

In the Matter of the Application of Kansas City Power & Light Company to Modify Its Tariffs to Continue the Implementation of Its Regulatory Plan.)
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)

Docket No. 07-KCPE-905-RTS

STATE CORPORATION COMMISSION

AUG 03 2007

 Docket
Room

REDACTED DIRECT

STAFF TESTIMONY & EXHIBITS

PREPARED BY

GEORGE ROHRER

UTILITIES DIVISION

KANSAS CORPORATION COMMISSION

(*  Denotes Confidential Information*)

1 **Q. Would you please state your name and business address?**

2 A. My name is George D. Rohrer. My business address is the Kansas Corporation
3 Commission, 1500 S.W. Arrowhead Road, Topeka, Kansas, 66604-4027.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by the Kansas Corporation Commission as a Senior Managing Auditor.

6 **Q. What is your educational background and professional experience?**

7 A. I received a Bachelor of Business Administration degree from Washburn University with
8 a major in Accounting. I joined the Kansas Corporation Commission (KCC or
9 Commission) in March of 1986. In April 2002, I was promoted to my present position. I
10 am a Certified Public Accountant.

11 **Q. Have you testified previously before the Commission?**

12 A. Yes. I have testified on numerous occasions before the Commission.

13 **Q. What were your responsibilities in Staff's review of Kansas City Power and Light
14 Company's (Applicant or KCPL) rate case application filed in Docket No. 07-
15 KCPE-905-RTS on March 1, 2007?**

16 A. My responsibilities as the Auditor-in-charge were to analyze, audit, and provide
17 recommendations regarding Applicant's rate case. These responsibilities were carried
18 out under the direction of the Chief of Accounting and Financial Analysis, Jeff
19 McClanahan.

20 **Q. What test year did KCPL use in its application before the Commission?**

21 A. Applicant used a test year ended December 31, 2006 with plant in service additions
22 through September 30, 2007.

1 **Q. Approximately how many retail electric customers are served by KCPL in the state**
2 **of Kansas?**

3 A. KCPL provides retail electric service to approximately 230,000 customers in the state of
4 Kansas. Kansas jurisdictional customers represent approximately 46% of KCPL's total
5 system.

6 **Q. What other entities have jurisdiction over KCPL?**

7 A. Both Missouri and the Federal Energy Regulatory Commission (FERC) have jurisdiction
8 over KCPL.

9 **Q. Why did KCPL file its current rate case?**

10 A. KCPL filed its current rate case March 1, 2007, as part of the stipulation and agreement
11 approved by the Commission in Docket No. 06-KCPE-828-RTS (828 Docket). The rate
12 case filed in the 828 Docket was the result of a stipulation and agreement between KCPL,
13 KCC Staff, Sprint, and the Kansas Hospital Association in Docket No. 04-KCPE-1025-
14 RTS (1025 Docket).

15 **Q. Please explain the stipulation and agreement (regulatory plan) between KCPL,**
16 **KCC Staff, Sprint, and the Kansas Hospital Association contained in the 1025**
17 **Docket.**

18 A. The regulatory plan requires KCPL to file rate cases in February 2006 and by August 15,
19 2009. Additional rate cases may be filed in 2007 and 2008. The purpose of the rate cases
20 is to help keep KCPL's investment grade status while it constructs Iatan 2 (a coal fired
21 base load generation facility), develops new wind generation facilities (Spearville),
22 develops additional environmental improvements to existing generation plants (LaCygne

1 1 & 2 and Iatan 1), and implements demand response, efficiency and affordability
2 programs.

3 **Q. What benefits are there for ratepayers when a utility company is investment grade**
4 **during a period of major construction?**

5 A. Benefits include lower cost of capital, lower cost of debt and lower issuance costs, which
6 equate to a lower overall rate of return. This results in a lower revenue requirement and
7 thus lower rates.

8 **Q. Please describe how KCPL's rate base, income, expenses, and capital structure**
9 **changed since the implementation of its regulatory plan.**

10 A. Attached to my testimony as Exhibit GDR-1 is an analysis of the changes from the last
11 case, prior to implementation of the regulatory plan through the current filing, Docket
12 No. 02-KCPE-840-RTS (840 Docket). The data contained in this exhibit is based on
13 KCPL's pro forma Kansas jurisdictional applications without any adjustments by Staff.

14 **Q. Why did you include the 840 Docket in Staff's analysis?**

15 A. The 840 Docket was a joint stipulation and agreement on rate reduction between KCPL,
16 CURB, and KCC Staff, and was the last case before KCPL began its plant construction,
17 environmental upgrades, and demand response, efficiency and affordability programs
18 under the regulatory plan.

19 **Q. Please provide a summary of KCPL's present rate request and Staff's**
20 **recommendations.**

21 A. First, before discussing Staff's findings and recommendations, I would like to
22 compliment KCPL's employees on their timeliness in responding to Staff's data requests
23 and making themselves available for on-site meetings.

1 A summary of KCPL's requested, and Staff's recommended jurisdictional
2 revenue increase, pro forma rate base, operating income, overall rate of return (ROR),
3 and return on equity (ROE) are presented in the table below. Additionally, KCPL
4 included an amount for Customer Contribution in Aid of Construction (CIAC) in its
5 application, however Staff is not recommending any CIAC in this docket. The amounts
6 shown in the table below are in millions except for ROE and ROR.

| | KCPL - Application | Staff – Recommendation w/o CIAC |
|------------------------|-----------------------|---------------------------------------|
| Revenue Increase | \$ 34.22 | \$ 4.58 |
| CIAC Increase | <u>12.84</u> | <u>0</u> |
| Total Revenue Increase | 47.06 | 4.58 |
| Rate Base | 1,107.8 | 1,097.8 |
| Operating Income | 97.8 | 87.0 |
| Return on Equity (ROE) | 11.25 % | 10.30 % |
| Rate of Return (ROR) | 8.83 % | 8.18 % |

8
9 **Q. Did Staff provide any other analysis of KCPL's revenue and operating expenses for**
10 **the test year?**

11 A. Yes. Staff has prepared some exhibits reviewing KCPL's Kansas jurisdictional revenue
12 and operating expenses for the test year. They are attached to my testimony as Exhibits
13 GDR-2 thru GDR-4.

14 Exhibit GDR-2 is a pie chart showing how KCPL's test year Kansas jurisdictional
15 revenue is collected, e.g., customer charge, commodity charge, or misc. revenue. Exhibit

1 GDR-3 is a pie chart detailing the different categories of operating expenses and the
2 related Kansas jurisdictional amounts KCPL incurred during the test year. Exhibit GDR-
3 4 is a pie chart showing how KCPL's total amount of Kansas jurisdictional revenue,
4 collected through rates, is spent, e.g., fuel and purchased power, operating and
5 maintenance (O&M) expenses, taxes, etc. Exhibit GDR-4 also illustrates the percentage
6 spent on fuel and purchased power, O&M expenses, etc., for each dollar collected
7 through rates.

8 **Q. What is the purpose of your testimony in these proceedings?**

9 A. The purpose of my testimony is to sponsor adjustments based upon Staff's review of
10 KCPL's rate case application. My testimony will be presented in the following manner:

- 11 • Rate Base Adjustments,
- 12 • Income Statement Adjustments, and
- 13 • Capital Structure Adjustment

14 **Q. Please provide the list of Staff witnesses and a brief description of the testimony they**
15 **are sponsoring.**

16 A. Jeff McClanahan: Mr. McClanahan will sponsor testimony related to KCPL's Customer
17 Contribution in Aid of Construction (CIAC).

18 Justin Grady: Mr. Grady will sponsor testimony related to selected rate base and income
19 statement adjustments proposed by Staff.

20 Karen Hull: Ms. Hull will sponsor testimony related to pension adjustments proposed by
21 Staff.

22 Laura Bowman: Ms. Bowman will sponsor testimony related to selected income
23 statement adjustments proposed by Staff.

1 Adam Gatewood: Mr. Gatewood will sponsor testimony related to Staff's capital
2 structure and return on equity.

3 Jim Sanderson: Mr. Sanderson's testimony will address Staff's weather normalization
4 adjustment.

5 Dr. John Cita: Dr. Cita will sponsor testimony related to the review process for KCPL's
6 proposed Energy Cost Adjustment.

7 Dr. Robert Glass: Dr. Glass will discuss KCPL's off-system sales forecasts and the
8 Spearville Wind Generation Project.

9 Larry Holloway: Mr. Holloway will sponsor testimony related to KCPL's coal inventory,
10 Energy Cost Adjustment, and Staff's revised allocation factors for wind generation plant
11 and off-system sales.

12 Mark Doljac: Mr. Doljac will sponsor testimony addressing KCPL's quality of service.

13 Sonya Cushinberry: Ms. Cushinberry's testimony will address Staff's class cost of
14 service and proposed changes to rules and regulations.

15 Al Maxwell: Mr. Maxwell's testimony will address Staff's rate design.

16 **Q. Please identify Staff's adjustments that are being sponsored in this docket and the**
17 **witnesses who are sponsoring these adjustments.**

18 A. Please refer to "confidential Exhibit GDR-5" for a listing of Staff's adjustments, the
19 sponsoring witnesses, and the Kansas retail jurisdictional amount of each adjustment.

20 **Q. Were the adjustments you are sponsoring prepared by you or under your**
21 **supervision based upon your examination of Applicants' books and records?**

22 A. Yes, they were.

23 **Q. Did Staff allocate its adjustments before inclusion in Staff's schedules?**

1 A. Yes. The total amount of each Staff adjustment was first calculated on either a total
2 company basis which was then allocated to the Kansas jurisdictional customers based on
3 the appropriate allocation percentage, or if applicable, calculated as a Kansas
4 jurisdictional adjustment only.

5

6 **I. Rate Base Adjustments**

7

8 **Q. Please explain Staff Adjustment No. 4 to rate base.**

9 A. Staff Adjustment No. 4 (RB-4) increases rate base by \$3,683,041. Staff's adjustment is
10 comprised of three components which adjust KCPL's total accumulated deferred income
11 taxes. KCPL's total accumulated deferred income taxes are considered a source of cost
12 free capital to the company and thus are included in rate base as a reduction.

13 The first component affects Property Tax Capitalized-Allocated WC. In response
14 to Staff data request number 305, question 4, KCPL stated it inadvertently overstated the
15 deferred income tax liability (understated rate base) in its application.

16 The second and third components, SO2 Emission Allowance Sales and
17 Regulatory Asset - DSM Programs-Kansas, respectively are discussed in the testimony of
18 Staff witness Justin Grady.

19 Staff "confidential Exhibit GDR-6" details the calculations of the Property Tax
20 Capitalized-Allocated WC, * [REDACTED] *, and Regulatory Asset -
21 DSM Programs-Kansas components of Staff's adjustment to accumulated deferred
22 income taxes.

23 **Q. Please explain Staff Adjustment No. 5 to rate base.**

1 A. Staff Adjustment No. 5 (RB-5) increases KCPL's pro forma test year accumulated
2 depreciation by \$3,701,184. Staff's adjustment synchronizes KCPL's accumulated
3 depreciation with its plant in service and depreciation expense. Per the terms of the S&A
4 in the 1025 Docket, KCPL is allowed to include in its rate base estimated plant in service
5 amounts through December 31, 2007. In its current application, KCPL used its
6 September 30, 2007 plant balances to calculate depreciation expense on a going-forward
7 basis. However, KCPL's accumulated depreciation was not synchronized with current
8 plant. KCPL multiplied its December 2006 monthly accumulated depreciation amount
9 by nine months then added the nine months total to its 2006 test year actual accumulated
10 depreciation amounts to determine its September 30, 2007 accumulated depreciation
11 balances. KCPL's use of its December 2006 monthly accumulated depreciation amounts
12 in calculating its September 30, 2007 accumulated depreciation balances ignores 2007
13 plant increases and results in accumulated depreciation not being synchronized with the
14 plant accounts or the depreciation expense calculation. The calculation of Staff's
15 adjustment is shown on Exhibit GDR-7.

16 **Q. Please discuss Staff's adjustment to cash working capital.**

17 A. Staff Adjustment No. 7 (RB-7) decreases KCPL's cash working capital component of
18 rate base by * [REDACTED] *. Staff's adjustment is shown on Staff Schedule A-3 and is
19 comprised of two components. The first component reflects the effects of Staff's
20 proposed adjustments to KCPL's pro forma O&M expenses. The second component
21 incorporates Staff's proposed changes to KCPL's filed cash working capital calculations
22 as illustrated in section 6 of its filing. Staff's cash working capital adjustment will

1 change based upon any Commission changes to Staff's O&M adjustments or proposed
2 changes to KCPL's filed cash working capital calculations.

3 **Q. What changes has Staff proposed for KCPL's filed cash working capital schedule?**

4 A. Staff is proposing three changes which would be reflected on Staff's Schedule A-3 (cash
5 working capital). The first change is to include injuries and damages as a separate line
6 item in Staff's cash working capital calculation instead of including it in the line labeled
7 "O&M Expenses not Reflected in Lines Above." This change reclassifies \$3,229,959 of
8 Kansas jurisdictional O&M expenses related to injuries and damages in Staff's cash
9 working capital calculation. The injuries and damages amount has a revenue lag of 25.08
10 days, and an expense lead of 185.00 days.

11 The second change is to the expense lead days for pension fund payments. Staff
12 is proposing to increase the lead days from zero days to 51.74 days.

13 The third change is to the expense lead days for other post employment benefits.
14 Staff's proposed change would increase the lead days from 20.36 days to 178.44 days.

