Exhibit No.

Issue: Rate Design-Discounted Rates for Space-heating

Witness: Joseph A. Herz

Type of Exhibit: Surrebuttal Testimony

Sponsoring Party: Trigen-Kansas City

Case No. ER-2007-0291

Date Testimony Prepared: September 19, 2007

BEFORE THE PUBLIC SERVICE COMMISSION

STATE OF MISSOURI

SURREBUTTAL TESTIMONY

OF

JOSEPH A. HERZ

ON BEHALF OF
TRIGEN-KANSAS CITY ENERGY CORP.

TABLE OF CONTENTS

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OF THE STATE OF MISSOURI
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Introduction

Q. Please state your name.

A. My name is Joseph A. Herz.

Q. Are you the same Joseph A. Herz who has previously filed direct and rebuttal testimony in this rate proceeding?

A. Yes, I am.

Q. What is the purpose of your surrebuttal testimony?

A. The purpose of this testimony is to respond to the portions of the rebuttal testimonies of Missouri Public Service Commission Staff Witness James C. Watkins (generally referred to as "MPSC Staff" in this testimony) and Kansas City Power & Light Company Witness Timothy M. Rush (generally referred to as "KCPL" in this testimony) that addresses the general service space-heating discounted rate issues.

Increasing the General Service Space-Heating Discounted Rates More than the Standard General Service Rates

Q. What is MPSC Staff's position on increasing the general service space-heating discounted rates[1] more than the standard general service rates?

[1] "General service space-heating discounted rates (or rate discounts)" includes KCPL's general service all-electric tariffs AND the separately metered space heating provisions of KCPL's standard general service tariffs.

A. MPSC Staff states that it "agrees with Trigen that the all electric and space heating rates should be increased in this case by more than the general application rates" (see Rebuttal Testimony of J. C. Watkins, page 4, lines 14-17). The MPSC Staff "proposes a step be taken toward phasing them out" in this rate case proceeding by:

1. Increasing the separately metered space-heating rates by 10%; and,
2. Increasing the general service all-electric winter energy rate in the first energy block by 10%, and the winter energy rate in the second energy block by 5% (referred later in my testimony and schedules as MPSC Staff's 10%/5%/0% proposal.

Q. How does MPSC Staff's proposal to increase the general service space-heating rate discounts more than the associated standard tariff rates compare to your proposal?

A. Beginning first with the general service all-electric tariffs, Schedules JAH-6, JAH-7 and JAH-8 provide a comparison of the changes to the small, medium and large general service respectively, under my proposal and under MPSC Staff's proposal. My proposal and MPSC Staff's proposal result in similar rates for the small general service all-electric rates as shown by Schedule JAH-6. MPSC Staff's proposal would reduce the difference between the standard tariff rate and the all-electric discounted rate by approximately 27%; whereas under my proposal, that difference would be reduced by one-third, or 33%.

However, my approach results in higher rates (i.e., less of a discount) than the MPSC Staff's proposal for the medium and large general service all-electric categories as shown by Schedule JAH-7 and Schedule JAH-8. That is because the current level of all-electric energy rate discounts is substantially higher for the medium and large general service

categories than it is for the small general service. As a result, the difference between the standard tariff and the all-electric discounted rates for the medium and large general service categories is reduced by only 20% under MPSC Staff's 10%/5%/0% proposal. By comparison, my approach reduces that difference by one-third, or 33%, so that the general service all-electric discounted rates in each of the three general service categories (i.e., small, medium and large) are phased out over three KCPL rate cases (i.e., this rate case and KCPL's next two rate case filings). Schedule JAH-9 provides a comparison of the impact of the changes to the general service all-electric rates under my proposal and under MPSC Staff's proposal.

While I agree with MPSC Staff's objective to increase the general service all-electric discounted rates more than the associated standard tariff rates, I'm concerned that MPSC Staff's proposal doesn't go far enough in that regard especially with respect to the medium and large general service all-electric tariffs. Until such discounted rates are phased out in their entirety, general service customers are treated differently depending on whether those customers are billed under the standard tariff or under the discounted space-heating rates. Also, eliminating the general service space-heating discounted rates will result in a reduction of the standard general service tariff rates because the standard tariff rates would no longer need to subsidize the space-heating rate discounts. Accordingly, I recommend the Commission in this proceeding reduce the differences between the general service standard tariff rates and the general service all-electric tariff rates by one-third.

