

BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS

In the Matter of Kansas City Power & Light )  
Company's Compliance Filings as Required by ) Docket No. 12-KCPE-258-CPL  
Commission Order in Docket No. 11-KCPE-581- )  
PRE. )

**KANSAS CITY POWER & LIGHT COMPANY'S  
MARCH 2017 MONTHLY STATUS REPORT ON  
THE LA CYGNE ENVIRONMENTAL PROJECT**

Kansas City Power and Light Company ("KCP&L") hereby submits its monthly report on the La Cygne Environmental Project as directed by the Commission's *Order Granting KCP&L Petition For Predetermination of Rate-Making Principles and Treatment*,<sup>1</sup> as revised by the *Order On Petitions For Reconsideration And Order Nunc Pro Tunc*.<sup>2</sup>

Attached hereto as **Exhibit A** is KCP&L's monthly report entitled La Cygne Environmental Project – Monthly Status Report (March 2017). Certain sections of this report contain information that is confidential and those sections are being filed under seal in accordance with the provisions of K.S.A. 66-1220a and K.A.R. 82-1-221a. Confidential information within the report is designated as Confidential using the required **\*\*\_\_\_\_\*\*** markings. Each attachment for which confidential status is asserted has been clearly marked "CONFIDENTIAL." The reason for each such confidential classification is set forth on **Exhibit B**.

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<sup>1</sup> In the Matter of the Petition of Kansas City Power & Light Company ("KCP&L") for Determination of the Ratemaking Principles and Treatment That Will Apply to the Recovery in Rates of the Cost to be Incurred by KCP&L for Certain Electric Generation Facilities Under K.S.A. 66-1239, Docket No. 11-KCPE-581-PRE, *Order Granting KCP&L Petition for Predetermination of Rate-Making Principles and Treatment*, issued Aug. 19, 2011.

<sup>2</sup> In the Matter of the Petition of Kansas City Power & Light Company ("KCP&L") for Determination of the Ratemaking Principles and Treatment That Will Apply to the Recovery in Rates of the Cost to be Incurred by KCP&L for Certain Electric Generation Facilities Under K.S.A. 66-1239, Docket No. 11-KCPE-581-PRE, *Order on Petitions for Reconsideration and Order Nunc Pro Tunc*, issued Oct. 5, 2011.

The Citizens' Utility Ratepayer Board has been provided a non-confidential version of the report.

Respectfully submitted,

*/s/ Roger W. Steiner*

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**CERTIFICATE OF SERVICE**

I hereby certify that a copy of this pleading was mailed on this 15<sup>th</sup> day of March 2017 to:

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*/s/ Roger W. Steiner*

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Roger W. Steiner

La Cygne Environmental Project – Monthly Status Report  
March 2017

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In the Matter of )  
Kansas City Power & Light Company’s )  
Compliance Filings as Required by ) Docket No. 12-KCPE-258-CPL  
Commission Order in )  
Docket No. 11-KCPE-581-PRE )

Monthly Report on the Progress of  
the La Cygne Environmental Project  
Submitted by Kansas City Power & Light Company  
March 2017

“\*\* [REDACTED] \*\*” *Designates Confidential Information.*

*Certain Attachments To This Report Designated  
“Confidential” Also Contain Confidential Information.  
All Such Information Should Be Treated Confidentially.*

La Cygne Environmental Project – Monthly Status Report  
 March 2017

<b>Report Date:</b>	<b>March 15, 2017</b>
<b>Actual Cost Date:</b>	<b>January 31, 2017</b>
<b>Schedule and Progress Date:</b>	<b>February 19, 2017</b>

**Introduction**

In compliance with the requirements of the Kansas Corporation Commission (“Commission” or “KCC”) Orders in Docket No. 11-KCPE-581-PRE (“581 Docket”) dated August 19, 2011 (“August 19 Order”) and October 5, 2011 (“October 5 Order”), Kansas City Power & Light Company (“KCP&L”) submits this monthly report (the “March 2017 Report” or “Report”), regarding progress on the La Cygne Environmental Project. This Report is being submitted in Compliance Docket No. 12-KCPE-258-CPL (“258 Docket”) as ordered by the Commission.

