with respect to customer information, the requirements of this Section 4.4 shall not apply with respect to information that (a) is or becomes available to such Party from a source other than the Party providing such information, unless such other source has imposed confidentiality restrictions or (b) is or becomes available to the public other than as a result of disclosure by such Party or its agents.
- 4.5 <u>Disclaimer of Warranties.</u> EXCEPT AS OTHERWISE SET FORTH HEREIN, PROVIDER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE SERVICES.
- 4.6 <u>Indemnification</u>. Each Recipient agrees to indemnify and hold harmless each Provider and its respective directors, officers, employees, agents and representatives from and against any and all losses, liabilities, damages, costs and expenses (collectively, "<u>Losses</u>") arising out of, or resulting from, the provision of the Services by each Provider hereunder, other than Losses arising or resulting from the Provider's gross negligence or willful misconduct.
- 4.7 <u>Limitation of Liability</u>. IN NO EVENT WILL A PROVIDER BE LIABLE TO ANY RECIPIENT FOR ANY LOST PROFITS, LOSS OF DATA, LOSS OF USE, BUSINESS INTERRUPTION OR OTHER SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES, HOWEVER CAUSED, UNDER ANY THEORY OF

LIABILITY, ARISING FROM THE PROVIDER'S PERFORMANCE OF, OR RELATING TO, THE SERVICES OR THIS SERVICES AGREEMENT.

### ARTICLE V RELATIONSHIP BETWEEN THE PARTIES

- 5.1 <u>Independent Contractor</u>. The relationship of a Provider to a Recipient under this Services Agreement is that of an independent contractor in connection with the provision of the Services by the Provider. A Provider will be solely responsible for the payment of any employment-related costs or taxes in respect of the provision of the Services (except to the extent such costs or taxes are taken into account in determining the Provider's compensation under Section 3.1).
- 5.2 <u>Appointment as Agent.</u> Subject to this Services Agreement, Recipient hereby appoints Provider and employees of Provider as agents of Recipient to represent Recipient in performing Services, which includes the authority to vote, sign or take similar actions that bind Recipient. Recipient also authorizes Provider to purchase (*i.e.*, take title to) various commodities, non-wholesale power goods and assets in connection with its performance of Services hereunder, and to resell (*i.e.*, convey title to) such commodities, non-wholesale power goods and assets if necessary in the course of performing Services hereunder, in each case, with the provision of Services to be at the fully distributed costs incurred by Provider pursuant to the methodology prescribed in Section 3.1.

# ARTICLE VI SUBCONTRACTORS

A Provider may engage one or more subcontractors to provide all or any portion of the Services and may arrange for the services of nonaffiliated experts, consultants, attorneys and other third parties in connection with the performance of any of the Services, provided that the Provider remains directly responsible for its obligations hereunder.

### ARTICLE VII MISCELLANEOUS

- 7.1 <u>Amendment and Modification</u>. This Services Agreement may be amended, modified or supplemented only by written agreement of the Parties. Any such amendment, modification or supplement shall not become effective until receipt of any required approvals or waivers by, or satisfaction of any notice requirements of, the applicable state regulatory commissions.
- 7.2 <u>Waiver of Compliance; Consents</u>. Except as otherwise provided in this Services Agreement, any failure of any Party to comply with any obligation, covenant, agreement or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition will not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

- 7.3 <u>Assignment</u>. No Party may assign this Services Agreement, in whole or in part, without the prior written consent of the other Parties, which consent shall not be unreasonably withheld or delayed; provided, however, that a Party may assign this Services Agreement to a parent or subsidiary entity, or as part of a consolidation, merger or sale of all or substantially all of its assets, without prior written consent.
- 7.4 Governing Law. This Services Agreement is governed by and construed in accordance with the laws of the State of Missouri as to all matters (regardless of the laws that might otherwise govern under applicable principles of conflicts of law), including but not limited to matters of validity, construction, effect, performance and remedies; provided, however, that no Party shall be required to comply with this Services Agreement to the extent such compliance would be a violation of the public utility laws of any state in which such Party conducts its state-regulated utility operations.
- 7.5 Force Majeure. Provider shall be excused for any failure or delay in performing any of its obligations under this Services Agreement if such failure or delay is caused by any reason beyond its control, including, without limitation, acts of God, regulatory or judicial delay or injunction, flood, storm, strikes, war, fire, explosion, insurrection, labor troubles, riots, government requirement, civil or military authority, earthquakes, acts or omissions of transportation companies, loss of power, technical failure of software or hardware or other similar causes beyond its control.
- 7.6 Severability. The provisions of this Services Agreement will be deemed severable, and the invalidity or unenforceability of any provision in any jurisdiction will, as to that jurisdiction, be ineffective only to the extent of such invalidity or unenforceability, and will not affect the validity or enforceability of that or any other provision in any other jurisdiction. If any provision of this Services Agreement, or the application thereof to any person or any circumstance, is invalid or unenforceable in any jurisdiction, (a) a suitable and equitable provision will be substituted for the invalid or unenforceable provision in order to carry out in that jurisdiction, so far as may be valid and enforceable, the intent and purpose of the invalid or unenforceable provision and (b) the remainder of this Services Agreement, and the application of that provision to other persons or circumstances or in other jurisdictions, will not be affected.
- 7.7 Entire Agreement. This Services Agreement will be a valid and binding agreement of the Parties only if and when it is fully executed and delivered by the Parties, and until such execution and delivery no legal obligation will be created by virtue hereof. This Services Agreement, together with any attachments hereto (which are incorporated herein by this reference), embodies the entire agreement and understanding of the Parties hereto in respect of the provision of Services among the Parties. There are no restrictions, promises, representations, warranties, covenants or undertakings in respect of the Services contemplated by this Services Agreement other than those expressly set forth or referred to herein. This Services Agreement supersedes all prior agreements and understandings among the Parties with respect to such Services, including that certain Services Agreement by and between KCP&L and Evergy (as successor by merger to Great Plains Energy Incorporated), dated as of March 10, 2015; provided, however, the Joint Operating Agreement shall not be superseded by this Services Agreement and shall remain in full force and effect.

7.8 <u>Delivery</u>. This Services Agreement may be executed in multiple counterparts (each of which will be deemed an original, but all of which together will constitute one and the same instrument), and may be delivered by electronic mail or facsimile transmission with the same force and effect as the exchange of original signature pages.

[Signature page follows.]

IN WITNESS WHEREOF, the Parties have caused this Services Agreement to be signed by their respective duly authorized officers to be effective as of the Effective Date.

Evergy, Inc.
A O
By:
Name: Alathony D. Somma
Title: Executive Vice President and
Chief Financial Officer
Kansas City Power & Light Company
, s 1 ,
X 5 11
By:
Name: Kevin E. Bryant
Title: Executive Vice President and
Chief Operating Officer
KCP&L Greater Missouri Operations Company
By:
Name: Kevin E. Bryant
Title: Executive Vice President and
Chief Operating Officer
Westar Energy, Inc.
By: My N
Name: Gregory A. Green wood
Title: Greative Vice President - Strategy
and Chief Administrative Officer
Kansas Gas and Electric Company
ву: ДИОС
Name: Jeff DeOrm
Fitle: Assistant Secretary
TALL TOTAL SECTION Y

#### **Schedule 1.1**

### **Description of the Services**

Descriptions of different categories of Services are set forth below. Such descriptions (i) shall not be limiting, but instead shall be broadly construed to include all associated, related or similar services and (ii) do not necessarily cover all of the Services to be provided by Provider to Recipient under the Services Agreement.

- Corporate secretarial services, including entity formation, maintenance, termination and record-keeping
- Corporate oversight and governance matters, including board of director and shareholder services
- Code-of-conduct and corporate ethics programs, policies and enforcement services
- Regulatory and regulatory compliance services
- Legal liability assessment services, including litigation management services
- Executive and employee benefits planning and administration
- Labor and employment-related services, including staffing services, employee evaluation and training, employee communications and workforce management
- Labor relations, including with respect to union employees and representatives
- Payroll services
- Leadership management and development services
- Compensation (including bonus and incentive) programs, policies, management and administration services
- Diversity programs, policies and services
- Internal audit services
- Investor relations
- Internal and external communications
- Community relations
- Corporate finance services
- Budgeting
- Insurance and risk management services, including the hiring and management of insurance advisors
- Credit services, including collateral management services
- Accounting services
- Tax planning and reporting and other tax-related services

- Treasury services, including cash management services
- Accounts payable and cashier services
- Legal services, including outside counsel hiring and management
- Contract management and administration services
- Document retention and management services
- Account management services
- External reporting services, including with respect to SEC, NYSE, FERC and other governmental reporting requirements
- Environmental services, including permitting, reporting, testing, selection and management of outside consultants and advisors and remediation management
- Corporate security services
- Safety programs, policies and services
- Governmental affairs
- Corporate development and strategic planning
- Mail and postage services
- Travel and expense reimbursement services
- Document processing services
- Facility services, including maintenance, housekeeping, decorating, grounds keeping and janitorial services
- Receptionist and secretarial services
- Capital expenditure planning, budgeting and project-management
- Purchasing and other procurement services
- Operational audit services
- IT and telecommunications services, including IT system planning, support and training
- Internet, intranet and website development, support and related services
- Intellectual property management, protection and maintenance services
- Mapping and drafting services
- Customer billing and accounts receivable services
- Marketing and promotional services
- Affiliate relationship management
- The selection and hiring of outside consultants, advisers and service providers
- Real estate and facilities services, including use of space owned or leased by provider

- Siting and land acquisition services
- Engineering and design services
- Construction services

#### SERVICES AGREEMENT

This Services Agreement ("Services Agreement") is made effective as of June 4, 2018 (the "Effective Date") by and among Kansas City Power & Light Company, a Missouri corporation (the "Provider"), and the signatory parties hereto set forth on Exhibit A and each additional signatory party executing a counterpart to this Services Agreement in accordance with Section 7.2 (each a "Recipient"). Provider and Recipients are referred to collectively as the "Parties" and each individually as a "Party."

WHEREAS, each Recipient is an affiliate of Provider;

WHEREAS, each Recipient desires that Provider provide certain services to Recipient; and

WHEREAS, Provider has agreed to provide certain services to each Recipient in accordance with the terms and conditions of this Services Agreement.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

# ARTICLE I SERVICES

- 1.1 The Services. Provider shall provide to each Recipient, on an as-needed basis, (a) all services required or appropriate for the design, planning, construction, acquisition, disposition, operation, engineering, maintenance and management of each Recipient's business and properties, (b) corporate support services, including, as applicable, corporate oversight, governance, support systems and personnel in respect of payroll, shareholder, financial accounting and reporting, human resources, treasury, tax, records management, pension and benefits management, legal, corporate secretarial, internal audit, corporate security, governmental affairs, executive management, risk management, community relations, communications, procurement, information technology, billing and collection, accounts payable and facility management services, (c) services as set forth on Schedule 1.1 hereto and (d) any service, non-wholesale power good, asset, property, employee, right, interest, thing or item of value that Recipient may request or require from time to time (collectively, the "Services").
- 1.2 <u>Right to Refuse</u>. Provider shall have the right, at its sole discretion, to refuse to provide or furnish any Services requested pursuant to this Services Agreement. Receiving a refusal from Provider to a request under this Services Agreement shall not be a prerequisite for Recipient to obtain from any third party any property, service or thing which is or could be provided or furnished under this Services Agreement. Refusals of requests by Provider under this Services Agreement shall not terminate all or any portion of this Services Agreement.
- 1.3 <u>Cooperation; Information and Access.</u> Provider, on the one hand, and each Recipient, on the other hand, will cooperate in good faith in all matters relating to the provision and receipt of the Services. Without limiting the generality of the foregoing, each Recipient will

provide Provider, in a timely manner, all information and access to facilities required or reasonably requested by Provider in connection with providing the Services.

- 1.4 <u>Customer Information</u>. In providing the Services, Provider will not provide specific customer information to any Recipient without the consent of the customer or as otherwise provided by law, rule or order of any applicable regulatory agency or commission.
- 1.5 <u>Additional Resources</u>. In providing the Services, Provider is not obligated to (a) hire any additional employees, (b) maintain the employment of any specific employee or (c) purchase, lease or license any additional equipment or materials.
- 1.6 <u>Legal Advice</u>. The Parties agree and acknowledge that any legal advice or legal services provided, or arranged to be provided, by or on behalf of Provider hereunder will be for the direct or indirect benefit or common interest of all of the Recipients, and it is therefore the intention of all Parties hereto to maintain all privileges that may apply to any communications related to the provision or receipt of such legal advice or services.

