

October 6, 2006

BY HAND DELIVERY

Ms. Cully Dale
 Secretary/Chief Regulatory Law Judge
 Missouri Public Service Commission
 Governor Office Building
 200 Madison Street
 Jefferson City, Missouri 65101

FILED³
 OCT 6 2006
 Missouri Public
 Service Commission

Re: In the Matter of the Application of Kansas City Power & Light Company for
 Approval to Make Certain Changes in its Charges for Electric Service to
 Begin the Implementation of Its Regulatory Plan, Case ER-2006-0314

Dear Ms. Dale:

Attached for filing in the above-referenced case are an original and eight (8) copies of
 the *Surrebuttal Testimony of James T. Selecky on Cost of Service On Behalf of Wal-Mart Stores
 East, LP* to be filed in the above matter.

Thank you for your assistance in bringing this filing to the attention of the
 Commission, and please call me if you have any questions.

Very Truly Yours,

Edward F. Downey
 Edward F. Downey
 EFD:lea
 cc: All Parties

Bryan Cave LLP

Riverview Office Center
 721 Bolivar Street
 Jefferson City MO 65101 1574
 Tel (573) 556-6620
 Fax (573) 556-6630
 www.bryancave.com

Hong Kong
 Irvine
 Jefferson City
 Kansas City
 Kuwait
 Los Angeles
 New York
 Overland Park
 Phoenix
 Riyadh
 Shanghai
 St. Louis
 United Arab Emirates
 Abu Dhabi
 Dubai
 Washington DC

In Association With
 Bryan Cave (Attorneys)
 Chicago

and Bryan Cave
 A Multinational
 Partnership
 London

Exhibit No.:
Witness:
Type of Exhibit:
Issues:
Sponsoring
Parties:
Case No.:

James T. Selecky
Surrebuttal Testimony
Cost of Service
Wal-Mart Stores East, LP
ER-2006-0314

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of
Kansas City Power & Light Company
for Approval to Make Certain Changes
in its Charges for Electric Service to
Begin the Implementation of Its
Regulatory Plan

Case No. ER-2006-0314

Surrebuttal Testimony of

James T. Selecky
on Cost of Service

FILED³
OCT 6 2006

Missouri Public
Service Commission

On Behalf of

Wal-Mart Stores East, LP

October 6, 2006



BRUBAKER & ASSOCIATES, INC.
ST. LOUIS, MO 63141-2000

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Application of
Kansas City Power & Light Company
for Approval to Make Certain Changes
in its Charges for Electric Service to
Begin the Implementation of Its
Regulatory Plan

Case No. ER-2006-0314

STATE OF MISSOURI)
)
COUNTY OF ST. LOUIS) SS

Affidavit of James T. Selecky

James T. Selecky, being first duly sworn, on his oath states:

1. My name is James T. Selecky. I am a consultant with Brubaker & Associates, Inc., having its principal place of business at 1215 Fern Ridge Parkway, Suite 208, St. Louis, Missouri 63141-2000. We have been retained by Wal-Mart Stores East, LP in this proceeding on their behalf

2. Attached hereto and made a part hereof for all purposes is my surrebuttal testimony on cost of service issues which was prepared in written form for introduction into evidence in Missouri Public Service Commission Case No. ER-2006-0314.

3. I hereby swear and affirm that the testimony is true and correct and that it shows the matters and things it purports to show.


James T. Selecky

Subscribed and sworn to before this 6th day of October 2006

CAROL SCHULZ
Notary Public - Notary Seal
STATE OF MISSOURI
St. Louis County
My Commission Expires: Feb. 26, 2008


Notary Public

My Commission Expires February 26, 2008.

BRUBAKER & ASSOCIATES, INC.

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Application of)
Kansas City Power & Light Company)
for Approval to Make Certain Changes)
in its Charges for Electric Service to)
Begin the Implementation of Its)
Regulatory Plan)

Case No. ER-2006-0314

Surrebuttal Testimony of James T. Selecky

1 **Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A James T. Selecky; 1215 Fern Ridge Parkway, Suite 208; St. Louis, MO 63141-2000.

3 **Q ARE YOU THE SAME JAMES T. SELECKY WHO HAS PREVIOUSLY FILED**
4 **DIRECT AND REBUTTAL TESTIMONY IN THIS PROCEEDING?**

5 A Yes. I have previously filed direct and rebuttal testimony on cost of service and
6 revenue allocation issues.

7 **Q ARE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE OUTLINED IN**
8 **THAT PRIOR TESTIMONY?**

9 A Yes. This information is included in Appendix A to my direct testimony on cost of
10 service and revenue allocation issues.

11 **Q WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY IN THIS**
12 **PROCEEDING?**

13 A The purpose of my surrebuttal testimony is to respond to the rebuttal testimony of
14 Kansas City Power & Light Company witness Tim M. Rush.

James T. Selecky
Page 1

1 **Q BASED ON YOUR REVIEW OF THE OTHER PARTIES' REBUTTAL TESTIMONY**
2 **IN THIS PROCEEDING ON COST OF SERVICE, DO YOU HAVE ANY REVISIONS,**
3 **ADJUSTMENTS OR ADDITIONS TO YOUR DIRECT AND REBUTTAL**
4 **TESTIMONY?**

5 A No. I continue to support the use of the cost of service study that allocates the fixed
6 production cost either on the coincident peak method or the average and excess
7 demand method.

8 **Q DO YOU HAVE ANY COMMENTS TO MAKE REGARDING KCP&L WITNESS TIM**
9 **M. RUSH'S REBUTTAL TESTIMONY ON CLASS COST OF SERVICE ISSUES?**

10 A Yes. Mr. Rush states on Page 9, Lines 5-6, that Mr. Selecky's proposed class cost of
11 service study has the same flaw as Mr. Brubaker's regarding the allocation of off-
12 system sales. Since I did not take a position on the allocation of the off-system sales,
13 I allocated the off-system sales using the same method that the Company employed.
14 Therefore, Mr. Rush's statement is inaccurate.

15 **Q HAS THE COMPANY CHANGED ITS POSITION REGARDING THE ALLOCATION**
16 **OF ANY RATE INCREASE IT IS GRANTED?**

17 A No. Mr. Rush states on Page 9 that the Company's position is that the rate increase
18 be equally distributed to all classes, and that all additional changes recommended by
19 the Company in its initial filing be implemented. I disagree with that position and
20 continue to recommend that any reductions from the level of increase that the
21 Company has requested be used to move rates closer to cost of service.

22 **Q DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY AT THIS TIME?**

23 A Yes, it does.

James T. Selecky
Page 2