This Report covers progress and actual cost data on the La Cygne Environmental Project through January 31, 2017 (with cost tracking through February 17, 2017), and schedule and metric data through February 19, 2017. It contains the following sections:

- 1.0 Project Progress Summary
  - 1.1 Safety
  - 1.2 Overall Project Status
- 2.0 Project Schedule Summary
  - 2.1 Critical Path Summary
    - 2.1.1 International Chimney Corporation (“ICC”)
    - 2.1.2 Enerfab
    - 2.1.3 Kissick Construction (“Kissick”)
  - 2.2 Schedule Status Update
- 3.0 Earned Value Metrics
- 4.0 Monthly Cost Report
  - 4.1 Contingency Log
  - 4.2 Budget Transfers
- 5.0 Risks

It also includes the following Confidential schedules and tables:

- Attachment B Level 1 K Cost Report Actuals through January 31, 2017
- Attachment C Level 2 K Cost Report Actuals through January 31, 2017
- Attachment D Contingency Log
- Attachment E Internal Budget Transfer Summary

**1.0 Project Progress Summary**

**1.1 Safety**

There were no recordable incidents during the month of January 2017. LEP and ICC crews are no longer on-site as of January 31, 2017, so safety will no longer be reported.

La Cygne Environmental Project – Monthly Status Report  
March 2017

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## **1.2 Overall Project Status**

- The Project remains on or below budget.
- The Chimney Demolition project is complete. ICC achieved Final Completion on January 17, 2017.
- The Site Finishing project is complete. Kissick achieved Final Completion on February 17, 2017.
- The Gypsum Improvements project is expected to be completed in March 2017. Enerfab continued to work on punch list items associated with final contract scope of work to achieve Final Completion.

## **2.0 Project Schedule Summary**

### **2.1 Critical Path Summary**

#### **2.1.1 ICC**

ICC completed all punch list work required to achieve Final Completion on the Chimney Demolition project during January 2017.

#### **2.1.2 Enerfab**

The Gypsum Improvements project critical path runs through: finishing punch list items in order to accomplish final completion. The remaining punch list item, installation of an emergency light, is expected to be completed in March 2017.

#### **2.1.3 Kissick Construction**

Kissick continued to work on punch list items associated with final contract scope of work to achieve Final Completion and completed all punch list work during February 2017. The Site Finishing project is complete and Final Completion was achieved February 17, 2017.

