

Kansas City Power & Light Company

Discounted Cash Flow Analysis Traditional Constant Growth DCF Model

Line	Utility	Stock Price (P0) (1)	Next Year's Div (D1) (2)	Dividend Yield (3)	2010 DPS (4)	2010 EPS (5)	Retention Rate (B) (6)	2010 BVPS (7)	ROE (R) (8)	BxR Growth (9)	Zacks (10)	Value Line (11)	GDP (12)	Average Growth (13)	ROE (14)
1	Alliant Energy	38.37	1.27	3.31%	1.57	2.60	39.62%	26.10	9.96%	3.95%	4.00%	5.50%	5.10%	4.64%	7.9%
2	Ameren Corp.	53.97	2.54	4.71%	2.54	3.20	20.63%	34.65	9.24%	1.90%	6.10%	1.00%	5.10%	3.53%	8.2%
3	American Electric Power	40.95	1.59	3.88%	2.00	3.75	46.67%	30.25	12.40%	5.79%	3.90%	6.50%	5.10%	5.32%	9.2%
4	CH Energy	52.40	2.16	4.12%	2.20	3.25	32.31%	35.50	9.15%	2.96%	N/A	3.00%	5.10%	3.69%	7.8%
5	Cent. Vermont P.S.	22.37	0.92	4.11%	0.92	1.60	42.50%	19.65	8.14%	3.46%	N/A	10.00%	5.10%	6.19%	10.3%
6	Cleco Corp.	25.54	0.90	3.52%	1.20	2.00	40.00%	18.25	10.96%	4.38%	8.00%	7.00%	5.10%	6.12%	9.6%
7	Consolidated Edison	47.96	2.32	4.84%	2.38	3.05	21.97%	33.65	9.06%	1.99%	3.70%	2.00%	5.10%	3.20%	8.0%
8	DTE Enrgy	46.06	2.14	4.65%	2.32	3.50	33.71%	36.25	9.66%	3.28%	4.30%	3.00%	5.10%	3.91%	8.6%
9	Duquesne Light	19.89	1.00	5.03%	1.00	1.50	33.33%	11.00	13.64%	4.55%	N/A	5.00%	5.10%	4.88%	9.9%
10	Empire District	23.70	1.28	5.40%	1.28	1.75	26.86%	17.00	10.29%	2.76%	N/A	9.50%	5.10%	5.79%	11.2%
11	Energy East Corp.	24.48	1.21	4.94%	1.40	2.00	30.00%	21.25	9.41%	2.82%	4.50%	4.00%	5.10%	4.11%	9.0%
12	Green Mountain	33.74	1.18	3.50%	1.54	2.55	39.61%	25.35	10.06%	3.98%	N/A	3.50%	5.10%	4.19%	7.7%
13	Hawaiian Electric	27.41	1.24	4.52%	1.24	1.75	29.14%	17.00	10.29%	3.00%	6.50%	3.00%	5.10%	4.40%	8.9%
14	IDACORP.	39.05	1.20	3.07%	1.20	2.40	50.00%	30.20	7.95%	3.97%	4.70%	7.50%	5.10%	5.32%	8.4%
15	MGE Energy	34.19	1.40	4.09%	1.44	2.45	41.22%	18.95	12.93%	5.33%	N/A	6.00%	5.10%	5.48%	9.6%
16	NiSource Inc.	23.58	0.92	3.90%	1.00	1.75	42.86%	21.00	8.33%	3.57%	3.30%	3.50%	5.10%	3.87%	7.8%
17	Northeast Utilities	26.32	0.78	2.96%	0.93	1.70	45.29%	19.55	8.70%	3.94%	8.70%	8.50%	5.10%	6.56%	9.5%
18	NSTAR	34.79	1.33	3.82%	1.65	2.75	40.00%	19.00	14.47%	5.79%	5.80%	7.50%	5.10%	6.05%	9.9%
19	Pinnacle West Capital	48.41	2.13	4.40%	2.43	3.70	34.32%	41.05	9.01%	3.09%	6.80%	7.00%	5.10%	5.50%	9.9%
20	PPL Corporation	35.07	1.20	3.42%	1.80	3.50	48.57%	17.00	20.59%	10.00%	9.20%	11.00%	5.10%	8.83%	12.2%
21	Progress Energy	47.01	2.46	5.23%	2.52	2.90	13.10%	33.95	8.54%	1.12%	3.60%	N/A	5.10%	3.27%	8.5%
22	Puget Energy, Inc.	24.31	1.00	4.11%	1.10	1.75	37.14%	21.25	8.24%	3.06%	7.00%	5.00%	5.10%	5.04%	9.2%
23	SCANA Corp.	41.02	1.72	4.19%	1.90	3.25	41.54%	29.25	11.11%	4.62%	4.70%	3.50%	5.10%	4.48%	8.7%
24	Southern Co.	36.13	1.60	4.43%	1.80	2.50	28.00%	18.25	13.70%	3.84%	4.70%	3.50%	5.10%	4.28%	8.7%
25	Vactren Corp.	28.32	1.27	4.48%	1.39	1.90	26.84%	17.40	10.92%	2.93%	4.00%	3.00%	5.10%	3.76%	8.2%
26	Xcel Energy, Inc.	22.31	0.93	4.17%	1.10	1.75	37.14%	16.00	10.94%	4.06%	4.30%	6.00%	5.10%	4.87%	9.0%
27	Group Average	34.51	1.45	4.19%	1.61	2.49	35.48%	24.18	10.68%	3.85%	5.39%	6.40%	6.10%	4.89%	9.1%
28	Group Median			4.15%											9.0%

