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

REBUTTAL TESTIMONY OF

MELISSA K. HARDESTY

**ON BEHALF OF
GREAT PLAINS ENERGY INCORPORATED
AND
KANSAS CITY POWER & LIGHT COMPANY**

IN THE MATTER OF THE JOINT APPLICATION OF GREAT PLAINS ENERGY INCORPORATED, KANSAS CITY POWER & LIGHT COMPANY, AND WESTAR ENERGY, INC. FOR APPROVAL OF THE ACQUISITION OF WESTAR ENERGY, INC. BY GREAT PLAINS ENERGY INCORPORATED

DOCKET NO. 16-KCPE-593-ACQ

Q: Please state your name and business address.

A: My name is Melissa K. Hardesty. My business address is 1200 Main Street, Kansas City, Missouri, 64105.

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

A: I am employed by Kansas City Power & Light Company ("KCP&L" or the "Company") as Senior Director of Taxes.

Q: What are your responsibilities?

A: My responsibilities include management of KCP&L's taxes, including income, property, sales and use, and transactional taxes.

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

A: I graduated from the University of Kansas in 1996 with a Bachelor of Science in Accounting. After completion of my degree, I worked at the public accounting firm Marks, Stallings & Campbell, P.A. as a staff accountant from 1996 to 1999. In 1999, I went to work for Sprint Corporation as a Tax Specialist in the company's federal income tax department. I held various positions at Sprint from 1999 to 2006. When I left Sprint to join KCP&L in December 2006, I was Manager of Income Taxes for Sprint's Wireless Division. I joined KCP&L as the Director of Taxes and was subsequently promoted to my current position of Senior Director of Taxes for KCP&L in May of 2009.

Q: Have you previously testified in a proceeding before the Kansas Corporation Commission ("Commission" or "KCC") or before any other utility regulatory agency?

A: Yes. I have previously testified before the KCC and the Missouri Public Service Commission ("MPSC").

Q: What is the purpose of your Rebuttal Testimony?

A: The purpose of my testimony is to respond to the income tax issues raised by Michael P. Gorman, on behalf of the Kansas Industrial Consumers Group ("KICG") and its participating members.

Q: What are the income tax issues raised by Mr. Gorman in his testimony?

A: Mr. Gorman identifies two income tax related issues that he believes should be addressed by the Commission.

The first issue identified several times in his testimony, is related to the possibility that Great Plains Energy ("GPE") might make income tax elections or decisions at the holding company that would negatively impact the regulated utilities involved in this case in order to provide benefits to other affiliated entities, in particular related to goodwill, net operating losses ("NOLs") and bonus depreciation.[1]

The second issue identified by Mr. Gorman implies that GPE as the parent company will make decisions that increase *"income tax payments to the parent company, which will enhance GPE's cash flow available for acquisition debt service."*[2]

Q: Please explain the first issue regarding income tax elections and decisions.

A: Mr. Gorman's concerns appear to be that GPE will make income tax elections or decisions that will benefit the non-regulated affiliates of GPE at the expense of the regulated utilities. The examples he gives are related to the amortization of goodwill for income tax purposes by the parent company and electing out of bonus depreciation at the utilities in order to increase taxable income of the consolidated group to use NOLs generated by its non-regulated affiliates.[3]

[1] Gorman Direct, pp. 4, 6, 20-21.
[2] Gorman Direct, p. 19.
[3] Gorman Direct, p. 4.

Q: Are the examples given possible due to the transaction proposed in this case?

A: There will not be any goodwill that can be amortized by GPE for tax purposes as a result of this Transaction because Westar Energy Inc. ("Westar") will be merged in a tax free merger with a newly created subsidiary owned directly by GPE to ensure that there will be no taxable gain related to the assets of Westar in this Transaction. Without the recognition of taxable gain on Westar assets, the current tax laws do not allow goodwill to be amortized and reduce taxable income of the new consolidated group. This example is not possible and should not be a concern.

However, the example whereby GPE could require the utilities to elect out of bonus depreciation to increase taxable income at the utilities and use non-regulated NOLs is possible.