# ARTICLE II TERM AND TERMINATION

- 2.1 <u>Term.</u> This Services Agreement will commence on the Effective Date and, unless earlier terminated in accordance with Section 2.2, will continue until the first anniversary of the Effective Date (the "<u>Initial Term</u>"). After the Initial Term, this Services Agreement, unless earlier terminated in accordance with Section 2.2, will automatically renew for successive one-year terms (each, a "<u>Renewal Term</u>").
- 2.2 <u>Termination</u>. Provider may terminate this Services Agreement at any time, including during the Initial Term or any Renewal Term, by providing not less than 30-days' prior written notice to Recipients. Any Recipient may terminate its obligations and be removed as a party under this Services Agreement at any time, including during the Initial Term or any Renewal Term, by providing not less than 30-days' prior written notice to Provider. A Recipient departing the Evergy Inc. holding company system, upon written request to Provider, may continue to receive Services from Provider hereunder for a reasonable transitional period of time following such departure. This Services Agreement shall terminate automatically if no Recipient remains as a party to this Services Agreement.
- 2.3 <u>Effect of Termination</u>. Upon a termination of its obligations under this Services Agreement, a Party will have no further obligations hereunder with respect to the Services; <u>provided</u>, <u>however</u>, that notwithstanding such termination or the termination of this Services Agreement, (a) each Recipient will remain liable to Provider for all amounts payable in respect of the Services provided prior to the effective date of such termination and (b) the provisions of Articles II, IV, V and VII of this Services Agreement will survive any such termination indefinitely.

### ARTICLE III COMPENSATION

3.1 <u>Fee for Services</u>. Each Recipient will compensate Provider the greater of (a) the fair market price of the Services or (b) the fully distributed cost to Provider for the Services, as reasonably determined by Provider.

For this purpose, "fully distributed cost" means cost determined pursuant to a methodology that takes into account all direct and indirect costs in relation to the Services provided, whether through the direct assignment of costs or through a reasonable cost allocation process, including, but not limited to, cost of salaries and wages, office supplies and expenses, third-party vendor costs, property insurance, injuries and damages, employee pensions and benefits, taxes, miscellaneous general expenses, rents, maintenance of structures and equipment, depreciation and amortization and compensation for use of capital. Provider shall maintain reasonable supporting documentation in connection with its charges to provide the Services. Notwithstanding anything herein to the contrary, the price of the Services and the allocation factors and costs assignments used herein shall comply with all applicable rules and regulations of the Federal Energy Regulatory Commission (the "FERC"), the Missouri Public Service Commission, the Kansas Corporation Commission and all other applicable regulatory commissions, and the provisions of any applicable cost allocation manuals filed from time to time with applicable regulatory commissions.

- 3.2 <u>Payment Terms</u>. Unless the Parties otherwise agree, (a) Provider will bill each Recipient on a monthly basis for all Services and (b) payment shall be made by remittance of the amounts billed within thirty (30) days of the date of the statement or by making appropriate accounting entries on the books of the Parties.
- 3.3 <u>Sales and Use Taxes</u>. For state and local sales and use tax purposes, Provider and each Recipient will cooperate in good faith to segregate amounts payable under this Services Agreement into the following categories: (a) taxable Services; (b) non-taxable Services and (c) payments made by Provider merely as a purchasing agent for Recipient in procuring goods or services. Provider will collect from Recipient all state and local sales and use taxes, if any, in respect of the Services and will timely remit such taxes to the appropriate state and local tax authorities.
- 3.4 <u>Dispute Resolution</u>. In the event that a dispute arises among any of the Parties regarding the costs charged for Services hereunder, representatives of the applicable Parties will attempt to resolve the issues. Unresolved disputes regarding costs or any other claim or dispute related to this Services Agreement shall be resolved by binding arbitration by the American Arbitration Association under its Commercial Arbitration Rules. Any award of the arbitrator(s) may be entered as a judgment in any court of competent jurisdiction.
- 3.5 Records Inspection. Each Recipient at its own expense may examine Provider's pertinent books, records, data and other documents once each year for the purpose of evaluating the accuracy of billing statements hereunder. Such examination shall begin no fewer than thirty (30) days after Provider receives a written notice requesting an examination and shall be completed no later than thirty (30) days after the start of such examination. If a Recipient utilizes a third party in the examination, Provider may, in its sole discretion, require any such third party to execute a

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# ARTICLE IV PERFORMANCE STANDARDS; DISCLAIMER; REMEDIES

- 4.1 <u>Performance Standards</u>. Provider shall provide the Services in accordance with its practices, methods, standards, guides, policies and procedures in effect from time to time. Provider will comply with all applicable federal, state and local laws, regulations, ordinances and other requirements in the provision of Services.
- 4.2 <u>Compliance with Policies and Agreements</u>. In connection with the Services, Provider shall comply with (i) all applicable policies and procedures of Recipient and (ii) all applicable terms and conditions of any third-party agreements pursuant to which Recipient receives Services, including terms and conditions preserving the confidentiality and security of proprietary information of vendors.
- 4.3 <u>Parity of Services and Internal Operations</u>. Provider will at all times use commercially reasonable efforts to provide the Services in scope, quality and schedule equivalent to those it provides to its own internal operations. In providing the Services, Provider will seek to maximize the aggregate synergies to all of the Parties, and shall not take any action that would unduly prefer any Party over another Party.
- during the other Parties and their respective businesses and customers during the term of this Services Agreement. Each Party agrees to protect the other Parties' information using the same degree of care which it uses to protect its own confidential information, and in no event less than reasonable care, and in compliance with the relevant rules and decisions of applicable regulatory commissions. Except to the extent disclosure of such information is requested by a governmental authority having jurisdiction, such information shall not be communicated to any person other than the Parties and their respective officers, directors, employees, subcontractors, advisors, representatives and agents in connection with the performance of the Services and the administration of this Services Agreement. If a Party is requested to disclose confidential information to a governmental authority, such Party shall take reasonable steps to make any such disclosure confidential under the rules of such governmental authority. Information provided hereunder shall remain the sole property of the Party providing such information. Except as otherwise provided by the relevant rules and decisions of applicable regulatory commissions with

respect to customer information, the requirements of this Section 4.4 shall not apply with respect to information that (a) is or becomes available to such Party from a source other than the Party providing such information, unless such other source has imposed confidentiality restrictions or (b) is or becomes available to the public other than as a result of disclosure by such Party or its agents.

- 4.5 <u>Disclaimer of Warranties.</u> EXCEPT AS OTHERWISE SET FORTH HEREIN, PROVIDER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE SERVICES.
- 4.6 <u>Indemnification</u>. Each Recipient agrees to indemnify and hold harmless Provider and its respective directors, officers, employees, agents and representatives from and against any and all losses, liabilities, damages, costs and expenses (collectively, "<u>Losses</u>") arising out of, or resulting from, the provision of the Services by Provider hereunder, other than Losses arising or resulting from Provider's gross negligence or willful misconduct.
- 4.7 <u>Limitation of Liability</u>. IN NO EVENT WILL PROVIDER BE LIABLE TO RECIPIENT FOR ANY LOST PROFITS, LOSS OF DATA, LOSS OF USE, BUSINESS INTERRUPTION OR OTHER SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES, HOWEVER CAUSED, UNDER ANY THEORY OF LIABILITY, ARISING FROM PROVIDER'S PERFORMANCE OF, OR RELATING TO, THE SERVICES OR THIS SERVICES AGREEMENT.

# ARTICLE V RELATIONSHIP BETWEEN THE PARTIES

- 5.1 <u>Independent Contractor</u>. The relationship of Provider to each Recipient under this Services Agreement is that of an independent contractor in connection with the provision of the Services by Provider. Provider will be solely responsible for the payment of any employment-related costs or taxes in respect of the provision of the Services (except to the extent such costs or taxes are taken into account in determining Provider's compensation under Section 3.1).
- 5.2 <u>Appointment as Agent</u>. Subject to this Services Agreement, each Recipient hereby appoints Provider and employees of Provider as agents of Recipient to represent Recipient in performing Services, which includes the authority to vote, sign or take similar actions that bind Recipient. Recipient also authorizes Provider to purchase (*i.e.*, take title to) various commodities, non-wholesale power goods and assets in connection with its performance of Services hereunder, and to resell (*i.e.*, convey title to) such commodities, non-wholesale power goods and assets if necessary in the course of performing Services hereunder, in each case, with the provision of Services to be at the fully distributed costs incurred by Provider pursuant to the methodology prescribed in Section 3.1.

### ARTICLE VI SUBCONTRACTORS

Provider may engage one or more subcontractors to provide all or any portion of the Services and may arrange for the services of nonaffiliated experts, consultants, attorneys and other third parties in connection with the performance of any of the Services, provided that Provider remains directly responsible for its obligations hereunder.

### ARTICLE VII MISCELLANEOUS

- 7.1 <u>Amendment and Modification</u>. This Services Agreement may be amended, modified or supplemented only by written agreement of the Parties; *provided*, that Provider, acting alone, may amend <u>Exhibit A</u> from time to time to reflect the addition or removal of Recipients as provided by the terms of this Services Agreement. Any such amendment, modification or supplement shall not become effective until receipt of any required approvals or waivers by, or satisfaction of any notice requirements of, the applicable state regulatory commissions.
- 7.2 <u>Additional Recipients</u>. Any other affiliate of Provider may become a Party to this Services Agreement by delivering as an additional Recipient a counterpart signature page to this Services Agreement that is accepted and countersigned by Provider.
- 7.3 <u>Waiver of Compliance; Consents.</u> Except as otherwise provided in this Services Agreement, any failure of any Party to comply with any obligation, covenant, agreement or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition will not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.
- 7.4 <u>Assignment</u>. No Party may assign this Services Agreement, in whole or in part, without the prior written consent of the other Parties, which consent shall not be unreasonably withheld or delayed; provided, however, that a Party may assign this Services Agreement to a parent or subsidiary entity, or as part of a consolidation, merger or sale of all or substantially all of its assets, without prior written consent.
- 7.5 Governing Law. This Services Agreement is governed by and construed in accordance with the laws of the State of Missouri as to all matters (regardless of the laws that might otherwise govern under applicable principles of conflicts of law), including but not limited to matters of validity, construction, effect, performance and remedies; provided, however, that Provider shall not be required to comply with this Services Agreement to the extent such compliance would be a violation of the public utility laws of any state in which such Provider conducts its state-regulated utility operations.
- 7.6 <u>Force Majeure</u>. Provider shall be excused for any failure or delay in performing any of its obligations under this Services Agreement if such failure or delay is caused by any reason beyond its control, including, without limitation, acts of God, regulatory or judicial delay or injunction, flood, storm, strikes, war, fire, explosion, insurrection, labor troubles, riots, government

requirement, civil or military authority, earthquakes, acts or omissions of transportation companies, loss of power, technical failure of software or hardware or other similar causes beyond its control.

- 7.7 Severability. The provisions of this Services Agreement will be deemed severable, and the invalidity or unenforceability of any provision in any jurisdiction will, as to that jurisdiction, be ineffective only to the extent of such invalidity or unenforceability, and will not affect the validity or enforceability of that or any other provision in any other jurisdiction. If any provision of this Services Agreement, or the application thereof to any person or any circumstance, is invalid or unenforceable in any jurisdiction, (a) a suitable and equitable provision will be substituted for the invalid or unenforceable provision in order to carry out in that jurisdiction, so far as may be valid and enforceable, the intent and purpose of the invalid or unenforceable provision and (b) the remainder of this Services Agreement, and the application of that provision to other persons or circumstances or in other jurisdictions, will not be affected.
- 7.8 Entire Agreement. This Services Agreement will be a valid and binding agreement of the Parties only if and when it is fully executed and delivered by the Parties, and until such execution and delivery no legal obligation will be created by virtue hereof. This Services Agreement, together with any attachments hereto (which are incorporated herein by this reference), embodies the entire agreement and understanding of the Parties hereto in respect of the provision of Services among the Parties. There are no restrictions, promises, representations, warranties, covenants or undertakings in respect of the Services contemplated by this Services Agreement other than those expressly set forth or referred to herein. This Services Agreement supersedes all prior agreements and understandings among the Parties with respect to such Services, including any prior services agreement relating to Services provided hereunder between Provider and any Recipient.
- 7.9 <u>Delivery</u>. This Services Agreement may be executed in multiple counterparts (each of which will be deemed an original, but all of which together will constitute one and the same instrument), and may be delivered by electronic mail or facsimile transmission with the same force and effect as the exchange of original signature pages.

[Signature page follows.]

IN WITNESS WHEREOF, the Parties have caused this Services Agreement to be signed by their respective duly authorized officers to be effective as of the Effective Date.