Source:
Schedule SCH-6 Page 2 of 5.

Company Exhibit No. 32
Case No(s) CR-2007-0291
Date 10/2/07 Rptr PR

Govman Rebuttal
Rebutal Schedule MPG-2
Page 1 of 3

Kansas City Power and Light Company

Discounted Cash Flow Analysis Constant Growth DCF Model Long-Term GDP Growth

<u>Line</u>	<u>Utility</u>	<u>Stock Price (P0)</u> (15)	<u>Next Year's Div (D1)</u> (16)	<u>Dividend Yield</u> (17)	<u>GDP</u> (18)	<u>ROE Col 17+18</u> (19)
1	Alliant Energy	38.37	1.27	3.31%	5.10%	8.41%
2	Ameren Corp.	53.97	2.54	4.71%	5.10%	9.81%
3	American Electric Power	40.95	1.59	3.88%	5.10%	8.98%
4	CH Energy	52.40	2.16	4.12%	5.10%	9.22%
5	Cent. Vermont P.S.	22.37	0.92	4.11%	5.10%	9.21%
6	Cleco Corp.	25.54	0.90	3.52%	5.10%	8.62%
7	Consolidated Edison	47.96	2.32	4.84%	5.10%	9.94%
8	DTE Enrgy	46.06	2.14	4.65%	5.10%	9.75%
9	Duquesne Light	19.89	1.00	5.03%	5.10%	10.13%
10	Empire District	23.70	1.28	5.40%	5.10%	10.50%
11	Energy East Corp.	24.48	1.21	4.94%	5.10%	10.04%
12	Green Mountain	33.74	1.18	3.50%	5.10%	8.60%
13	Hawaiian Electric	27.41	1.24	4.52%	5.10%	9.62%
14	IDACORP.	39.05	1.20	3.07%	5.10%	8.17%
15	MGE Energy	34.19	1.40	4.09%	5.10%	9.19%
16	NiSource Inc.	23.58	0.92	3.90%	5.10%	9.00%
17	Northeast Utilities	26.32	0.78	2.96%	5.10%	8.06%
18	NSTAR	34.79	1.33	3.82%	5.10%	8.92%
19	Pinnacle West Capital	48.41	2.13	4.40%	5.10%	9.50%
20	PPL Corporation	35.07	1.20	3.42%	5.10%	8.52%
21	Progress Energy	47.01	2.46	5.23%	5.10%	10.33%
22	Puget Energy, Inc.	24.31	1.00	4.11%	5.10%	9.21%
23	SCANA Corp.	41.02	1.72	4.19%	5.10%	9.29%
24	Southern Co.	36.13	1.60	4.43%	5.10%	9.53%
25	Vectren Corp.	28.32	1.27	4.48%	5.10%	9.58%
26	Xcel Energy, Inc.	22.31	0.93	4.17%	5.10%	9.27%
27	Group Average	34.51	1.45	4.19%	5.10%	9.3%
28	Group Median			4.15%		9.2%

Source:
Schedule SCH-6 Page 3 of 5.