Q. Please address MPSC Staff's proposal to increase the general service separately metered space-heating rates by 10%.

A. I agree with MPSC Staff's proposal to phase out the general service separately metered space-heating rates by increasing those rates by 10%. Schedule JAH-10 compares the general service standard tariff winter season energy charges to the associated separately metered space-heating rates with MPSC Staff's proposed 10% increase. As shown by Schedule JAH-10, the general service separately metered space-heating rates will be 15% higher than the third-block energy charge under the associated standard tariff, and the separately metered space-heating energy charge will be similar to the second-block energy charge under the associated standard tariff. MPSC Staff's Schedule JCW-1 provides the revenue impact of MPSC Staff's proposed 10% increase to the general service separately metered space-heating rate.

Q. What is KCPL's rebuttal testimony position on this issue?

A. KCPL states "The Company in the last rate case did in fact increase the space heating rates by 5%. No further adjustments should be made until a study is completed." (see Rebuttal Testimony of Timothy M. Rush, page 11, lines 14-16). KCPL also provided a letter agreement between Trigen and the Company dated June 13, 1996 where, in consideration of other matters set forth in that letter agreement, Trigen agreed to support and endorse the Stipulation and Agreement filed in Case No. EO-94-199 (see Schedule TMR-4). It is my understanding Case No. EO-94-199 was a comprehensive rate design case that resulted in the current general service rate structure. If I understand KCPL's rebuttal testimony position correctly, KCPL apparently believes that it is inconsistent for

Trigen in this rate case, to argue the basis, or more appropriately the lack thereof, for the all-electric tariffs and the separately metered space-heating tariff provisions within the general service classes in light of the June 13, 1996 letter agreement (see Rebuttal Testimony of Timothy M. Rush, pages 9 and 10).

Q. What is your response to KCPL's rebuttal testimony position on this issue?

A. First, with respect to the June 13, 1996 letter agreement, to the extent that KCPL's point is a legal argument, I'm not an attorney and will not be able to respond to such a legal matter. It's my understanding the Stipulation and Agreement that Trigen agreed to support and endorse was a negotiated settlement that provided that the parties to the Stipulation and Agreement would not be prejudiced, bound by, or in any way affected in any future proceeding by the terms of the Stipulation and Agreement. Also, as noted by KCPL in its rebuttal testimony, the general service all-electric and separately metered space-heating discounted rates were increased more than the corresponding standard general service rates in the Company's last rate case.

KCPL argues that the all-electric and separately metered space heating discounted rates resulting from Case No. EO-94-199 "maintained the price differentials between customers with electric heating that were in place prior to the rate design case" (see Rebuttal Testimony of Timothy M. Rush, page 9, lines16-18). In other words, the preferential, discounted general service space-heating rates are a matter of continuing past practices prior to Case No. EO-94-199; and there has not been any cost-based analyses supporting such preferential rate treatment in the Company's class cost of service study in that case or the last KCPL rate case. Unless and until the appropriate

studies or analyses that supports the difference in rates are presented to the Commission for review and scrutiny, and approved by the Commission, the general service discounted space-heating rates can only be viewed as discriminatory and preferential. Lacking such studies and analyses that provides a basis or support for the rate differentials, it is only appropriate that the Commission proceed to phase out the general service space-heating discounted rates by increasing the general service all-electric tariff rates and the separately metered space-heating rates more (i.e., by a greater percentage) than KCPL's corresponding standard general application rates.

Phase Out of KCPL's General Service Space-Heating Discounted Rates

Q. What is the MPSC Staff's rebuttal testimony position on this issue?

A. The MPSC Staff is not convinced there remains any justification for the general service space-heating discounted rates and "sees no justification for continuing them" and "proposes a step be taken toward phasing them out" (see James C. Watkins Rebuttal Testimony, page 4, lines 14-17 and line 22, and page 5, line 4). From my reading of the MPSC Staff's rebuttal testimony, however, I don't see a time period over which the MPSC Staff recommends the phase out to occur. As previously noted in my testimony, it is my recommendation that the Commission phase out the *general service all-electric tariff rates* over a period of three rate cases, starting with this rate case. MPSC Staff's recommended 10% increase to the *general service separately-metered space-heating rates* appears to be a big step towards phasing out those rates. Accordingly, if MPSC Staff's recommendation regarding the separately-metered space heating rates, which I support, is adopted by the Commission in this case, the general service separately-

metered space-heating rates should be phased out, i.e., eliminated, in KCPL's next rate case.

