

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

In the Matter of the Application of Kansas)
City Power & Light Company to Transfer) Case No.: EA-2012-_____
Certain Assets to KCP&L Greater Missouri)
Operations Company)

**APPLICATION TO TRANSFER ASSETS
AND MOTION FOR EXPEDITED TREATMENT**

Kansas City Power & Light Company (“KCP&L”) and KCP&L Greater Missouri Operations Company (“GMO”) (collectively “Applicants”), pursuant to Section 393.190, Mo. Rev. Stat. (2000), as amended,¹ 4 CSR 240-2.060, 4 CSR 240-2.080(14), and 4 CSR 240-3.110, hereby submit this Application (“Application”) for authorization to transfer at cost certain electric transmission facilities currently owned and operated by KCP&L, located between KCP&L’s Nashua substation in Clay County near Smithville, Missouri and GMO’s Alabama Street substation in St. Joseph, Buchanan County, Missouri, to GMO (the “Transfer”).

The Transfer is needed to facilitate the construction of a new regionally-funded transmission project required by the Southwest Power Pool, Inc. (“SPP”) to relieve transmission congestion in the SPP region and to increase the ability to move low cost generation within the region.² Additionally, transferring these existing transmission facilities to GMO will more accurately align the existing facilities with the customers primarily benefiting from such facilities. This Application by KCP&L and GMO requests all necessary authorizations to complete the Transfer.

¹ All statutory references are to the Missouri Revised Statutes (2000), as amended, unless otherwise noted.

² As described more fully in the body of this Application, SPP has identified the need for a new 345 kV transmission line between KCP&L’s Iatan substation and its Nashua substation as part of its regional transmission planning obligation the results of which are presented in the Balanced Portfolio Network Upgrades approved by the SPP Board of Directors in 2009. SPP Balanced Portfolio Project, available at <http://www.spp.org/publications/2009%20Balanced%20Portfolio%20-%20Final%20Approved%20Report.pdf> (last visited June 18, 2012).

Because the new regionally-funded transmission line is expected to be constructed no later than June 2015, to meet this deadline and keep the current construction schedule, KCP&L and GMO seek expedited treatment for the approval requested herein, pursuant to 4 CSR 240-2.080(14). In support of their Application, KCP&L and GMO state as follows:

I. APPLICANTS

1. KCP&L is a Missouri corporation with its principal office and place of business at 1200 Main Street, Kansas City, Missouri 64105. KCP&L is primarily engaged in the business of generating, transmitting, distributing, and selling electric energy to the public in portions of western Missouri and eastern Kansas. KCP&L is an electrical corporation and a public utility, as defined in Section 386.020, and is subject to the jurisdiction and regulatory supervision of this Commission. KCP&L provided its Certificate of Good Standing in Case No. EF-2002-315, which is incorporated by reference in accord with 4 CSR 240-2.060(1)(G).

2. GMO is a Delaware corporation with its principal office and place of business at 1200 Main Street, Kansas City, Missouri 64105. GMO is primarily engaged in the business of generating, transmitting, distributing, and selling electric energy and providing steam utility service to the public in portions of western Missouri. GMO is an electrical corporation and a public utility, as defined in Section 386.020, and is subject to the jurisdiction and regulatory supervision of this Commission. GMO provided its Certificate of Good Standing in Case No. EU-2002-1053, which is incorporated by reference in accord with 4 CSR 240-2.060(1)(G).

3. Pleadings, notices, orders, and other correspondence and communications related to this Application should be sent to the undersigned counsel and also to:

Darrin Ives
Senior Director, Regulatory Affairs
Kansas City Power & Light Company
1200 Main Street
Kansas City, Missouri 64105
Tel: (816) 556-2522
Fax: (816) 556-2110
Email: darrin.ives@kcpl.com

Tim M. Rush
Director, Regulatory Affairs
Kansas City Power & Light Company
1200 Main Street
Kansas City, Missouri 64105
Tel: (816) 556-2344
Fax: (816) 556-2110
E-mail: tim.rush@kcpl.com

4. Applicants have no pending action or final unsatisfied judgment or decision against them from any state or federal agency or court that involves customer service or rates, which has occurred within three years of the date of this Application other than the following: *Ag Processing, Inc. a Cooperative v. KCP&L Greater Missouri Operations Company*, Case No. HC-2012-0259. Applicants also have no overdue annual reports or assessment fees.

II. BACKGROUND

5. In 1947, this Commission granted KCP&L a Certificate of Convenience and Necessity (“CCN”) to construct, maintain, and operate a high voltage electric transmission line from “the southern edge of North Kansas City, thence northwardly across Clay, Platte and Buchanan Counties to a substation of the St. Joseph Company, known as Lake Road Substation.”³ KCP&L subsequently constructed a transmission line pursuant to that CCN.