<u>Provider</u>
Kansas City Power & Light Company
By:
Recipients
Energia, Inc.
By: And A Sudiger Name: Lynda L. Snedegar Title: Treasurer
Far Gas Acquisitions Corporation
By:
Golden Bear Hydro Inc.
By: A Sudegor Name: Lynda L. Snedegar Title: Treasurer
Great Plains Energy Services Incorporated
71100

GMO Receivables Company
By: Sillyan Name: James P. Gilligan Title: President
GPE Transmission Holding Company, LLC
By:
GXP Investments, Inc.
By: Name: Jeffrey C. DeBruin Title: Secretary
Kansas City Power & Light Receivables Company
By: James P. Gilligan Title: President
KCP&L, Inc. [Missouri]
By: A Grand Studies Name: Lynda L. Snedegar Title: President

# KCP&L, Inc. [Kansas]

By: Xydh X Sudigit Name: Lynda L. Snedegar Title: President
KCP&L Solar, Inc.
By:
KLT Gas Inc.
By: Xyda & Sredegar Name: Lynda L. Snedegar Title: Treasurer
KLT Investments Inc.
By: Xndx & Sndight Name: Lynda L. Snedegar Title: President
LoJamo, LLC

By: Andre & Studies
Name: Lynda L. Snedegar

Title: President

# Missouri Public Service Company

By: Sydad Sudia
Name: Lynda L. Snedegar
Title: President
MOPUB Group Inc.
By: Melissa K. Hardesty Title: Secretary
MPS Canada Corp.
By: And A Sudyw Name: Lynda L. Snedegar Title: Treasurer
MPS Canada Holdings, Inc.
By: Melissa K. Hardesty
Name: Melissa K. Hardesty
Title: President
MPS Europe, Inc.
By: A Stredger Name: Lynda L. Snedegar Title: President

# MPS Finance Corp. By: <u>Aydı & Snaegar</u> Name: Lynda L. Snedegar Title: President **MPS Gas Pipeline Corporation** Name: Melissa K. Hardesty Title: Secretary MPS Merchant Services, Inc. Name: Lynda L. Snedegar Title: Treasurer MPS Networks Canada Corp. Name: Lynda L. Snedegar Title: Treasurer

MPS Piatt County Power L.L.C.

Title: Chairman, Vice President and Treasurer

Name: Lynda L. Snedegar

# MPS Sterling Holdings, LLC

By:
SJLP Inc.
By: Xyrás A Sradegor Name: Lynda L. Snedegar Title: President
The Kansas Power & Light Company, Inc.
By: Name: Donna G. Quinn Title: Secretary and Treasurer
Trans MPS, Inc.
By: And Sudegr Name: Lynda L. Snedegar Title: President
Westar Generating, Inc.

By: Name: Jeffrey C. DeBruin
Title: Secretary

# Westar Industries, Inc.

Name: Jeffrey C. DeBruin

Title: Secretary

### Westar Investments, Inc.

Name: Jeffrey C. DeBruin

Title: Secretary

# Westar Limited Partners, Inc.

Name: Donna G. Quinn Title: Secretary and Treasurer

# Westar Transmission, LLC

Name: Jeffrey C. DeBruin

Title: Corporate Counsel and Assistant Secretary

of Westar Energy, Inc.

(member managed, Westar Energy, Inc.)

#### **Schedule 1.1**

#### **Description of the Services**

Descriptions of different categories of Services are set forth below. Such descriptions (i) shall not be limiting, but instead shall be broadly construed to include all associated, related or similar services and (ii) do not necessarily cover all of the Services to be provided by Provider to Recipient under the Services Agreement.

- Corporate secretarial services, including entity formation, maintenance, termination and record-keeping
- Corporate oversight and governance matters, including board of director and shareholder services
- Code-of-conduct and corporate ethics programs, policies and enforcement services
- Regulatory and regulatory compliance services
- Legal liability assessment services, including litigation management services
- Executive and employee benefits planning and administration
- Labor and employment-related services, including staffing services, employee evaluation and training, employee communications and workforce management
- Labor relations, including with respect to union employees and representatives
- Payroll services
- Leadership management and development services
- Compensation (including bonus and incentive) programs, policies, management and administration services
- Diversity programs, policies and services
- Internal audit services
- Investor relations
- Internal and external communications
- Community relations
- Corporate finance services
- Budgeting
- Insurance and risk management services, including the hiring and management of insurance advisors
- Credit services, including collateral management services
- Accounting services
- Tax planning and reporting and other tax-related services
- Treasury services, including cash management services
- Accounts payable and cashier services
- Legal services, including outside counsel hiring and management

- Contract management and administration services
- Document retention and management services
- Account management services
- External reporting services, including with respect to SEC, NYSE, FERC and other governmental reporting requirements
- Environmental services, including permitting, reporting, testing, selection and management of outside consultants and advisors and remediation management
- Corporate security services
- Safety programs, policies and services
- Governmental affairs
- Corporate development and strategic planning
- Mail and postage services
- Travel and expense reimbursement services
- Document processing services
- Facility services, including maintenance, housekeeping, decorating, grounds keeping and janitorial services
- Receptionist and secretarial services
- Capital expenditure planning, budgeting and project-management
- Purchasing and other procurement services
- Operational audit services
- IT and telecommunications services, including IT system planning, support and training
- Internet, intranet and website development, support and related services
- Intellectual property management, protection and maintenance services
- Mapping and drafting services
- Customer billing and accounts receivable services
- Marketing and promotional services
- Affiliate relationship management
- The selection and hiring of outside consultants, advisers and service providers
- Real estate and facilities services, including use of space owned or leased by provider
- Siting and land acquisition services
- Engineering and design services
- Construction services

### Exhibit A

### **Recipients**

- Energia, Inc.
- Far Gas Acquisitions Corporation
- Golden Bear Hydro Inc.
- Great Plains Energy Services Incorporated
- GMO Receivables Company
- GPE Transmission Holding Company, LLC
- GXP Investments, Inc.
- Kansas City Power & Light Receivables Company
- KCP&L, Inc. [Missouri]
- KCP&L, Inc. [Kansas]
- KCP&L Solar, Inc.
- KLT Gas Inc.
- KLT Investments Inc.
- LoJamo, LLC
- Missouri Public Service Company
- MOPUB Group Inc.
- MPS Canada Corp.
- MPS Canada Holdings, Inc.
- MPS Europe, Inc.
- MPS Finance Corp.
- MPS Gas Pipeline Corporation
- MPS Merchant Services, Inc.
- MPS Networks Canada Corp.
- MPS Piatt County Power L.L.C.
- MPS Sterling Holdings, LLC
- SJLP Inc.
- The Kansas Power & Light Company, Inc.
- Trans MPS, Inc.
- Westar Generating, Inc.
- Westar Industries, Inc.
- Westar Investments, Inc.
- Westar Limited Partners, Inc.
- Westar Transmission, LLC

#### SERVICES AGREEMENT

This Services Agreement ("Services Agreement") is made effective as of June 4, 2018 (the "Effective Date") by and among Westar Energy, Inc., a Kansas corporation (the "Provider"), and the signatory parties hereto set forth on Exhibit A and each additional signatory party executing a counterpart to this Services Agreement in accordance with Section 7.2 (each a "Recipient"). Provider and Recipients are referred to collectively as the "Parties" and each individually as a "Party."

WHEREAS, each Recipient is an affiliate of Provider;

WHEREAS, each Recipient desires that Provider provide certain services to Recipient; and

WHEREAS, Provider has agreed to provide certain services to each Recipient in accordance with the terms and conditions of this Services Agreement.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

### ARTICLE I SERVICES

- 1.1 The Services. Provider shall provide to each Recipient, on an as-needed basis, (a) all services required or appropriate for the design, planning, construction, acquisition, disposition, operation, engineering, maintenance and management of each Recipient's business and properties, (b) corporate support services, including, as applicable, corporate oversight, governance, support systems and personnel in respect of payroll, shareholder, financial accounting and reporting, human resources, treasury, tax, records management, pension and benefits management, legal, corporate secretarial, internal audit, corporate security, governmental affairs, executive management, risk management, community relations, communications, procurement, information technology, billing and collection, accounts payable and facility management services, (c) services as set forth on Schedule 1.1 hereto and (d) any service, non-wholesale power good, asset, property, employee, right, interest, thing or item of value that Recipient may request or require from time to time (collectively, the "Services").
- 1.2 <u>Right to Refuse</u>. Provider shall have the right, at its sole discretion, to refuse to provide or furnish any Services requested pursuant to this Services Agreement. Receiving a refusal from Provider to a request under this Services Agreement shall not be a prerequisite for Recipient to obtain from any third party any property, service or thing which is or could be provided or furnished under this Services Agreement. Refusals of requests by Provider under this Services Agreement shall not terminate all or any portion of this Services Agreement.
- 1.3 <u>Cooperation; Information and Access.</u> Provider, on the one hand, and each Recipient, on the other hand, will cooperate in good faith in all matters relating to the provision and receipt of the Services. Without limiting the generality of the foregoing, each Recipient will

provide Provider, in a timely manner, all information and access to facilities required or reasonably requested by Provider in connection with providing the Services.

- 1.4 <u>Customer Information</u>. In providing the Services, Provider will not provide specific customer information to any Recipient without the consent of the customer or as otherwise provided by law, rule or order of any applicable regulatory agency or commission.
- 1.5 <u>Additional Resources</u>. In providing the Services, Provider is not obligated to (a) hire any additional employees, (b) maintain the employment of any specific employee or (c) purchase, lease or license any additional equipment or materials.
- 1.6 <u>Legal Advice</u>. The Parties agree and acknowledge that any legal advice or legal services provided, or arranged to be provided, by or on behalf of Provider hereunder will be for the direct or indirect benefit or common interest of all of the Recipients, and it is therefore the intention of all Parties hereto to maintain all privileges that may apply to any communications related to the provision or receipt of such legal advice or services.

# ARTICLE II TERM AND TERMINATION

- 2.1 <u>Term</u>. This Services Agreement will commence on the Effective Date and, unless earlier terminated in accordance with Section 2.2, will continue until the first anniversary of the Effective Date (the "<u>Initial Term</u>"). After the Initial Term, this Services Agreement, unless earlier terminated in accordance with Section 2.2, will automatically renew for successive one-year terms (each, a "Renewal Term").
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- 4.3 <u>Parity of Services and Internal Operations</u>. Provider will at all times use commercially reasonable efforts to provide the Services in scope, quality and schedule equivalent to those it provides to its own internal operations. In providing the Services, Provider will seek to maximize the aggregate synergies to all of the Parties, and shall not take any action that would unduly prefer any Party over another Party.
- during the other Parties and their respective businesses and customers during the term of this Services Agreement. Each Party agrees to protect the other Parties' information using the same degree of care which it uses to protect its own confidential information, and in no event less than reasonable care, and in compliance with the relevant rules and decisions of applicable regulatory commissions. Except to the extent disclosure of such information is requested by a governmental authority having jurisdiction, such information shall not be communicated to any person other than the Parties and their respective officers, directors, employees, subcontractors, advisors, representatives and agents in connection with the performance of the Services and the administration of this Services Agreement. If a Party is requested to disclose confidential information to a governmental authority, such Party shall take reasonable steps to make any such disclosure confidential under the rules of such governmental authority. Information provided hereunder shall remain the sole property of the Party providing such information. Except as otherwise provided by the relevant rules and decisions of applicable regulatory commissions with

respect to customer information, the requirements of this Section 4.4 shall not apply with respect to information that (a) is or becomes available to such Party from a source other than the Party providing such information, unless such other source has imposed confidentiality restrictions or (b) is or becomes available to the public other than as a result of disclosure by such Party or its agents.

- 4.5 <u>Disclaimer of Warranties.</u> EXCEPT AS OTHERWISE SET FORTH HEREIN, PROVIDER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE SERVICES.
- 4.6 <u>Indemnification</u>. Each Recipient agrees to indemnify and hold harmless Provider and its respective directors, officers, employees, agents and representatives from and against any and all losses, liabilities, damages, costs and expenses (collectively, "<u>Losses</u>") arising out of, or resulting from, the provision of the Services by Provider hereunder, other than Losses arising or resulting from Provider's gross negligence or willful misconduct.
- 4.7 <u>Limitation of Liability</u>. IN NO EVENT WILL PROVIDER BE LIABLE TO RECIPIENT FOR ANY LOST PROFITS, LOSS OF DATA, LOSS OF USE, BUSINESS INTERRUPTION OR OTHER SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES, HOWEVER CAUSED, UNDER ANY THEORY OF LIABILITY, ARISING FROM PROVIDER'S PERFORMANCE OF, OR RELATING TO, THE SERVICES OR THIS SERVICES AGREEMENT.