Q. What is KCPL's rebuttal testimony position on this issue?

A. KCPL states, "No further adjustments should be made until a study is completed" (see Rebuttal Testimony of Timothy M. Rush, page 11, lines 15-16).

Restricting the Availability of General Service Space-heating Discounted Rates to Qualifying Customer Physical Locations Currently Being Served Under Such Rates

Q. What are MPSC Staff's and the KCPL rebuttal testimony positions on this issue?

A. The MPSC Staff "supports restricting the availability of the all electric and separately metered space heating rates to customers currently served on one of those rate schedules, but only for so long as they continuously remain on that rate schedule" (see James C. Watkins Rebuttal Testimony, page 4, lines 8-10). KCPL states this issue was addressed in the last KCPL rate case and the matter is under appeal, and that "KCPL disagrees with Trigen's position and believes that this issue can be addressed in the context of an overall study as recommended by the Company" (see Timothy M. Rush Rebuttal Testimony, page 12, lines 13-20). The Company's position is backwards. It would only be logical that the availability of these discounts should be restricted unless and until the Company presents the Commission with the appropriate studies and analyses that, pending Commission review and approval of such studies and analyses, provides an underlying

basis of support for general service space-heating discounted rates in the first place; not the other way around as suggested by KCPL.

Requiring KCPL in its Next Rate Case, to Present Studies and Analyses and Allow KCPL the Opportunity to Present its Preferred Phase-Out Plan

Q. What are MPSC Staff's and the KCPL rebuttal testimony positions on this issue?

A. MPSC Staff states that KCPL should not be required to file such studies or analyses in its next rate case, but the Company should be given the opportunity to do so before the general service space-heating discounted rates are completely phased out (see James C. Watkins Rebuttal Testimony, page 5, lines 19-23). KCPL recommends the studies and analyses be performed after the last rate case in the regulatory plan when Iatan 2 is placed into rates (see Timothy M. Rush Rebuttal Testimony, page 11, lines 20-23). MPSC Staff's position would be acceptable *provided that* the general service space-heating discounted rates will be phased out over two or three rate cases (i.e., this rate case and the next one or two rate cases, depending upon which of the general service space-heating discounted rates is being addressed, as discussed previously in this testimony) if the Company chooses not to file the appropriate studies and analyses for Commission review and approval before the completion of the phase out period. Of course, the Company could file such studies and analyses after Iatan 2 is placed in rates if KCPL so chooses; but such a decision by KCPL to wait until then shouldn't be the basis for allowing the preferential, discriminatory general service space heating discounted rates to continue until then.

If KCPL Does Not File Studies or Analyses, Requiring KCPL to Impute the Revenues

Q. What are MPSC Staff's and the KCPL rebuttal testimony positions on this issue?

A. The MPSC Staff and KCPL oppose the imputing of revenues. There are primarily two reasons for requiring that revenues be imputed in the next rate case if KCPL does not file the referenced studies or analyses. First, this provides an incentive for KCPL to attempt to timely provide for Commission review, some basis or support, if any, for the general service space-heating discounted rates before the end of the phase out period. Second, imputing the above revenues would result in the general service standard tariff rate customers having to no longer subsidize the general service space-heating discounted rates.

Requiring KCPL to (a) Investigate and Determine Whether the Commercial and Industrial Customers Currently Served Under the General Service All-Electric Tariffs and the Separately-Metered Space Heating Provisions of the Standard General Service Tariffs Continue to Meet the Eligibility Requirements for those Discounted Rates; (b) Removing from the Discounted Rates those Customers Which KCPL's Investigation Determines are no Longer Eligible for such Discounted Rates; and (c) Monitor and Police the Eligibility Requirements of those Customers Receiving such Discounted Rates for Reporting in KCPL's Next Rate Case Filing

Q. What is the MPSC Staff's rebuttal testimony position on this issue?

A. MPSC Staff states that it "does not agree that KCPL should investigate and determine whether customers served under these rate schedules remain eligible for these rates. This would be a very awkward (from a customer service standpoint), time consuming and costly venture to embark on when the rates are being phased out anyway" (see Rebuttal

Testimony of James C. Watkins, page 6, lines 1-4). While on one hand I agree with MPSC Staff's observations regarding the difficulty, time and awkwardness of monitoring and policing the eligibility of customers benefiting from KCPL's general service space-heating discounted rates, on the other hand, that's the task and burden KCPL must bear if the Company is to properly administer these preferential end-use tariffs and tariff provisions according to the requirements of tariffs. KCPL's general service space-heating discounted rates should require an administrative process that involves gathering "behind the meter" information about commercial and industrial customer's space-heating system and periodic reporting on the specific applications associated with the usage of these customers. Absent KCPL reporting to the Commission on the items set forth in this issue in the Company's next rate case filing, its not known if KCPL's general service space-heating discounted rates are benefiting customers that don't meet the eligibility requirements for such discounted rates.