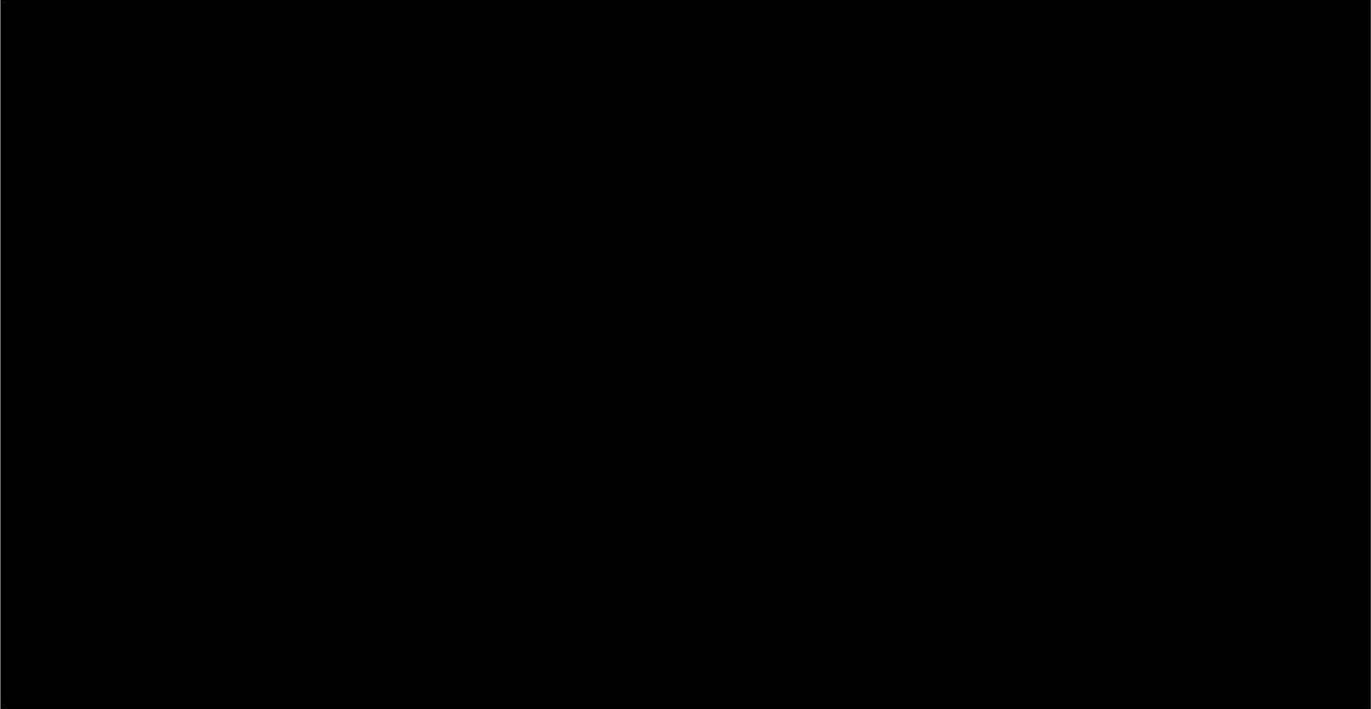
### **2.2 Schedule Status Update**

The key Project milestones are listed in the charts below and will remain constant in each report.

La Cygne Environmental Project – Monthly Status Report  
March 2017

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### 3.0 Earned Value Metrics

The earned value report metric tool is no longer generated on the decommissioning and demolition projects for Project controls and oversight purposes.

### 4.0 Monthly Cost Report

Confidential Attachment B to this Report is the Level 1 Monthly K Cost Report (“K Work Package Summary Report”). The attached K Work Package Summary Report contains actual costs through January 31, 2017, while commitments and corresponding contingency/internal budget transfer transactions are through February 17, 2017. Actual costs incurred through January 31, 2016 are approximately \*\* [REDACTED] \*\*, or approximately \*\* [REDACTED] \*\* of the budget estimate of \$1.23 billion.<sup>1</sup> Committed costs totaled approximately \*\* [REDACTED] \*\* or approximately \*\* [REDACTED] \*\* of the budget estimate.

Confidential Attachment C is the Level 2 Monthly K Cost Report (“K Work Package Detail Report”). This is structured similarly to the Level 1 K Work Package Summary Report, but contains more detail.

<sup>3</sup> All dollars rounded to nearest million. Further detail is provided in Confidential Attachments B and C.

La Cygne Environmental Project – Monthly Status Report  
March 2017

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#### 4.1 Contingency Log

Confidential Attachment D is the Contingency Log for the period of January 26, 2017 through February 17, 2017 and details a total of twenty-four contingency transaction items that occurred within the reporting period. The twenty-four contingency transaction items discussed below resulted in a cumulative net credit of approximately \*\* [REDACTED] \*\*. The contingency balance at February 17, 2017 is approximately \*\* [REDACTED] \*\*.

##### January 26, 2017 through January 31, 2017 Contingency Transactions

There were no contingency transactions that transpired during this reporting period.

##### February 1, 2017 through February 17, 2017 Contingency Transactions

The twenty-four transactions labeled as items 407 through 430, occurred from February 1, 2017 through February 17, 2017. The net effect of these transactions was a net credit of approximately \*\* [REDACTED] \*\*.