## ARTICLE V RELATIONSHIP BETWEEN THE PARTIES

- 5.1 <u>Independent Contractor</u>. The relationship of Provider to each Recipient under this Services Agreement is that of an independent contractor in connection with the provision of the Services by Provider. Provider will be solely responsible for the payment of any employment-related costs or taxes in respect of the provision of the Services (except to the extent such costs or taxes are taken into account in determining Provider's compensation under Section 3.1).
- 5.2 <u>Appointment as Agent</u>. Subject to this Services Agreement, each Recipient hereby appoints Provider and employees of Provider as agents of Recipient to represent Recipient in performing Services, which includes the authority to vote, sign or take similar actions that bind Recipient. Recipient also authorizes Provider to purchase (*i.e.*, take title to) various commodities, non-wholesale power goods and assets in connection with its performance of Services hereunder, and to resell (*i.e.*, convey title to) such commodities, non-wholesale power goods and assets if necessary in the course of performing Services hereunder, in each case, with the provision of Services to be at the fully distributed costs incurred by Provider pursuant to the methodology prescribed in Section 3.1.

## ARTICLE VI SUBCONTRACTORS

Provider may engage one or more subcontractors to provide all or any portion of the Services and may arrange for the services of nonaffiliated experts, consultants, attorneys and other third parties in connection with the performance of any of the Services, provided that Provider remains directly responsible for its obligations hereunder.

## ARTICLE VII MISCELLANEOUS

- 7.1 <u>Amendment and Modification</u>. This Services Agreement may be amended, modified or supplemented only by written agreement of the Parties; *provided*, that Provider, acting alone, may amend <u>Exhibit A</u> from time to time to reflect the addition or removal of Recipients as provided by the terms of this Services Agreement. Any such amendment, modification or supplement shall not become effective until receipt of any required approvals or waivers by, or satisfaction of any notice requirements of, the applicable state regulatory commissions.
- 7.2 <u>Additional Recipients</u>. Any other affiliate of Provider may become a Party to this Services Agreement by delivering as an additional Recipient a counterpart signature page to this Services Agreement that is accepted and countersigned by Provider.
- 7.3 <u>Waiver of Compliance; Consents.</u> Except as otherwise provided in this Services Agreement, any failure of any Party to comply with any obligation, covenant, agreement or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition will not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.
- 7.4 <u>Assignment</u>. No Party may assign this Services Agreement, in whole or in part, without the prior written consent of the other Parties, which consent shall not be unreasonably withheld or delayed; provided, however, that a Party may assign this Services Agreement to a parent or subsidiary entity, or as part of a consolidation, merger or sale of all or substantially all of its assets, without prior written consent.
- 7.5 Governing Law. This Services Agreement is governed by and construed in accordance with the laws of the State of Kansas as to all matters (regardless of the laws that might otherwise govern under applicable principles of conflicts of law), including but not limited to matters of validity, construction, effect, performance and remedies; provided, however, that Provider shall not be required to comply with this Services Agreement to the extent such compliance would be a violation of the public utility laws of any state in which such Provider conducts its state-regulated utility operations.
- 7.6 <u>Force Majeure</u>. Provider shall be excused for any failure or delay in performing any of its obligations under this Services Agreement if such failure or delay is caused by any reason beyond its control, including, without limitation, acts of God, regulatory or judicial delay or injunction, flood, storm, strikes, war, fire, explosion, insurrection, labor troubles, riots, government

requirement, civil or military authority, earthquakes, acts or omissions of transportation companies, loss of power, technical failure of software or hardware or other similar causes beyond its control.

- 7.7 Severability. The provisions of this Services Agreement will be deemed severable, and the invalidity or unenforceability of any provision in any jurisdiction will, as to that jurisdiction, be ineffective only to the extent of such invalidity or unenforceability, and will not affect the validity or enforceability of that or any other provision in any other jurisdiction. If any provision of this Services Agreement, or the application thereof to any person or any circumstance, is invalid or unenforceable in any jurisdiction, (a) a suitable and equitable provision will be substituted for the invalid or unenforceable provision in order to carry out in that jurisdiction, so far as may be valid and enforceable, the intent and purpose of the invalid or unenforceable provision and (b) the remainder of this Services Agreement, and the application of that provision to other persons or circumstances or in other jurisdictions, will not be affected.
- 7.8 Entire Agreement. This Services Agreement will be a valid and binding agreement of the Parties only if and when it is fully executed and delivered by the Parties, and until such execution and delivery no legal obligation will be created by virtue hereof. This Services Agreement, together with any attachments hereto (which are incorporated herein by this reference), embodies the entire agreement and understanding of the Parties hereto in respect of the provision of Services among the Parties. There are no restrictions, promises, representations, warranties, covenants or undertakings in respect of the Services contemplated by this Services Agreement other than those expressly set forth or referred to herein. This Services Agreement supersedes all prior agreements and understandings among the Parties with respect to such Services, including any prior services agreement relating to Services provided hereunder between Provider and any Recipient.
- 7.9 <u>Delivery</u>. This Services Agreement may be executed in multiple counterparts (each of which will be deemed an original, but all of which together will constitute one and the same instrument), and may be delivered by electronic mail or facsimile transmission with the same force and effect as the exchange of original signature pages.

[Signature page follows.]

IN WITNESS WHEREOF, the Parties have caused this Services Agreement to be signed by their respective duly authorized officers to be effective as of the Effective Date.

<u>Provider</u>
Westar Energy, Inc.
Name: Caegory A. Greenward  Title: Executive Vice President Stratagy and Chief Administrative Office
Recipients
Energia, Inc.
By: Asledgar Name: Lynda L. Snedegar Title: Treasurer
Far Gas Acquisitions Corporation
By: Ayd A Sudegar Name: Lynda L. Snedegar Title: Treasurer
Golden Bear Hydro Inc.
By: And Studies  Name: Lynda L. Snedegar  Title: Treasurer
Great Plains Energy Services Incorporated

D...

Name: Jeffrey C. DeBruin

Title: Secretary

GMO Receivables Company
By:
GPE Transmission Holding Company, LLC
By:
GXP Investments, Inc.
By: Name: Jeffrey C. DeBruin Title: Secretary
Kansas City Power & Light Receivables Company
By:
KCP&L, Inc. [Missouri]
By:

## KCP&L, Inc. [Kansas]

By:		
KCP&L Solar, Inc.		
By:		
KLT Gas Inc.		
By:		
KLT Investments Inc.		
By:		
LoJamo, LLC		
By: Xydh & Sudiff Name: Lynda L. Snedegar Title: President		

## Missouri Public Service Company

By: 2 Mar 2 Sredega
Name: Lynda L. Snedegar
Title: President
MOPUB Group Inc.
*:
By: Melissa K. Hardesty Title: Secretary
MPS Canada Corp.
By: Xyll & Sudiff Name: Lynda L. Snedegar Title: Treasurer
MPS Canada Holdings, Inc.
By: Melissa K. Hardesty Title: President
MPS Europe, Inc.
By: Xyd X Sydlg Name: Lynda L. Snedegar Title: President

By:	Lynda & Spideor
	ynda L. Snedegar
Title: Pre	esident
MPS Ga	s Pipeline Corporation

MPS Finance Corp.

By: Melissa K. Hardesty
Title: Secretary

MPS Merchant Services, Inc.

MPS Piatt County Power L.L.C.

MPS Networks Canada Corp.

## MPS Sterling Holdings, LLC

By:		
SJLP Inc.		
By:		
The Kansas Power & Light Company, Inc.		
By: Down G. Quinn Title: Secretary and Treasurer		
Trans MPS, Inc.		
By:		
Westar Generating, Inc.		

By: Name: Jeffrey C. DeBruin
Title: Secretary

## Westar Industries, Inc.

Name: Jeffrey C. DeBruin

Title: Secretary

Westar Investments, Inc.

Name: Jeffrey C. DeBruin

Title: Secretary

Westar Limited Partners, Inc.

Name: Donna G. Quinn

Title: Secretary and Treasurer

Westar Transmission, LLC

Name: Jeffrey C. DeBruin

Title: Corporate Counsel and Assistant Secretary

of Westar Energy, Inc.

(member managed, Westar Energy, Inc.)

## Schedule 1.1

#### **Description of the Services**

Descriptions of different categories of Services are set forth below. Such descriptions (i) shall not be limiting, but instead shall be broadly construed to include all associated, related or similar services and (ii) do not necessarily cover all of the Services to be provided by Provider to Recipient under the Services Agreement.

- Corporate secretarial services, including entity formation, maintenance, termination and record-keeping
- Corporate oversight and governance matters, including board of director and shareholder services
- Code-of-conduct and corporate ethics programs, policies and enforcement services
- Regulatory and regulatory compliance services
- Legal liability assessment services, including litigation management services
- Executive and employee benefits planning and administration
- Labor and employment-related services, including staffing services, employee evaluation and training, employee communications and workforce management
- Labor relations, including with respect to union employees and representatives
- Payroll services
- Leadership management and development services
- Compensation (including bonus and incentive) programs, policies, management and administration services
- Diversity programs, policies and services
- Internal audit services
- Investor relations
- Internal and external communications
- Community relations
- Corporate finance services
- Budgeting
- Insurance and risk management services, including the hiring and management of insurance advisors
- Credit services, including collateral management services
- Accounting services
- Tax planning and reporting and other tax-related services
- Treasury services, including cash management services
- Accounts payable and cashier services
- Legal services, including outside counsel hiring and management

- Contract management and administration services
- Document retention and management services
- Account management services
- External reporting services, including with respect to SEC, NYSE, FERC and other governmental reporting requirements
- Environmental services, including permitting, reporting, testing, selection and management of outside consultants and advisors and remediation management
- Corporate security services
- Safety programs, policies and services
- Governmental affairs
- Corporate development and strategic planning
- Mail and postage services
- Travel and expense reimbursement services
- Document processing services
- Facility services, including maintenance, housekeeping, decorating, grounds keeping and janitorial services
- Receptionist and secretarial services
- Capital expenditure planning, budgeting and project-management
- Purchasing and other procurement services
- Operational audit services
- IT and telecommunications services, including IT system planning, support and training
- Internet, intranet and website development, support and related services
- Intellectual property management, protection and maintenance services
- Mapping and drafting services
- Customer billing and accounts receivable services
- Marketing and promotional services
- Affiliate relationship management
- The selection and hiring of outside consultants, advisers and service providers
- Real estate and facilities services, including use of space owned or leased by provider
- Siting and land acquisition services
- Engineering and design services
- Construction services

## Exhibit A

### **Recipients**

- Energia, Inc.
- Far Gas Acquisitions Corporation
- Golden Bear Hydro Inc.
- Great Plains Energy Services Incorporated
- GMO Receivables Company
- GPE Transmission Holding Company, LLC
- GXP Investments, Inc.
- Kansas City Power & Light Receivables Company
- KCP&L, Inc. [Missouri]
- KCP&L, Inc. [Kansas]
- KCP&L Solar, Inc.
- KLT Gas Inc.
- KLT Investments Inc.
- LoJamo, LLC
- Missouri Public Service Company
- MOPUB Group Inc.
- MPS Canada Corp.
- MPS Canada Holdings, Inc.
- MPS Europe, Inc.
- MPS Finance Corp.
- MPS Gas Pipeline Corporation
- MPS Merchant Services, Inc.
- MPS Networks Canada Corp.
- MPS Piatt County Power L.L.C.
- MPS Sterling Holdings, LLC
- SJLP Inc.
- The Kansas Power & Light Company, Inc.
- Trans MPS, Inc.
- Westar Generating, Inc.
- Westar Industries, Inc.
- Westar Investments, Inc.
- Westar Limited Partners, Inc.
- Westar Transmission, LLC

## JOINT OPERATING AGREEMENT

This Joint Operating Agreement (the "Agreement") is made and entered into this 10th day of October, 2008 by and between Kansas City Power & Light Company ("KCP&L") and Aquila, Inc., doing business as KCP&L Greater Missouri Operations Company ("KCP&L GMO").

#### WITNESSETH

WHEREAS, KCP&L is a wholly-owned subsidiary of Great Plains Energy Incorporated ("Great Plains Energy"); and

WHEREAS, Great Plains Energy acquired KCP&L GMO as of July 14, 2008, and

WHEREAS, to facilitate utility operations integration and to realize synergies, employees of KCP&L GMO were transferred to KCP&L, and employees of KCP&L will operate and manage the business and properties of both KCP&L and KCP&L GMO, and

WHEREAS, in Case No. EM-2007-0374 before the Missouri Public Service Commission (the "MPSC"), KCP&L and KCP&L GMO requested a waiver from the MPSC affiliate transaction rules to permit KCP&L to provide services and non-power goods to KCP&L GMO at fully distributed cost, and offered to execute and file a joint operating agreement to document the provision of such services and non-power goods, and

WHEREAS, the MPSC granted such waiver, authorized Great Plains Energy to acquire KCP&L GMO, and directed that such a joint operating agreement be filed with the MPSC, and

WHEREAS, KCP&L and KCP&L GMO have entered into this Agreement whereby each party agrees to provide and to accept and pay for various services and non-power goods.

