***PUBLIC VERSION***

***"** [redacted] **" Designates Confidential Information Has Been Removed.***

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

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**DIRECT TESTIMONY OF**

**ROBERT N. BELL**

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

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**IN THE MATTER OF THE APPLICATION OF**
**KANSAS CITY POWER & LIGHT COMPANY**
**TO MODIFY ITS TARIFFS TO CONTINUE THE**
**IMPLEMENTATION OF ITS REGULATORY PLAN**

**DOCKET NO. 10-KCPE-415-RTS**

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

A: My name is Robert N. Bell. 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 Construction for the Iatan Unit 2 Project.

**Q: Please summarize your role with respect to the construction of Iatan Unit 2?**

A: As the Senior Director of Construction, since the time I joined the Iatan Unit 2 Project, I have been responsible for overseeing the construction work by the major contractors, ALSTOM Power, Inc. ("ALSTOM") and Kiewit Power Constructors Co. ("Kiewit") as well as the other contractors on site. I am also responsible for managing the KCP&L

Construction Team and I work closely with the Project's engineering and start-up and commissioning teams.

**Q: Have you ever testified before the Kansas Corporation Commission ("KCC")?**

A: No, I have not.

**Q: Could you please describe your education and work history?**

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

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

**Q: Did you replace anyone when you were hired in March of 2009 to work on the Iatan Unit 2 project?**

A: No. At the time I was hired by KCP&L, the Iatan Unit 1 project was nearing completion and KCP&L was aware that the work on the Iatan Unit 2 Project in 2009-2010 would

require additional management personnel. Prior to my arrival, Carl Churchman had been functioning as the Iatan Unit 2 Project Manager in addition to his other duties. In addition, I understood that my expertise in start-up and commissioning would be of particular importance in the completion of the remaining project work. While Mr. Churchman continues to have a day-to-day presence on the Iatan Unit 2 Project, I have supplemented the Project Team with my construction and start-up experience.

**Q: What is your reporting relationship to Carl Churchman?**

A: I report directly to Mr. Churchman.

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

A: The purpose of my testimony is to: (1) describe the safety record of the Iatan Unit 2 Project; (2) identify the preparation that the Iatan Unit 2 Project Team is currently undertaking for the start-up and commissioning of the Iatan Unit 2 Project; and (3) identify how the Iatan Unit 2 Project compares with others I have worked on during my career.

## PROJECT SAFETY

**Q: Please describe the ways in which the Iatan Unit 2 Project measures the contractors' safety performance.**

A: There are a number of industry metrics for tracking safety that are used by KCP&L on the Iatan Unit 2 Project. One metric is through an index of Days Away Restricted Transfer, or "DART," which measures the rate of cases involving days away from work, restricted work activity, and transfers to another job. It is a ratio of the lost man-hours a project experiences as compared to the total number of hours worked. Another index that KCP&L utilizes is known as Total Cases Incident Rate ("TCIR"). TCIR is defined by the

Occupational Safety and Health Administration ("OSHA") as the number of recordable incidents in a year, multiplied by 200,000 and divided by the total hours worked that year. KCP&L also tracks the aggregate number of first aid cases for internal use.

**Q: How does the Iatan Unit 2 Project compare to industry averages for safety performance?**

A: The Iatan Unit 2 Project has a very favorable record when compared to industry averages. The following chart illustrates the Iatan Unit 2 Project's safety performance to date when compared to the industry.

| STATISTICS as of November 8, 2009 | YEAR To-date | PROJECT To-date | INDUSTRY [1] Average |
|---|---|---|---|
| Days Away, Restricted, Transfer (DART) | 0.7 | 1.8 | 2.2 |
| Total Case Incident Rate (TCIR) | 2.2 | 3.5 | 4.2 |
| First Aid Cases | 385 | 796 | |
| Total Work Hours (millions) | 5.7 | 12.2 | |
| Avg. Personnel On-Site/Day (Estimate) [2] | 3,100 | 2,000 | |

[1] Industry Average Source: U.S. Bureau of Labor Statistics (2008 Preliminary Data)
[2] Peaked at ~4,000 on November 19, 2008

**Q: In your experience in the industry, what is the value to a project from having a good safety record?**

A: Safety should always be the first consideration on any construction project because safety permeates everything else. If a project has a good safety reputation, it can attract good workers. If a project has low incident rates, it generally shows that the work is well managed and that the contractors have planned their work before going to the field. A

good safety record brings the overall cost down through higher productivity, reduced claims and fewer interruptions to the work.

**Q: How has the KCP&L Project Team managed safety issues such as those you describe since you arrived on the Iatan Unit 2 Project?**

A: KCP&L responded very appropriately any time significant safety events occurred. The owner, though not responsible for the implementation of each contractor's safety program, should instill the safety culture site-wide. I believe that we are doing that through our on-site safety team and daily reminders that safety has to be a primary consideration.