6. The Transfer contemplated herein seeks approval to transfer a portion of the line approved by the 1947 CCN and related assets. Specifically, the Transfer will include the

³ In re Kansas City Power & Light Co., St. Joseph Light & Power Co. and Maryville Elec. Light & Power Co., Case No. 10,962, Report and Order at 5 (Jan. 3, 1947), attached hereto as Exhibit 1.

transmission facilities owned and operated by KCP&L between KCP&L's Nashua substation and GMO's Alabama substation (the "Alabama-Nashua Line"). A map of the Alabama-Nashua Line is attached hereto as Exhibit 2. The assets will be divided between GMO's two rate districts—the L&P rate district and the MPS rate district—based on the geographic boundaries of their franchised service territories. Specifically, 14.38 miles of the Alabama-Nashua Line will be assigned to L&P and 16.14 miles of the Alabama-Nashua Line will be assigned to MPS.

7. The Transfer arises from the issuance of Notifications to Construct ("NTC") from SPP seeking acceptance from KCP&L and/or GMO to build the Iatan-Nashua 345-kV line project ("Iatan-Nashua Project"). A map of the proposed route for the Iatan-Nashua Project is attached hereto as Exhibit 3. The Iatan-Nashua Project generally calls for the construction of a new 345 kV transmission line from KCP&L's Iatan substation to the Nashua substation where it will connect with KCP&L's existing Hawthorn-St. Joseph 345 kV transmission line. The selected route between these two substations is wholly within GMO's franchised service territory. In addition, the Iatan-Nashua Project calls for the installation of a 345/161 kV transformer at KCP&L's Nashua substation, including any necessary upgrades to that substation.

8. The Iatan-Nashua Project is a regionally beneficial transmission project that was approved by SPP in 2009 as part of its Balanced Portfolio of transmission upgrades.⁴ Subsequently, on June 19, 2009, SPP issued an NTC seeking KCP&L's acceptance to construct, own, and operate the Iatan-Nashua Project. A copy of the NTC is attached hereto as Exhibit 4.

9. KCP&L advised SPP on September 15, 2009 that it accepted the NTC for the Iatan-Nashua Project. A copy of KCP&L's acceptance is attached hereto as Exhibit 5. On April 9, 2012, KCP&L requested that SPP modify the Iatan-Nashua Project to include both KCP&L

⁴ See SPP Balanced Portfolio Project, available at <http://www.spp.org/publications/2009%20Balanced%20Portfolio%20-%20Final%20Approved%20Report.pdf> (last visited June 18, 2012).

and GMO as Designated Transmission Owners of the Project, because after reviewing routing options it became clear that the transmission line would traverse through GMO's franchised service territory. A copy of KCP&L's request is attached hereto as Exhibit 6. On April 17, 2012 SPP issued a NTC both to KCP&L and GMO to build the Project, which is attached hereto as Exhibit 7. On June 22, 2012, KCP&L and GMO each accepted the revised NTCs. A copy of the responses is attached hereto as Exhibit 8.

10. As the Commission is aware, KCP&L and GMO have been actively exploring options for constructing the Iatan-Nashua Project. Indeed, the Commission opened Case No. EO-2012-0271 to investigate the siting and safety of the Iatan-Nashua Project. In that proceeding, Applicants agreed to certain ongoing communication and reporting requirements recommended by Staff with regard to the construction of the Iatan-Nashua Project, including the status of the ownership of this Project.⁵

11. Applicants seek Commission approval in this Application for the sale of the Alabama-Nashua Line by KCP&L to GMO at cost to facilitate the Applicants' plan under which GMO will construct the new 345 kV transmission line located entirely within its franchised service territory, between KCP&L's Iatan substation and its Nashua substation. KCP&L will construct the upgrades to the Iatan and the Nashua substations identified in the NTCs.

III. DESCRIPTION OF THE TRANSFER

12. Applicants are seeking authorization for the sale of the Alabama-Nashua Line by KCP&L to GMO. This line was built in 1947 to allow KCP&L to sell energy to St. Joseph

⁵ In the Matter of an Investigation into the Siting and Safety of a Proposed Transmission Line in Platte County, Missouri, Case No. EO-2012-0271, Order Directing Filing and Denying Motion for Local Public Hearing at 4-5 (issued Mar. 14, 2012) ("March 14, 2012 Order") (directing Applicants to file quarterly updates beginning on March 30, 2012 that include the progress of the planning, design, and construction of this Project, the status of the ownership of this Project, and a summary of the Applicants' contact with the public during the previous quarter).

and Maryville. From an operational standpoint, however, the transfer of the Alabama-Nashua Line will have no impact on KCP&L customers. Because of certain improvements to the transmission facilities since 1947 when the Alabama-Nashua Line was first constructed, and particularly because of the construction and activation of the 345 kV facilities at the nearby Hawthorne-St. Joseph line, dependence on this line has been greatly reduced.