NOW THEREFORE, in consideration of the promises and the mutual agreements herein contained, the parties to this Agreement covenant and agree as follows:

## ARTICLE I – JOINT OPERATING SERVICES

Section 1.1 Purpose. This Agreement provides the contractual basis for the coordinated planning, construction, acquisition, disposition, operation and maintenance of KCP&L's and KCP&L GMO's business and properties to achieve synergies, consistent with reliable electric service and all legal and other requirements.

- Section 1.2 KCP&L Designated Agent and Operator. KCP&L GMO hereby designates KCP&L as its agent and operator of its business and properties. KCP&L shall be responsible for and shall perform, through its employees, agents, and contractors, all such actions and functions (including, without limitation, the entry into contracts for the benefit of or as agent for KCP&L GMO) as may be required or appropriate for the proper design, planning, construction, acquisition, disposition, operation, engineering, maintenance and management of KCP&L GMO's business and properties in accordance with the terms of this Agreement (the "Services"). KCP&L GMO hereby delegates to KCP&L, and KCP&L hereby accepts responsibility and authority for the duties set forth in this Agreement.
- Section 1.3 Description of the Services. The Services shall include all services required or appropriate for the design, planning, construction, acquisition, disposition, operation, engineering, maintenance and management of KCP&L GMO's business and properties. The Services exclude wholesale electricity and transmission service transactions between KCP&L and KCP&L GMO, which will be governed by applicable Federal Energy Regulatory Commission ("FERC") tariffs and rules. Such Services are more fully described in Appendix A hereto.
- Section 1.4 Standards for Services. KCP&L shall provide the Services in accordance with its practices, methods, standards, guides, policies and procedures in effect from time to time which, as applicable, will be consistent with those that are generally accepted in the electric utility industry. KCP&L will comply with all applicable Federal, State and local laws, regulations, ordinances and other requirements in the provision of Services to KCP&L GMO.
- Section 1.5 Facilities Services. KCP&L will use its properties, systems, agreements and other assets in providing Services (the "KCP&L Facilities Services"). KCP&L GMO consents to the use of its properties, systems and agreements by KCP&L in providing Services and in operating and managing KCP&L's own business (the "KCP&L GMO Facilities Services"). The KCP&L Facilities Services and the KCP&L GMO Facilities Services are collectively referred to as the "Facilities Services". The provision of, and payment for, the Facilities Services will be done pursuant to the terms of this Agreement.
- Section 1.6 Compliance with Policies and Agreements. In connection with its receipt of the Services, each party shall comply with (i) all applicable policies and procedures of the other party, and (ii) all applicable terms and conditions of any third party agreements pursuant to which KCP&L GMO receives Services and KCP&L receives Facilities Services, including without limitation terms and conditions preserving the confidentiality and security of proprietary information of vendors.
- Section 1.7 Adequacy of Personnel. KCP&L shall use commercially reasonable efforts to maintain a staff trained and experienced in provision of the Services. Notwithstanding the foregoing, KCP&L may (i) arrange for the services of nonaffiliated experts, consultants, attorneys and other third parties in connection with the performance of any of the Services or (ii) subcontract performance of the Services to one or more third parties.

Section 1.8 Parity of Services and Internal KCP&L Operations. KCP&L will at all times use its commercially reasonable efforts to provide the Services in scope, quality and schedule equivalent to those it provides to its own internal operations. In providing the Services, KCP&L will seek to maximize the aggregate synergies to both companies, and shall not take any action that would unduly prefer either party over the other party.

#### **ARTICLE II - COMPENSATION**

Section 2.1 Payment for Services. As compensation for the Services, KCP&L GMO shall reimburse KCP&L for all costs that reasonably can be identified and related to the Services performed by or on behalf of KCP&L for KCP&L GMO including, but not limited to, KCP&L's cost of salaries and wages, office supplies and expenses, third party vendor costs, property insurance, injuries and damages, employee pensions and benefits, taxes, miscellaneous general expenses, rents, maintenance of structures and equipment, depreciation and amortization, and compensation for use of capital. Notwithstanding anything herein to the contrary, the price of the Services shall comply with all applicable rules and regulations of the FERC, the MPSC, all other applicable regulatory commissions, and the provisions of Great Plains Energy's Cost Allocation Manual, which includes KCP&L and KCP&L GMO cost allocation information, filed from time to time with the MPSC.

Section 2.2 Payment for Facilities Services. It is understood that KCP&L GMO Facilities Services may be used by KCP&L in providing Services to KCP&L GMO, as well as used by KCP&L for its own business. In order to avoid duplicate billing, the parties agree that KCP&L will be billed, and will reimburse KCP&L GMO, only for that portion of KCP&L GMO Facilities Services used by KCP&L for its own business. As compensation for Facilities Services, the receiving party shall reimburse the providing party for all costs that can reasonably be identified and related to the Facilities Services including, but not limited to, cost of salaries and wages, office supplies and expenses, third party vendor costs, property insurance, injuries and damages, employee pensions and benefits, taxes, miscellaneous general expenses, rents, maintenance of structures and equipment, depreciation and amortization, compensation for use of capital, and a return on capital associated with the assets used to provide Facilities Services. Costs recovered through Services billings shall be excluded from the costs of Facilities Services. Notwithstanding anything herein to the contrary, the price of Facilities Services shall comply with all applicable rules and regulations of the FERC, the MPSC, all other applicable regulatory commissions, and the provisions of Great Plains Energy's Cost Allocation Manual, which includes KCP&L and KCP&L GMO cost allocation information, filed from time to time with the MPSC.

Section 2.3 Billing. KCP&L shall render a monthly statement to KCP&L GMO setting forth a description of the Services and KCP&L Facilities Services rendered to KCP&L GMO in the previous month and KCP&L's costs in connection therewith. The monthly statement to KCP&L GMO will also set forth a description of KCP&L GMO Facilities Services used by KCP&L for its own business and KCP&L GMO's associated costs. KCP&L shall maintain reasonable supporting documentation in connection with costs. Payment shall be made by remittance of the amounts billed within thirty (30) days of the date of the statement or by making appropriate accounting entries on KCP&L's and KCP&L GMO's books.

Section 2.4 <u>Dispute Resolution.</u> In the event that a dispute arises between KCP&L and KCP&L GMO regarding the costs charged by the providing party to the receiving party for Services or Facilities Services hereunder, representatives of KCP&L and KCP&L GMO will attempt to resolve the issues. Unresolved disputes regarding costs or any other claim or dispute related to this Agreement shall be resolved by binding arbitration by the American Arbitration Association under the rules then in effect. Any award of the arbitrator(s) may be entered as a judgment in any court of competent jurisdiction.

Section 2.5 Records Inspection. KCP&L GMO at its own expense may examine KCP&L's pertinent books, records, data and other documents once each year for the purpose of evaluating the accuracy of KCP&L's statements to KCP&L GMO. Such examination shall begin no fewer than thirty (30) days after KCP&L receives a written notice requesting an examination and shall be completed no later than thirty (30) days after the start of such examination. Such examination shall be conducted by an independent auditor reasonably acceptable to both KCP&L GMO and KCP&L. If an independent auditor is used, KCP&L GMO shall cause the independent auditor to execute a nondisclosure agreement reasonably acceptable to KCP&L. Each audit shall be conducted on the premises of KCP&L during normal business hours. KCP&L shall cooperate fully in any such audit, providing the auditor reasonable access to any and all appropriate KCP&L employees and books, records and other documents reasonably necessary to assess the accuracy of KCP&L's invoices. The results of the examination shall be provided to KCP&L.

If KCP&L and KCP&L GMO agree that the amount of any statement should be adjusted as a result of the examination, the amount of the adjustment shall be paid or reimbursed, as applicable, promptly with interest at a rate equal to the applicable compensation for use of capital if the adjustment is related to Services provided, or at a rate equal to the applicable return on capital used for Facilities Services billings (as such rates are described in the Great Plains Energy Cost Allocation Manual) from the due date of the applicable invoice. Any unresolved dispute shall be submitted to arbitration pursuant to Section 2.3, and any resulting award shall include interest calculated on Services or Facilities Services as previously described from the due date of the applicable invoice.

#### ARTICLE III - TERM AND TERMINATION

This Agreement shall become effective as of the date first written above and shall continue in force until terminated pursuant to this Article III (the "Term"). This Agreement may be terminated by either party upon at least one year's prior written notice to the other party. This Agreement shall also be subject to termination or modification at any time, without notice, if and to the extent performance under this Agreement may conflict with any applicable law, rule, regulation or order of any regulatory body adopted before or after the date of this Agreement. Further, this Agreement shall automatically terminate in the event of a direct or indirect change of control of either KCP&L or KCP&L GMO. Sections 2.4, 2.5, 4.1, 4.2, 5.3 and 5.4 shall survive expiration or termination of this Agreement for any reason.

#### ARTICLE IV -

### DISCLAIMER OF WARRANTIES; LIMITATION OF LIABILITY

Section 4.1 EXCEPT AS SET FORTH IN SECTION 1.4, KCP&L MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE SERVICES AND HEREBY DISCLAIMS ALL SUCH REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES AS TO MERCHANTABILITY, NON-INFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE.

Section 4.2 Limitation of Liability. Except with respect to its indemnification obligations set out in this Section 4.2, KCP&L's aggregate liability to KCP&L GMO pursuant to this Agreement for any acts or omissions in any 12-month period during the Term shall not exceed the aggregate charges payable to KCP&L by KCP&L GMO pursuant to Section 2.1 and 2.2 in such 12-month period. Except with respect to its indemnification obligations set out in this Section 4.2, KCP&L GMO's aggregate liability to KCP&L pursuant to this Agreement for any acts or omissions in any 12-month period during the Term shall not exceed the aggregate charges payable to KCP&L GMO by KCP&L pursuant to Section 2.2 in such 12-month period. Notwithstanding the foregoing sentences, each party hereto will defend, indemnify and save harmless the other party hereto from and against any and all liability, loss, costs, damages and expenses, including reasonable attorney's fees, caused by or arising out of the gross negligence, willful misconduct or breach of this Agreement by such indemnifying party. In no event shall any party be liable to the other party for any punitive, exemplary, indirect, special or consequential damages in connection with this Agreement.

#### ARTICLE V - MISCELLANEOUS

- Section 5.1 Amendments. No amendment, change, or modification of this Agreement shall be valid, unless made in writing and signed by the parties hereto.
- Section 5.2 No Assignment. Neither party may assign this agreement, in whole or in part, without the prior written consent of the other party.
- Section 5.3 Choice of Laws. This Agreement will be deemed to be made in and in all respects shall be interpreted, construed and governed by and in accordance with the laws of Missouri, without giving effect to rules concerning conflicts of laws.
- Section 5.4 No Third Party Beneficiaries. This Agreement is not intended to, and does not, confer upon any party other than KCP&L and KCP&L GMO any rights or remedies hereunder.
- Section 5.5 Regulatory Filings. KCP&L and KCP&L GMO shall make all necessary regulatory filings and seek all necessary regulatory approvals for this Agreement.
- Section 5.6 No Effect on Other Agreements. This Agreement shall not modify the obligations of any party under any agreement with a third party, and shall not modify any agreement between the parties under any tariff or other agreement filed with the FERC, the

MPSC or other regulatory commission.

Section 5.7 Waivers. Any waiver at any time by a party of any of its rights with respect to a default by the other party under this Agreement shall not be deemed a waiver with respect to any subsequent default of similar or different nature, nor shall it prejudice its right to deny waiver of any other default by the other party.

Section 5.8 Independent Contractor. KCP&L and KCP&L GMO agree that for the purposes of this Agreement, each party is an independent contractor to the other party. KCP&L will be solely responsible for directing the work of its personnel. KCP&L is solely responsible for the compensation of its employees assigned to provide the Services hereunder, and payment of workers' compensation, disability and other similar benefits, unemployment and other similar insurance, and for withholding, income, social security and other taxes.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year first above written.

Kansas City Power & Light Company

**Aquila, Inc.**, doing business as KCP&L Greater Missouri Operations Company

William H. Downey

President and Chief Operating Officer

William H. Downey

President and Chief Operating Officer

Approved by Counsel:

William G. Riggins

General Counsel and Chief Legal Officer Kansas City Power & Light Company Aquila, Inc.

#### APPENDIX A

## **Description of Services**

General descriptions of the Services to be provided by KCP&L to KCP&L GMO are detailed below. The descriptions are deemed to include services associated with, or related or similar to, the services contained in such descriptions. The descriptions are not intended to be exhaustive, and KCP&L will provide such additional services, whether or not referenced below, that are necessary or appropriate to meet the service needs of KCP&L GMO.