**Q: Overall, what is your opinion as to how KCP&L has managed the safety program on the Iatan Unit 2 Project?**

A: The safety program and the Iatan Unit 2 Project's safety record are very consistent with good practices I have seen in the industry.

## START-UP AND COMMISSIONING

**Q: Who is responsible for start-up and commissioning of the Iatan Unit 2 Project?**

A: Start-up and commissioning is a joint effort primarily between KCP&L and ALSTOM, though Kiewit provides labor to support KCP&L's start-up. ALSTOM has responsibility to start-up its equipment, whether it is the boiler or the Air Quality Control System ("AQCS"), and begin its operation up to Provisional Acceptance of the Unit. In addition, KCP&L's start-up and commissioning team is responsible for checking out the equipment as it is being turned over by the contractors and verifying that it has met the conditions required under the applicable contract.

**Q: What has your involvement been with start-up and commissioning on the Iatan Unit 2 Project?**

A: I have regular interface with the start-up teams from KCP&L and ALSTOM, and have participated in numerous reviews of the start-up schedule, including the meetings in which the Construction Turn-Over ("CTO") dates were worked out with the contractors. I have daily contact with KCP&L start-up team leaders and with KCP&L operations and maintenance personnel. I also have been asked by Carl Churchman to provide as much support to the start-up team as they require, and I have done so.

**Q: What are CTOs?**

A: Company witness Carl Churchman testifies that CTOs are the key interface points between Kiewit, ALSTOM and KCP&L related to the sequence of events for completing construction and the start-up and commissioning activities for the Iatan Unit 2 Project. Mr. Churchman also testifies that the "CTO dates" were the dates for those key interface points, so for the schedule of the work to be fully coordinated, the CTO dates required complete buy-in by all affected parties and needed to work to the Project's key milestone dates.

**Q: What was your involvement in the process of refining the Iatan Unit 2 CTO dates?**

A: Company witness Carl Churchman testifies as to the meetings that occurred with the contractors, key members of the KCP&L Project Team and Schiff Hardin LLP to rework the CTO dates so that those dates and associated milestones would have a high probability of occurring. I attended all of the meetings and led many of the discussions. When we started the process of reviewing the CTO dates on June 24, 2009, there were thirty-two CTO dates that had conflicts that had to be resolved through logic or resource

changes. By July 7, 2009, the parties had resolved each of the conflicts, and the contractors and KCP&L agreed to change the schedule to reflect these agreements.

**Q: Once the parties agreed to the CTO dates, what occurred next with respect to the schedule?**

A: The contractors began working toward those agreed upon schedule dates and the KCP&L Project Team has been actively monitoring their progress and transparently reporting any issues that have occurred to the contractors' project management and to our management.

**Q: Do you believe that the agreement on the CTO dates has been beneficial to the start-up and commissioning of the Iatan Unit 2 Project?**

A: Yes. I believe the CTO dates have been and will continue to be critical for the contractors to maintain their accountability to meet the key Project milestones.

**Q: Did the Iatan Unit 2 Project's schedule change as a result of this process?**

A: Company witness Carl Churchman testifies that this process confirmed that, based on all the relevant considerations, the optimal date for Provisional Acceptance is **[redacted]**, and I agree with that testimony.

**Q: Do you believe that KCP&L's revision to the schedule for the Iatan Unit 2 Project was appropriate?**

A: Yes.

**Q: Do you believe that KCP&L has appropriately managed the schedule for the Iatan Unit 2 Project?**

A: I agree with Company witness Carl Churchman that optimizing the schedule was only made possible by the active management techniques KCP&L employed with the contractors.

**Q: What else have you observed relative to the preparation for start-up and commissioning?**

A: KCP&L started early in training of the future operators utilizing dedicated operations staff devoted to training the operators. There are four separate operations functions that are the subject of training: control operators, plant equipment operators, plant equipment attendants, and process attendants. Each of these categories requires its own training regime. The operators-in-training have received classroom work, plant simulator time and on-the-job training during the start-up operations. By the end of the scheduled training, KCP&L targets having 50 operators fully trained to operate Iatan Unit 2. These efforts should not only help during start-up but will also result in the operators familiarizing themselves with the equipment long before it has to be operated.

**Q: How is KCP&L tracking its training efforts?**

A: There are weekly metrics being generated regarding training that are presented to KCP&L's management on a weekly basis. A current example of the metrics is attached to my testimony as Schedule RNB2010-1. This chart shows the hours budgeted for each of the classifications of operations personnel and the status of their work on a weekly basis. It also provides a percent complete with training over time against a planned number of hours. As of the date of Schedule RNB2010-1, training was 24 percent complete overall.