Kansas City Power & Light Company

Discounted Cash Flow Analysis Low Near-Term Growth Two-Stage Growth DCF Model

Line	Utility	Next Year's Div (D ₁) (20)	2010 DPS (21)	Annual Change to 2008 (22)	Stock Price (P0) (23)	Year 1 Div (24)	Year 2 Div (25)	Year 3 Div (26)	Year 4 Div (27)	Year 5 Div (28)	Year 5-150 Growth (29)	ROE = IRR (30)
1	Alliant Energy	1.27	1.57	10.00%	-38.37	1.27	1.37	1.47	1.57	1.65	5.10%	8.6%
2	Ameren Corp.	2.54	2.54	0.00%	-53.97	2.54	2.54	2.54	2.54	2.67	5.10%	9.2%
3	American Electric Power	1.59	2.00	13.67%	-40.95	1.59	1.73	1.86	2.00	2.10	5.10%	9.3%
4	CH Energy	2.16	2.20	1.33%	-52.4	2.16	2.17	2.19	2.20	2.31	5.10%	8.7%
5	Cent. Vermont P.S.	0.92	0.92	0.00%	-22.37	0.92	0.92	0.92	0.92	0.97	5.10%	8.7%
6	Cleco Corp.	0.9	1.20	10.00%	-25.54	0.90	1.00	1.10	1.20	1.26	5.10%	9.1%
7	Consolidated Edison	2.32	2.38	2.00%	-47.96	2.32	2.34	2.36	2.38	2.50	5.10%	9.4%
8	DTE Energy	2.14	2.32	8.00%	-46.06	2.14	2.20	2.26	2.32	2.44	5.10%	9.5%
9	Duquesne Light	1	1.00	0.00%	-19.89	1.00	1.00	1.00	1.00	1.05	5.10%	9.5%
10	Empire District	1.28	1.28	0.00%	-23.7	1.28	1.28	1.28	1.28	1.35	5.10%	9.8%
11	Energy East Corp.	1.21	1.40	6.33%	-24.48	1.21	1.27	1.34	1.40	1.47	5.10%	10.0%
12	Green Mountain	1.18	1.54	12.00%	-33.74	1.18	1.30	1.42	1.54	1.62	5.10%	9.0%
13	Hawaiian Electric	1.24	1.24	0.00%	-27.41	1.24	1.24	1.24	1.24	1.30	5.10%	9.0%
14	IDACORP.	1.2	1.20	0.00%	-39.05	1.20	1.20	1.20	1.20	1.26	5.10%	7.7%
15	MGE Energy	1.4	1.44	1.33%	-34.19	1.40	1.41	1.43	1.44	1.51	5.10%	8.7%
16	NiSource Inc.	0.92	1.00	2.67%	-23.58	0.92	0.95	0.97	1.00	1.05	5.10%	8.7%
17	Northeast Utilities	0.78	0.93	5.00%	-26.32	0.78	0.83	0.88	0.93	0.98	5.10%	8.1%
18	NSTAR	1.33	1.65	10.67%	-34.79	1.33	1.44	1.54	1.65	1.73	5.10%	9.2%
19	Pinnacle West Capital	2.13	2.43	10.00%	-48.41	2.13	2.23	2.33	2.43	2.55	5.10%	9.4%
20	PPL Corporation	1.2	1.80	20.00%	-35.07	1.20	1.40	1.60	1.80	1.89	5.10%	9.4%
21	Progress Energy	2.46	2.52	2.00%	-47.01	2.46	2.48	2.50	2.52	2.65	5.10%	9.8%
22	Puget Energy, Inc.	1	1.10	3.33%	-24.31	1.00	1.03	1.07	1.10	1.16	5.10%	9.0%
23	SCANA Corp.	1.72	1.90	6.00%	-41.02	1.72	1.78	1.84	1.90	2.00	5.10%	9.1%
24	Southern Co.	1.6	1.80	6.67%	-36.13	1.60	1.67	1.73	1.80	1.89	5.10%	9.4%
25	Vectren Corp.	1.27	1.39	4.00%	-28.32	1.27	1.31	1.35	1.39	1.46	5.10%	9.3%
26	Xcel Energy, Inc.	0.93	1.10	5.67%	-22.31	0.93	0.99	1.04	1.10	1.16	5.10%	9.3%
27	Group Average											9.1%
28	Group Median											9.2%

Source:
Schedule SCH-9 Page 4 of 5.