### **Corporate Services**

Corporate Services is responsible for providing Information Technology, Purchasing, Facilities and Resource Protection services for KCP&L GMO operations. These services also apply to any new facilities that may be added from time to time.

**Information Technology ("IT"):** Support existing applications, technologies and infrastructure to ensure business continuity and leverage capabilities. Examples include CIS, PeopleSoft, desktop, real-time systems, radio and telecommunications. In addition, IT will work with KCP&L GMO to develop and deploy new applications and technologies as appropriate.

**Purchasing:** Acquire goods and services on behalf of KCP&L GMO operations, as well as for all construction projects; exercise governance and oversight over all procurement functions and ensure compliance with established policies and procedures.

**Facilities:** Responsible for the planning and management of existing company buildings and grounds, whether owned or leased, as well as for any new building construction or remodeling; and provide print, courier and mailroom services and records management.

**Resource Protection:** Responsible for the protection of the physical, human and information assets of KCP&L GMO, and for business continuity planning and adherence to applicable standards such as required by Homeland Security, etc.

#### Delivery

Delivery is responsible for providing customer, transmission and distribution services. This includes business performance services, claims services, customer services, major outage/catastrophic event management services, energy efficiency and demand response services, metering and infrastructure technology services, resource management, safety training and incident response services, transmission and distribution construction and maintenance management, transmission and distribution operations and maintenance, transmission, distribution and substation engineering and asset management, transmission policy, planning and compliance services to KCP&L GMO. These services also apply to any new facilities that may be added from time to time.

Business Performance Services: Develop, gather data, manage, create and maintain financial and reliability reports; provide financial analysis, training on financial systems and business support; oversee financial and accounting processes; direct the preparation of budgets and forecasts; draft certain regulatory reports and testimony; develop policies, monitor key developments in the electrical delivery arena and KCP&L GMO territories; prepare and file compliance related reporting; manage process and performance improvement; create and conduct process and performance training; and collect and analyze benchmarking and scorecard data.

Claims Services: Administer claims received relating to property damage and/or service issues in KCP&L GMO service territories; prosecute claims to recover damages for property damage against KCP&L GMO assets.

Community Liaison and Communication Services: Act as liaison with government agencies; federal, state and locally elected officials, civic organizations, and other community stakeholders affecting the KCP&L GMO service area; respond to media and governmental stakeholder requests for information; and create and present information to the public through press releases, advertising, public speaking and other available communication channels.

Community Relations Services: Identify and administer investment and membership support in KCP&L GMO's community organizations; administer contributions to nonprofit agencies identified in KCP&L GMO's service and operating territories that support at-risk youth, the environment and economic/workforce development; administer memberships with chambers, economic development corporations and other organizations in KCP&L GMO's service and operating territories; coordinate presentations and public speaking requests; identify and administer community sponsorships in coordination with partners; manage and provide support for KCP&L GMO's events, including town hall meetings and executive visits; identify and manage employees in KCP&L GMO community support roles, such as serving on boards and providing direct service to underserved people and communities.

Customer Services: Receive and process customer requests through all customer contact channels; answer customer questions, create and enter service orders, and educate customers about KCP&L GMO services; obtain and record meter data; process customer service orders; manage the field collection process at the customer premise, investigate potential revenue loss, and report irregular customer activities pertaining to their electric service; prepare and deliver accurate and timely statements and invoices to customers; manage the payment application process, reconcile payments received from customers, remit payments received, and conduct research on non-routine payments; collect amounts owed on delinquent accounts, bad debt recoveries, and bankruptcy; process and remit amounts recovered; manage and apply energy assistance payments; conduct fraud investigations, diversion investigations, and analyze customer usage and pricing for accuracy and timeliness of sending customer bills; investigate and manage commission complaints to resolution; design programs to increase funding to assist low income customers; manage programs targeted for the elderly and vulnerable (i.e., medical emergency) customers; create partnerships with energy assistance agencies; administer cold and hot weather rules; develop and present outreach programs designed to educate customers about energy usage and efficiency; design and use measurement and assessment tools to gauge

effectiveness and efficiency of customer contact work processes; and collect, verify and report statistics and data as requested by internal customers.

Economic Development Services: Manage and administer business development initiatives, strategies and programs associated with retention, expansion and recruitment of major customers in KCP&L GMO's service territory; manage and develop relationships with strategic state, regional and local development groups while being familiar with state and local incentives, and financing options; assist KCP&L GMO's communities in strategic planning, setting goals and priorities, and facilitate implementation of community and economic development programs; and represent KCP&L GMO on relevant community and state boards.

Energy Efficiency and Demand Response Services ("EE/DSM"): Identify and develop products for EE/DSM including market analysis, technology review, feasibility analysis, load research and tariff development/approval; provide marketing of EE/DSM to customers; act as liaison and support EE/DSM programs with large industrial and commercial users; create and present public education and training demonstrations on EE/DSM programs; provide eServices management; and develop and provide marketing, sales and product support for unregulated, revenue generating services.

Major Outage/Catastrophic Event Management Services: Provide "command and control" management including allocation of resources, communication with MPSC, internal and external stakeholders, coordination with the Mutual Assistance Group, and analysis of operational and performance data from KCP&L GMO systems; act as liaison with government agencies, municipalities and emergency response organizations; and create and conduct training with stakeholders.

Metering and Infrastructure Technology Services: Plan, design and implement integrated technologies to better supply, manage, and enable more efficient use of energy both by the utility and the customer; identify and evaluate existing and emerging technologies in the areas of advanced metering, distribution automation, grid communication networks, advanced control centers, demand response, energy efficiency, as well as the integration of renewable and distributed supply resources; and plan, design and implement metering and meter reading infrastructure.

Resource Management: Provide supervision of resource procurement, including strategic sourcing, vendor alliance development, order management, supplier management, consignment systems and contract governance; manage vegetation management services and infrastructure monitoring and improvements consistent with approved KCP&L GMO vegetation and infrastructure plans; provide supply chain management to drive optimum service, quality and innovation for material, services and fleet management in order to achieve operational excellence and lower operational and maintenance costs; develop policies and implement contract compliance practices to ensure value is captured; provide work management asset tracking services; provide meter procurement and maintenance services; and provide shop services that include equipment testing and reconditioning, welding, mechanical services, pipefitting, plumbing and carpentry.

**Safety Training and Incident Response Services:** Create and present public safety education and training demonstrations; respond to incidents of personal injury and/or property damage involving employees and/or KCP&L GMO assets; and develop operating and compliance guidelines.

Transmission and Distribution Construction and Maintenance Management: Analyze, coordinate and support work for system expansion, construction, system improvements, and corrective and preventive maintenance; provide patrolling services of infrastructure and equipment; and act as company liaison to customers, municipalities, community organizations and local stakeholders.

**Transmission and Distribution Operations and Maintenance:** Provide "first response" to outage and irregular system operation reports and analyze, coordinate and support work to restore service and return system to regular operating status.

Transmission, Distribution and Substation Engineering and Asset Management: Analyze, coordinate and support work for delivery and substation system expansion, improvements, and corrective and preventive maintenance; provide engineering, planning, design, trouble-shooting and mapping services; support field personnel in handling right—of-way purchases, right-of-way inquiries, zoning permits and crossing permits; and establish and monitor system-wide electrical standards.

Transmission Policy, Planning and Compliance Services: Develop policies, monitor key developments in the transmission arena, and participate in industry groups and forums relevant to transmission system reliability, operations and policy issues; act as liaison with FERC, NERC, Southwest Power Pool ("SPP"), Midwest Independent Transmission System Operator ("MISO"), Edison Electric Institute ("EEI"), Kansas Electric Transmission Authority ("KETA"), the Transmission Owners and Operators Forum and other organizations and stakeholders; perform analysis and planning of transmission system; negotiate agreements with transmission stakeholders; provide support for real-time transmission system analysis, monitor system reliability and security; respond to threats against system reliability and security; provide compliance review of relevant NERC and FERC standards and policies; administer transmission tariffs; and provide accounting of energy flowing across transmission system and monitor transmission revenues received.

#### Supply

Supply is responsible for all aspects of providing the electric energy necessary to reliably, and in compliance with applicable laws, fulfill the electric demands of KCP&L GMO customers. In order to effectively meet this obligation, Supply shall provide the following general services to KCP&L GMO: resource planning; plant operations and maintenance; fuel procurement and logistics; generation dispatch; power purchases and sales; new unit construction; and system black-start. These services shall apply to all present and future KCP&L GMO generating facilities. These services also include the optimization of all KCP&L GMO jointly owned units and all capacity and energy contracts that exist or may be entered into from time to time.

KCP&L and KCP&L GMO will be operated and planned for as separate control areas with wholesale transactions governed by applicable FERC tariffs and rules, until and unless otherwise determined by the parties and approved by all applicable regulatory bodies.

**Resource Planning:** Develop periodic integrated resource plans, capacity testing, reliability reporting, and interconnection applications; coordinate new source review as needed; and maintain fleet generation statistics.

Plant Operations and Maintenance: Conduct safety training, safety incident investigation, training of the operating and maintenance staff; develop/maintain operating procedures; manage operating staff; maintain planning (near term and long term); maintain facilities and equipment; outage planning; maintenance management; contractor management; inventory management; and environmental compliance and reporting.

Fuel Procurement and Logistics: Develop fuel procurement plan, fuel procurement for power production (coal, oil and natural gas); arrange for fuel delivery, nomination of required natural gas deliveries, procurement, delivery of all plant combustion reagents (lime, limestone, ammonia, urea, etc.); fuel handling and storage at the plants; and fuel inventory management, sale or off-site disposal of coal combustion products (including fly ash, bottom ash, and scrubber by-products).

Generation Dispatch: Unit scheduling; maintenance of reserve requirements; coordination with the RTO; and coordination with generating stations and load balancing.

**Power Purchases and Sales:** Manage day ahead and real time sales and/or purchases to effectively meet customer demand; secure transmission paths; cultivate wholesale customers on both the buy and sell side; track and manage RTO transactions and costs; and manage participation in RTO markets as they become available (energy imbalance market, ancillary services, etc.).

**New Unit Construction:** Organize and manage the construction efforts necessary to place new generating assets into service or to retro-fit existing facilities with new process equipment necessary to allow the unit to continue to operate, including the removal of abandoned equipment, as may be necessary.

Black Start: Maintain and periodically test the system black-start capability.

#### **Human Resources**

Services are provided to KCP&L GMO by employees of KCP&L. Human Resources ("HR") is responsible for the planning, development, and implementation of all aspects of human capital strategy which complements and reinforces the strategies of KCP&L GMO and its affiliates. HR will meet KCP&L GMO's needs through the general services categories described below.

Employee Relations – HR uses a Generalist model in working with operating groups as business partners to ensure close alignment with, and proactive support of, operating needs.

Labor Relations – Provide centralized leadership in working collaboratively with the IBEW locals, including labor strategy, negotiations, grievances, arbitrations, job bidding, and other activities.

**Staffing and Recruitment** – Ensure a robust pipeline of talent into the organization by creatively sourcing candidates and overseeing/coordinating the recruiting, interviewing, testing, placement, and on-boarding processes; and manage a variety to specialized sourcing programs ranging from college recruiting, internship programs, high programs, diversity programs, and other practices.

Compensation and Benefits – Recommend and develop the overall reward program to ensure the acquisition and retention of talent and effective cost management, including base salary, incentive, and all other benefit and recognition programs; and oversee Affirmative Action Programs.

Safety and Medical – Oversee worker's compensation and return-to-work programs, DOT, and other health and safety programs.

Winning Culture – Work to ensure a workforce that is engaged, innovative, accountable, and high-performing.

Training and Development – Ensure an effective professional workforce through the development/delivery of programs through the GPE University; identify suitable external programs and leadership development opportunities; and identify, coaching, and development of high potential employees; and oversee an assessment center, workforce planning, periodic employee surveys, and effective performance management processes.

Human Resource Information System – Ensure secure and effective systems that allow accurate reporting of employee-related information; develop and implement systems and processes that enable increased employee and manager self-service; and promote and implement process improvements for HR.

**HR Service Center** - The HR Service Center provides a "one-stop shop" for efficient response to employees' and retirees' HR questions.

**HR Strategy and Planning** – Ensure awareness of best practices and adopts as appropriate; ensures goals, metrics, and plans are established to enhance service and efficiency; and craft and implement company-wide strategies to address chronic workforce challenges.

## **Finance and Accounting Services**

Finance and Accounting Services ("F&A") is responsible for all aspects of providing services across the organization necessary to support the operations of KCP&L GMO and all other corporate entities. These services are provided by KCP&L to the other entities. F&A will meet KCP&L GMO's need for F&A services through the general services categories described below.