**Q: In your view, has KCP&L appropriately managed the start-up and commissioning process to date?**

A: Yes. I believe that the CTO dates and the related detailed schedule for the work will continue to be a very valuable tool for holding the contractors accountable. The effort

spent by KCP&L to obtain the contractors' agreement to those dates has resulted in the work in the field proceeding more efficiently and effectively. In addition, the training and preparation for start-up by KCP&L is consistent with what I have observed in the industry. KCP&L is also transparently communicating the key dates needed through the schedule and in the communications with the contractors, and is reporting the status to our management every week.

## PROJECT MANAGEMENT OVERVIEW

**Q: Are you familiar with Company witness Carl Churchman's testimony regarding the methods that are used by the KCP&L Project Team to manage the work of the contractors?**

A: Yes. I am accountable for many of the meetings and contacts with the contractors that Mr. Churchman testifies to.

**Q: Do you agree with Mr. Churchman's testimony?**

A: Yes. Mr. Churchman discusses the project meetings and the Project Team's methods for managing the work. I agree with his assessment and believe that the level of active management that we have employed has been effective in identifying and mitigating the issues that have arisen.

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

A: Yes, it does.

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

| | | |
|---|---|---|
| In the Matter of the Application of Kansas City Power & Light Company to Modify Its Tariffs to Continue the Implementation of Its Regulatory Plan | ) ) ) | Docket No. 10-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 Director of Construction for the Iatan Unit 2 Project.

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 ten (10) 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.

Robert N. Bell

Subscribed and sworn before me this 17th day of December, 2009.