Q: Please explain what bonus depreciation is and how it impacts taxable income.

A: Bonus depreciation is additional tax depreciation allowed by tax law for certain taxable years. The amount of bonus depreciation can vary depending on the taxable year (30%, 40%, 50%, or 100%) For 2017, the additional tax depreciation is generally 50% of qualifying capital additions placed in service for the year. The remaining capital after bonus is deducted is then depreciated using the normal accelerated tax depreciation allowed under tax law. This additional or "bonus" depreciation significantly lowers taxable income in the years that it is taken. However, there is a provision in current tax law that allows a company to elect out of taking this additional or bonus depreciation.

Q: Please explain the second issue identified by Mr. Gorman.

A: Mr. Gorman is also concerned that the Company will make income tax decisions, including electing out of bonus depreciation, at the utilities in order to increase the intercompany income tax payments to the parent company to facilitate the servicing of the debt of GPE due to this proposed transaction.

Q: How does GPE compute the intercompany income tax payments made by subsidiaries?

A: GPE makes intercompany tax payment based on its current tax sharing agreement which is customary and fairly standardized in the context of holding company structures. It is my understanding that Westar has a similar agreement in place with its subsidiaries. GPE's agreement requires all subsidiaries to pay up to GPE or receive a payment from GPE based on the amount of tax liability or tax benefit allocated to each subsidiary in relation to the taxable income and tax credits generated and used by each subsidiary. Any net operating losses are allocated in accordance with Internal Revenue Code ("IRC") Section 1502 consolidated income tax return regulations. These procedures were developed and are followed in order to ensure each subsidiary receives or pays a fair amount to GPE for its tax benefits and liabilities. The intercompany tax payment procedures apply equally to all subsidiaries.

Q: Will the tax sharing agreement be revised to include Westar legal entities?

A: Yes. We will revise the GPE tax sharing agreement to include all of the Westar entities as soon as the transaction closes.

Q: How does Mr. Gorman propose to solve these two issues in his testimony?

A: Mr. Gorman proposes to solve this issue by requiring GPE to make a *"Commitment of no harm to customers based on the election of income tax reduction or deferrals."*[4]

[4] Gorman Direct, p. 5.

Q: Do you agree with Mr. Gorman's proposal?

A: No. The proposal is neither appropriate nor necessary and may actually harm customers if GPE is not given the flexibility to manage the income taxes of its subsidiaries to minimize the tax liabilities on a consolidated basis.

Q: Please explain why Mr. Gorman's proposal is unnecessary.

A: As part of its broad general authority and, more specifically, its ratemaking process, the Commission has the right to review decisions made by GPE and its affiliates to determine if the actions of the Company, including income tax elections and decisions, are prudent. If the Commission determines that we have acted imprudently, it can act to ensure that customers are not harmed. Therefore, this additional provision is not necessary.

Q: How may Mr. Gorman's solution harm customers?

A: Customers will best be served if GPE is able to make income tax elections and decisions to ensure that it preserves as many of its tax benefits as possible for all subsidiaries, including regulated and non-regulated benefits. Two examples that present the potential for harm to customers come to mind immediately.

Q: What are those examples?

A: KCP&L has approximately $87 million of unused federal advanced coal investment tax credits ("coal tax credits") (which should flow back to customers once used) that can only be used for federal tax purposes once all of GPE's NOLs (regulated and non-regulated) are used. If we are forced to take bonus depreciation at KCP&L so that we do not use non-regulated NOLs, KCP&L could lose its coal tax credits. Therefore, it may be necessary for KCP&L to elect out of bonus depreciation at some point in time in order to use non-regulated NOLs and preserve the coal tax credits for KCP&L's customers.

As another example, Westar has over $170 million of Kansas High Performance Incentive Plan credits which should also flow back to customers once used and could be at risk if we are not allowed the flexibility to make decisions for the whole group.