15 **Q. Why is Staff proposing the changes discussed above?**

16 A. These changes were agreed to by KCPL in its Missouri rate case last year and were
17 included in its current Missouri rate case filing. Additionally, the cash working capital
18 calculation components (revenue lag days and expense lead days) should be the same for
19 both states because cash flow is independent of jurisdictional boundaries.

20 **Q. What is cash working capital?**

21 A. Cash working capital relates to the recognition of the additional investment that the
22 investors must make to support day-to-day operations. The actual cash working capital
23 requirement of the utility consists of the net investment required to provide funds to allow

1 for payment of goods and services prior to the collection of revenues for services
2 provided. However, if funds are collected before payment for goods and services, then
3 no funds are required but rather funds are provided.

4 The calculation of cash working capital revenue lag and expense lead days is a
5 mechanical process which recognizes the time difference between when a payment is
6 made for goods, services, etc. provided to the utility (expense lead), and when revenues
7 are received from ratepayers (revenue lag). This process is based on a review of revenue
8 and expense invoices and recognizes the timing difference between when cash is paid out
9 (expense) and revenue is received (lag), thus supporting a true reflection of the timing
10 difference.

11 **Q. Please provide an example of revenue lag and expense lead days.**

12 A. If you would look at Staff Schedule A-3, line number 2, column D, you would see
13 revenue lag days of 25.08 days. Revenue lag days are the average number of days
14 between when a utility provides service to its ratepayers and when it receives revenues
15 from its ratepayers for those services.

16 Column E, line number 2 of Staff Schedule A-3 shows expense lead days of 14.34
17 days. This means that for this particular account, the average number of days between
18 receipt of services by the utility and the utility paying (i.e. payment clears the bank) for
19 those same services is 14.34 days. Thus, service is provided before payment is made.

20 Finally, the revenue lag days are compared to expense lead days to determine if
21 revenues received from ratepayers are received in advance of payments for services. In
22 reference to Staff Schedule A-3, line number 2, the receipt of revenues from ratepayers
23 (revenue lag days) is greater than the expense lead days, thus, payment is made by the

1 utility for services before revenues are received from ratepayers. This is commonly
2 referred to as a lead/lag study. This particular example results in the utility needing cash
3 working capital from its ratepayers to support day-to-day operations. The opposite effect
4 is shown on line 22. Line 22 is an example of where ratepayers provide revenues to the
5 utility before payment is made by the utility for services. Line 22 is an example of
6 ratepayers receiving a benefit from cash working capital.

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8 **II. Income Statement Adjustments**

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10 **Q. Please discuss your first adjustment to KCPL's income statement.**

11 A. Staff Adjustment No. 12 (IS-12) decreases KCPL's test year lease expenses by
12 * [REDACTED] * Staff recalculated KCPL's lease expenses as of January 1, 2007 then
13 compared the new total lease amount versus the amount of lease expense incurred during
14 the test year. Staff's adjustment is the difference between its calculated 2007 lease
15 payments and the amount included by KCPL in its application. Staff's calculation of its
16 adjustment to lease expenses is detailed on "confidential Exhibit GDR-8" with the
17 adjustment amount shown on Line 31, column M.

18 **Q. Please discuss "confidential Exhibit GDR-8."**

19 A. Staff adjusted KCPL's operating leases which had changes to lease terms, etc. effective
20 during or shortly after the end of the test year. By recalculating the lease payments based
21 on known and measurable changes, Staff is providing a more accurate on-going level of
22 lease expense. KCPL's operating lease information was provided in response to Staff
23 data request number 45 and during an on-site review of lease information. The line

1 numbers on Staff's exhibit match up with the line numbers on the lease agreement
2 workpaper provided by KCPL.

3 **Q. Please discuss Staff Adjustment No. 13 to the income statement.**

4 A. Staff Adjustment No. 13 (IS-13) decreases KCPL's test year O&M expenses by
5 \$148,340. Staff's adjustment eliminates 50% of dues and donations made by KCPL to
6 vendors during the test year. The Commission has consistently applied the 50%
7 elimination and this policy conforms with K.S.A. 66-101f(a) which states, "The
8 commission may adopt a policy of disallowing a percentage, not to exceed 50% of utility
9 dues, donations and contributions to charitable, civic and social organizations and
10 entities, in addition to disallowing specific dues, donations and contributions which are
11 found unreasonable or inappropriate." Additionally, Staff eliminated 100% of
12 expenditures related to sponsorship of meals, promotional items, etc. The items that were
13 100% eliminated were deemed not necessary for providing safe and efficient service to
14 ratepayers. A detailed listing of Staff's adjustment is shown on Exhibit GDR-9.

15 **Q. Please discuss Staff Adjustment No. 14 to the income statement.**

16 A. Staff Adjustment No. 14 (IS-14) decreases KCPL's test year O&M expenses by
17 \$340,544. Staff's adjustment amortizes expenses related to KCPL's employment
18 augmentation project and purchasing department program during the test year. Staff
19 amortized these expenses over a 10-year period because while they may not be non-
20 recurring, they are very seldom implemented or used. To fully include expenses in the
21 test-year cost of service, even though they occurred only during the test year, would
22 allow KCPL to continue to recover these expenses subsequent to the test year and thus,
23 over-earning. Staff's adjustment allows recovery of these expenses over a 10-year

1 period. This treatment is consistent with Staff witness Justin Grady's amortization of
2 other employee augmentation expenses. Staff's adjustment also eliminated image
3 promotion and non-recurring expenses. Staff's adjustment is detailed on Exhibit GDR-
4 10.

5 **Q. Please discuss Staff's adjustment to KCPL's legal expenses.**

6 A. Staff Adjustment No. 15 (IS-15) decreases KCPL's test year O&M expenses by \$172,937
7 for legal expenses allocated to Kansas ratepayers. Staff's adjustment eliminates legal
8 expenses related to other jurisdictions that were allocated to Kansas, directly assigns
9 Kansas specific legal expenses to KCPL's Kansas jurisdictional ratepayers, and
10 eliminates some non-recurring legal expenses. The details of Staff's adjustment are
11 shown on Exhibit GDR-11.

12 **Q. How does KCPL allocate its legal expenses?**

13 A. In response to Staff data request number 97, KCPL states, "In general, KCP&L records
14 legal expenses in total and then allocates by jurisdiction for regulatory purposes. KCP&L
15 does not directly assign legal expenses by jurisdiction, except for legal fees related
16 specifically to rate cases that would be recorded to a jurisdictional specific regulatory
17 asset account."

18 **Q. What are some inherent problems with KCPL allocating its total legal expenses by
19 jurisdiction?**

20 A. While it is simplistic in nature and easy to allocate based on a jurisdictional allocation
21 factor, KCPL's method does not allow for the true tracking of actual expenses to each
22 jurisdiction during the year.

23 **Q. Please give some examples of the allocations you discussed above.**

1 A. In response to Staff data request number 110, KCPL stated test year expenses for the
2 legal firm of Fischer & Dority were related to general Missouri regulatory matters and
3 Missouri rate case. This would be an example of a legal expense that should be directly
4 assigned to Missouri. Another example would be when KCPL and its outside legal
5 counsel come to Kansas for a meeting. This would be specific to KCPL's Kansas
6 jurisdiction and should be directly assigned to Kansas, not allocated to all three
7 jurisdictions. However, not all legal expenses can be directly allocated, some must be
8 allocated. An example of this would be an issue specific to KCPL's generation plants.

9 **Q. Please discuss Staff's adjustment to corporate dues.**

10 A. Staff Adjustment No. 16 (IS-16) decreases KCPL's test year O&M expenses related to
11 corporate dues and donations by \$119,607. Staff's adjustment eliminates 50% of
12 corporate dues and donations made by KCPL during the test year. The Commission has
13 consistently applied the 50% elimination and this policy conforms with K.S.A. 66-
14 101f(a) which states, "The commission may adopt a policy of disallowing a percentage,
15 not to exceed 50% of utility dues, donations and contributions to charitable, civic and
16 social organizations and entities, in addition to disallowing specific dues, donations and
17 contributions which are found unreasonable or inappropriate." A detailed listing of
18 Staff's adjustment is shown on Exhibit GDR-12.

19 **Q. Please discuss Staff's next adjustment to O&M expenses.**

20 A. Staff Adjustment No. 17 (IS-17) decreases KCPL's pro forma O&M expenses by
21 * [REDACTED].* Staff's adjustment eliminates the 2007 projected expenses and the 2005
22 deferred expenses that were double counted relating to the * [REDACTED]

23 [REDACTED].* Staff eliminated the 2007

1 projected expenses because they are not known and measurable. In its order approving
2 the stipulation and agreement in Docket No. 06-KCPE-828-RTS, the Commission
3 allowed KCPL to amortize its * [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED].* However, in KCPL pro forma
8 adjustment number 11, KCPL included the 2005 deferred costs again, this time as an
9 annual expense. Staff's adjustment eliminates both the projected and the double counted
10 * [REDACTED] * expenses. Staff's adjustment is detailed in "confidential Exhibit GDR-13."

11 **Q. What are Staff's recommendations for recovery of future * [REDACTED] * expenses?**

12 A. Since KCPL is currently allowed recovery of * [REDACTED]

13 [REDACTED] * Staff would recommend that all * [REDACTED]
14 [REDACTED]
15 [REDACTED].*

16 **Q. Please discuss Staff's adjustment to accounts receivable sale expenses.**

17 A. Staff Adjustment No. 18 (IS-18) decreases KCPL's pro forma O&M expenses by
18 \$113,443. Staff's adjustment reverses the estimated increase in accounts receivable sales
19 expenses KCPL included in its pro forma adjustment number 54. By reversing KCPL's
20 estimated increase, Staff is reflecting the actual amount of accounts receivable sales
21 expenses incurred during the test year. KCPL's estimated sales expense is based on an
22 estimated amount of accounts receivable sales. These estimates are not known or
23 measurable. Staff's adjustment is detailed on Exhibit GDR-14.

1 **Q. Please discuss Staff's adjustment to property taxes.**

2 A. Staff Adjustment No. 19 (IS-19) decreases KCPL's pro forma property taxes by
3 \$1,138,237. Staff's adjustment eliminates the 2007 budgeted increase and the estimated
4 increase due to KCPL's plant additions. These budgeted and estimated amounts are not
5 known and measurable. Furthermore, if KCPL does not file a rate case next year and its
6 property taxes increase, it can file for a property tax surcharge under K.S.A. 66-117(f) to
7 recover any property tax increases above the amount set in base rates. The result of
8 Staff's adjustment is KCPL's actual property taxes are reflected in its cost of service.
9 Staff's adjustment is calculated on Exhibit GDR-15.

10 **Q. Please discuss Staff Adjustment No. 20 to the income statement.**

11 A. Staff Adjustment No. 20 (IS-20) decreases KCPL's pro forma test year transmission
12 operation expenses by \$386,101. Staff's adjustment is comprised of two components.
13 The first component eliminates KCPL's projected 2007 transmission expansion expenses
14 of \$450,305 included in its pro forma adjustment number 48. In response to Staff data
15 request numbers 168 and 379, KCPL indicated it has not incurred any transmission
16 expansion expenses through June 2007, thus, KCPL's projected amount is not known and
17 measurable.

18 The second component increases KCPL's estimated NERC SPP expenses by
19 \$64,204 to reflect actual annualized amounts. KCPL, in response to Staff data request
20 number 369, provided a copy of its third quarter 2007 invoice from NERC SPP showing
21 actual amounts billed. Staff's adjustment is calculated on Exhibit GDR-16.

22 **Q. Please discuss Staff's adjustment to taxes other than income taxes.**

1 A. Staff Adjustment No. 21 (IS-21) decreases the Kansas jurisdictional portion of taxes
2 other than income taxes \$465,375. Staff's adjustment reverses KCPL's pro forma
3 adjustment number 11, which allocated a capital stock expense to Kansas. This capital
4 stock expense was related to prior years and should have been allocated 100% to
5 Missouri. In response to Staff DR No. 166, KCPL states, "The franchise taxes that were
6 released in December 2006 relate specifically to the State of Missouri." Staff's
7 adjustment eliminates the pro forma amount that was allocated to Kansas. Additionally,
8 Staff would have disallowed this adjustment because it pertains to prior years and KCPL
9 did not have an accounting order allowing it to defer these costs. Exhibit GDR-17 details
10 Staff's adjustment to capital stock.

11 **Q. Please discuss Staff's adjustment to current and deferred income taxes.**

12 A. Staff Adjustment No. 34 (IS-34) increases the current and deferred income taxes of
13 KCPL by \$7,339,642. Staff's adjustment to current income taxes is comprised of two
14 components. The first component is a decrease of \$44,766 to KCPL's current deferred
15 income taxes which affects the amount of current income taxes paid. KCPL
16 inadvertently overstated its accumulated deferred income tax liability, as stated in its
17 response to Staff data request number 305. This portion of Staff's adjustment is detailed
18 on "confidential Exhibit GDR-6" and is directly related to the first component of Staff
19 Adjustment RB-4.

20 The second component reflects the effects of Staff's adjustments to rate base,
21 income statement, interest expense, and the capital structure. Both components of Staff's
22 adjustment are shown in its revenue requirement Schedule B-4. This adjustment will
23 change based upon any changes made by the Commission to Staff's adjustments.