Q. What is the KCPL rebuttal testimony position on this issue?

A. KCPL says it has the process, procedures and safeguards for placing customers on the appropriate rates (see Timothy M. Rush Rebuttal Testimony, page 13, lines 3-6). This issue, however, deals with whether the customers who are already on the discounted rates continue to be eligible for such rates; in the last KCPL rate case it was not clear that the Company had developed and implemented a process under which it would remove a customer from a discounted rate if the customer no longer meets the requirements for the discounted rate. There has been no indication in this case that this situation has changed since the last rate case. In any event, if the Company has all the processes, procedures

and safeguards presently in place, providing the report outlined in this issue should be relatively straight forward for the Company to provide to the Commission in the next KCPL rate case.

Renaming the General Service "All-Electric" Tariffs as "Space Heating" Tariffs

Q. What are MPSC Staff's and KCPL's Rebuttal Testimony positions on this issue?

A. MPSC Staff states "KCPL inadvertently filed proposed all electric tariff sheets on which the title had been changed from "All-Electric" to "Space-Heating." This change should not appear or be approved when KCPL files its compliance tariffs." (see James C. Watkins Rebuttal Testimony, page 8, lines 5-7). KCPL did not address this issue in the Company's Rebuttal Testimony filing, nor did KCPL's Direct Testimony provide an explanation of why the Company is proposing this change. I agree with MPSC Staff on this issue; my Rebuttal Testimony states the reasons why KCPL's proposed renaming of the general service all-electric tariffs should be rejected and are not repeated here in this testimony.

Conclusion

Q. Does this conclude your surrebuttal testimony?

A. Yes, it does.

Small General Service
Proposed Reduction to KCPL's Current All-Electric Rate Discounts
Trigen vs MPSC Staff

Line No.	Winter Season (8 months)	Current All-Electric Rate Discount: Standard Tariff Rate	All-Electric Rate	Current Discount (a - b)	Percent (c/b)	Trigen's Proposed All-Electric Rate Discount Reduction by one-third in this Rate Case: Discount Reduction (c/3)	Percent (e/b)	Trigen's Proposal (b+e)	MPSC Staff's All-Electric Rate 10%, 5%, 0% Phase Out Proposal: Percent Increase Recommended	MPSC Staff's Proposal (b*(1+h))
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Rate for Service at Secondary Voltage									
2	Energy Charge ($/kWh)									
3	First 180 hours use per month	0.08579	0.06156	0.02423	39%	0.0081	13%	0.06964	10%	0.06772
4	Next 180 hours use per month	0.04188	0.03904	0.00284	7%	0.0009	2%	0.03999	5%	0.04099
5	Over 360 hours use per month	0.03779	0.03904	(0.00125)	-3%	(0.0004)	-1%	0.03862	0%	0.03904
6	Rate for Service at Primary Voltage									
7	Energy Charge ($/kWh)									
8	First 180 hours use per month	0.08383	0.06015	0.02368	39%	0.0079	13%	0.06804	10%	0.06617
9	Next 180 hours use per month	0.04092	0.03815	0.00277	7%	0.0009	2%	0.03907	5%	0.04006
10	Over 360 hours use per month	0.03692	0.03815	(0.00123)	-3%	(0.0004)	-1%	0.03774	0%	0.03815

Note: Trigen's proposal, all-electric rate adjustments and separately metered space heating adjustments are (i) revenue neutral within each general service rate class by being offset by reductions to the standard tariff rates; (ii) are prior to any shifts in class revenue responsibility; and, (iii) are before, and in addition to, application of overall rate increases resulting from the revenue requirement portion of this rate case. Under Trigen's proposal, no reduction in revenue responsibility for the rate class, if any, will be applied to the all-electric discounted rates.

