2013.12.09 16:10:45 Kansas Corporation Commission /s/ Kim Christiansen

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

DIRECT TESTIMONY OF

ROBERT N. BELL

ON BEHALF OF KANSAS CITY POWER & LIGHT COMPANY

IN THE MATTER OF THE APPLICATION OF KANSAS CITY POWER & LIGHT COMPANY TO MAKE CERTAIN CHANGES IN ITS CHARGES FOR ELECTRIC SERVICE

DOCKET NO. 14-KCPE-<u>272</u>-RTS

- 1 I. INTRODUCTION AND PURPOSE
- 2 Q: Please state your name and business address.
- 3 A: My name is Robert N. Bell. My business address is 1200 Main Street, Kansas City,
- 4 Missouri 64105.
- 5 Q: By whom and in what capacity are you employed?
- 6 A: I am employed by Kansas City Power & Light Company ("KCP&L" or the "Company")
- 7 as Senior Director Construction.
- 8 Q: What are your responsibilities?

9 A: My responsibilities include oversight of all aspects of the Company's large generation

- 10 construction projects. Currently, my primary responsibility is oversight of the installation
- 11 of certain environmental equipment at the La Cygne Generating Station ("La Cygne")
- 12 needed to comply with state and federal environmental obligations.

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Q: What is the purpose of your testimony?

A: The purpose of my testimony is to describe the on-going construction at La Cygne known
as the "La Cygne Environmental Project."

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II. EDUCATION AND EXPERIENCE

G: Before we get into your discussion of the La Cygne Environmental Project, please describe your education, experience and employment history.

7 A: I received my Bachelor of Science degree in Electrical Engineering from the University 8 of Kentucky in 1981. Since that time, I have worked in numerous positions related to 9 utility construction. From May 1981 to September 1982, I was a field engineer at the 10 Tennessee Valley Authority, where my responsibilities included testing and trouble-11 shooting nuclear, coal and hydro generation, transmission and distribution equipment. 12 From 1982 to 1997, I held the positions of Construction Manager, Start-up Manager, and 13 Senior Controls Specialist for General Electric International ("GE"). During my 15 years 14 with GE, I managed the construction and start-up support of eight Frame 5 gas turbines, 15 three heat recovery steam generators ("HRSGs") and a 70 megawatt ("MW") steam 16 turbine in Fayetteville, North Carolina. I also managed craft labor for the construction of 17 the first GE 7F combined cycle power plant and performed the electrical start-up in 18 Richmond, Virginia; managed electrical craft for retrofit of twenty Frame 5N and 7B 19 combustion turbines; and performed the MK 4 start-up in Memphis, Tennessee. Also 20 while with GE, I was a Team Leader in the Turbine Controls and Combustion Services 21 for development of MK 6 Integrated Control System ("ICS") power plant control system 22 as well as performed performance tuning and start-up of multiple fossil units worldwide.

1	In 1997, I started work with Black & Veatch in its Power Division as the Project
2	Manager for Y2K Projects, which we implemented for nine different utilities. In 1999, I
3	was promoted to Vice President of Strategic Initiatives, where I worked to reorganize the
4	Power Division within the company. From 2004 until my arrival at KCP&L in March of
5	2009, I was Vice President and Director of Programs for Black & Veatch's Special
6	Projects Corp. During this time, I was Program Director of the energy projects that were
7	part of the \$1.4 billion U.S. Agency for International Development Afghanistan
8	Infrastructure and Rehabilitation Program. My duties included responsibility for all
9	home office support and in-country engineer-procure-construct ("EPC") activities. The
10	projects included as part of the program were power plants, transmission and distribution,
11	hydro-electric dams, and establishing power purchase agreements. I was also Project
12	Manager of the U.S. Army Corp of Engineers Transatlantic Programs Center
13	("CETAC 1") reconstruction contract in Iraq with responsibility for the installation and
14	start-up of two new combustion turbine power plants. In addition, it was my
15	responsibility to budget and manage all business-unit overhead costs as well as interface
16	with and manage the costs from Corporate Shared Services (Finance, CIO/IT,
17	Procurement, Insurance/Risk Management and Human Resources). I was the business
18	unit representative for the Corporate Services Board, the group that develops and
19	implements all budgets, processes and procedures for Black & Veatch Corporation. I
20	was hired by KCP&L in 2009 to manage the start-up of a new 850 MW coal plant, Iatan
21	Unit 2. I was named Senior Director – Construction in 2010.

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

4 A: Yes. I previously testified before the KCC in Docket Nos. 10-KCPE-415-RTS, and 11-5 KCPE-581-PRE (the "581 Docket"), and provided written testimony in Docket No. 12-6 KCPE-764-RTS. I have also testified before the Missouri Public Service Commission.

7 III. LA CYGNE ENVIRONMENTAL PROJECT STATUS UPDATE

8 What is the La Cygne Environmental Project? **Q**:

9 A: The Project includes installation of wet scrubbers, baghouses and a common dual-flue 10 chimney for both La Cygne Units 1 and 2, and a selective catalytic reduction ("SCR") 11 system, low-nitrogen oxide ("NOx") burners ("LNBs") and an over-fire air ("OFA") 12 system for Unit 2. The Project is anticipated to be complete and in-service by June 2015. 13 This Project was described at length to the Commission in the 581 Docket.