More importantly, one needs to recognize that bonus depreciation is just a temporary timing difference in taxes to be paid, but tax credits are permanent differences in the amount of taxes to be paid. If we were to follow Mr. Gorman's proposal, it would likely mean forfeiting permanent tax savings just to create temporary tax payment differences, likely requiring more total taxes to be paid by the utilities. The taxable income of the utilities and the Company can vary dramatically depending on the federal tax policies pursued by the President and Congress. GPE should be allowed to make income tax elections and decisions that are in the best interest of all of its subsidiaries and preserve tax benefits for the whole group.

Q: Has GPE ever elected out of bonus depreciation at the utilities in order to increase taxable income in the past to use non-regulated NOLs?

A: No. Bonus depreciation has been available for more than 10 years and GPE has had over $800 million of non-regulated NOLs that were acquired due to the merger with Aquila in 2008. Through 2016, GPE has not elected out of bonus depreciation on any qualifying capital assets placed in service at its utility subsidiaries for any tax years during this time.

Q: Does GPE plan to elect out of bonus depreciation in the future?

A: No. Based on the current tax law, whereby bonus depreciation is available until 2019, GPE, even without the merger with Westar, believes it will have enough taxable income to utilize all of our NOLs and tax credits without electing out of bonus depreciation. In fact, the acquisition of Westar should accelerate the utilization of NOLs. An estimate of the utilization of NOLs and tax credits with and without the acquisition of Westar was provided as a response to KCC Staff data request No. 358, attached to my testimony as Schedule MKH-1. However, Congress routinely changes tax laws, sometimes with very little notice, which could impact our ability to use NOLs and tax credits. The results of the recent presidential and congressional election appear to increase the likelihood of tax law changes in the not too distant future. Therefore, it is imperative that GPE have the flexibility and ability to make income tax elections and decisions that are in the best interest of all subsidiaries. Locking the companies into a particular strategy is neither wise nor necessary given that the Commission will have full authority to review our actions and take steps to protect customers in future rate cases if it believes we have not acted prudently.

Q: Does that conclude your Rebuttal Testimony?

A: Yes, it does.

BEFORE THE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the Matter of the Application of Great Plains Energy Incorporated, Kansas City Power & Light Company, and Westar Energy, Inc. for approval of the Acquisition of Westar Energy, Inc. by Great Plains Energy Incorporated	)))))	**Docket No. 16-KCPE-593-ACQ**

AFFIDAVIT OF MELISSA K. HARDESTY

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

Melissa K. Hardesty, being first duly sworn on his oath, states:

1. My name is Melissa K. Hardesty. I work in Kansas City, Missouri, and I am employed by Kansas City Power & Light Company as Senior Director of Taxes.

2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony on behalf of Great Plains Energy Incorporated and Kansas City Power & Light Company consisting of eight (8) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.

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

Melissa K. Hardesty

Subscribed and sworn before me this 9th day of January 2017.

Notary Public

NICOLE A. WEHRY
Notary Public - Notary Seal
State of Missouri
Commissioned for Jackson County
My Commission Expires: February 04, 2019
Commission Number: 14391200

My commission expires: Feb. 4, 2019

KCPL KS
Case Name: 2016 Westar Acquisition
Case Number: 16-KCPE-593-ACQ

Response to Grady Justin Interrogatories - KCC_20161107
Date of Response:

Question:358

In the May 31, 2016 conference call with investors after the announcement for GPE to Acquire WR, there was a discussion in which Kevin Bryan explained that this transaction would likely accelerate the time in which Great Plains begins to pay cash taxes from 2024 before the transaction to 2021 or 2022 after the transaction. Please provide an explanation and the calculation detail that supports this statement.

RESPONSE: (do not edit or delete this line or anything above this)
The attachment to this response is **CONFIDENTIAL** as it contains private financial and business information.

When we evaluated the transaction, GPE prepared a very high level estimate of when NOLs and tax credits would be used. This computation is attached in the file named "Q0358_Combine NOL_Credit Analysis.xlsx".

The tabs in the file contain the following information:

NOLs Credits Taxable Income – Contains the estimated federal tax attributes and taxable income for GPE (Prairie) and Westar (Sky) used in our high level estimate.
Combined Analysis – The estimated utilization of tax attributes on a combined basis.
Prairie Analysis – The estimated utilization of tax attributes by GPE on a stand alone basis.
Sky Analysis – The estimated utilization of tax attributes by Westar on a stand alone basis.