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IV. Capital Structure

Q. Please explain Staff Adjustment No. 1 to Applicant’s capital structure.

A. Staff Adjustment No. 1 (CS-1) to KCPL’s capital structure is detailed in the table below.
This adjustment is shown on Staff Schedule C-2.

| Description | Amount |
|----------------|------------------|
| Long Term Debt | *\$ [REDACTED] * |
| Common Equity | * [REDACTED] * |
| Totals | *\$ [REDACTED] * |

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This adjustment will be discussed in the testimony of Staff witness Adam Gatewood.

Q. Does this conclude your testimony?

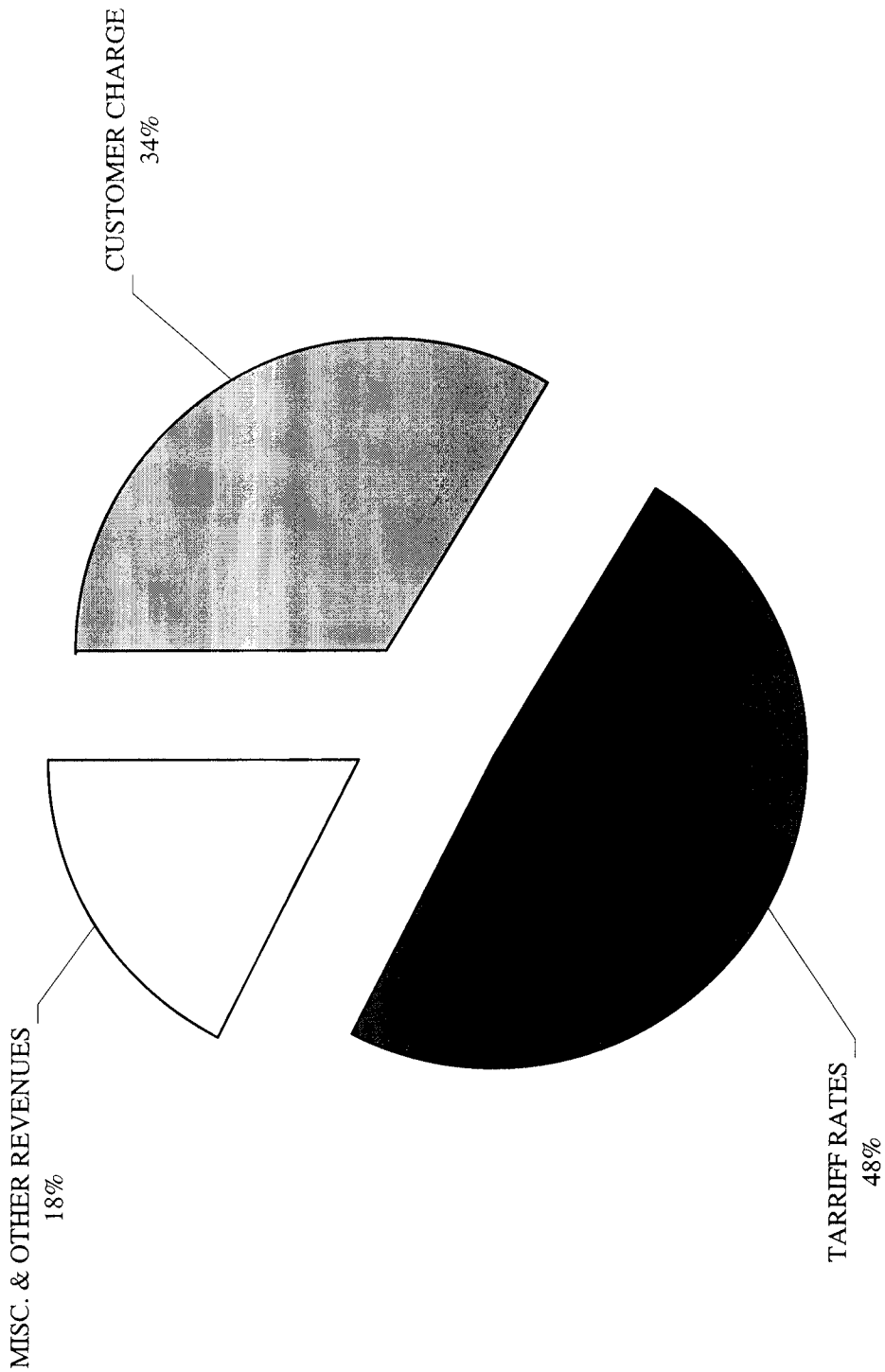
A. Yes it does.

| Line No. | Description | 02-KCPE-840-RTS (Calendar Year 2001) | Change | 06-KCPE-828-RTS (Calendar Year 2005) | Change | 07-KCPE-905-RTS (Calendar Year 2006) |
|---------------------------|--|---|---------------|---|---------------|---|
| Rate Base: | | | | | | |
| 1 | Electric Plant in Service | \$1,857,845,486 | \$468,449,072 | \$2,326,294,558 | \$117,508,216 | \$2,443,802,774 |
| 2 | less: Accumulated Depreciation | 796,548,943 | 279,810,926 | 1,076,359,869 | 58,523,695 | 1,134,883,564 |
| 3 | Net Electric Plant in Service | 1,061,296,543 | 188,638,146 | 1,249,934,689 | 58,984,521 | 1,308,919,210 |
| 4 | plus: Working Capital | (178,720,533) | (55,195,588) | (233,916,121) | 33,407,688 | (200,508,433) |
| 5 | Total Rate Base | \$882,576,010 | \$133,442,558 | \$1,016,018,568 | \$92,392,209 | \$1,108,410,777 |
| Income Statement: | | | | | | |
| 6 | Operating Revenues | \$395,638,308 | \$94,008,815 | \$489,647,123 | \$4,038,917 | \$493,686,040 |
| 7 | Fuel & Purchased Power | 90,614,868 | 29,182,649 | 119,797,517 | (20,321,891) | 99,475,626 |
| 8 | Operating & Maintenance Expenses | 133,305,169 | 48,111,118 | 181,416,287 | 3,308,392 | 184,724,679 |
| 9 | Depreciation & Amortization Expenses | 58,150,422 | 11,242,560 | 69,392,982 | 6,019,051 | 75,412,033 |
| 10 | Interest on Customer Deposits | 119,433 | (44,618) | 74,815 | 3,981 | 78,796 |
| 11 | Taxes Other Than Income Taxes | 22,352,034 | 10,148,105 | 32,500,139 | (16,978) | 32,483,161 |
| 12 | Current & Deferred Income Taxes | 23,114,826 | (2,701,385) | 20,413,441 | 3,738,381 | 24,151,822 |
| 13 | Total Operating Expenses | 327,656,752 | 95,938,429 | 423,595,181 | (7,269,064) | 416,326,117 |
| 14 | Net Operating Revenues | \$67,981,556 | (\$1,929,614) | \$66,051,942 | \$11,307,981 | \$77,359,923 |
| 15 | Interest Expense | \$34,950,010 | (\$7,009,499) | \$27,940,511 | \$2,651,626 | \$30,592,137 |
| Capital Structure: | | | | | | |
| 16 | Long Term Debt | 60.00% | | 44.67% | | 45.24% |
| 17 | Common Equity | 40.00% | | 53.81% | | 53.43% |
| 18 | Preferred Stock | 0.00% | | 1.52% | | 1.33% |
| 19 | Total Capital Structure | 100.00% | | 100.00% | | 100.00% |
| Applicant: | | | | | | |
| 20 | Requested Revenue Increase/(Decrease) | \$0 | | \$42,270,000 | | \$34,220,000 |
| 21 | Requested CIAC Revenue Increase/(Decrease) | 0 | | 0 | | 12,840,873 |
| 22 | Total Requested Revenue Increase/(Decrease) | \$0 | | \$42,270,000 | | \$47,060,873 |
| Commission: | | | | | | |
| 23 | Order Revenue Increase/(Decrease) | (\$12,415,000) | | \$25,000,000 | | |
| 24 | Order CIAC Revenue Increase/(Decrease) | 0 | | 4,000,000 | | |
| 25 | Total Commission Order Revenue Increase/(Decrease) | (\$12,415,000) | | \$29,000,000 | | \$0 |

02-840 - KCPL did not include a capital structure schedule, the percentages shown above are from Staff's hypothetical capital structure
 02-840 - The rate reduction in this docket was a joint stipulated agreement
 06-828 - Commission order was a stipulated agreement

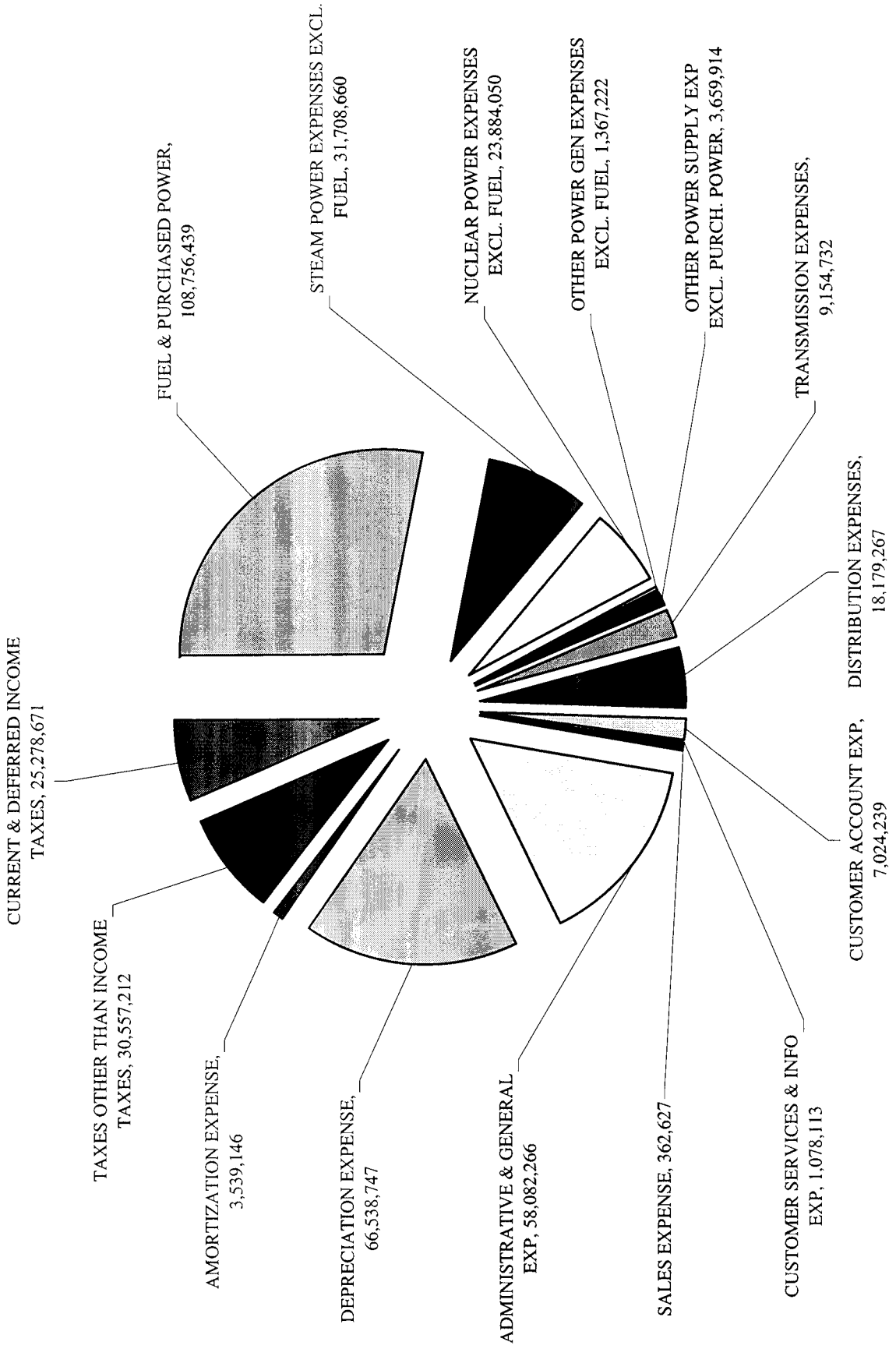
KCPL 2006 KS Jurisdictional Revenue Sources