Accounting Systems: Provide system support of financial systems for all entities, including KCP&L GMO. Major financial systems include the PeopleSoft financial and HR systems, CIS+customer billing system, and the property management system, PowerPlant. System support is categorized into operations and project management functions. The operations function includes; run the month-end financial close process; maintain PeopleSoft and PowerPlant security for the organization; update PeopleSoft chart fields; maintain the PeopleSoft allocation processes; maintain PeopleSoft trees for reporting, and nVision and query development for the organization; including support provided in gathering financial information to respond to regulatory, customer, or audit requests. The project management function includes upgrades and system enhancements and consists of gathering requirements, developing timelines, developing and maintaining test scripts for testing phases, and signoff during implementations.

Accounts Payable: Provide accounts payable transaction processing and reporting for all Great Plains Energy entities, including KCP&L GMO. Primary services provided include: Create/maintain vendor profiles; receive/process paper/electronic invoices and payments; prepare vendor 1099s; review/update invoice approval workflow; review/update voucher account coding; reconcile payment records and vendor balances; research/resolve purchase order payment exceptions; provide monthly reporting metrics; and receive/research/provide vendor and/or payment inquiries.

Audit Services: Examine and evaluate the adequacy and effectiveness of the organization's governance, risk management process, internal control system structure, and the quality of performance in carrying out assigned responsibilities to achieve the organization's stated goals and objectives. Primary services provided include: review the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information; review the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations, including relevant provisions of the Sarbanes-Oxley Act of 2002, which could have a significant impact on operations and reports, and assessing whether the organization is in compliance; review the means of safeguarding assets and, as appropriate, verifying the existence of such assets; review operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned; review specific matters at the request of the audit committee or management, as appropriate; monitor and evaluate the effectiveness of the organization's risk management system; and review, where contractually authorized, accounting and other relevant records of joint ventures, contractors, suppliers, and other third party business associates.

Corporate Accounting: Maintain the accounting books and records of all Great Plains Energy entities, including KCP&L GMO. Primary services provided include: establish and maintain accounting policies and procedures; establish and monitor internal controls; record revenues, operation and maintenance expenses, other income/expense and assets and liabilities, and analyze activity in accounts; and perform account monitoring and reconciliations, management reports, certain regulatory reports and provide financial support to operations, regulatory affairs and other internal customers, as requested.

Corporate Finance: Direct the Company's corporate finance function, which includes the development, analysis, and implementation of financial plans and capital structure so as to maintain continuous access to capital at the lowest overall cost. Primary services provided include: prepare documentation and satisfy the filing requirements associated with the Company's financing and lead negotiations of specific costs and terms of security issues and/or leases by working directly with the underwriters; minimize the cost of debt by managing the variable rate debt portfolio utilizing interest rate management products; support the Company's regulatory efforts, including cost of capital analysis / testimony preparation assistance; primary day-to-day management of relationships with rating agencies, members of the Company's bank group and any other investment banks; and preparation of financial materials for internal and external stakeholders as requested and required.

Corporate Planning & Budgeting: Develop budgets and financial forecasts for all Great Plains Energy entities, including KCP&L GMO. Primary services provided include: collection of departmental operating and capital budgets; allocation of budgeted pension and benefit costs, jointly owned facilities, and other allocable costs between business units; and development of forecasted financial statements as needed.

Corporate Treasury: Responsible for all cash management activities, including short-term financing facilities, for all Great Plains Energy entities, including KCP&L GMO. Primary services provided include: maintain an appropriate level of liquidity through supervision of cash management activities, maintenance of banking relationships and accessing of capital markets for longer-term funding; issue commercial paper or draw on credit facilities as needed, keeping an appropriate maturity ladder; conduct intra-company lending/borrowing to share liquidity within the corporation and minimize idle balances; oversee issuance of letters of credit and guarantees; assist Enterprise Risk in monitoring and maintaining credit support; maintain banking and brokerage relationships, negotiate lines of credit and determine banking/treasury management services to use; monitor and manage investment portfolios in compliance with the corporate investment policy; supervise remittance processing activities in coordination with the Customer Service division; establish and monitor external remittance processing agents (lockbox, direct debit, pay-stations, credit/debit cards, etc.) so to offer customers, reliable, lost cost service; assist in the issuance of capital market securities; provide input in the determination of desired capital structure through detailed cash forecasting; assure compliance with Sarbanes-Oxley requirements and maintenance of proper documentation and controls; provide information for rate cases, regulatory filings, financings and other applications; develop and maintain department policies; create and maintain a corporate wide investment policy; and oversee required accounting and record keeping to maintain the general ledger and reconcile cash accounts.

Income and Transaction Taxes: Responsible for all aspects of maintaining the tax books and records of all Great Plains Energy entities, including KCP&L GMO. Tax services can be categorized in five major functions providing the primary services as follows: prepare, review and file all consolidated and separate federal, state and local income, franchise, sales, use, gross receipts, fuel excise, property and other miscellaneous tax returns and payments; research tax issues and questions, including interpretation of rules and proceedings, develop short and long range planning for all types of taxes and monitor and review new or proposed tax laws,

regulations, court decisions and industry positions; provide tax data for budget estimates and rate cases, provide reports of tax activity and projected cash requirements and prepare, review and record tax data for financial reports; supervise and review tax audit activities; respond to vendor-related tax matters associated with tax compliance or tax saving opportunities and process customer tax refunds and adjustments to customer accounts.

Insurance: Provide the following insurance services: place and administer Property and Casualty insurance policies, including Property, Liability, Workers Compensation and Management Liability; file and manage Property insurance claims; review contracts and agreements as needed for adequacy of insurance provisions; issue Certificates of Insurance and other evidence of coverage; and place and administer bonds.

Property Accounting: Maintain all fixed asset and intangible property records for all Great Plains Energy entities, including KCP&L GMO. Primary services provided include: set up, maintain and close capital projects; provide analysis of capital projects; calculate, record and report AFUDC; maintain fixed assets and accumulated depreciation; perform month end close processes; support billing of joint owner projects; support construction projects, including those associated with the Comprehensive Energy Plan; and perform processes to support day-to-day property accounting activity and prepare necessary internal and external reports, and support regulatory filings and depreciation studies.

Regulatory Accounting: Serve as the primary liaison between the Regulatory Affairs and Accounting Services teams and provide Accounting Services support for all jurisdictional filings and regulatory reporting for the Company, including KCP&L GMO. Primary services provided include: primary accounting support of rate case process including accounting adjustment planning and preparation; primary accounting support and data request response preparation and review; support of rate case process for accounting focused issue areas; regulatory reporting preparation and filing for all jurisdictional areas including the preparation of the annual FERC Form 1 and quarterly FERC Form 3-Q and certain other monthly, quarterly and annual statistical reports and jurisdictional surveillance reporting; development, tracking and reporting of all merger synergies and transition costs created/incurred across the organization, as relates to the acquisition of KCP&L GMO; and maintenance, review and analysis of critical revenue requirement input components, including regulatory asset and liability tracking and maintenance, debt assignment process maintenance and tracking and FERC account activity analysis for rate case adjustment impacts.

Risk Management: Provide the following risk management services on behalf of KCP&L GMO: credit risk management to include complete credit reviews for wholesale counterparties; develop, gather data, manage, create and maintain financial, reliability and accounting reports; develop credit limits for wholesale counterparties and monitor credit exposure on an ongoing basis; manage collateral requirements with wholesale counterparties and manage daily margining requirements; review contracts and agreements for adequacy of credit risk provisions; monitor the external credit markets and develop policies and procedures to help mitigate potential credit risks; prepare and file compliance related reporting; market risk management which includes monitor wholesale commodity transactions and verify that transaction types are covered by risk control policies, monitor wholesale commodity transactions and monitor compliance with risk

control limits; develop market volatility curves for new transaction locations and commodities within the deal capture system; monitor the wholesale power and gas markets and develop policies and procedures to help mitigate market risks; and prepare and file compliance related reporting.

Strategic Planning and Development: Provide strategy development and coordination in the following areas: manage the development and approval process for the Company's long term strategic plans; coordinate strategic planning for major asset decisions; coordinate internal and public policy positions on renewable energy, climate change, nuclear power, energy efficiency and other energy related issues; and develop and manage renewable energy resource strategy and development of the renewable resource portfolio.

## Legal and Environmental Services

Legal and Environmental Services is responsible for providing legal advice and representation and environmental services to KCP&L GMO. The following is a representative list of the types of services provided.

Legal Advice and Representation: Advise and represent KCP&L GMO concerning anticipated and pending litigation matters, contract negotiation and administration, general corporate matters and regulatory compliance, including the representation of KCP&L GMO before the MPSC, the FERC, and other regulatory bodies; provide legal advice and support for securities filings, financings and their administration; and provide legal advice and support for other transactions and matters as requested.

Environmental Services: Advise KCP&L GMO concerning compliance with all applicable environmental laws and regulations, including the obtainment of any requisite environmental permits related to KCP&L GMO's operations.

## **Regulatory Affairs**

Regulatory Affairs is responsible for all aspects of providing services across the organization necessary to support the regulatory strategies that achieve corporate goals and which satisfy the requirements of regulatory policies, rules and procedures for KCP&L GMO The following is a representative list of the types of services provided.

Maintain a working knowledge state and federal regulatory practices, rules and regulations, KCP&L GMO tariffs, regulatory affairs activities of other utilities, and regulatory trends; contribute to the achievement of corporate goals by developing regulatory strategies to enhance earnings, mitigate risk, and guide regulatory and legislative industry restructuring; provide justification for KCP&L GMO's need for changes in rate levels by directing the preparation of filing requirements and responses to Commission complaint investigations, and by submitting testimony; build relationships with state and federal regulators, and consumer counsels; represent KCP&L GMO by serving as a regulatory expert before regulatory commissions, legislatures, and other public forums; work with the Commission and staff of the Missouri Public Service Commission, FERC and legislative committees to establish regulatory policy; oversee economic,

engineering, and financial analysis in relation to revenues and costs, day-to day administration of rates, rules, regulations, and tariff filings, review and strategy of revenue requirements, determination of rate designs, and revenue verification; contribute to the development of revenue and resource planning by providing review of cost studies and by participating in the development and review of KCP&L GMO objectives and strategies; and provide information and training to other divisions (departments) on regulatory requirements, rates, rules, and regulations and provide assistance to operational departments in fulfilling regulatory requirements.

## Corporate Secretary and Governance

These functions are primarily responsible for ensuring compliance with applicable corporation laws and regulations, the requirements of organizational documents, and appropriate corporate governance principles. These functions are also responsible for the design, maintenance and administration of director and officer compensation programs. The following is a representative list of the types of services provided: prepare and maintain Board and Committee communications, minutes, materials and other corporate documents; provide advice and analysis to directors and officers on current and emerging corporate governance matters, and recommend appropriate actions in light of those matters; prepare and file all documents necessary to maintain the corporate existence of KCP&L GMO and its subsidiaries; ensure that KCP&L GMO conducts its business in compliance with applicable corporate legal and organizational requirements; act as a liaison between management and the Board of Directors; design, maintain and administer director and officer compensation programs; and provide corporate compliance program management, support and training.

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#### INTEROFFICE CORRESPONDENCE

TO :

SENT BY:

FROM: John DeCoursey

DATE: February 2, 1987

RE : Wolf Creek General Support Services Agreement

Enclosed herein for your information are executed copies of the Wolf Creek General Support Services Agreement entered into between KG&E, KCPL and KEPCo and acknowledged by WCNOC.

John P. De Courde

John P. DeCoursey

#### JPD:pb

Charles L. Ross, KEPCo
Charles W. Terrill
Rick Tyler
Mike Evans, KCPL
Charles J. Ross
Neil Roadman
Glenn Koester, KG&E
Kent Brown
Eldred Prothro
Jim Clark
Earl Creel
Bart Withers, WCNOC
Jack Stokes
Mike Gayoso

cc: Mark English Harold Haun Warren Wood

# WOLF CREEK GENERAL SUPPORT SERVICES AGREEMENT

This Wolf Creek General Support Service Agreement is made and entered into this 1 day of January . 1987, by and between Kansas Gas and Electric Company (hereinafter referred to as "KG&E") and Kansas City Power & Light Company (hereinafter referred to as "KCPL") and Kansas Electric Power Cooperative, Inc. (hereinafter referred to as "KEPCO").

#### WITNESSETH:

SENT BY

WHEREAS. KG&E. KCPL and KEPCo (hereinafter referred to collectively as "Owners" and individually as "Owner") each own as tenant in common with the others, an undivided interest in the Wolf Creek Generating Station (hereinafter referred to as the "Station") and

WHEREAS, the Owners agreed to establish Wolf Creek Nuclear Operating Corporation (hereinafter referred to as "WCNOC") to serve as the Operating Agent for the Station and the duties and responsibilities of WCNOC and the Owners are set out in the Wolf Creek Generating Station Operating Agreement among Kansas Gas and Electric Company, Kansas City Power & Light Company, Kansas Electric Power Cooperative, Inc., and Wolf Creek Nuclear Operating Corporation dated April 15, 1986, and

WHEREAS, the Owners recognize that certain services relating to Station facilities can more economically be provided by the Owners; and

WHEREAS, the Owners are willing to perform such services on behalf of themselves and the other Owners.