Medium General Service
Proposed Reduction to KCPL's Current All-Electric Rate Discounts
Trigen vs MPSC Staff

Line No.	Winter Season (8 months)	Current All-Electric Rate Discount: Standard Tariff Rate	All-Electric Rate	Current Discount	Percent	Trigen's Proposed All-Electric Rate Discount Reduction by one-third in this Rate Case: Discount Reduction	Percent	Trigen's Proposal	MPSC Staff's All-Electric Rate 10%, 5%, 0% Phase Out Proposal: Percent Increase Recommended	MPSC Staff's Proposal
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Rate for Service at Secondary Voltage									
2	Demand Charge ($/kW-mo)	1.4190	2.0100	(0.5910)	-29%	(0.1970)	-10%	1.81300	0%	2.01000
3	Energy Charge ($/kWh)									
4	First 180 hours use per month	0.06300	0.04050	0.02250	56%	0.0075	19%	0.04800	10%	0.04455
5	Next 180 hours use per month	0.03780	0.02670	0.01110	42%	0.0037	14%	0.03040	5%	0.02804
6	Over 360 hours use per month	0.03170	0.02440	0.00730	30%	0.0024	10%	0.02683	0%	0.02440
7	Rate for Service at Primary Voltage									
8	Demand Charge ($/kW-mo)	1.3860	1.9650	(0.57900)	-29%	(0.1930)	-10%	1.77200	0%	1.96500
9	Energy Charge ($/kWh)									
10	First 180 hours use per month	0.06150	0.03960	0.02190	55%	0.0073	18%	0.04690	10%	0.04356
11	Next 180 hours use per month	0.03690	0.02610	0.01080	41%	0.0036	14%	0.02970	5%	0.02741
12	Over 360 hours use per month	0.03100	0.02390	0.00710	30%	0.0024	10%	0.02627	0%	0.02390

Note: Trigen's proposal, all-electric rate adjustments and separately metered space heating adjustments are (i) revenue neutral within each general service rate class by being offset by reductions to the standard tariff rates; (ii) are prior to any shifts in class revenue responsibility; and, (iii) are before, and in addition to, application of overall rate increases resulting from the revenue requirement portion of this rate case. Under Trigen's proposal, no reduction in revenue responsibility for the rate class, if any, will be applied to the all-electric discounted rates.

Large General Service
Proposed Reduction to KCPL's Current All-Electric Rate Discounts
Trigen vs MPSC Staff

Line No.	Winter Season (8 months)	Current All-Electric Rate Discount: Standard Tariff Rate	All-Electric Rate	Current Discount (a - b)	Percent (c/b)	Trigen's Proposed All-Electric Rate Discount Reduction by one-third in this Rate Case: Discount Reduction (c/3)	Percent (e/b)	Trigen's Proposal (b+c)	MPSC Staff's All-Electric Rate 10%, 5%, 0% Phase Out Proposal: Percent Increase Recommended	MPSC Staff's Proposal (b*(1+h))
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Rate for Service at Secondary Voltage									
2	Demand Charge ($/kW-mo)	2.1720	2.0100	0.1620	8%	0.0540	3%	2.06400	0%	2.01000
3	Energy Charge ($/kWh)									
4	First 180 hours use per month	0.05450	0.04050	0.01400	35%	0.0047	12%	0.04517	10%	0.04455
5	Next 180 hours use per month	0.03470	0.02670	0.00800	30%	0.0027	10%	0.02937	5%	0.02804
6	Over 360 hours use per month	0.02970	0.02440	0.00530	22%	0.0018	7%	0.02617	0%	0.02440
7	Rate for Service at Primary Voltage									
8	Demand Charge ($/kW-mo)	2.1220	1.9650	0.15700	8%	0.0523	3%	2.01733	0%	1.96500
9	Energy Charge ($/kWh)									
10	First 180 hours use per month	0.05320	0.03960	0.01360	34%	0.0045	11%	0.04413	10%	0.04356
11	Next 180 hours use per month	0.03390	0.02610	0.00780	30%	0.0026	10%	0.02870	5%	0.02741
12	Over 360 hours use per month	0.02910	0.02390	0.00520	22%	0.0017	7%	0.02563	0%	0.02390

Note: Trigen's proposal, all-electric rate adjustments and separately metered space heating adjustments are (i) revenue neutral within each general service rate class by being offset by reductions to the standard tariff rates; (ii) are prior to any shifts in class revenue responsibility; and, (iii) are before, and in addition to, application of overall rate increases resulting from the revenue requirement portion of this rate case. Under Trigen's proposal, no reduction in revenue responsibility for the rate class, if any, will be applied to the all-electric discounted rates.