6

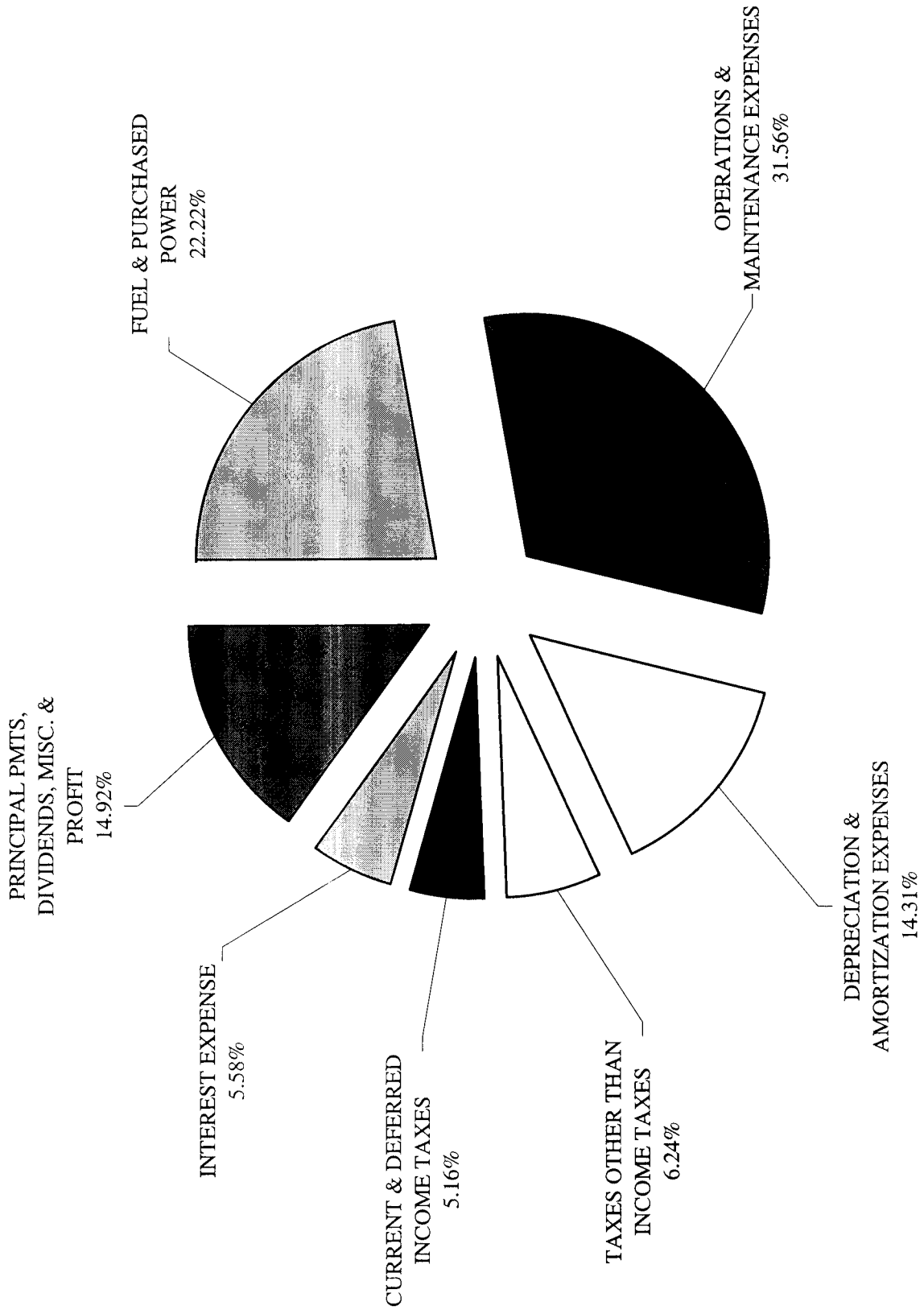


KCPL 2006 KS Jurisdictional Operating Expenses

c



KCPL 2006 KS Jurisdictional Revenues vs Expenditures



KCP&L
Listing of Staff Adjustments
For The Test Year Ended December 31, 2006

Docket No. 07-KCPE-905-RTS
Exhibit GDR - 5
CONFIDENTIAL

| Adj. No. | Staff Witness | Description of Adjustment | Amount |
|--------------------------------------|---------------|---|---------------|
| ***** | | | |
| Rate Base Adjustments | | | |
| RB-1 | Justin Grady | Nuclear Fuel in Reactor | \$228,304 |
| RB-2 | Justin Grady | | |
| RB-3 | Justin Grady | Reg Asset - DSM Programs-KS | (4,717,535) |
| RB-4 | George Rohrer | Accumulated Deferred Income Taxes | (3,683,041) |
| RB-5 | George Rohrer | Accumulated Depreciation | 3,701,184 |
| RB-6 | Karen Hull | Prepaid Pension Asset | (322,510) |
| | | Pension Regulatory Asset | (2,234,787) |
| RB-7 | George Rohrer | Cash Working Capital | |
| Income Statement Adjustments | | | |
| IS-1 | Justin Grady | Payroll & Payroll Taxes | (\$4,637,602) |
| IS-2 | Justin Grady | Generation Expense | (1,627,089) |
| IS-3 | Justin Grady | Transmission Expense | (1,109,890) |
| IS-4 | Justin Grady | Distribution Expense | (1,643,006) |
| IS-5 | Justin Grady | General Plant Expense | (282,393) |
| IS-6 | Justin Grady | Energy Efficiency Programs | (471,754) |
| IS-7 | Justin Grady | Credit Card Program Expenses | (236,017) |
| IS-8 | Justin Grady | Severance Expense | (72,868) |
| IS-9 | Justin Grady | Talent Assessment Severance Expense & Payroll Taxes | (153,814) |
| IS-10 | Justin Grady | Other Benefits Expenses | (377,335) |
| IS-11 | Justin Grady | | |
| IS-12 | George Rohrer | Lease Expenses | |
| IS-13 | George Rohrer | Dues and Donations - Vendors | (148,340) |
| IS-14 | George Rohrer | Employment Augmentation Project | (340,544) |
| IS-15 | George Rohrer | Legal Expenses | (165,722) |
| IS-16 | George Rohrer | Corporate Dues and Donations | (119,608) |
| IS-17 | George Rohrer | | |
| IS-18 | George Rohrer | Accounts Receivable Sales Expense | (113,443) |
| IS-19 | George Rohrer | Property Taxes | (1,138,237) |
| IS-20 | George Rohrer | Transmission Operation Expenses | (386,101) |
| IS-21 | George Rohrer | Taxes Other Than Income Taxes | (465,375) |
| IS-22 | Laura Bowman | Advertising | (377,140) |
| IS-23 | Laura Bowman | Sporting Events, Golf, etc. | (178,857) |
| IS-24 | Laura Bowman | Lobbying Expenses | (80,259) |
| IS-25 | Laura Bowman | Deferred Rate Case Expense | (27,924) |
| IS-26 | Laura Bowman | Current Rate Case Expense | (1,119,744) |
| IS-27 | Laura Bowman | Interest on Customer Deposits | 16,134 |
| IS-28 | Laura Bowman | LaCygne SCR O&M Expenses | 131,697 |
| IS-29 | Laura Bowman | Wolf Creek Refund | (120,871) |
| IS-30 | Karen Hull | Pension Expense | (608,805) |
| IS-31 | Karen Hull | Other Post Employment Benefits Expense | (497,850) |
| IS-32 | Jim Sanderson | Revenue - Weather Normalization | (2,741,120) |
| IS-33 | Justin Grady | Bad Debt Expense | (256,914) |
| IS-34 | George Rohrer | Current and Deferred Income Taxes | 7,339,642 |
| Capital Structure Adjustments | | | |
| CS-1 | George Rohrer | Capital Structure | |

KCP&L
 Staff Adjustment to Accumulated & Current Deferred Income Taxes
 For the Test Year Ended December 31, 2006

Docket No. 07-KCPE-905-RTS
 Exhibit GDR - 6
CONFIDENTIAL

| Acct. Nos. | Name | Amount | Kansas Jurisdictional Allocation % | Kansas Jurisdictional Amount | Difference |
|---------------|-------|--------|---|------------------------------------|------------|
| ***** | ***** | ***** | ***** | ***** | ***** |

KCP&L
Staff Adjustment to Accumulated Depreciation
For The Test Year Ended December 31, 2006

| Acct. No. | Description | Total Staff Adjusted Depreciation @ 9/30/07 | KCPL Pro Forma Accumulated Depreciation @ 9/30/07 | Difference | Kansas Jurisdictional Allocation % | Staff Adjustment to Jurisdictional Accumulated Depreciation |
|------------------|---------------------------------------|--|---|------------|--|---|
| ***** | | | | | | |
| PRODUCTION PLANT | | | | | | |
| STEAM | | | | | | |
| 310 | LAND & LAND RIGHTS | 0 | 0 | | | |
| | TOTAL ACCOUNT 310 | <u>0</u> | <u>0</u> | 0 | | 0 |
| 311 | STRUCTURES & IMPROVEMENTS | 2,275,795 | 2,213,916 | | | |
| | LEASE HOLD IMPROVEMENTS - P&M | 21,241 | 22,854 | | | |
| | STRUCTURES & IMPROVEMENTS - H5 | 56,458 | 4,369 | | | |
| | TOTAL ACCOUNT 311 | <u>2,353,493</u> | <u>2,241,139</u> | 112,354 | 45.0305% | 50,594 |
| 312 | BOILER PLANT EQUIPMENT | 18,014,948 | 17,533,896 | | | |
| | UNIT TRAINS | 1,056,726 | 1,004,510 | | | |
| | AQC EQUIPMENT | 2,528,225 | 2,534,633 | | | |
| | BOILER PLANT EQUIPMENT - H5 | 1,800,197 | 1,803,073 | | | |
| | TOTAL ACCOUNT 312 | <u>23,400,096</u> | <u>22,876,112</u> | 523,984 | 45.0305% | 235,952 |
| 314 | TURBOGENERATOR UNITS | 4,185,886 | 4,053,415 | | | |
| | TOTAL ACCOUNT 314 | <u>4,185,886</u> | <u>4,053,415</u> | 132,471 | 45.0305% | 59,652 |
| 315 | ACCESSORY ELECTRIC EQUIPMENT | 1,958,416 | 1,875,876 | | | |
| | ACCESSORY ELECTRIC EQUIPMENT - H5 | 207,375 | 207,674 | | | |
| | ACC ELEC EQUIP - COMPUTERS (LIKE 391) | 329 | 330 | | | |
| | TOTAL ACCOUNT 315 | <u>2,166,120</u> | <u>2,083,880</u> | 82,240 | 45.0305% | 37,033 |
| 316 | MISC. POWER PLANT EQUIPMENT | 779,045 | 753,742 | | | |
| | MISC. POWER PLANT EQUIPMENT - H5 | 17,782 | 17,808 | | | |
| | TOTAL ACCOUNT 316 | <u>796,827</u> | <u>771,550</u> | 25,277 | 45.0305% | 11,382 |
| | TOTAL STEAM PLANT | <u>32,902,422</u> | <u>32,026,096</u> | 876,326 | | <u>394,614</u> |
| NUCLEAR | | | | | | |
| 320 | LAND & LAND RIGHTS | 0 | 0 | | | |
| | MISSOURI GROSS AFDC | 0 | 0 | | | |
| | TOTAL LAND & LAND RIGHTS | <u>0</u> | <u>0</u> | 0 | | 0 |
| 321 | STRUCTURES & IMPROVEMENTS | 4,637,583 | 4,638,370 | | | |
| | MISSOURI GROSS AFDC | 0 | 0 | | | |
| | TOTAL STRUCTURES & IMPROVEMENTS | <u>4,637,583</u> | <u>4,638,370</u> | (787) | 45.0305% | (355) |
| 322 | REACTOR PLANT EQUIPMENT | 8,296,941 | 8,281,261 | | | |
| | MISSOURI GROSS AFDC | 0 | 0 | | | |
| | TOTAL REACTOR PLANT EQUIPMENT | <u>8,296,941</u> | <u>8,281,261</u> | 15,680 | 45.0305% | 7,061 |
| 323 | TURBOGENERATOR UNITS | 2,453,346 | 2,440,858 | | | |
| | MISSOURI GROSS AFDC | 0 | 0 | | | |
| | TOTAL TURBOGENERATOR UNITS | <u>2,453,346</u> | <u>2,440,858</u> | 12,488 | 45.0305% | 5,624 |
| 324 | ACCESSORY ELECT. EQUIPMENT | 1,742,975 | 1,736,083 | | | |
| | MISSOURI GROSS AFDC | 0 | 0 | | | |
| | TOTAL ACCESSORY ELEC. EQUIPMENT | <u>1,742,975</u> | <u>1,736,083</u> | 6,892 | 45.0305% | 3,103 |
| 325 | MISC POWER PLANT EQUIPMENT | 1,219,304 | 1,228,073 | | | |
| | MISSOURI GROSS AFDC | 0 | 0 | | | |
| | TOTAL MISC POWER PLANT EQUIPMENT | <u>1,219,304</u> | <u>1,228,073</u> | (8,769) | 45.0305% | (3,949) |

