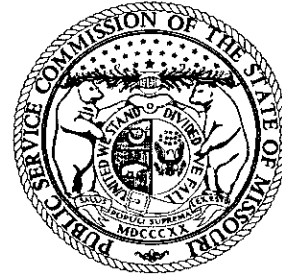


Notice of *Ex Parte* Contact

TO: Data Center
All Parties in Case No. ER-2007-0291
All Commissioners



FROM: Commissioner Steve Gaw *SH*

DATE: August ²⁹~~23~~, 2007

On August 22, 2007, I received the attached e-mail from Anne McGregor. The Commission is currently considering the issues discussed in the e-mail in Case No. ER-2007-0291 and is bound by the same *ex parte* rule as a court of law.

Although communications from the public are always welcome, those communications must be made known to all parties to a contested case so that those parties have the opportunity to respond. According to the Commission's rules (4 CSR 240-4), when a communication (either oral or written) occurs outside the hearing process, any member of the Commission or the Regulatory Law Judge who received the communication shall prepare a written report concerning the communication and submit it to each member of the Commission and the parties to the case. The report shall identify the person(s) who participated in the *ex parte* communication, the substance of the communication and the relationship of the communication to a particular matter at issue before the Commission.

Therefore, this report is submitted pursuant to the rules cited above. This will ensure that any party to this case will have notice of the attached information and a full and fair opportunity to respond to the comments contained therein.

cc: Executive Director
Secretary/Chief Regulatory Law Judge
General Counsel

From: amcgregormc2@aol.com
Sent: Wednesday, August 22, 2007 8:35 PM
To: Gaw, Steve
Subject: KCPL Rate Hearing

Steve,

Thanks you for hearing my testimony today and for your thoughtful questions. I wanted to respond to you about the Sierra Club Collaboration Agreement that you referred to. I have since read it and wanted to respond to you personally but also to intend to submit written comments.

Thanks to the Sierra Club, the agreement commits KCPL to 300 MW of energy efficiency projects by 2012 and CO2 offsets of 711,159 tons in the same time frame. Although I think these goals are modest, my point really is that these are the types of efforts that should be rewarded, not building unclean coal plants.

I realize that the traditional model for rate making allows utilities to earn a return on expenditures relating to generating power. Typically based on a throughput charge and a base or demand charge. This model rewards utilities for selling more power, not less. And does nothing to address emissions. I am suggesting that in order to earn a rate increase, a utility must FIRST reduce customer demand, incorporate renewable fuels or achieve offsets or some other goal that leads to cleaner emissions and lower usage.

So, being that I am from Missouri, I want to see them achieve these goals (and subsequently more robust ones) before a rate increase is allowed. This would be a giant carrot for them to get there.

And I don't believe that a coal fired power plant should be built without clean coal technology in this day and age. The technology is available and the risks of not doing it are known.

Thank you for hearing me out.

Anne McGregor
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8/23/2007