Impact of the Recommended Adjustments to KCPL'S General Service All-Electric Discounted Rates Trigen vs MPSC Staff

Line No.	Description	Trigen's Proposed All-Electric Rate Discount Reduction by 1/3 in this Rate Case			MPSC Staff's All-Electric Rate 10%, 5%, 0% Phase Out Proposal - Increase to All-Electric Customers
			Percent Increase/(Decrease)		
		Revenue Shift Within the Rate Class	All-Electric Customers	Standard Tariff Customers	
1		(a)	(b)	(c)	(d)
2	Small General Service				
3	Secondary	96,206	5.05%	(0.25%)	4.13%
4	Primary	-	-	-	-
5	Medium General Service				
6	Secondary	491,003	5.60%	(0.82%)	2.97%
7	Primary	4,322	3.64%	(0.90%)	2.07%
8	Large General Service				
9	Secondary	1,757,096	4.60%	(2.73%)	2.95%
10	Primary	318,666	4.76%	(3.37%)	2.88%
		2,667,293			

Notes

(a) Amount of additional annual revenue from general service all-electric customers under Trigen's proposal to be offset by a reduction in rates to standard tariff rate customers to be revenue neutral within each class..

(b) Percent increase in annual revenues from all-electric customers under Trigen's proposal.

(c) Percent decrease in annual revenues from standard tariff rate customers to offset the increase in revenues from all-electric customers under Trigen's proposal.

(d) Percent increase in annual revenues from all-electric customers under MPSC Staff's proposal, see Schedule JCW-1.

Small, Medium and Large General Service
MPSC Staff's Phase Out Proposal of
Separately Metered Space Heat Rate Discounts

Line No.	Winter Season (8 months)	Current Separately Metered Space Heat Rate Discount: Standard Tariff Rate	Separately Metered Space Heat Rate	Current Discount	Percent	MPSC Staff's Separately Metered Phase Out Proposal: Separately Metered Increase	Proposed Rate
		(a)	(b)	(c)	(d)	(e)	(f)
1	Small General Service - Secondary Voltage						
2	Energy Charge ($/kWh)						
3	First 180 hours use per month	0.08579	0.03968	0.04611	116%	10%	0.04365
4	Next 180 hours use per month	0.04188	0.03968	0.00220	6%	10%	0.04365
5	Over 360 hours use per month	0.03779	0.03968	(0.00189)	-5%	10%	0.04365
6	Medium General Service - Secondary Voltage						
7	Energy Charge ($/kWh)						
8	First 180 hours use per month	0.06300	0.03330	0.02970	89%	10%	0.03663
9	Next 180 hours use per month	0.03780	0.03330	0.00450	14%	10%	0.03663
10	Over 360 hours use per month	0.03170	0.03330	(0.00160)	-5%	10%	0.03663
11	Large General Service - Secondary Voltage						
12	Energy Charge ($/kWh)						
13	First 180 hours use per month	0.05450	0.03120	0.02330	75%	10%	0.03432
14	Next 180 hours use per month	0.03470	0.03120	0.00350	11%	10%	0.03432
15	Over 360 hours use per month	0.02970	0.03120	(0.00150)	-5%	10%	0.03432

Note: Separately metered rate adjustments are prior to any shifts in class revenue responsibility and before, and in addition to, application of overall rate increases resulting from the revenue requirement portion of this rate case.
No reduction in revenue responsibility for the rate class will be applied to the separately metered space-heating rates.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of Kansas City Power and Light Company for Approval to Make Certain Changes in its Charges for Electric Service to Implement its Regulatory Plan	)))))	Case No. ER-2007-0291

AFFIDAVIT OF JOSEPH A. HERZ

STATE OF KANSAS)
) ss
COUNTY OF JEWEL)

Joseph A. Herz, being of lawful age, on his oath states: that he has participated in the preparation of the attached Surrebuttal Testimony in question and answer form and Schedules to be presented in the above case; that the answers in said Surrebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers and schedules; and that such matters are true and correct to the best of his knowledge and belief.

Joseph A. Herz

Subscribed and sworn to before me this 19th day of September, 2007.

PEGGY J. WILSON
State of Kansas
My Appt. Exp. 3/14/2009

Notary