In the Prairie Analysis (GPE Stand alone), it shows that GPE would start paying significant cash taxes in 2024. In the Combined Analysis (GPE/Westar combined), GPE would start paying significant cash taxes in 2021.

There are various assumptions made in this analysis including tax laws do not change through 2024 and pretax income at both companies is consistent with current projections. Actual results may vary significantly.

Files Attached:
Q358_Combine NOL_Credit Analysis.xlsx
Q358_Verification.pdf

Great Plains Energy
Combined GPE/Westar Tax Attributes

HIGHLY CONFIDENTIAL

Case No.: 16-KCPE-593-ACQ
Data Request: 0358

Prairie = GPE
Prairie 382 Limitation 1/1/2018

	FMV	4,800,000,000
Estimated	LTFR	2.50%
Estimated	Base Limit	120,000,000

Sky = Westar
Sky 382 Limitation 1/1/2018

	FMV	7,000,000,000
Estimated	LTFR	2.50%
Estimated	Base Limit	175,000,000

Estimated NUBIG

	FMV Property	8,200,000,000	per books
	Tax Basis	3,000,000,000	per tax wps
	NUBIG	5,200,000,000	
Estimated RBIG over 5 years		25%	based on previous experience
		1,300,000,000	

1/1/2018	Estimated NOLs				Estimated Credits		Estimated Taxable Income		
	382 Limit NOLs Prior Acquisition	Prairie	Prairie Total	Sky	Prairie	Sky	Prairie	Sky	Total
2003	0	0	0	0	0	0			
2004	0	0	0	0	0	0			
2005	0	0	0	0	0	0			
2008	0	1.2	1.2	0	39.3	0			
2009	0	104.2	104.2	0	47.4	0			
2010	0	14.9	14.9	0	18.4	0			
2011	44.9	317.1	362	0	11.5	0			
2012	78.6	7.2	85.8	0	10.8	0			
2013	58.8	4.1	62.9	0	13	0			
2014	39.7	246.9	286.6	0	12.8	4.8			
2015	39.7	289.4	329.1	0	13.8	9.9			
2016	39.7	0	39.7	0	9.5	9.9			
2017	39.7	0	39.7	111.1	3.9	37.3			
2018	39.7	0	39.7	0	3.8	37.3			
Total for 2018	380.8	985	1365.8	111.1	184.2	99.2	83.4	85	168.4
2019	39.7	0	39.7	0	3.9	28.9	295.3	291.0	586.3
2020	39.7	0	39.7	0	3.8	27.4	377.2	523.0	900.2
2021	39.7	0	39.7	0	3.9	27.4	393.6	500.0	893.6
2022	39.7	0	39.7	0	3.8	27.4	374.2	500.0	874.2
2023	39.7	0	39.7	0	0	27.4	368.4	500.0	868.4
2024	39.7	0	39.7	0	0	27.4	369.2	500.0	869.2
2025	39.7	0	39.7	0	0	27.4	446.4	500.0	946.4
2026	39.7	0	39.7	0	0	27.4	461.1	500.0	961.1
2027	3.8	0	3.8	0	0	0	479.0	500.0	979.0
2028	0	0	0	0	0	0	486.0	500.0	986.0
2029	0	0	0	0	0	0	489.0	500.0	989.0
	321.4	0	321.4	0	15.4	220.7	4,539.4	5,314.0	9,853.4
	702.2	985	1687.2	111.1	199.6	319.9	4,622.8	5,399.0	10,021.8

Great Plains Energy
Combined GPE/Westar Tax Attribute Utilization
Case No.: 16-KCPE-593-ACQ
Data Request: 0358