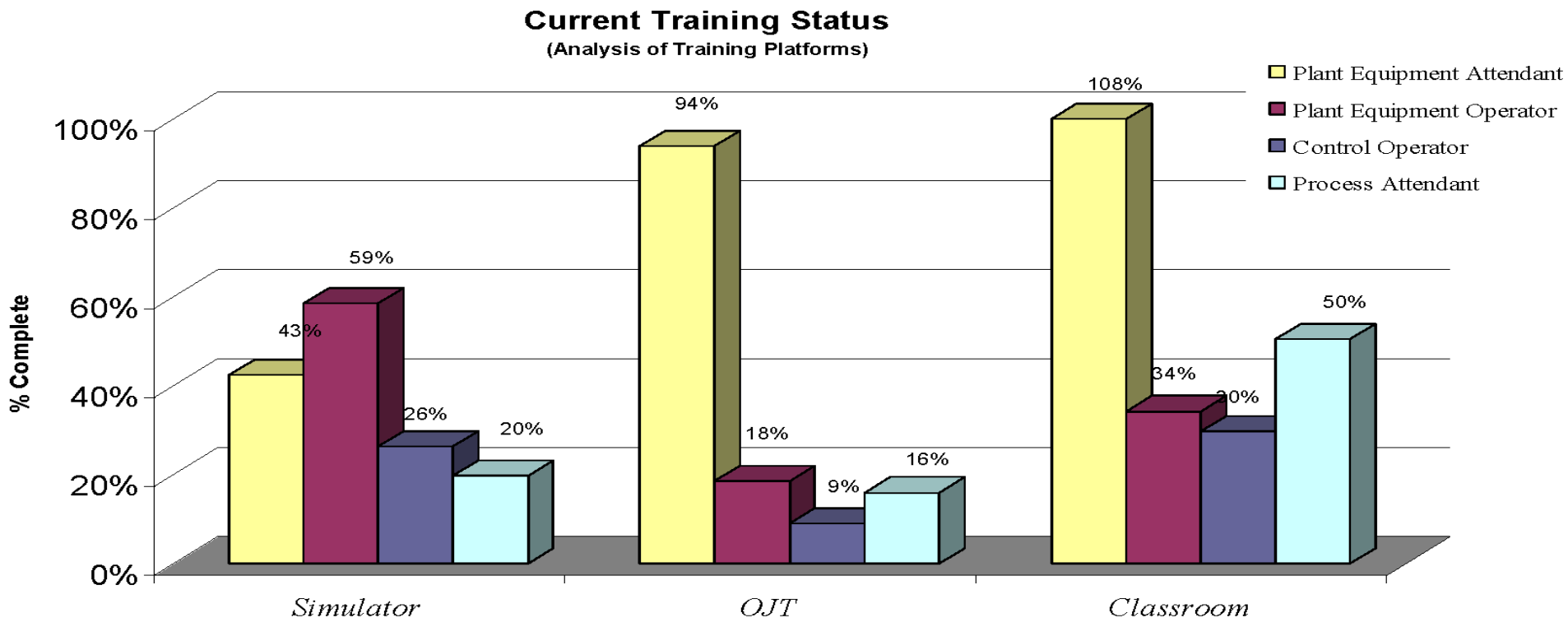
Nicole A. Wehry
Notary Public

My commission expires: Feb. 4 2011

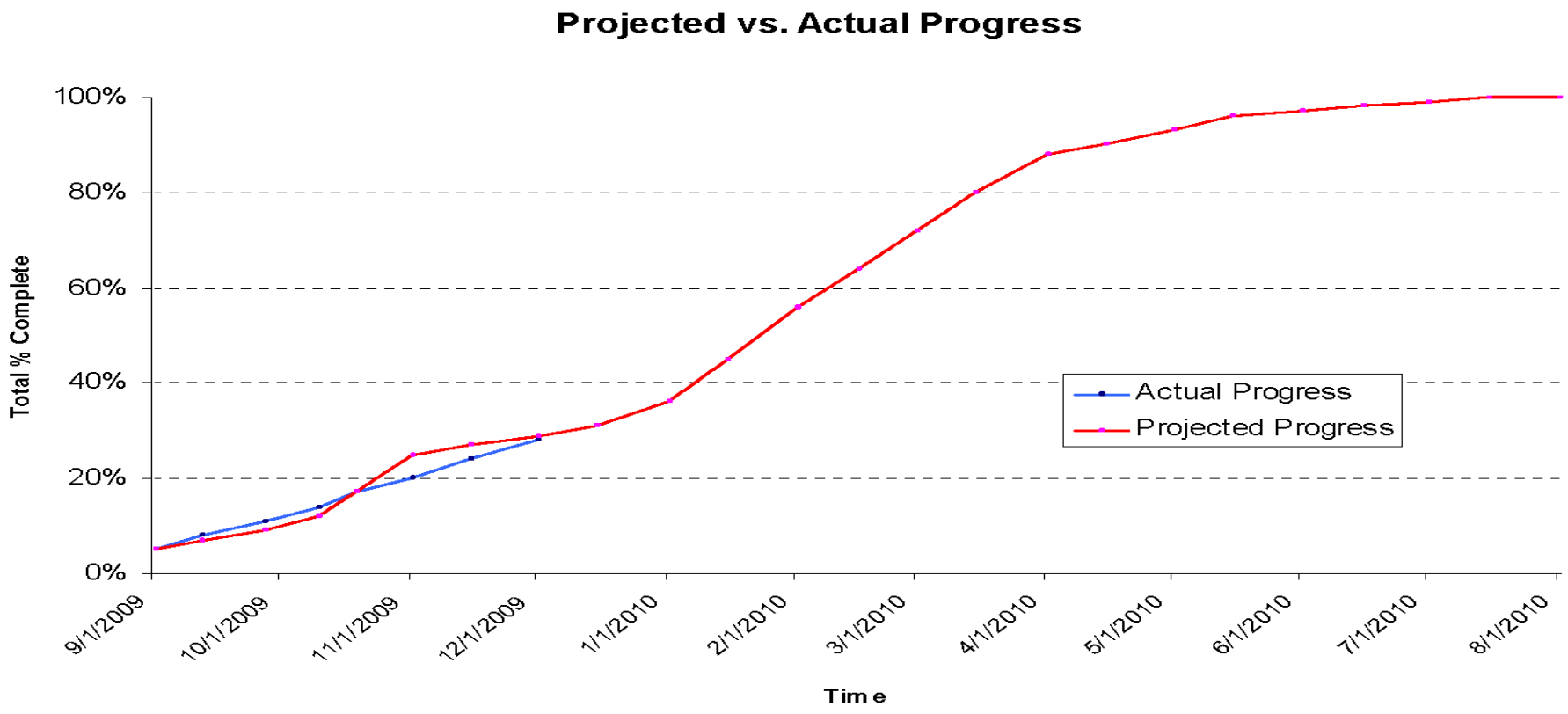
"NOTARY SEAL"
Nicole A. Wehry, Notary Public
Jackson County, State of Missouri
My Commission Expires 2/4/2011
Commission Number 07391200

# IATAN UNIT 2 START-UP & OPERATION STATUS
# AS OF 11/29/09

| System Code | System Description | Baseline Turnover Date | Actual % Complete | System Weighting Total | Activity Weight |
|---|---|---|---|---|---|
| | Percentage Total Startup | | 42.9% | 100.0% | |




| PEA | | PEO | | CO | | PA | |
|---|---|---|---|---|---|---|---|
| Baseline Hours Estimate | Percent Complete | Baseline Hours Estimate | Percent Complete | Baseline Hours Estimate | Percent Complete | Baseline Hours Estimate | Percent Complete |
| 1377.0 | 82% | 4321.8 | 37% | 14427.9 | 20% | 5372.0 | 28% |




**Overall Status: 28% Complete**

*Critical Calculation Variables*

**# of Operators to be trained:**

| | |
|---|---|
| PEA | 9 |
| PEO | 9 |
| CO | 17 |
| PA | 15 |
| Total | 50 |

(Includes 5 Shift Foremen)