13. Applicants seek authorization to transfer the Alabama-Nashua Line from KCP&L to GMO so that GMO can use a portion of these existing facilities to construct the new regionally-funded Iatan-Nashua Project. The entire Alabama-Nashua Line lies within GMO's service territory. Because a portion of the Iatan-Nashua Project will overlap with a portion of the Alabama-Nashua Line, Applicants hereby request that the Commission approve the transfer of that line to GMO pursuant to Section 393.190.⁶

14. A copy of the executed Purchase Agreement is attached hereto as Exhibit 9. As noted above, the assets will be divided between L&P and MPS based on the geographic boundaries of their franchised service territories—*i.e.*, 14.38 miles of the Alabama-Nashua Line will be assigned to L&P and 16.14 miles of the Alabama-Nashua Line will be assigned to MPS. The book value of this line is \$1,751,526.19, depreciation reserve is \$1,105,526.19, and net book value is \$646,483.77 as of May 31, 2012.

15. As described in the attached Purchase Agreement, the Alabama-Nashua Line will be sold at its book value less the amount of depreciation reserve associated with the line as reflected in KCP&L's accounting records, which is the line's net book value.⁷ Because the Transfer will occur between two regulated utilities at cost, the Affiliate Transactions Rule set forth in 4 CSR 240-20.015, the stated purpose of which is "to prevent regulated utilities from

⁶ See Exhibit 3.

⁷ See Exhibit 9 at 2.

subsidizing their non-regulated operations,” is inapplicable. The Commission so held in its Report and Order approving the merger of Great Plains Energy Incorporated and Aquila, Inc., stating that “the purpose of the Commission’s Affiliate Transactions Rule is to prevent cross-subsidization of regulated utility’s non-regulated operations, not to prevent transactions at cost between two regulated affiliates.”⁸ In that Report and Order, the Commission further held that, to the extent the affiliate transactions rule is applicable to transactions between KCP&L and GMO, a variance shall be granted.⁹

16. Attached hereto as Exhibit 10 are GMO’s balance sheet and income statement with adjustments showing the results of the acquisitions of the property, pursuant to 4 CSR 240-3.110(1)(E).

17. The Transfer will have a minimal effect on the tax revenues on the counties in which the assets are located. Because the Alabama-Nashua Line will be sold at its book value, less the amount of depreciation reserve associated with the line, both KCP&L and GMO will pay the same amount of taxes. However, because KCP&L’s average pole mile cost is higher than GMO’s average pole mile cost, the total decrease in property taxes based on the 2011 assessments and mill levy rates would have been \$72,148 for the following tax districts where these pole miles are located, which will be offset by an increase in value to the other taxing districts served by KCP&L and GMO:

⁸ In the Matter of the Joint Application of Great Plains Energy Incorporated, Kansas City Power & Light Company, and Aquila, Inc. for Approval of the Merger of Aquila, Inc. with a Subsidiary of Great Plains Energy Incorporated and for Other Related Relief, Case No. EM-2007-0374, Report and Order at 264 (effective July 11, 2008).

⁹ Id.

County Wide:

Buchanan	(2,591)
Clay	(335)
Platte	(1,999)

Fire Protection District:

Dearborn	(1,607)
DeKalb	(357)
S Central	(748)
Smithville	(1,096)
Camden	(839)

School District:

Buchanan	(25,806)
Clay	(3,506)
Platte	(26,694)

City:

Smithville	(165)
Kansas City	(170)

Library:

R. Hill	(1,682)
Clay County	(225)

Ambulance:

Northland	(2,578)
-----------	---------

Road:

Platte County	(1,750)
---------------	---------

IV. LEGAL STANDARD

18. The Commission must approve the Transfer if it is not detrimental to the public interest.¹⁰ “The Commission may not withhold its approval of the disposition of assets unless it can be shown that such disposition is detrimental to the public interest.”¹¹ Missouri

¹⁰ See 4 CSR § 240-3.110(1)(D).

¹¹ State ex rel. Fee Fee Trunk Sewer, Inc. v. Litz, 596 S.W.2d 466, 468 (Mo. App. E.D. 1980). See also State ex rel. City of St. Louis v. PSC, 73 S.W.2d 393, 400 (Mo. 1934).

courts have recognized that “the obvious purpose of Section 393.190 is to ensure the continuation of adequate service to the public served by the utility.”¹²

19. In a decision approving the transfer of assets from one utility to an affiliated utility, the Commission defined its role under Section 393.190:

In considering whether or not the proposed transaction is likely to be detrimental to the public interest, the Commission notes that its duty is to ensure that [the utility] provides safe and adequate service to its customers at just and reasonable rates. A detriment, then, is any direct or indirect effect of the transaction that tends to make the power supply less safe or less adequate, or which tends to make rates less just or less reasonable.

The presence of detriments, thus defined, is not conclusive to the Commission’s ultimate decision because detriments can be offset by attendant benefits. The mere fact that a proposed transaction is not the least cost alternative or will cause rates to increase is not detrimental to the public interest where the transaction will confer a benefit of equal or greater value or remedy a deficiency that threatens the safety or adequacy of the service.¹³

20. Applying this analysis, the Commission must look at the potential benefits and detriments, and then determine if the transaction results in a net detriment to the public. Specifically, the Commission has applied the following factors when considering whether a Section 393.190.1 transaction meets the “not detrimental” standard: (1) the applicant’s experience in the utility industry; (2) the applicant’s history of service difficulties; (3) the applicant’s general financial health and ability to absorb the proposed transaction; and (4) the applicant’s ability to operate the assets safely and efficiently.¹⁴

21. The Transfer meets the “not detrimental” standard as outlined above and pursuant to 4 CSR 240-3.110(1)(D) for the reasons addressed herein. First, as an established

¹² Fee Fee Trunk Sewer, 596 S.W.2d at 468.