Estimated Federal Utilization of NOLs/Credits Combine Prairie/Sky

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Estimated Total Taxable Income before NOL	168.4	586.3	900.2	893.6	874.2	868.4	869.2	946.4	961.1	979.0	986.0	989.0
Estimated NOL available	491.1	702.7	496.4	345.0	39.7	39.7	39.7	39.7	39.7	3.7	-	-
Estimated Regular NOL used	(168.4)	(586.3)	(496.4)	(345.0)	(39.7)	(39.7)	(39.7)	(39.7)	(39.7)	(3.7)	-	-
Regular Tax before Credits	-	-	141.3	192.0	292.1	290.0	290.3	317.3	322.5	341.4	345.1	346.2
Credit Available	63.5	135.8	167.0	69.2	150.3	55.5	55.5	34.1	27.4	-	-	-
Credit Used	-	-	(141.3)	(69.2)	(150.3)	(55.5)	(55.5)	(34.1)	(27.4)	-	-	-
Tax Paid	-	-	-	122.8	141.8	234.5	234.8	283.2	295.1	341.4	345.1	346.2

NOL Reconciliation		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total
Carryover from PY		-	322.7	116.4	-	-	-	-	-	-	-	-	-	
Prairie NOL Available (after 382 limit)	RBIG	260.0	260.0	260.0	260.0	39.7								1,079.7
	Base	120.0	120.0	120.0	85.0	-	39.7	39.7	39.7	39.7	3.7	-	-	607.5
Sky NOL Available (after 382 limit)	Base	111.1												111.1
														-
NOL Before amounts Used		491.1	702.7	496.4	345.0	39.7	39.7	39.7	39.7	39.7	3.7	-	-	1,798.3
Regular NOL Used		(168.4)	(586.3)	(496.4)	(345.0)	(39.7)	(39.7)	(39.7)	(39.7)	(39.7)	(3.7)	-	-	(1,798.3)
Carryover to Next Year		322.7	116.4	-	-	-	-	-	-	-	-	-	-	-

Credit Reconciliation		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total
Carryover from PY		-	63.5	135.8	25.7	-	-	-	-	-	-	-	-	
Prairie Credit Available (after 382 limit)	RBIG	-	-	-	-	77.1								77.1
	Base	-	-	-	12.3	42.0	28.1	28.1	6.7					117.2
Sky Credit Available (after 382 limit)	Base	22.4	39.5											61.9
Generated Current Year Prairie		3.8	3.9	3.8	3.9	3.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	19.2
Generated Current Year Sky		37.3	28.9	27.4	27.4	27.4	27.4	27.4	27.4	27.4	0.0	0.0	0.0	258.0
NOL Before amounts Used		63.5	135.8	167.0	69.2	150.3	55.5	55.5	34.1	27.4	-	-	-	533.4
Credits Used		-	-	(141.3)	(69.2)	(150.3)	(55.5)	(55.5)	(34.1)	(27.4)	-	-	-	(533.4)
Carryover to Next Year		63.5	135.8	25.7	-	-	-	-	-	-	-	-	-	-

Great Plains Energy
GPE Stand alone Tax Attribute Utilization
Case No.: 16-KCPE-593-ACQ
Data Request: 0358

Estimated Federal Utilization of NOLs/Credits Prairie

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Estimated Total Taxable Income before NOL	83.4	295.3	377.2	393.6	374.2	368.4	369.2	446.4	461.1	479.0	486.0	489.0
Estimated NOL available	1,365.8	1,322.1	1,066.5	729.0	375.1	40.6	39.7	39.7	39.7	3.8	-	-
Estimated Regular NOL used	(83.4)	(295.3)	(377.2)	(393.6)	(374.2)	(40.6)	(39.7)	(39.7)	(39.7)	(3.8)	-	-
Regular Tax before Credits	-	-	-	-	-	114.7	115.3	142.3	147.5	166.3	170.1	171.2
Credit Available	184.2	188.1	191.9	195.8	199.6	199.6	84.9	-	-	-	-	-
Credit Used	-	-	-	-	-	(114.7)	(84.9)	-	-	-	-	-
Tax Paid	-	-	-	-	-	-	30.5	142.3	147.5	166.3	170.1	171.2