- Contingency items 407 and 409 through 430, valued cumulatively at approximately \*\* [REDACTED] \*\*, are credits derived from the closure of thirty-four purchase orders during the close-out process.
- Contingency item 408, valued at \*\* [REDACTED] \*\* constitutes a forecast adjustment to align the sales tax forecast to current expenditures. It should be noted that, even with this increase, the sales tax forecast will still run an approximate \*\* [REDACTED] \*\* variance to the budget.

#### 4.2 Budget Transfers

Confidential Attachment E is the Consolidated Internal Budget Transfer Summary for the period ended February 17, 2017. There were approximately \*\* [REDACTED] \*\* in transfers (items labeled 455-468).

- There were \*\* [REDACTED] \*\* in transfers (items labeled 455-468) used to realign the budget with the current staffing plan.

#### 5.0 Risks

Throughout the life cycle of the La Cygne Environmental Retrofit Project, KCP&L has identified and tracked potential and known risks.

<sup>4</sup> In addition to this contingency balance, the expected Project cost was previously reduced by \$75 million. Such reduction does not affect the Commission-approved Project Budget Estimate of \$1.23 billion.

La Cygne Environmental Project – Monthly Status Report  
March 2017

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At this time, all of the major contracts are completed and KCP&L is in the process of closing out all remaining minor work on the Project. Accordingly, KCP&L will no longer report on risks to the cost and schedule.

**EXHIBIT A  
ATTACHMENTS B-E**

**THESE DOCUMENTS CONTAIN  
CONFIDENTIAL INFORMATION NOT  
AVAILABLE TO THE PUBLIC  
ORIGINALS FILED UNDER SEAL**

Kansas City Power & Light Company

Docket No.: 12-KCPE-258-CPL

Date: March 15, 2017

**CONFIDENTIAL INFORMATION**

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The following information is provided to the Kansas Corporation Commission under CONFIDENTIAL SEAL:

<b>Monthly Report on the Progress of the La Cygne Environmental Project – Exhibit A</b>	
<b>Page</b>	<b>Reason for Confidentiality from List Below</b>
P. 4, Section 2.2, Tables (Key Milestones Table - Demo)	2, 5
P. 4, Section 4.0, ¶ 1, L. 5	1, 5
P. 4, Section 4.0, ¶ 1, L. 5	1, 5
P. 4, Section 4.0, ¶ 1, L. 6	1, 5
P. 4, Section 4.0, ¶ 1, L. 7	1, 5
P. 5, Section 4.1, ¶ 1, L. 4	1, 5
P. 5, Section 4.1, ¶ 1, L. 5	1, 5
P. 5, Section 4.1, ¶ 3, L. 3	1, 5
P. 5, Section 4.1, ¶ 4, L. 2	1, 5
P. 5, Section 4.1, ¶ 5, L. 1	1, 5
P. 5, Section 4.1, ¶ 5, L. 4	1, 5
P. 5, Section 4.2, ¶ 1, L. 2	1, 5
P. 5, Section 4.2, ¶ 2, L. 1	1, 5
Attachment B	1, 5 - CONFIDENTIAL-RESTRICTED
Attachment C	1, 5 - CONFIDENTIAL-RESTRICTED
Attachment D	1, 5 - CONFIDENTIAL-RESTRICTED
Attachment E	1, 5 - CONFIDENTIAL-RESTRICTED

Rationale for the “confidential” designation is documented below:

- “1” Confidential financial information/ budget projections.
- “2” Contract terms or specifics, or contract information that could be used by existing or future vendors to the disadvantage of KCP&L.
- “3” Sensitive information that could impact pending or threatened litigation.
- “4” Advice of counsel or other paid experts, advisors or consultants.
- “5” Trade Secret or Commercially Sensitive.

“6” Other (specify) \_\_\_\_\_.

Should any party challenge KCP&L’s assertion of confidentiality with respect to the above information, KCP&L reserves the right to supplement the rationale contained herein with additional factual or legal information.