¹³ In re Union Elec. Co., Case No. EO-2004-0108, Report and Order on Rehearing at 49 (Feb. 10, 2005).

¹⁴ In re Missouri-American Water Co., Case No. WM-2004-0122, Report and Order (Nov. 20, 2003) (citing In re Joint Application of Missouri Gas Energy, Report and Order, 3 Mo. P.S.C.3d 216, 220 (1994)).

utility with approximately 300,000 customers in its franchised service territory and decades of experience in operating its transmission system, GMO is well positioned to assume responsibility for the facilities subject to the proposed transfer. Furthermore, GMO's transmission system is under the functional operational control of Southwest Power Pool, the same regional transmission organization ("RTO") in which KCP&L is a member. Therefore, the transfer will involve no shift in RTO responsibilities. Second, the Transfer will not cause any service difficulties, given GMO's well-established history of reliable operation of its transmission facilities. Third, because the assets will be transferred at cost—the net book value of the Transfer assets (\$646,483.77)—the proposed transaction is well within the financial capability of GMO to absorb. Fourth, GMO's historical track record in transmission operations demonstrates that it can safely and efficiently operate the facilities subject to the proposed Transfer.

22. Moreover, under a Joint Operating Agreement between KCP&L and GMO, filed with this Commission in Case No. EM-2007-0374, KCP&L employees, working on behalf of GMO, will continue to perform the operational functions associated with this line as they do today. With regard to rate effects, it is anticipated that the proposed Transfer may result in a minimal increase in the rates of GMO customers because rate base will be increased by the value of the net plant being transferred from KCP&L and because certain energy losses across those facilities are likely to be absorbed by GMO. KCP&L customers will likely experience a minimal rate decrease. The minimal increase in GMO rates that may result will be accompanied by the attendant benefits of further reliability to customers in the St. Joseph area and enhanced ability to support additional local load growth. Given such benefits, the cost of the line should be aligned with the electric service provided by GMO, rather than KCP&L.

V. MOTION FOR EXPEDITED TREATMENT

23. KCP&L and GMO seek to finalize the Transfer as soon as possible. Pursuant to 4 CSR 240-2.080(14), Applicants respectfully request expedited treatment of this Application and request Commission approval no later than August 10, 2012 to ensure that there will be no delays in the construction of the new regionally-funded Iatan-Nashua Project. This Application is being filed as soon as it could have been following the final route selection and adjustments made to the NTC to facilitate Applicants' plan under which GMO will construct the new 345 kV line, which will be located entirely within GMO's franchised service territory.

24. There will be no negative effect on Applicants' customers or the general public if the Commission acts by the date requested herein.

25. Applicants are not certain if this matter will become a "contested case" under 4 CSR 240-4.020. The Commission has previously held that Section 393.190.1 does not require the Commission to hold a hearing prior to ruling on Section 393.190 transfer applications, and that, therefore, such applications are not contested cases.¹⁵ Because Section 393.190 transfer applications are not contested cases, the Commission's rule regarding contested cases is inapplicable and a waiver of the rule is unnecessary.¹⁶

26. However, to the extent that a 60-day Notice of Filing would otherwise be required under 4 CSR 240-4.020(2), Applicants respectfully request that such notice be waived because it was not known sixty days prior to the filing date that this Application would be filed. Furthermore, based on their discussions with representatives of Staff and the Office of Public

¹⁵ See In the Matter of the Application of Atmos Energy Corporation for Authority to Sell Part of its Work or System Located at the Hannibal, Missouri Propane Air Plant, Case No. GO-2011-0281, Order Authorizing Sale of Propane Air Plant Facility Located in Hannibal, Missouri at 4 (issued Apr. 19, 2011).

¹⁶ Id.

Counsel on May 22, 2012, Applicants believe that it is unlikely that this matter will become a contested case.

WHEREFORE, for the foregoing reasons, KCP&L and GMO respectfully request that the Commission approve the transfer of the Alabama-Nashua Line from KCP&L to GMO, for expedited treatment of such approval, and for such other relief as is necessary to consummate the proposed Transfer.