NOL Reconciliation	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total
Carryover from PY	-	1,282.4	1,026.8	689.3	335.4	0.9	-	-	-	-	-	-	-
Prairie NOL Available (old 382 limit only)	1,365.8	39.7	39.7	39.7	39.7	39.7	39.7	39.7	39.7	3.8	-	-	1,687.2
													-
NOL Before amounts Used	1,365.8	1,322.1	1,066.5	729.0	375.1	40.6	39.7	39.7	39.7	3.8	-	-	1,687.2
Regular NOL Used	(83.4)	(295.3)	(377.2)	(393.6)	(374.2)	(40.6)	(39.7)	(39.7)	(39.7)	(3.8)	-	-	(1,687.2)
Carryover to Next Year	1,282.4	1,026.8	689.3	335.4	0.9	-	-	-	-	-	-	-	-

Credit Reconciliation	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total
Carryover from PY	-	184.2	188.1	191.9	195.8	199.6	84.9	-	-	-	-	-	-
Prairie Credit Available (no 382 limit)	180.4												180.4
Generated Current Year Prairie	3.8	3.9	3.8	3.9	3.8	-	-	-	-	-	-	-	19.2
NOL Before amounts Used	184.2	188.1	191.9	195.8	199.6	199.6	84.9	-	-	-	-	-	199.6
Credits Used	-	-	-	-	-	(114.7)	(84.9)	-	-	-	-	-	(199.6)
Carryover to Next Year	184.2	188.1	191.9	195.8	199.6	84.9	-	-	-	-	-	-	-

Great Plains Energy
Westar Stand alone Tax Attribute Utilization
Case No.: 16-KCPE-593-ACQ
Data Request: 0358

Estimated Federal Utilization of NOLs/Credits Sky

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Estimated Total Taxable Income before NOL	85.0	291.0	523.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	489.0
Estimated NOL available	111.1	26.1	-	-	-	-	-	-	-	-	-	-
Estimated Regular NOL used	(85.0)	(26.1)	-	-	-	-	-	-	-	-	-	-
Regular Tax before Credits	-	92.7	183.1	175.0	175.0	175.0	175.0	175.0	175.0	175.0	175.0	171.2
Credit Available	99.2	128.1	62.8	27.4	27.4	27.4	27.4	27.4	27.4	-	-	-
Credit Used	-	(92.7)	(62.8)	(27.4)	(27.4)	(27.4)	(27.4)	(27.4)	(27.4)	-	-	-
Tax Paid	-	-	120.3	147.6	147.6	147.6	147.6	147.6	147.6	175.0	175.0	171.2

NOL Reconciliation	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total
Carryover from PY	-	26.1	-	-	-	-	-	-	-	-	-	-	
Sky NOL Available (no 382 limit)	111.1												111.1
													-
NOL Before amounts Used	111.1	26.1	-	-	-	-	-	-	-	-	-	-	111.1
Regular NOL Used	(85.0)	(26.1)	-	-	-	-	-	-	-	-	-	-	(111.1)
Carryover to Next Year	26.1	-	-	-	-	-	-	-	-	-	-	-	-

Credit Reconciliation	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total
Carryover from PY	-	99.2	35.4	-	-	-	-	-	-	-	-	-	
Sky Credit Available (no 382 limit)	61.9												61.9
Generated Current Year Sky	37.3	28.9	27.4	27.4	27.4	27.4	27.4	27.4	27.4	0.0	0.0	0.0	258.0
NOL Before amounts Used	99.2	128.1	62.8	27.4	27.4	27.4	27.4	27.4	27.4	-	-	-	319.9
Credits Used	-	(92.7)	(62.8)	(27.4)	(27.4)	(27.4)	(27.4)	(27.4)	(27.4)	-	-	-	(319.9)
Carryover to Next Year	99.2	35.4	-	-	-	-	-	-	-	-	-	-	-

Verification of Response

Kansas City Power & Light Company

Docket No. 16-KCPE-593-ACQ

The response to KCC Data Request# 358, submitted by KCP&L, is covered by this Verification of Response:

I have read the foregoing Information Request(s) and answer(s) thereto and find answer(s) to be true, accurate, full and complete, and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request(s).

Signed: Melissa Hardesty

Title: Sr. Director-Taxes

Date: 11/9/16