14 **Q**: Please describe KCP&L's involvement with the Project.

15 A: KCP&L, as the operating partner of La Cygne, is responsible for establishing and 16 managing the schedule and budget for the Project. This is being accomplished through 17 significant oversight and monitoring of activities of the La Cygne Environmental Partners 18 ("LEP"), a joint venture formed by Kiewit Industrial Contractors and Sargent and Lundy.

19 **O**:

Does KCP&L provide the KCC with regular status updates of the Project?

20 A: Yes. KCP&L submits a monthly status report on the Project to the Commission in 21 Compliance Docket No. 12-KCPE-258-CPL (the "258 Docket"). Each report covers 22 actual cost data for the La Cygne Environmental Project, as well as schedule and metric 23 Each monthly report also includes a written narrative that describes overall data.

1 progress on the Project. This provides the Commission with ongoing visibility of the 2 progress being made on the Project. In addition, KCP&L and Westar, La Cygne's co-3 owners, meet with the Staff of the KCC each month subsequent to the filing of each 4 monthly report to review cost, performance metrics, provide an update on activities since 5 the report was filed, and to walk through the site to view construction progress. 6 **Q**: When was the most recent status update report filed? 7 A: The most recent status update report on the La Cygne Environmental Project was filed in 8 the 258 Docket on November 15, 2013. The next status report is scheduled to be filed on 9 December 13, 2013. 10 Please briefly describe the progress on the Project to date as reported in the status **Q**: 11 update filings. 12 A: Following are some of the highlights from the filed La Cygne Environmental Project 13 monthly status reports. Schedule and metric data is through late October 2013: 14 The Project remains on schedule and on budget. 15 The Project in total is approximately 58% complete.

Engineering is slightly ahead of schedule with 92% complete based on earned manhours (*i.e.*, the number of labor hours required to earn completion of a Project activity)¹.

Procurement is on schedule and all major equipment contracts have been awarded.

20 o LEP has exceeded its established procurement goal for obtaining participation
21 from minority- and women-owned businesses for the Project.

¹ Earned man-hours and associated earned value is described in greater detail in the October 2011 monthly project status report filed in the 258 Docket.

1		• Construction is approximately 51% complete based on earned man-hours.		
2	Construction progress includes the completion of the following:			
3		• The warehouse was placed in-service in June 2012.		
4		• Completion of the spring 2013 Unit 2 outage resulted in the in-service of low		
5		NOx burners, over-fire air systems, and a new distributed control system for		
6		Unit 2.		
7		• The chimney foundation and shell are complete and will be placed in service		
8		with the completion of the Unit 1 Air Quality Control tie-in in the spring of		
9		2015.		
10		• LEP has approximately 598 craft workers on-site and estimated a maximum of over		
11		eight hundred workers at the peak of their operation.		
12		• There are no negative float activities affecting the Project's critical paths or the		
13		outage contingency periods for the 2014 and 2015 tie-in outages.		
14		• The estimated Project completion date remains June 2015.		
15		• KCP&L has an excellent working relationship with LEP and both entities are		
16		diligently working together to ensure successful completion of the Project on time		
17		and on budget.		
18	Q:	Please summarize how KCP&L works with the co-owner, Westar, to monitor the		
19		project.		
20	A:	KCP&L and Westar have an excellent working relationship with LEP and the entities are		
21		diligently working together to ensure successful completion of the Project. Westar has		
22		had employees and senior management closely involved in the Project from the		

beginning. This owner cooperation is important to ensure that the interests of the
 customers of both companies are being represented.

3 Q: What key systems of this Project are in service at the time of this filing?

4 A: Key systems in-service at the time of this filing include the following:

Key System	Unit	In-Service
Distributed Control System	2	June 2013
LNBs/OFA System	2	June 2013
Warehouse	Common	June 2012
Paint Shop	Common	December 2011

5 Q: What additional key systems of this Project are expected to be placed in-service

- 6 **before February 28, 2014**?
- 7 A: Additional key systems expected to be in-service by February 28, 2014 include the
- 8 following:

Key System	Unit	Projected In-Service
Distributed Control System	1	December 2013
Transmission/Substation Upgrades	Common	December 2013

9 Q: Does that conclude your testimony?

10 A: Yes, it does.

BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the Matter of the Application of Kansas City Power & Light Company to Make Certain Changes in Its Charges for Electric Service

Docket No.: 14-KCPE-____-RTS

AFFIDAVIT OF ROBERT N. BELL

STATE OF MISSOURI)) ss COUNTY OF JACKSON)

Robert N. Bell, being first duly sworn on his oath, states:

1. My name is Robert N. Bell. I work in Kansas City, Missouri, and I am employed by Kansas City Power & Light Company as Senior Director – Construction.

2. Attached hereto and made a part hereof for all purposes is my Direct Testimony

on behalf of Kansas City Power & Light Company consisting of \underline{Seven} $(\underline{\neg})$

pages, having been prepared in written form for introduction into evidence in the abovecaptioned 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.

Subscribed and sworn before me this <u>4</u> day of December, 2013.

Notary Public MELODY M JONES NOTARY PUBLIC Solver NOTARY PUBLIC COMMISSION #12322641 MELODY M JONES

My commission expires: <u>4/25/16</u>