KCP&L
Staff Adjustment to Accumulated Depreciation
For The Test Year Ended December 31, 2006

| Acct. No. | Description | Total Staff Adjusted Accumulated Depreciation @ 9/30/07 | KCPL Pro Forma Accumulated Depreciation @ 9/30/07 | Difference | Kansas Jurisdictional Allocation % | Staff Adjustment to Jurisdictional Accumulated Depreciation |
|--------------|---|---|---|------------|--|---|
| ***** | | | | | | |
| 328 | REGULATORY DISALLOWANCES | | | | | |
| | MPSC DISALLOWANCE | 0 | 0 | | | |
| | MPSC DISALLOW - NOT MO JUIRIS | 0 | 0 | | | |
| | KCC DISALLOWANCE | (1,598,161) | (1,604,971) | | | |
| | KCC DISALLOW - NOT KS JUIRIS | 0 | 0 | | | |
| | MISSOURI GROSS AFDC | 0 | 0 | | | |
| | TOTAL REGULATORY DISALLOWANCES | <u>(1,598,161)</u> | <u>(1,604,971)</u> | 6,810 | 45.0305% | 3,066 |
| | TOTAL NUCLEAR PRODUCTION PLANT | <u>16,751,988</u> | <u>16,719,674</u> | 32,314 | | <u>14,551</u> |
| | OTHER PRODUCTION PLANT - CT | | | | | |
| 340 | LAND - CT | 0 | 0 | 0 | | 0 |
| | LAND RIGHTS - CT | 0 | 0 | 0 | | 0 |
| 341 | STRUCTURES & IMPROVEMENTS - CT | 134,518 | 140,224 | (5,706) | 45.0305% | (2,569) |
| 342 | FUEL HOLDERS, PRODUCERS AND ACC - CT | 322,675 | 323,003 | (328) | 45.0305% | (148) |
| 344 | GENERATORS - CT | 7,845,341 | 7,842,640 | 2,701 | 45.0305% | 1,216 |
| 345 | ACCESSORY ELECTRIC EQUIPMENT - CT | 417,278 | 418,293 | (1,015) | 45.0305% | (457) |
| 346 | OTHER PROD-MISC PWR PLT EQUIP - CT | 409 | 409 | (0) | 45.0305% | (0) |
| | TOTAL OTHER PRODUCTION PLANT - CT | <u>8,720,221</u> | <u>8,724,569</u> | (4,348) | | <u>(1,958)</u> |
| | TOTAL PRODUCTION PLANT | <u>58,374,630</u> | <u>57,470,339</u> | 904,291 | | <u>407,207</u> |
| | TRANSMISSION PLANT | | | | | |
| 350 | LAND AND LAND RIGHTS | | | | | |
| | LAND | 0 | 0 | | | |
| | LAND RIGHTS | | | | | |
| | DISTRIBUTION RELATED - MO | 0 | 0 | | | |
| | DISTRIBUTION RELATED - KS | 0 | 0 | | | |
| | ALLOCATED TRANSMISSION | 0 | 0 | | | |
| | TOTAL LAND RIGHTS | <u>0</u> | <u>0</u> | | | |
| | TOTAL ACCT 350 | 0 | 0 | 0 | | 0 |
| 352 | STRUCTURES AND IMPROVEMENTS | 80,284 | 80,286 | | | |
| | MO GROSS AFDC | 0 | 0 | | | |
| | TOTAL ACCT 352 | <u>80,284</u> | <u>80,286</u> | (2) | 45.0305% | (1) |
| 353 | STATION EQUIPMENT | 3,440,123 | 3,223,460 | | | |
| | MO GROSS AFDC | 0 | 0 | | | |
| | STATION EQUIP - COMMUN EQUIP (LIKE 397) | 224,336 | 200,096 | | | |
| | TOTAL ACCT 353 | <u>3,664,459</u> | <u>3,423,556</u> | 240,903 | 45.0305% | 108,480 |
| 354 | TOWERS AND FIXTURES | 82,855 | 83,112 | (257) | 45.0305% | (116) |
| 355 | POLES AND FIXTURES | | | | | |
| | DISTRIBUTION RELATED - MO | 123,749 | | | | |
| | DISTRIBUTION RELATED - KS | 243,760 | | | | |
| | TRANSMISSION EQUIPMENT | 2,369,848 | | | | |
| | SUBTOTAL | <u>2,737,357</u> | <u>2,671,675</u> | | | |
| | MO GROSS AFDC | 0 | 0 | | | |
| | TOTAL ACCT 355 | <u>2,737,357</u> | <u>2,671,675</u> | 65,682 | 47.8416% | 31,423 |

KCP&L
 Staff Adjustment to Accumulated Depreciation
 For The Test Year Ended December 31, 2006

| Acct. No. | Description | Total Staff Adjusted Accumulated Depreciation @ 9/30/07 | KCPL Pro Forma Accumulated Depreciation @ 9/30/07 | Difference | Kansas Jurisdictional Allocation % | Staff Adjustment to Jurisdictional Accumulated Depreciation |
|--------------------|---|---|---|------------|--|---|
| ***** | | | | | | |
| 356 | OVERHEAD CONDUCTORS AND DEVICES | | | | | |
| | DISTRIBUTION RELATED - MO | 91,392 | | | | |
| | DISTRIBUTION RELATED - KS | 179,551 | | | | |
| | TRANSMISSION EQUIPMENT | 1,723,022 | | | | |
| | SUBTOTAL | 1,993,964 | 1,937,259 | | | |
| | MO GROSS AFDC | 0 | 0 | | | |
| | TOTAL ACCT 356 | 1,993,964 | 1,937,259 | 56,705 | 47.8564% | 27,137 |
| 357 | UNDERGROUND CONDUIT | 48,361 | 48,515 | (154) | 45.0305% | (69) |
| 358 | UNDERGROUND CONDUCTORS & DEVICES | 37,113 | 38,107 | (994) | 45.0305% | (448) |
| | TOTAL TRANSMISSION PLANT | 8,644,394 | 8,282,510 | 361,884 | | 166,407 |
| DISTRIBUTION PLANT | | | | | | |
| 360 | LAND & LAND RIGHTS | | | | | |
| | LAND (NON-DEPRECIABLE) | | | | | |
| | MISSOURI | 0 | 0 | | | |
| | KANSAS | 0 | 0 | | | |
| | TOTAL LAND | 0 | 0 | | | |
| | LAND RIGHTS | | | | | |
| | MISSOURI (DEPRECIABLE) | 0 | 0 | | | |
| | KANSAS (NON-DEPRECIABLE) | 0 | 0 | | | |
| | TOTAL LAND RIGHTS | 0 | 0 | | | |
| | TOTAL ACCT 360 | 0 | 0 | 0 | | 0 |
| 361 | STRUCTURES & IMPROVEMENTS | | | | | |
| | MISSOURI | 90,634 | | | | |
| | KANSAS | 86,873 | | | | |
| | TOTAL ACCOUNT 361 | 177,507 | 178,250 | (743) | 48.9570% | (364) |
| 362 | STATION EQUIPMENT | | | | | |
| | MISSOURI | 1,602,620 | | | | |
| | KANSAS | 1,182,319 | | | | |
| | SUBTOTAL ACCOUNT 362 | 2,784,939 | 2,672,938 | 112,001 | | |
| | STATION EQUIP - COMMUN EQUIP (LIKE 397) | | | | | |
| | MISSOURI | 49,591 | | | | |
| | KANSAS | 44,751 | | | | |
| | TOTAL STATION EQUIP - COMMUN EQUIP (LIKE 397) | 94,342 | 94,342 | 0 | | |
| | TOTAL ACCOUNT 362 | 2,879,281 | 2,767,280 | 112,001 | 42.5295% | 47,633 |
| 364 | POLES, TOWERS, & FIXTURES | | | | | |
| | MISSOURI | 3,289,699 | | | | |
| | KANSAS | 2,818,189 | | | | |
| | TOTAL ACCOUNT 364 | 6,107,888 | 5,858,614 | 249,274 | 46.1060% | 114,930 |
| 365 | OVERHEAD CONDUCTORS & DEVICES | | | | | |
| | MISSOURI | 2,188,527 | | | | |
| | KANSAS | 1,765,707 | | | | |
| | TOTAL ACCOUNT 365 | 3,954,234 | 3,783,579 | 170,655 | 44.6646% | 76,222 |
| 366 | UNDERGROUND CONDUIT | | | | | |
| | MISSOURI | 1,250,461 | | | | |
| | KANSAS | 1,096,347 | | | | |
| | TOTAL ACCOUNT 366 | 2,346,807 | 2,263,697 | 83,110 | 46.6723% | 38,789 |
| 367 | UNDERGROUND CONDUCTORS & DEV. | | | | | |
| | MISSOURI | 3,973,771 | | | | |
| | KANSAS | 3,905,121 | | | | |
| | TOTAL ACCOUNT 367 | 7,878,892 | 7,644,216 | 234,676 | 49.4692% | 116,092 |

KCP&L
 Staff Adjustment to Accumulated Depreciation
 For The Test Year Ended December 31, 2006

| Acct. No. | Description | Total Staff Adjusted Accumulated Depreciation @ 9/30/07 | KCPL Pro Forma Accumulated Depreciation @ 9/30/07 | Difference | Kansas Jurisdictional Allocation % | Staff Adjustment to Jurisdictional Accumulated Depreciation |
|-----------|--------------------------------|---|---|------------|------------------------------------|---|
| 368 | LINE TRANSFORMERS | | | | | |
| | MISSOURI | | | | | |
| | RECORDED IN MISSOURI | 766,292 | | | | |
| | ALLOCATED TO MISSOURI | 2,549,028 | | | | |
| | TOTAL MISSOURI | 3,315,320 | | | | |
| | KANSAS | | | | | |
| | RECORDED IN KANSAS | 521,895 | | | | |
| | ALLOCATED TO KANSAS | 1,876,368 | | | | |
| | TOTAL KANSAS | 2,398,263 | | | | |
| | TOTAL ACCOUNT 368 | 5,713,584 | 5,673,003 | 40,581 | 41.9905% | 17,040 |
| 369 | SERVICES | | | | | |
| | MISSOURI | 884,923 | | | | |
| | KANSAS | 843,235 | | | | |
| | TOTAL ACCOUNT 369 | 1,728,158 | 1,712,300 | 15,858 | 48.7885% | 7,737 |
| 370 | METERS | | | | | |
| | MISSOURI | | | | | |
| | RECORDED IN MISSOURI | 393,807 | | | | |
| | ALLOCATED TO MISSOURI | 763,448 | | | | |
| | TOTAL MO METERS | 1,157,254 | | | | |
| | KANSAS | | | | | |
| | RECORDED IN KANSAS | 311,345 | | | | |
| | ALLOCATED TO KANSAS | 647,877 | | | | |
| | TOTAL KS METERS | 959,222 | | | | |
| | TOTAL ACCOUNT 370 | 2,116,476 | 2,125,828 | (9,352) | 45.3231% | (4,238) |
| 371 | INSTALLATION ON CUST.PREMISES | | | | | |
| | MISSOURI | 596,435 | | | | |
| | KANSAS | 224,743 | | | | |
| | TOTAL ACCOUNT 371 | 821,178 | 804,179 | 16,999 | 27.6069% | 4,693 |
| 373 | STREET LIGHTS & SIGNAL SYSTEMS | | | | | |
| | MISSOURI | 188,140 | | | | |
| | KANSAS | 690,768 | | | | |
| | TOTAL ACCOUNT 373 | 878,908 | 874,082 | 4,826 | 78.5140% | 3,789 |
| | TOTAL DISTRIBUTION PLANT | 34,602,914 | 33,685,028 | 917,886 | | 422,325 |
| | GENERAL PLANT | | | | | |
| 389 | LAND AND LAND RIGHTS | 0 | 0 | 0 | | 0 |
| 390 | STRUCTURES AND IMPROVEMENTS | 761,604 | 747,067 | | | |
| | LEASEHOLD IMPROVEMENTS | 255,662 | 290,750 | | | |
| | TOTAL ACCT 390 | 1,017,266 | 1,037,817 | (20,551) | 44.8604% | (9,219) |
| 391 | OFFICE FURNITURE & EQUIPMENT | 301,743 | 304,019 | (2,276) | 44.8604% | (1,021) |
| 392 | TRANSPORTATION EQUIPMENT | 1,763,196 | 1,682,426 | 80,770 | 46.5061% | 37,563 |
| 393 | STORES EQUIPMENT | 15,596 | 15,818 | (222) | 44.8604% | (100) |
| 394 | TOOLS, SHOP & GARAGE EQUIPMENT | 89,159 | 88,300 | 859 | 44.8604% | 385 |
| 395 | LABORATORY EQUIPMENT | 105,388 | 104,022 | 1,366 | 44.8604% | 613 |
| 396 | POWER OPERATED EQUIPMENT | 448,170 | 475,869 | (27,699) | 46.5061% | (12,882) |
| 397 | COMMUNICATIONS EQUIPMENT | | | | | |
| | ALLOCATED | 2,218,596 | 2,186,673 | | | |
| | MO GROSS AFDC | 254 | 3,925 | | | |
| | TOTAL ACCT 397 | 2,218,850 | 2,190,598 | 28,252 | 46.5061% | 13,139 |
| 398 | MISCELLANEOUS EQUIPMENT | 8,272 | 8,648 | (376) | 44.8604% | (169) |
| 399 | OTHER TANGIBLE PROPERTY | 0 | 0 | 0 | | 0 |
| | TOTAL GENERAL PLANT | 5,967,641 | 5,907,517 | 60,124 | | 28,310 |

KCP&L
 Staff Adjustment to Accumulated Depreciation
 For The Test Year Ended December 31, 2006

| Acct. No. | Description | Total Staff Adjusted Accumulated Depreciation @ 9/30/07 | KCPL Pro Forma Accumulated Depreciation @ 9/30/07 | Difference | Kansas Jurisdictional Allocation % | Staff Adjustment to Jurisdictional Accumulated Depreciation |
|--------------|---|---|---|--------------------|--|---|
| ***** | | | | | | |
| | INTANGIBLE PLANT | | | | | |
| 301 | ORGANIZATION | 0 | 0 | 0 | | |
| 302 | FRANCHISES & CONSENTS | | | | | |
| | MISSOURI | 0 | 0 | | | |
| | OTHER | 0 | 0 | | | |
| | TOTAL ACCOUNT 302 | <u>0</u> | <u>0</u> | <u>0</u> | | 0 |
| 303 | MISC. INTANGIBLE PLANT | | | | | |
| | 5-YR SOFTWARE | | | | | |
| | CUSTOMER RELATED | 2,561,509 | 849,987 | 1,711,522 | 46.3270% | 792,897 |
| | ENERGY RELATED | 422,935 | 140,343 | 282,592 | 42.4456% | 119,948 |
| | DEMAND RELATED | 3,448,079 | 1,314,109 | 2,133,970 | 45.0305% | 960,937 |
| | CORPORATE SOFTWARE | 1,490,893 | 494,724 | 996,169 | 44.9307% | 447,586 |
| | TRANSMISSION RELATED | 58,000 | 19,246 | 38,754 | 45.0305% | 17,451 |
| | TOTAL 5-YR SOFTWARE | <u>7,981,415</u> | <u>2,818,409</u> | | | |
| | 10-YR SOFTWARE | | | | | |
| | CUSTOMER RELATED | 2,886,851 | 2,313,142 | 573,709 | 46.3270% | 265,782 |
| | ENERGY RELATED | 857,528 | 687,110 | 170,418 | 42.4456% | 72,335 |
| | TOTAL 10-YR SOFTWARE | <u>3,744,379</u> | <u>3,000,252</u> | | | |
| | INTANGIBLE ACC EQUIP (LIKE 345) | 0 | | | | |
| | INTANGIBLE SUBSTATION EQUIP (LIKE 353) | 37,908 | 37,908 | (0) | 45.0305% | (0) |
| | INTANGIBLE COMMUNICATION EQUIP (LIKE 353) | 0 | | | | |
| | TOTAL INTANGIBLE PLANT | <u>11,763,702</u> | <u>5,856,569</u> | <u>5,907,133</u> | | <u>2,676,935</u> |
| | TOTAL ELECTRIC PLANT IN SERVICE | <u>\$119,353,280</u> | <u>\$111,201,963</u> | <u>\$8,151,317</u> | | <u>\$3,701,184</u> |