NOW, THEREFORE, in consideration of these premises, the parties hereto do hereby agree as follows:

1. WCNOC is authorized to issue from time to time to the Owners a request to bid upon the furnishing of services and/or materials to WCNOC whether for a specific service or services of an ongoing nature. Upon evaluation of the responses to such request, WCNOC may then issue to the successful bidding Owner an Owner Work Order (hereinafter referred to as "OWO"). The OWO shall, among other things, contain a detailed description of the services and/or materials

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to be provided and the labor and material rates and costs, and shall be signed by authorized representatives of WCNOC and the successful bidding Owner. Each OWO shall be considered a supplement to this agreement and is incorporated herein by reference.

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- 2. The Owner shall perform those services identified in the OWO on behalf of itself and the other Owners at the rates and charges set forth in Exhibits A-1 through A-3 and any successors thereto. These rates and charges shall be determined in accordance with sound accounting practices, shall include reasonable and appropriate indirect costs, including overheads, and shall be determined without profit to the Owner. The rates and charges set forth in Exhibits A-1 through A-3 shall be in effect from Janaury 1, 1987 through December 31, 1987. The rates and charges shall be adjusted on an annual basis upon the mutual agreement of the Controllers of each Owner with the first adjustment being effective January 1, 1988.
- 3. Except as WCNOC and the Owner providing such service under the OWO may otherwise agree. WCNOC shall be responsible for determining the procedures to be followed relative to the furnishing of such assistance and for making any reports to governmental authorities, except as prohibited or required by Title 10 of the Code of Federal Regulations or any other applicable governmental regulations or laws.
- 4. Each Owner. on a monthly basis, shall furnish the other Owners with a detailed statement of all costs and expenses paid or incurred by that Owner in connection with the services enumerated in each OWO issued to it for which it has performed work during that billing month. Statements for costs and expenses shall be addressed to:

Kansas Gas and Electric Company P.O. Box 208 Wichita, Kansas 67201 Attention: Vice President-Nuclear

Kansas City Power & Light Company 1330 Baltimore Avenue Kansas City, Missouri 64141 Attention: Senior Vice President System Power Operations

Kansas Electric Power Cooperative, Inc. P. O. Box 4877 Topeka, Kansas 66604 Attention: Executive Vice President Statements for costs and expenses shall also be forwarded to WCNOC at the following address for verification:

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The Owner receiving services shall make payment within thirty days after receipt of the bill.

- Owner at a location different from their regular place of employment, the services shall be deemed to commence when the employee begins preparation to depart from his regular work location to perform the services requested. The services shall be deemed to have terminated when the employee has returned to his regular work location.
- 6. All time sheets and work records pertaining to services performed under this agreement shall be retained by each Owner at least as long as required by the Federal Energy Regulatory Commission Regulations To Govern The Preservation of Records of Public Utilities and Licensees. Each Owner will, during normal working hours and upon reasonable notice, make available as appropriate, all such time sheets and work records, to appropriate personnel of the Owners and WCNOC upon written request by the Owners and WCNOC. The Owners acknowledge that for obligations which may arise under the terms of this agreement, the Owners shall be severally, but not jointly, liable in proportion to their ownership shares in the Station.
- 7. Each Owner hereby expressly waives (on behalf of itself and its successors and assigns and anyone claiming an interest on behalf of or through it) any right it may have to recover for any cause (including negligence) from any Owner and its employees for any losses, damages, liabilities, penalties, fines, claims or expenses which may occur in connection with or arise out of the services performed under this Agreement. Each Owner shall indemnify and hold each Owner and its employees harmless from claims asserted by third parties (including claims asserted by other Owners) for losses, damages, liabilities, penalties, fines, claims or expenses which may occur in

connection with or arise out of the services performed under this agreement even if such services were negligently performed. Provided, however, that nothing in this section shall relieve any Owner of any of its duties or obligations under Section 6.4 of the Wolf Creek Generating Station Ownership Agreement, dated as of December 28, 1981, and under Section 8.3 of the Wolf Creek Generating Station Operating Agreement dated April 15, 1986.

- 8. This Agreement shall become effective upon its execution but shall not become operative until (a) each of the Owners and WCNOC shall have obtained any and all authorizations from governmental bodies having jurisdiction over it (or them) necessary for the transfer of responsibility of the Station from KG&E to WCNOC or (b) 12:01 a.m. January 1, 1987, whichever shall last occur.
- 9. EXCEPT AS SPECIFICALLY SET FORTH IN THE AGREEMENT, EACH OWNER MAKES NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE GOODS AND/OR SERVICES PROVIDED HEREUNDER, AND EXPRESSLY MAKES NO WARRANTY OF HERCHANTABILITY OR OF FITNESS FOR ANY PARTICULAR PURPOSE.
- 10. The failure of any Owner at any time to require performance by the other party of any provision of this Agreement shall in no way affect the right of such party thereafter to enforce the same, nor shall the waiver by either party to any breach of any provision of this agreement by the other party be taken or held to be a waiver by such party of any succeeding breach of such provision or a waiver of the provision itself, nor shall such waiver affect the enforceability of any other provision in this Agreement.
- In the event any provision of this Agreement or the application thereto to any person or circumstance shall be held to be invalid under any final decision by a court having jurisdiction in the premises, the remainder of the agreement and its application to persons or circumstances, other than those to which it was held invalid, shall not be affected thereby.
- 12. The validity, interpretation, and performance of the agreement and each of its provisions shall be governed by the laws of the State of Kansas.

- This Agreement shall be for an initial term of one year beginning January 1, 1987, and from year to year thereafter until terminated. Each party, upon ninety (90) days prior written notice to the other party may terminate this agreement at the expiration date of any successive one year term. Such termination shall not affect any obligation incurred hereunder prior to the effective date of such notice, which obligation arises out of events occurring prior to that date.
- 14. This agreement contains the entire agreement among the Owners and no amendment, modification or supplement hereto shall be binding unless in writing.
- 15. This agreement shall not be assigned by any Owner without the prior written consent of the other Owners.

IN WITNESS WHEREOF the Owners have caused this Agreement to be executed by duly authorized officers as of the day and year first written above.

ATTEST;	KANSAS GAS AND ELECTRIC COMPANY	
Secretary Secretary	Je By Alexen Location Vice President-Nuclear	and the second s
ATTEST:	KANSAS CITY POWER & LIGHT COMPAN	Y
Aut Secretary	By Senior Vice President-System Power	Operation:
ATTEST:  Secretary	By Clern X. Josef Alvin L. Zwick, Fresident	E. INC.
WCNOC ack agreement, and	knowledges receipt of a copy of the consents to the provisions applicable to i	above
ATTEST:	WOLF CREEK NUCLEAR OPERATING	

#### · EXRIBIT A-1

## RATES FOR GENERAL SUPPORT SERVICES AGREEMENT

#### KG&E

The rates for General Support Services to be provided by KG&E are set out below and shall be adjusted by the Controllers of the Owners quarterly.

KG&E labor shall be billed at actual labor rates.

Fringe benefit costs shall be billed at 19% of the labor cost.

Service overhead costs shall be billed at 12.98% of the labor costs.

Materials shall be billed at cost plus 17% for purchasing and stores overheads.

#### EXHIBIT A-2

## RATES FOR GENERAL SUPPORT SERVICES AGREEMENT

#### KCPL

The rates for General Support Services to be provided by KCPL are set out below and shall be adjusted by the Controllers of the Owners quarterly.

KCPL labor shall be billed at actual labor rates.

Fringe benefit costs shall be billed at 18.82 of the labor cost.

Service overhead costs shall be billed at 21.3% of the labor costs.

Materials shall be billed at cost plus 25% for purchasing and stores overheads.

#### EXHIBIT A-3

## RATES FOR GENERAL SUPPORT SERVICES AGREEMENT

#### KEPCo

The rates for General Support Services to be provided by KEPCo are set out below and shall be adjusted by the Controllers of

KEPCo labor shall be billed at actual labor rates.

Fringe benefit costs shall be billed at 33.58% of the labor

Service overhead costs shall be billed at 18.142 of the labor costs.

# FIRST AMENDMENT TO WOLF CREEK GENERAL SUPPORT SERVICES AGREEMENT

This FIRST AMENDMENT to the WOLF CREEK GENERAL SUPPORT SERVICES AGREEMENT is made and entered into effective this <u>25</u> day of <u>February</u>, 2010, by and among KANSAS GAS AND ELECTRIC COMPANY (hereinafter "KGE"), KANSAS CITY POWER & LIGHT COMPANY (hereinafter "KCPL") and KANSAS ELECTRIC POWER COOPERATIVE, INC. (hereinafter "KEPCo").

#### RECITALS:

WHEREAS, KGE, KCPL and KEPCo (hereinafter referred to collectively as "Owners" and individually as "Owner") entered into the WOLF CREEK GENERAL SUPPORT SERVICES AGREEMENT (hereinafter the "Agreement") effective January 1, 1987, to facilitate the Owners' providing certain services relating to Wolf Creek Generating Station (hereinafter the "Station") on behalf of themselves and the other Owners; and

WHEREAS, the Owners established Wolf Creek Nuclear Operating Corporation (hereinafter "WCNOC") to serve as the Operating Agent for the Station, and the duties and responsibilities of WCNOC and the Owners are set out in the Wolf Creek Generating Station Operating Agreement among KGE, KCPL, KEPCo and WCNOC dated April 15, 1986; and

WHEREAS, the Owners desire to amend Sections 2 and 4 of the Agreement to better reflect how (a) the Owners periodically will set and adjust their rates and charges for performing such services, and (b) an Owner will bill and be paid for such services.

NOW, THEREFORE, in consideration of these premises, the parties hereto do hereby agree as follows:

- 1. Section 2 of the Agreement is hereby amended to read as follows:
  - 2. The Owner shall perform those services identified in the OWO on behalf of itself and the other Owners either on a negotiated fixed fee basis or on a time and materials basis at the rates and charges set forth in the applicable OWO and any amendments thereto. These fixed fees, or rates and charges, shall be determined in accordance with sound accounting practices, may include reasonable and appropriate indirect costs, including overheads, and shall be determined without profit to the Owner. The Owner's labor shall be charged at its actual labor rates, and the Owner's indirect costs and overhead rates shall not exceed the Owner's then current internal rates for indirect costs and overheads. Charges for third party provided goods and services that the Owner passes through in fulfilling the OWO shall not bear any Owner-applied overhead rates. For OWOs having an expected duration of greater than one year, by March 31 each year, the Owner performing under the OWO shall, for budgeting purposes, provide WCNOC such Owner's preliminary non-binding estimate of its projected annual charges for that OWO for the immediately following year. Such Owner will update the estimate as appropriate.

- 2. Section 4 of the Agreement is hereby amended to read as follows:
  - 4. On a monthly basis, each Owner that has provided services to WCNOC under an OWO in the prior month, shall furnish WCNOC with a detailed statement of all costs and expenses paid or incurred by that Owner in connection with the services enumerated in each such OWO during the prior month. Toward the end of each month, and after receipt of such statements from each of the Owners that provided services under at least one OWO in the prior month, WCNOC shall adjust its daily cash request of each Owner for the remaining day (or days, if necessary) in the month such that each Owner's share of OWO-related costs for that month will be split among the Owners in accordance with their respective ownership shares in the Station.
- 3. Exhibits A-1, A-2 and A-3 to the Agreement are hereby deleted.
- 4. In all other respects, the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF the Owners have caused this FIRST AMENDMENT to the WOLF CREEK GENERAL SUPPORT SERVICES AGREEMENT to be executed by their duly authorized officers as of the day and year first written above.

ATTEST:	KANSAS GAS AND ELECTRIC COMPANY
Secretary	Mark A Ruelle, Vice President and Treasurer
ATTEST: Digita 5. Kolada Secretary	KANSAS CITY POWER & LIGHT COMPANY  Scott Heatthrus
ATTEST: Secretary	KANSAS ELECTRIC POWER COOPERATIVE, INC.  Stephen E. Parr, Executive Vice President & CEO

WCNOC acknowledges receipt of a copy of the above FIRST AMENDMENT to the WOLF CREEK GENERAL SUPPORT SERVICES AGREEMENT, and consents to the provisions applicable to it.

ATTEST:

WOLF CREEK NUCLEAR OPERATING CORPORATION

Secretary

Matthew W. Sunseri, President and CEO