Respectfully submitted,

/s/ Karl Zobrist

Karl Zobrist MBN 28325
Lisa A. Gilbreath MBN 62271
SNR Denton US LLP
4520 Main Street, Suite 1100
Kansas City, MO 64111
Tel: (816) 460-2400
Fax: (816) 531-7545
karl.zobrist@snrdenton.com
lisa.gilbreath@snrdenton.com

Roger W. Steiner MBN 39586
Corporate Counsel
Denise M. Buffington
Corporate Counsel
Kansas City Power & Light Company
1200 Main Street
Kansas City, MO 64105
Tel: (816) 556-2785
Fax: (816) 556-2787
roger.steiner@kcpl.com
denise.buffington@kcpl.com

Attorneys for Kansas City Power & Light Company and
KCP&L Greater Missouri Operations Company

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing Application has been emailed this 29th day of June, 2012 to the following parties:

General Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65101
gencounsel@psc.mo.gov

Office of the Public Counsel
P.O. Box 2230
Jefferson City, MO 65101
opcservice@ded.mo.gov

/s/ Karl Zobrist

Attorneys for Kansas City Power & Light Company and
KCP&L Greater Missouri Operations Company

AFFIDAVIT

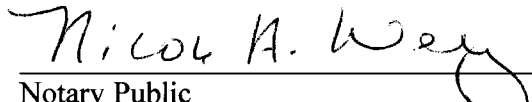
State of Missouri)
) ss
County of Jackson)

I, Darrin R. Ives, being duly sworn upon my oath, state that I am the Senior Director, Regulatory Affairs of Kansas City Power & Light Company ("KCP&L"), that I am duly authorized to make this affidavit on behalf of KCP&L and KCP&L Greater Missouri Operations Company ("GMO"), and that the facts set forth in the foregoing Application and exhibits thereto are true and correct to the best of my information, knowledge, and belief. I further verify, pursuant to 4 CSR 240-3.110(1)(C), that KCP&L and GMO have the proper authority to make the Transfer as described herein.

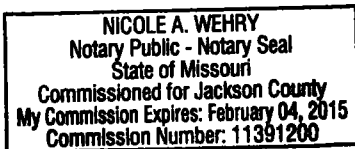


Darrin R. Ives
Senior Director, Regulatory Affairs

Subscribed and sworn before me this 29th day of June, 2012.



Notary Public



OF THE STATE OF MISSOURI

In the matter of the application of the
 Kansas City Power & Light Company,
 St. Joseph Light & Power Company, and
 Maryville Electric Light & Power Company
 for certificate of convenience and
 necessity authorizing Kansas City Power
 & Light Company to construct, maintain
 and operate an electric transmission line
 extending from North Kansas City, Missouri
 to St. Joseph, Missouri, and for certifi-
 cate of convenience and necessity authoriz-
 ing St. Joseph Light & Power Co., to
 construct, maintain & operate an electric
 transmission line extending from St. Joseph,
 Missouri, to Maryville, Missouri.

CASE NO. 10,962

REPORT AND ORDER

This case is before the Commission upon the joint application of the Kansas City Power and Light Company (hereinafter called the "Kansas City Company"), the St. Joseph Light & Power Company (hereinafter called the "St. Joseph Company") and the Maryville Electric Light and Power Company (hereinafter called the "Maryville Company") for a certificate of convenience and necessity authorizing the Kansas City Company to construct, maintain and operate an electric transmission line extending from North Kansas City, Missouri to St. Joseph, Missouri and for a certificate of convenience and necessity authorizing the St. Joseph Company to construct, maintain and operate an electric transmission line to extend from St. Joseph, Missouri to Maryville, Missouri, said lines to be over the routes more fully hereinafter described.

The applicants show that each of them is a public utility organized under the laws of the State of Missouri and engaged in the production, transmission, distribution and sale of electric energy to the public. It is shown that their operations extend throughout northwestern Missouri beginning in the areas around Kansas City and extending northward to Maryville by way of St. Joseph. The organization of each of the applicants and the authorities under which they operate is more fully described in other formal proceedings before

EXHIBIT 1

this Commission. The address of the principal operating office of the Kansas City Company is 1330 Baltimore Avenue, Kansas City, Missouri. The address of the St. Joseph Company is 520 Francis Street, St. Joseph 2, Missouri, and the Maryville Company 123 North Main Street, Maryville, Missouri. The operations of the St. Joseph Company are wholly within northwest Missouri, the City of St. Joseph being some 50 miles north of the City of Kansas City. The City of Maryville and the territory served by the Maryville Company is located north of the City of St. Joseph, in the extreme northwestern Missouri. There is no interconnection between the Kansas City Company and the St. Joseph Company, however, the systems of the St. Joseph Company and the Maryville Company are connected with a 22 KV electric line. These two connecting companies state the 22 KV line is inadequate to give the Maryville Company the relief it requires for adequately serving the public.

The applicants state that on November 8, 1946, they entered into a contract providing for the construction of adequate transmission interconnecting lines between their systems which would provide an interchange of electric energy between their respective generating plants or sources of electrical supply. Copy of the agreement is attached to the application and marked Exhibit "A".

Pursuant to the agreement entered into by the applicants, the Kansas City Company proposes, and requests authority of this Commission to do so, to build and operate a 3-phase transmission line designed for future operation at 154,000 volts but to be initially operated as a 66,000 volt line, said line to extend from a point in North Kansas City northwardly across Clay, Platte and Buchanan Counties to a point in the south section of St. Joseph connecting to a substation of the St. Joseph Company, known as its Lake Road substation, in Buchanan County. The route of the transmission line is fully described by a map attached to the application and marked Exhibit "B".