Sources: KCPL pro forma adjustment number 53a
 Allocations from KCPL application section 12
 Adjustment to other production plant-wind is separate

KCP&L
Staff Adjustment for Lease Agreements
For the Test Year Ended December 31, 2006

A K L M N

| Line No. | Difference | Jurisdictional Allocation Factor | Staff Jurisdictional Adjustment | Remarks |
|----------|------------|----------------------------------|---------------------------------|---------|
| ***** | ***** | ***** | ***** | ***** |

KCP&L
 Staff Adjustment to Vendor Expenses
 For the Test Year Ended December 31, 2006

| Vendor | Name | Account | Amount | Description | Alloc. % | Jurisdictional Amount | Exclusion % | Staff Adjustment |
|------------|--|---------|-------------|------------------------------------|----------|-----------------------|-------------|------------------|
| 0000008669 | ARARAT TEMPLE | 921000 | (2,712.26) | John Lynn Retirement Club | 42.3166% | (\$1,148) | 100.00% | (\$1,148) |
| 0000019705 | CLIFFVIEW WOMEN'S CTR FOR | 921000 | (2,784.00) | Mammograms | 42.3166% | (1,178) | 100.00% | (1,178) |
| 0000718341 | DAVIDSON PROMOTIONAL PRODUCTS INC | 588000 | (4,134.01) | Promotional products including | 44.5405% | (1,841) | 100.00% | (1,841) |
| 0000718341 | DAVIDSON PROMOTIONAL PRODUCTS INC | 908000 | (534.93) | mouse pads, mugs, etc. | 46.3270% | (248) | 100.00% | (248) |
| 0000718341 | DAVIDSON PROMOTIONAL PRODUCTS INC | 908000 | (389.22) | | 46.3270% | (180) | 100.00% | (180) |
| 0000718341 | DAVIDSON PROMOTIONAL PRODUCTS INC | 912000 | (1,125.42) | | 46.3270% | (521) | 100.00% | (521) |
| 0000718341 | DAVIDSON PROMOTIONAL PRODUCTS INC | 912000 | (3,491.33) | Sponsor Cornerstone Luncheon | 46.3270% | (1,617) | 100.00% | (1,617) |
| 0000016204 | ECONOMIC DEVELOPMENT CORPORATION OF | 921000 | (3,750.00) | | 42.3166% | (1,587) | 50.00% | (793) |
| 0000016204 | ECONOMIC DEVELOPMENT CORPORATION OF | 921000 | (3,150.00) | | 42.3166% | (1,333) | 50.00% | (666) |
| 000001967 | GRANDVIEW AREA ECONOMIC DEVELOP. COUNCIL | 921000 | (512.00) | | 42.3166% | (217) | 50.00% | (108) |
| 000001967 | GRANDVIEW AREA ECONOMIC DEVELOP. COUNCIL | 921000 | (596.00) | | 42.3166% | (252) | 50.00% | (126) |
| 0000018728 | HARVEST BALL | 930100 | (3,000.00) | Sponsor Table at Harvest Ball | 46.3278% | (1,390) | 100.00% | (1,390) |
| 0000720442 | HILTON PRESIDENTIAL KANSAS CITY | 921000 | (4,706.12) | Presidential Continental Breakfast | 42.3166% | (1,991) | 100.00% | (1,991) |
| 0000720308 | INTERCONTINENTAL KANSAS CITY | 921000 | (10,000.00) | Fireworks Plaza Lighting | 42.3166% | (4,232) | 100.00% | (4,232) |
| 0000709377 | INTERNATIONAL ECONOMIC DEVELOPMENT COUNCIL | 588000 | (2,500.00) | Sponsorship Commitment | 44.5405% | (1,114) | 50.00% | (557) |
| 0000715618 | KANSAS CITY AREA DEVELOPMENT COUNCIL | 921000 | (7,500.00) | Annual Meeting and Documentary | 42.3166% | (3,174) | 50.00% | (1,587) |
| 0000014527 | KANSAS CITY AREA LIFE SCIENCES INSTITUTE | 921000 | (5,000.00) | Sponsor Dinner | 42.3166% | (2,116) | 100.00% | (2,116) |
| 0000014843 | KEMPER MUSEUM OF TEMPORARY ART | 930100 | (600.00) | | 46.3278% | (278) | 50.00% | (139) |
| 0000014843 | LEAWOOD CHAMBER OF COMMERCE | 921000 | (2,500.00) | Corporate Membership Dues | 42.3166% | (1,058) | 50.00% | (529) |
| 0000014843 | LEAWOOD CHAMBER OF COMMERCE | 930200 | (500.00) | | 42.3166% | (212) | 50.00% | (106) |
| 000001226 | LENEXA CHAMBER OF COMMERCE | 921000 | (2,000.00) | Luncheons and Corporation Dues | 42.3166% | (846) | 50.00% | (423) |
| 0000019042 | MID-AMERICA MERCHANDISING INC. | 933000 | (1,725.84) | Pens for survey | 46.5061% | (803) | 100.00% | (803) |
| 0000016298 | MISSOURI CHAMBER OF COMMERCE | 588000 | (179.00) | Membership Dues | 44.5405% | (80) | 50.00% | (40) |
| 0000016298 | MISSOURI CHAMBER OF COMMERCE | 921000 | (1,250.00) | | 42.3166% | (529) | 50.00% | (264) |
| 0000011643 | MISSOURI ECONOMIC DEVELOPMENT COUNCIL | 921000 | (85.00) | Membership Dues, etc. | 42.3166% | (36) | 50.00% | (18) |
| 0000011643 | MISSOURI ECONOMIC DEVELOPMENT COUNCIL | 921000 | (300.00) | | 42.3166% | (127) | 50.00% | (63) |
| 0000011643 | MISSOURI ECONOMIC DEVELOPMENT COUNCIL | 921000 | (3,175.00) | | 42.3166% | (1,344) | 50.00% | (672) |
| 0000719613 | MISSOURI VALLEY COMMUNITY ACTION AGENCY | 908000 | (500.19) | Weatherization Work and Back | 46.3270% | (232) | 50.00% | (116) |
| 0000719613 | MISSOURI VALLEY COMMUNITY ACTION AGENCY | 908000 | (1,597.76) | School Fair | 46.3270% | (740) | 50.00% | (370) |
| 0000070559 | MISSOURI VALLEY COMMUNITY ACTION AGENCY | 908000 | (1,918.49) | | 46.3270% | (889) | 50.00% | (444) |
| 0000070559 | NORTHEAST JOHNSON COUNTY | 921000 | (1,548.00) | Luncheons and Partnership Renewal | 42.3166% | (655) | 50.00% | (328) |
| 0000070559 | NORTHEAST JOHNSON COUNTY | 921000 | (1,000.00) | | 42.3166% | (423) | 50.00% | (212) |
| 0000706599 | NORTHLAND REGIONAL CHAMBER OF COMMERCE | 921000 | (300.00) | | 42.3166% | (127) | 50.00% | (63) |
| 0000706599 | NORTHLAND REGIONAL CHAMBER OF COMMERCE | 921000 | (210.00) | | 42.3166% | (89) | 50.00% | (44) |
| 0000706599 | NORTHLAND REGIONAL CHAMBER OF COMMERCE | 921000 | (742.00) | | 42.3166% | (314) | 50.00% | (157) |
| 0000706599 | NORTHLAND REGIONAL CHAMBER OF COMMERCE | 921000 | (38.00) | | 42.3166% | (16) | 50.00% | (8) |
| 0000706599 | NORTHLAND REGIONAL CHAMBER OF COMMERCE | 921000 | (152.00) | | 42.3166% | (64) | 50.00% | (32) |
| 0000706599 | NORTHLAND REGIONAL CHAMBER OF COMMERCE | 921000 | 532.00 | | 42.3166% | 225 | 50.00% | 113 |
| 0000706599 | NORTHLAND REGIONAL CHAMBER OF COMMERCE | 930100 | (560.00) | | 46.3278% | (259) | 50.00% | (130) |
| 000004155 | OLATHE ECONOMIC DEVELOPMENT COUNCIL | 921000 | (2,500.00) | EDC Membership Investment | 42.3166% | (1,058) | 50.00% | (529) |
| 0000716209 | OVERLAND PARK CONVENTION CENTER | 557000 | (11,725.86) | Town Hall Meeting - | 43.8865% | (5,146) | 100.00% | (5,146) |
| 0000716209 | OVERLAND PARK CONVENTION CENTER | 921000 | (9,163.87) | related to Talent Assessment | 42.3166% | (3,878) | 100.00% | (3,878) |
| 0000716209 | OVERLAND PARK CONVENTION CENTER | 921000 | (8,281.03) | during 2006 | 42.3166% | (3,504) | 100.00% | (3,504) |
| 0000711472 | PROMOTIONAL SOLUTIONS | 500000 | (9,155.00) | Jackets | 45.0305% | (4,123) | 100.00% | (4,123) |

KCP&L
 Staff Adjustment to Vendor Expenses
 For the Test Year Ended December 31, 2006

| Vendor | Name | Account | Amount | Description | Alloc. % | Kansas Jurisdictional Amount | Exclusion % | Staff Adjustment |
|------------|---------------------------------------|---------|-------------|--|----------|------------------------------|-------------|------------------|
| 0000707857 | SOUTHTOWN COUNCIL | 588000 | (2,000.00) | Membership and Advertisement | 44.5405% | (891) | 50.00% | (445) |
| 0000707857 | SOUTHTOWN COUNCIL | 930100 | (250.00) | | 46.3278% | (116) | 50.00% | (58) |
| 0000071057 | SOUTHWEST JOHNSON COUNTY ECONOMIC | 921000 | (275.00) | Quarterly Mtg, Business Appreciation | 42.3166% | (116) | 50.00% | (58) |
| 0000071057 | SOUTHWEST JOHNSON COUNTY ECONOMIC | 921000 | (1,250.00) | | 42.3166% | (529) | 50.00% | (264) |
| 0000720141 | THE ALI KEMP FOUNDATION | 921000 | (1,200.00) | | 42.3166% | (508) | 50.00% | (254) |
| 0000110777 | THE KANSAS CITY AREA TRANSPORTATION | 921000 | (519.00) | Bus Passes | | | | |
| 0000110777 | THE KANSAS CITY AREA TRANSPORTATION | 921000 | (584.00) | | | | | |
| 0000110777 | THE KANSAS CITY AREA TRANSPORTATION | 921000 | (527.00) | | | | | |
| 0000110777 | THE KANSAS CITY AREA TRANSPORTATION | 921000 | (514.00) | | | | | |
| 0000110777 | THE KANSAS CITY AREA TRANSPORTATION | 921000 | (444.00) | | | | | |
| 0000110777 | THE KANSAS CITY AREA TRANSPORTATION | 921000 | (424.00) | | | | | |
| 0000110777 | THE KANSAS CITY AREA TRANSPORTATION | 921000 | (482.00) | | | | | |
| 0000110777 | THE KANSAS CITY AREA TRANSPORTATION | 921000 | (424.00) | | | | | |
| 0000110777 | THE KANSAS CITY AREA TRANSPORTATION | 921000 | (476.00) | | | | | |
| 0000110777 | THE KANSAS CITY AREA TRANSPORTATION | 921000 | (550.00) | | | | | |
| 0000110777 | THE KANSAS CITY AREA TRANSPORTATION | 921000 | (557.00) | | | | | |
| | TOTAL KANSAS CITY AREA TRANSPORTATION | | (5,501.00) | | | | | |
| | EMPLOYEE REIMBURSEMENT (50%) | | 2,750.50 | | | | | |
| | NET KANSAS CITY AREA TRANSPORTATION | | (2,750.50) | | | | | |
| 0000716599 | THE MANUFACTURING INSTITUTE | 921000 | (25,000.00) | Contribution | 42.3166% | (1,164) | 100.00% | (1,164) |
| 0000014314 | THEATRE TECH PRODUCTIONS | 921000 | (1,600.00) | Entertainment Plaza Lighting, Spearville | 42.3166% | (10,579) | 100.00% | (10,579) |
| 0000014314 | THEATRE TECH PRODUCTIONS | 925000 | (2,150.00) | | 42.3166% | (677) | 100.00% | (677) |
| 0000008230 | URBAN LEAGUE OF GREATER KANSAS CITY | 921000 | (500.00) | Membership Renewal and Career Fair | 44.9307% | (966) | 100.00% | (966) |
| 0000008230 | URBAN LEAGUE OF GREATER KANSAS CITY | 921000 | (2,995.00) | | 42.3166% | (212) | 50.00% | (106) |
| | KANSAS CITY REPERTORY THEATRE | 926003 | (1,074.00) | Billings, Tickets | 42.3166% | (1,267) | 50.00% | (634) |
| | KANSAS CITY SYMPHONY & LYRIC OPERA | 926003 | (522.00) | Billings, Tickets | 44.9307% | (483) | 100.00% | (483) |
| | MARK GILMORE DBA G.D.E. | 926003 | (2,800.00) | | 44.9307% | (235) | 100.00% | (235) |
| | LEAWOOD CHAMBER OF COMMERCE | 930200 | (500.00) | Corporate Membership Dues | 44.9307% | (1,258) | 100.00% | (1,258) |
| 0000010788 | CORPORATE DESIGNS, INC. | 506000 | (72.59) | Safety Travel Mugs for Days Wi | 42.3166% | (212) | 50.00% | (106) |
| 0000010788 | CORPORATE DESIGNS, INC. | 537000 | (1,285.77) | stress relievers | 45.0305% | (33) | 100.00% | (33) |
| 0000010788 | CORPORATE DESIGNS, INC. | 580000 | (8,875.84) | CLOTHING | 43.8865% | (564) | 100.00% | (564) |
| 0000010788 | CORPORATE DESIGNS, INC. | 588000 | (679.73) | Jackets | 44.5405% | (3,953) | 100.00% | (3,953) |
| 0000010788 | CORPORATE DESIGNS, INC. | 588000 | (753.66) | Desk clock | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 588000 | (310.21) | CLOTHING | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 588000 | (330.40) | JACKETS | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 588000 | (1,655.49) | flashlights | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 588000 | (1,232.30) | SHIRTS | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 588000 | (133.79) | Vests | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 588000 | (70.86) | Shirts | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 588000 | (766.09) | stress relievers & misc | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 588000 | (351.25) | Shirts | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 588000 | (175.42) | pens | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 588000 | (272.36) | SHIRTS | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 588000 | (798.43) | 21 ea - Safety Jackets | | | | |

