

Kansas City Power & Light Company

Summary of DCF and Risk Premium ROE Estimates

| <u>DCF Analysis</u> | <u>Indicated Cost</u> |
|---|-----------------------|
| Constant Growth (GDP Growth) | 10.7%-10.8% |
| Multistage Growth Model | 10.5% |
| Reasonable DCF Range | <u>10.5%-10.8%</u> |
| | |
| <u>Risk Premium Analysis</u> | <u>Indicated Cost</u> |
| Utility Debt + Risk Premium | |
| Risk Premium (6.30% + 4.42%) | 10.72% |
| Ibbotson Risk Premium Analysis | |
| Risk Premium (6.30% + 4.5%) | 10.80% |
| Harris-Marston Risk Premium | |
| Risk Premium (6.30% + 5.13%) | 11.43% |
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| Reference Group Cost of Equity Estimate | <u>10.75%</u> |
| KCPL Cost of Equity Capital | <u>11.25%</u> |