EXHIBIT 1

Pursuant to the aforesaid contract, entered into by the three applicants, the St. Joseph Company proposes to construct a 3-phase transmission line, designed for future operation at 154,000 volts, but presently to be operated as a 66,000 volt line, said line to extend from the aforesaid Lake Road substation of the St. Joseph Company in southern St. Joseph, thence northwardly across Buchanan, Andrew and Nowata Counties, to a substation of the Maryville Company located at Maryville. The route of the proposed transmission line is fully described by a map attached to the application and marked Exhibit "C".

The transmission lines proposed by the applicants are described as being modern, 3-phase, H-Frame, wood pole electric type, so designed for future operation at 154,000 volts as described. That portion of the line to be constructed from North Kansas City to St. Joseph will be financed by the Kansas City Company out of its funds available for that purpose. That portion of the line constructed from St. Joseph to Maryville by the St. Joseph Company will be financed by that company out of funds available for that purpose.

The applicants state that the construction of these lines will serve the convenience and necessity of the public and permit the interchange of the reserve capacities of the generating plants of the three applicants, thereby protecting the load requirements of each. The applicants claim the 22,000 volt interconnection now between the St. Joseph Company and the Maryville Company is not adequate to supply the required amount of electrical energy needed for the system of the Maryville Company, whereas the proposed construction will provide the necessary relief.

Because of the need for immediate action in this matter by the applicants the Kansas City Company requests that authority be granted it to undertake immediately the construction of the transmission line between North Kansas City and St. Joseph. It claims it has secured waivers from all public utilities and wire using companies or users of such facilities

EXHIBIT 1

whose rights or facilities may be affected by the construction of the proposed transmission line between North Kansas City and St. Joseph. Copies of the waivers of each of the parties that may be affected by the proposed construction are filed in this case and are made a part of the proceeding. The applicants state they have not yet secured all the waivers required for satisfying the owners and users of wire facilities that may be affected by the construction of the proposed line between St. Joseph and Maryville and for that reason do not request immediate action by the Commission upon that transmission line.

The Kansas City Company has secured authority from the County Courts of Clay and Platte Counties and have filed copies of said orders in Case No. 10,752, heretofore determined by this Commission. Furthermore, the Kansas City Company has secured authority from the County Court of Buchanan for authority to construct the transmission line herein proposed across Buchanan County, and attaches a copy of the order of said county court to the application herein, said copies being marked Exhibit "D".

From the information the applicants have filed herein, it appears that there is need for electrical interconnection between the systems of the three applicants and that the proposed construction will make available for the use of the public in the areas served by said applicants the capacities of the various generating plants of the applicants, and it further appearing that there are no objections to the construction of the line between North Kansas City and St. Joseph, and that the Kansas City Company is ready to begin construction of said transmission line, and that there is need to secure the relief that will be provided by the said construction, the Commission finds from the information that has been filed herein that authority for the construction of said line between North Kansas City and St. Joseph should be granted at this time, holding in abeyance the granting of authority for the construction of the line between St. Joseph and Maryville until such time as the

-5-

applicants may now there are no objections to the construction of said line or that the matter can be set for hearing if the interested parties may desire to be heard relative thereto.

It is, therefore,

ORDERED: 1. That the Kansas City Power & Light Company is hereby granted a certificate of convenience and necessity to construct, maintain and operate a 3-phase, H-Frame, wood pole, 154,000 volt electric transmission line to be operated initially at 66,000 volts, said line to begin at a point in the southern edge of North Kansas City, thence northwardly across Clay, Platte and Buchanan Counties to a substation of the St. Joseph Company, known as Lake Road Substation, the route of said transmission line being more fully described by a map attached to the application herein and marked Exhibit "B", which exhibit is hereby referred to and made a part hereof.

ORDERED: 2. That said electric line and all equipment connected therewith shall be constructed so as to conform to the specific rules and regulations as contained in the National Elec. Safety Code, Hand Book No. H 32, issued September 23, 1941, by the United States Bureau of Standards. Furthermore, that said applicant shall maintain and operate said electric line and all equipment connected therewith in a reasonably safe and adequate manner so as not to endanger the safety of the public or to interfere unreasonably with the service of other serial lines; and that the Commission fully retain jurisdiction of the parties and the subject-matter of this proceeding, on the evidence now before the Commission, for the purpose of making such further order or orders as may be necessary.

ORDERED: 3. Wherever said electric line may or does parallel serial lines belonging to or operated by other companies or individuals or cross such line or lines or come in close proximity thereto so as to cause induction or other electrical interference, thereby making necessary changes in said lines or in said lines of the applicant, for the general benefits and safety of the public, the expense, if any incurred in making such changes, shall be determined by an agreement

EXHIBIT 1

between the parties operating such lines and the applicant; and in case of failure of the parties to reach such agreement in settlement thereof, the matter may be submitted to the Public Service Commission for arbitration as provided for in Section 118 of the Original Act creating the Public Service Commission of this State, now Section 5697 of the Revised Statutes of Missouri for 1939.