KCP&L
 Staff Adjustment to Vendor Expenses
 For the Test Year Ended December 31, 2006

| Vendor | Name | Account | Amount | Description | Alloc. % | Jurisdictional Amount | Exclusion % | Staff Adjustment |
|------------|-------------------------|---------|-------------|--------------------------------|----------|-----------------------|-------------|------------------|
| 0000010788 | CORPORATE DESIGNS, INC. | 588000 | (6,035.96) | CLOTHING | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 588000 | (367.77) | CLOTHING | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 588000 | (1,329.55) | Holiday logo chocolate | | | | |
| | Total Account 588000 | | (15,263.27) | | 44.5405% | (6,798) | 100.00% | (6,798) |
| 0000010788 | CORPORATE DESIGNS, INC. | 903000 | (261.17) | Pens | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 903000 | (103.94) | PORTFOLIOS | | | | |
| | Total Account 903000 | | (365.11) | | 46.3270% | (169) | 100.00% | (169) |
| 0000010788 | CORPORATE DESIGNS, INC. | 908000 | (714.22) | bags | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 908000 | (714.22) | bags | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 908000 | (714.22) | bags | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 908000 | (714.22) | bags | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 908000 | (976.46) | CONE STRESS RELIEVERS | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 908000 | (476.14) | stress relievers | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 908000 | (100.73) | Portfolios | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 908000 | (8,496.02) | Bike Team Jerseys | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 908000 | (528.74) | STRESS RELIEVERS | | | | |
| | Total Account 908000 | | (13,434.97) | | 46.3270% | (6,224) | 100.00% | (6,224) |
| 0000010788 | CORPORATE DESIGNS, INC. | 909000 | (739.41) | JOTTERS | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 909000 | (765.49) | SUNGLASS CASES | | | | |
| | Total Account 909000 | | (1,504.90) | | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 912000 | (652.93) | Travel chair & bag | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 920000 | (9,115.37) | FREEDOM GOLF SHIRTS | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 920000 | (79.95) | FREEDOM GOLF SHIRTS | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 920000 | (230.26) | Hawthorn Coat, size 5X-Large f | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 920000 | (297.41) | Hawthorn Coat, size Large-Tall | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 920000 | (1,784.48) | Hawthorn Coat, size X-Large-Ta | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 920000 | (1,918.80) | Hawthorn Coat, size 2X-Large-T | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 920000 | (852.80) | Hawthorn Coat, size 3X-Large-T | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 920000 | (1,036.16) | Hawthorn Coat, size 4X-Large-T | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 920000 | (130.05) | Hawthorn Coat, size 6X-Large-T | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 920000 | (66.62) | Logo Editing Charge | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 920000 | (188.68) | Hawthorn Coat, size Small from | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 920000 | (1,226.44) | Hawthorn Coat, size Medium fro | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 920000 | (2,830.23) | Hawthorn Coat, size Large from | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 920000 | (4,905.73) | Hawthorn Coat, size X-Large f | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 920000 | (3,668.10) | Hawthorn Coat, size 2X-Large f | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 920000 | (1,784.49) | Hawthorn Coat, size 3X-Large f | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 920000 | (319.80) | Hawthorn Coat, size 4X-Large f | | | | |
| | Total Account 920000 | | (30,435.37) | | 44.9307% | (13,675) | 100.00% | (13,675) |

KCP&L
 Staff Adjustment to Vendor Expenses
 For the Test Year Ended December 31, 2006

| Vendor | Name | Account | Amount | Description | Alloc. % | Kansas Jurisdictional Amount | Exclusion % | Staff Adjustment |
|------------|-------------------------|---------|-------------|------------------------------|----------|------------------------------------|----------------|---------------------|
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (5,330.00) | GIFTS | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (343.79) | Calendars | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (579.69) | MUGS | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (599.73) | MUGS | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (619.21) | water bottles | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (1,471.08) | EUROPA CLICK LASER ENGRAVED | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (1,599.00) | PEN | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (1,588.34) | PEN | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (559.91) | GO TOTES | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (636.89) | STOCKING CAP | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (602.29) | custom wrappers | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (1,492.40) | pens | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (1,337.12) | pens | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (1,941.19) | paper clips | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | 276.09 | Balloon order for Harvesters | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (276.09) | Balloon order for Harvesters | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (1,928.02) | Performance Award | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (4,144.08) | Cotton Throw | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (724.21) | SHIRTS | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (718.60) | BALLOONS | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (1,001.00) | JOTTERS | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (25,073.71) | jackets | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (532.00) | TOTES | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (922.62) | TREASURE CHEST | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (127.92) | 250 ea - KCPL bags | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (941.86) | IT IDEAL Shirts | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (147.11) | shirts | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (427.47) | jackets | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 921000 | (1,301.55) | fleece jackets | | | | |
| | Total Account 921000 | | (58,289.79) | | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 925000 | (2,769.55) | throw | 42.3166% | (24,666) | 100.00% | (24,666) |
| 0000010788 | CORPORATE DESIGNS, INC. | 925000 | (38.85) | pad holders | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 925000 | (659.73) | imprinted sunglass case | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 925000 | (5,698.84) | shirts | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 925000 | (12,303.77) | Folding chairs | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 925000 | (2,716.40) | shirts | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 925000 | (2,181.25) | Shirts | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 925000 | (7,022.81) | Rodeo Hats | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 925000 | (9,323.88) | SHIRTS | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 925000 | (1,343.16) | Rodeo Banquet Shirts | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 925000 | (1,242.04) | shirts | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 925000 | (284.09) | JACKETS | | | | |
| | Total Account 925000 | | (45,584.37) | | | | | |
| | | | | | 44.9307% | (20,481) | 100.00% | (20,481) |

KCP&L
 Staff Adjustment to Vendor Expenses
 For the Test Year Ended December 31, 2006

| Vendor | Name | Account | Amount | Description | Alloc. % | Jurisdictional Amount | Exclusion % | Staff Adjustment |
|------------|-------------------------|---------|-------------|---------------------------------|----------|-----------------------|-------------|--------------------|
| 0000010788 | CORPORATE DESIGNS, INC. | 926002 | (5,719.09) | GOLF TOURN. SHIRTS | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 926003 | (6,065.54) | Bouncing Balls - Employee Event | 44.9307% | (5,295) | 100.00% | (5,295) |
| | Total Account 926000 | | (11,784.63) | | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 930100 | (245.18) | tote bags | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 930100 | (301.07) | long sleeve woven shirts | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 930100 | (127.83) | shirts | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 930100 | (211.07) | Embroider for Award Jackets | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 930100 | (19.19) | Embroider for Award Jackets | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 930100 | (204.67) | Embroider for Award Jackets | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 930100 | (255.84) | Embroider for Award Jackets | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 930100 | (2,356.93) | Embroidered jackets | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 930100 | (214.26) | Embroidered jackets | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 930100 | (2,285.51) | Embroidered jackets | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 930100 | (2,856.88) | Embroidered jackets | | | | |
| | Total Account 930100 | | (9,078.43) | | | | | |
| 0000010788 | CORPORATE DESIGNS, INC. | 930200 | (247.85) | Shirts | 46.3278% | (4,206) | 100.00% | (4,206) |
| 0000010788 | CORPORATE DESIGNS, INC. | 935200 | (1,695.52) | clothing | 42.3166% | (105) | 100.00% | (105) |
| 0000010788 | CORPORATE DESIGNS, INC. | 935200 | (1,695.53) | clothing | | | | |
| | Total Account 935200 | | (3,391.05) | | 45.8479% | (1,555) | 100.00% | (1,555) |
| | Total | | | | | | | <u>(\$148,340)</u> |

Sources: KCPL response to Staff DR Nos. 36, 47, 109, 150, 213, 221, 343, 378 and KCPL response to MPSC DR No. 140

KCP&L
Staff Adjustment to Outside Consulting
For the Test Year Ended December 31, 2006

| Line No. | Description of Services | Vendor Name | Acct. No. | Amount | Allocation % | Kansas Jurisdictional Amount | Exclusion % | Staff Adjustment | Explanation |
|----------|---------------------------------|------------------------------|------------------|-----------------------|----------------------|------------------------------|--------------------|----------------------|---|
| 1 | Employee Placement | Allied Staffing LLC | 923000 | (\$86,889) | 42.3166% | (\$36,768) | 90.00% | (\$33,092) | Employment Augmentation Project - April 2006 |
| 2 | 2006 Wave One Strategic | Marketsphere Consulting, LLC | 923000 | (415,865) | 42.3166% | (175,980) | 90.00% | (158,382) | created purchasing dept program in 2006 not being used in 2007 |
| 3 | SAC Meeting | The Uriah Group | 923000 | (55,000) | 42.3166% | (23,274) | 100.00% | (23,274) | Joint disaster drill - first drill ever done |
| 4 | Employee Placement | Think Resources, Inc | 923000 | (58,022) | 42.3166% | (24,553) | 90.00% | (22,098) | Employment Augmentation Project - April 2006 |
| 5 | Recruiting Services | Todd Elder & Company | 923000 | (63,525) | 42.3166% | (26,882) | 90.00% | (24,193) | helped fill open professional positions in 2006 not being used in 2007 |
| 6 | Professional Services - Commun. | Fleishman-Hillard, Inc. | 930250 923000 | (80,007) (107,875) | 42.3166% 42.3166% | (33,856) (45,649) | 100.00% 100.00% | (33,856) (45,649) | KCPL Image Promotion |
| 7 | Total | | | | | | | <u>(\$340,544)</u> | |

Sources: KCPL response to Staff DR Nos. 34, 111, 140, 141, 142, 143, and KCPL response to MPSC DR No. 140

KCP&L
Staff Adjustment to Legal Expense
For the Test Year Ended December 31, 2006

Docket No. 07-KCPE-905-RTS
Exhibit GDR - 11

| Line No. | Description of Legal Action | Name of Firm or Attorney | Acct. No. | Amount | Allocation % | Staff Adjustment | Explanation |
|----------|--------------------------------|--|-----------|-----------|--------------|--------------------|--|
| 1 | Regulatory Strategy | Fischer & Dority | 923000 | (\$8,757) | 42.3166% | (\$3,706) | General Missouri regulatory matters |
| 2 | Regulatory Strategy | Fischer & Dority | 928011 | (\$5,217) | 45.0305% | (24,864) | and Missouri rate case |
| 3 | Regulatory Strategy | Polsinelli Shalton Welte Suelthaus | 923000 | 11,530 | 57.6834% | 6,651 | Kansas |
| 4 | Regulatory Strategy | Cafer Law Office LLC | 923000 | 8,377 | 57.6834% | 4,832 | Kansas |
| 5 | Regulatory Strategy | Cafer Law Office LLC | 928012 | 40,453 | 54.9695% | 22,237 | Kansas |
| 6 | Hawthorn Subrogation | Rouse Hendricks German May PC | 923000 | (187,789) | 42.3166% | (79,466) | Hawthorn explosion |
| 7 | FERC Audit Matter | Skadden, Arps, Slate, Meagher & Flom LLP | 928023 | (43,286) | 42.4456% | (18,373) | FERC |
| 8 | Higginsville | Skadden, Arps, Slate, Meagher & Flom LLP | 923000 | (7,077) | 42.3166% | (2,995) | FERC |
| 9 | FERC Audit Matter | Sonnenschein Nath & Rosenthal LLP | 928023 | (5,099) | 45.0305% | (2,296) | General Missouri regulatory matters |
| 10 | Regulatory Strategy | Sonnenschein Nath & Rosenthal LLP | 923000 | (145,037) | 42.3166% | (61,375) | and Missouri rate case |
| 11 | Missouri Franchise Tax Dispute | Stinson, Morrison, Hecker, LLP | 923000 | (13,547) | 42.3166% | (5,733) | Advice concerning MO. franchise tax issues |
| 12 | Hawthorn | Technical Power Services | 923000 | (1,500) | 42.3166% | (635) | Hawthorn |
| 13 | Total | | | | | <u>(\$165,722)</u> | |

