

Exhibit No.:

Issues: Excess Extension
Charge Payment

Witness: William L. McDuffey

Sponsoring Party: MO PSC Staff

Type of Exhibit: Rebuttal Testimony

Case No.: ER-2006-0314

Date Testimony Prepared: September 15, 2006

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY OPERATIONS DIVISION

REBUTTAL TESTIMONY

OF

WILLIAM L. MCDUFFEY

KANSAS CITY POWER & LIGHT

CASE NO. ER-2006-0314

**Jefferson City, Missouri
September 2006**

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

AFFIDAVIT OF WILLIAM L. McDUFFEY

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

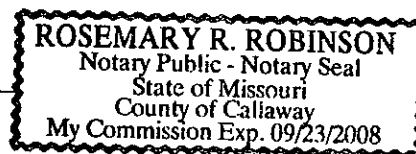
William L. McDuffey, of lawful age, on his oath states: that he has participated in the preparation of the following Rebuttal Testimony in question and answer form, consisting of 3 pages of Rebuttal Testimony to be presented in the above case, that the answers in the following Rebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.

William L. McDuffey
William L. McDuffey

Subscribed and sworn to before me this 14th day of September, 2006.

Rosemary R. Robinson
Notary Public

My commission expires 9-23-2008



Rebuttal Testimony of
William L. McDuffey

1 A. I disagreed with the proposed reduction in the payment period and
2 recommended that KCPL's current tariff pertaining to this issue remain unchanged. The
3 present payment plan is billed at one and one-half percent (1½%) of the construction cost
4 which equates to a monthly payment for sixty-six months. The proposed payment plan
5 would be billed in equal installments over sixty (60) consecutive bills or months. KCPL's
6 proposed tariff sheets clarify that customers reimburse the company for construction costs
7 over a period of sixty (60) months, which remains unchanged. However, now customers will
8 reimburse the company for the entire construction cost. Under the current program,
9 customers only reimburse the company for ninety (90%) of the construction cost.

10 Q. What is Staff's rebuttal position relating to this tariff proposal?

11 A. The Staff is in agreement with this proposal.

12 Q. Why has the Staff changed its position?

13 A. KCPL has pointed out that it presently applies, in accordance with its tariff,
14 the maximum payment period of sixty (60) months [five (5) years] as stated below from
15 Tariff Sheet No. 1.31, paragraph 9.01 (D) in part:

16 As evidence that the Customer accepts service under the terms of
17 this extension policy, the Customer will be required to sign an
18 Electric Service Agreement guaranteeing the monthly Customer
19 Charges for a period of five (5) years.
20

21 This satisfies Staff's position of requesting the payment period to remain at sixty (60)
22 months.

23 Q. If the sixty-month payment period is unchanged, why is KCPL proposing the
24 removal of the present payment plan billed at one and one-half percent (1½%) of the
25 construction cost?

Rebuttal Testimony of
William L. McDuffey

1 A. KCPL has been collecting only ninety (90) percent of the amount owed. This
2 occurred because the Company limited the period it collected the construction cost to sixty
3 months, and only collected one and one-half percent ($1\frac{1}{2}\%$) of the total cost each month ($60 \times$
4 $1.5 = 90$). Thus, currently ten percent (10%) of the costs of the extensions beyond the base
5 amount are paid for by the other ratepayers or shareholders. The proposed change will allow
6 KCPL to collect the total amount of the cost from the customer causing the cost by simply
7 dividing the full amount owed by sixty (60) months.

8 Q. Does this conclude your rebuttal testimony?

9 A. Yes, it does.