ORDERED: 4. That this order shall take effect ten days (10) after the date hereof, and that the Secretary of the Commission shall forthwith serve on all parties interested herein a certified copy of this report and order, and that the applicant shall notify the Commission in the manner prescribed by Section 5601, R. S. Mo., 1939, whether the terms of this order are accepted and will be obeyed.

BY THE COMMISSION

(SEAL)

Fred H. Carr,
Secretary

Osburn, Chr., Williams, Hanson,
Wilson and McClintock, CC., Concur.

Dated at Jefferson City, Missouri
this 3rd day of January, 1947

STATE OF MISSOURI
OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office, and I do hereby certify the same to be a correct transcript therefrom and of the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, this 3rd day of January
~~1946~~ 1947.

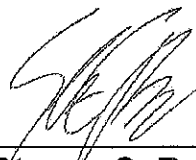

SECRETARY

STATE OF MISSOURI

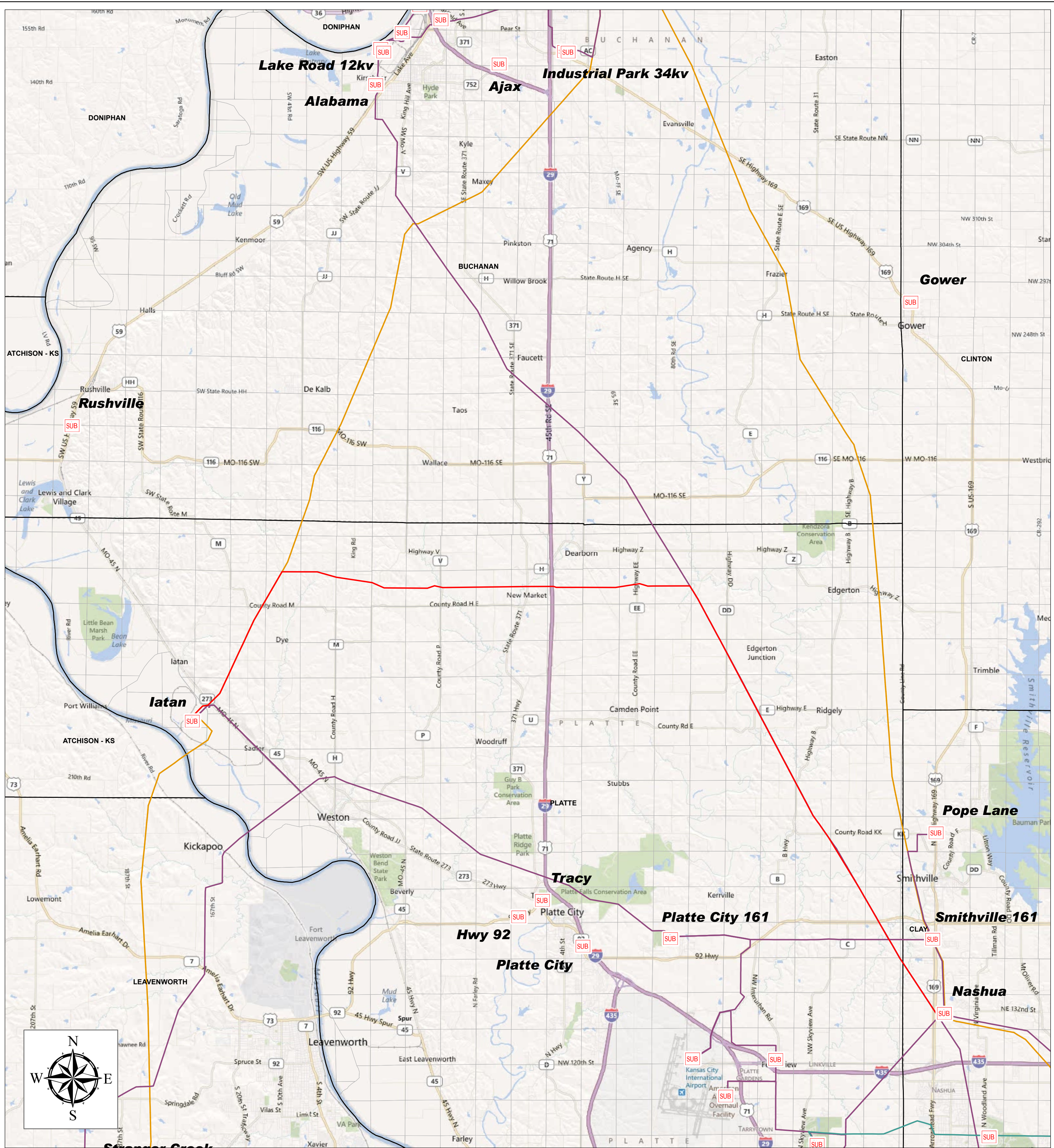
OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 17th day of February 2012.