Sources: KCPL responses to Staff DR Nos. 33 and 110

KCP&L
 Staff Adjustment to Corporate Dues and Donations
 For the Test Year Ended December 31, 2006

Docket No. 07-KCPE-905-RTS
 Exhibit GDR - 12

| Line No. | Name | Acct. No. | Amount | Kansas | | Exclusion % | Staff Adjustment |
|----------|--|-----------|-----------|-----------------------------|------------------------------|-------------|--------------------|
| | | | | Jurisdictional Allocation % | Kansas Jurisdictional Amount | | |
| 1 | ASIAN-AMERICAN CHAMBER OF COMMERCE OF KS CITY | 930230 | (\$1,000) | 42.3166% | (\$423) | 50.00% | (\$212) |
| 2 | ASSOCIATED INDUSTRIES OF MISSOURI | 930230 | (3,129) | 42.3166% | (1,324) | 100.00% | (1,324) |
| 3 | BLACK CHAMBER OF COMMERCE | 930230 | (1,500) | 42.3166% | (635) | 50.00% | (317) |
| 4 | BRUSH CREEK COMMUNITY PARTNERS | 930230 | (10,000) | 42.3166% | (4,232) | 50.00% | (2,116) |
| 5 | CHAMBER OF COMMERCE | 930230 | (62,500) | 42.3166% | (26,448) | 50.00% | (13,224) |
| 6 | CIVIC COUNCIL OF GREATER K C | 930230 | (38,000) | 42.3166% | (16,080) | 50.00% | (8,040) |
| 7 | COMMITTEE FOR ECONOMIC DEVELOPMENT | 930230 | (25,000) | 42.3166% | (10,579) | 50.00% | (5,290) |
| 8 | CONCORDIA AREA CHAMBER OF COMMERCE | 930230 | (315) | 42.3166% | (133) | 50.00% | (67) |
| 9 | CONSTRUCTION USERS COUNCIL | 930230 | (1,500) | 42.3166% | (635) | 50.00% | (317) |
| 10 | CONVENTION AND VISITORS BUREAU OF GREATER KS CITY | 930230 | (5,000) | 42.3166% | (2,116) | 50.00% | (1,058) |
| 11 | DODGE CITY CHAMBER OF COMMERCE | 930230 | (323) | 42.3166% | (137) | 50.00% | (68) |
| 12 | DOWNTOWN COUNCIL | 930230 | (12,500) | 42.3166% | (5,290) | 50.00% | (2,645) |
| 13 | GLADSTONE AREA CHAMBER OF COMMERCE | 930230 | (670) | 42.3166% | (284) | 50.00% | (142) |
| 14 | GRANDVIEW AREA CHAMBER OF COMMERCE | 930230 | (597) | 42.3166% | (253) | 50.00% | (126) |
| 15 | INDEPENDENCE CHAMBER OF COMMERCE | 930230 | (785) | 42.3166% | (332) | 50.00% | (166) |
| 16 | KANSAS CHAMBER OF COMMERCE AND INDUSTRY | 930230 | (7,500) | 42.3166% | (3,174) | 50.00% | (1,587) |
| 17 | KANSAS CITY AREA DEVELOPMENT COUNCIL | 930230 | (125,000) | 42.3166% | (52,896) | 50.00% | (26,448) |
| 18 | KANSAS CITY INDUSTRIAL COUNCIL | 930230 | (5,000) | 42.3166% | (2,116) | 50.00% | (1,058) |
| 19 | KANSAS CITY REGIONAL TRANSIT ALLIANCE | 930230 | (2,000) | 42.3166% | (846) | 100.00% | (846) |
| 20 | LABOR-MANAGEMENT COUNCIL OF GREATER KS CITY | 930230 | (5,000) | 42.3166% | (2,116) | 50.00% | (1,058) |
| 21 | LENEXA CHAMBER OF COMMERCE | 930230 | (825) | 42.3166% | (349) | 50.00% | (175) |
| 22 | LOUISBURG CHAMBER OF COMMERCE | 930230 | (500) | 42.3166% | (212) | 50.00% | (106) |
| 23 | MARSHALL CHAMBER OF COMMERCE | 930230 | (305) | 42.3166% | (129) | 50.00% | (65) |
| 24 | MINORITY CONTRACTORS ASSOC | 930230 | (1,000) | 42.3166% | (423) | 50.00% | (212) |
| 25 | MISSOURI CHAMBER OF COMMERCE | 930230 | (10,000) | 42.3166% | (4,232) | 50.00% | (2,116) |
| 26 | MISSOURI ENERGY DEVELOPMENT ASSOCIATION | 930230 | (28,010) | 42.3166% | (11,853) | 50.00% | (5,926) |
| 27 | MISSOURI ENERGY DEVELOPMENT ASSOCIATION | 930230 | (28,010) | 42.3166% | (11,853) | 50.00% | (5,926) |
| 28 | NELSON -ATKINS MUSEUM OF ART | 930230 | (10,000) | 42.3166% | (4,232) | 50.00% | (2,116) |
| 29 | NORTH KANSAS CITY BUSINESS COUNCIL | 930230 | (300) | 42.3166% | (127) | 50.00% | (63) |
| 30 | NORTHEAST JOHNSON COUNTY CHAMBER OF COMMERCE | 930230 | (715) | 42.3166% | (303) | 50.00% | (151) |
| 31 | OLATHE AREA CHAMBER OF COMMERCE | 930230 | (719) | 42.3166% | (304) | 50.00% | (152) |
| 32 | OTTAWA AREA CHAMBER OF COMMERCE | 930230 | (425) | 42.3166% | (180) | 50.00% | (90) |
| 33 | OTTAWA/FRANKLIN COUNTY ECONOMIC DEVELOP. | 930230 | (525) | 42.3166% | (222) | 50.00% | (111) |
| 34 | OVERLAND PARK CHAMBER OF COMMERCE | 930230 | (2,296) | 42.3166% | (972) | 50.00% | (486) |
| 35 | PAOLA CHAMBER OF COMMERCE | 930230 | (2,085) | 42.3166% | (882) | 50.00% | (441) |
| 36 | POWERTREE CARBON COMPANY, LLC | 930230 | (10,000) | 42.3166% | (4,232) | 50.00% | (2,116) |
| 37 | PUBLIC AFFAIRS COUNCIL | 930230 | (2,200) | 42.3166% | (931) | 50.00% | (465) |
| 38 | SHAWNEE AREA CHAMBER OF COMMERCE | 930230 | (715) | 42.3166% | (303) | 50.00% | (151) |
| 39 | SOUTH KANSAS CITY CHAMBER OF COMMERCE | 930230 | (675) | 42.3166% | (286) | 50.00% | (143) |
| 40 | SPRING HILL CHAMBER OF COMMERCE | 930230 | (1,000) | 42.3166% | (423) | 50.00% | (212) |
| 41 | WESTON CHAMBER OF COMMERCE | 930230 | (1,000) | 42.3166% | (423) | 50.00% | (212) |
| 42 | DOLLAR-AIDE MATCH (energy credit program) | 903300 | (135,008) | 46.3270% | (62,545) | 50.00% | (31,273) |
| 43 | GENERAL ELECTRIC CAPITAL FINANCIAL (appliance donations) | 921042 | (3,742) | 42.3166% | (1,583) | 50.00% | (792) |
| 44 | Total | | | | | | <u>(\$119,607)</u> |

Sources: KCPL response to Staff DR Nos. 36, 47, 109, 150, and 326

KCP&L
Staff Adjustment to Surface Transportation Expenses
For the Test Year Ended December 31, 2006

CONFIDENTIAL

| Line No. | Acct. No. | Description | Amount |
|-------------|--------------|-------------|--------|
| ***** | ***** | ***** | ***** |

KCP&L
 Staff Adjustment to Sale of Accounts Receivables Expenses
 For the Test Year Ended December 31, 2006

| Line No. | Description | Amount |
|-------------|--|---------------------------|
| ***** | | |
| 1 | KCPL Actual 2006 Sale of Accounts Receivables Expenses | \$3,822,431 |
| 2 | KCPL Estimated 2007 Sale of Accounts Receivables Expenses | <u>4,067,306</u> |
| 3 | KCPL Accounts Receivables Sale Adjustment | 244,875 Adj.-54 |
| 4 | Ks Jurisdictional Allocational % - (C2, customers-ws and retail) | <u>46.3270%</u> a/c 905 |
| 5 | Staff Adjustment to Sale of Accounts Receivables Expenses | <u><u>(\$113,443)</u></u> |

Sources: KCPL pro forma adj no. 54 and application sections 9 & 11

KCP&L
 Staff Adjustment to Property Taxes
 For the Test Year Ended December 31, 2006

| Line No. | Description | Amount | |
|-------------|---|-----------------------------|---------|
| ***** | | | |
| 1 | Actual 2006 O&M Property Taxes | \$57,032,364 | |
| 2 | Estimated 2007 Property Taxes | <u>59,519,172</u> | |
| 3 | KCPL Property Tax Adjustment | 2,486,808 | Adj-33b |
| 4 | Ks Jurisdictional Allocational % - (elect w/o wc) | <u>45.7710%</u> | |
| 5 | Staff Adjustment to Property Taxes | <u><u>(\$1,138,237)</u></u> | |

Sources: KCPL pro forma adj no. 33b and application sections 11 & 12

KCP&L
 Staff Adjustment to Transmission Expansion & NERC/SPP Expenses
 For the Test Year Ended December 31, 2006

| Line No. | Name | Acct. No. | Amount | Kansas Jurisdictional Allocation % | Staff Adjustment |
|----------|-------------------------------------|-----------|------------------|------------------------------------|---------------------------|
| 1 | Transmission Expansion Expenses | 565000 | (\$1,000,000) | 45.0305% | (\$450,305) |
| 2 | NERC Quarterly Assessment - 2007 | 560000 | \$23,852.97 | | |
| 3 | SPP Quarterly Assessment - 2007 | 560000 | <u>68,257.86</u> | | |
| 4 | Total NERC SPP Quarterly Assessment | | 92,110.83 | | |
| 5 | Quarters per year | | <u>4</u> | | |
| 6 | Total NERC SPP Annual Assessment | | 368,443 | | |
| 7 | KCPL Estimated Annual Assessment | | <u>230,000</u> | | |
| 8 | Increase in NERC SPP Assessments | | 138,443 | 46.3757% | <u>64,204</u> |
| 9 | Total | | | | <u><u>(\$386,101)</u></u> |

Source: KCPL response to Staff DR No. 168, 369 & 379, and KCPL pro forma adj. no. 48

KCP&L
 Staff Adjustment to Capital Stock Expense
 For the Test Year Ended December 31, 2006

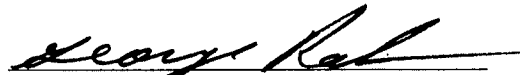
| Acct. No. | Description | Amount | Allocation Factor | Allocation % | Staff Adjustment |
|--------------|---|---------------|----------------------|-----------------|---------------------|
| ***** | ***** | ***** | ***** | ***** | ***** |
| 408 | Miscellaneous Taxes (708101 - Capital Stock Expense) | (\$1,036,305) | Total Plant | 44.9071% | (\$465,375) |

Source: KCPL pro forma adjustment no. 11, and KCPL response to Staff DR No. 166

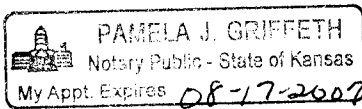
STATE OF KANSAS)
) ss.
COUNTY OF SHAWNEE)

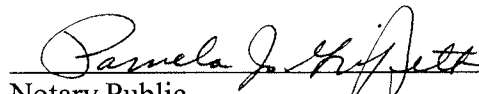
VERIFICATION

George Rohrer, being duly sworn upon his oath deposes and says that he is the Senior Managing Auditor for the State Corporation Commission of the State of Kansas, that he has read and is familiar with the foregoing Direct Testimony and Exhibits, and that the statements contained therein are true and correct to the best of his knowledge, information and belief.


George Rohrer
Senior Managing Auditor
State Corporation Commission of the
State of Kansas

Subscribed and sworn to before me this 3rd day of August, 2007.




Notary Public

My Appointment Expires:

August 17, 2007

CERTIFICATE OF SERVICE

07-KCPE-905-RTS

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing Redacted Direct Testimony and Exhibits was placed in the United States mail, postage prepaid, or hand-delivered this 3rd day of August, 2007, to the following:

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CITIZENS' UTILITY RATEPAYER BOARD
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**** Hand Deliver ****

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**** Hand Deliver ****

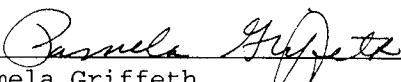
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Pamela Griffeth
Administrative Specialist

* Denotes those receiving the Confidential version