Steven C. Reed
Secretary



Legend

- County Boundary
- SUB Substations
- Proposed 345kV Route
- Transmission Lines
 - 69 KV
 - 161 KV
 - 230KV
 - 345 KV

New Transmission Line Iatan - Nashua

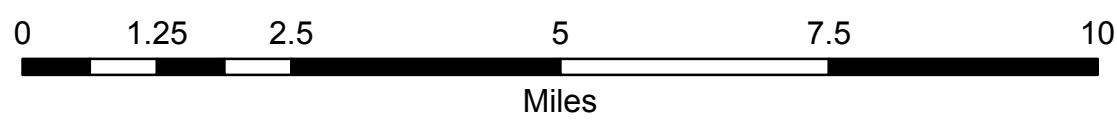
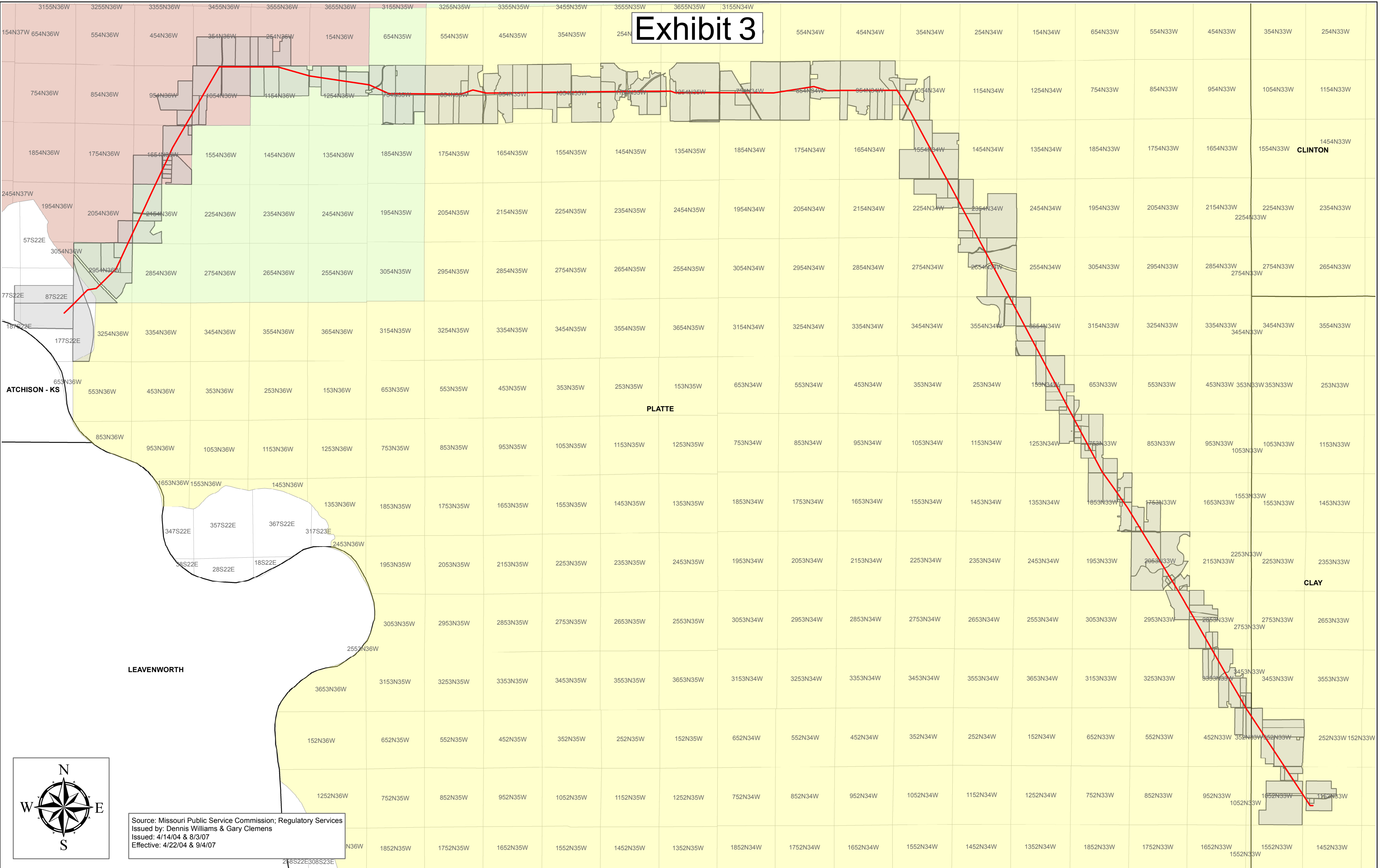


EXHIBIT 2

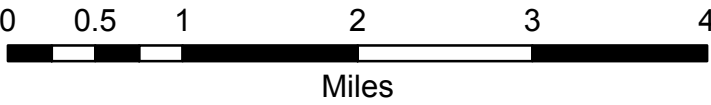
Exhibit 3



Legend

- Proposed 345kV Route
- Aquila
- Name
- Aquila - L&P
- Aquila - MPS
- Territory Overlap
- County Boundary

New Transmission Line
Aquila - Nashua
Clay & Platte Counties



SPP
Notification to Construct

June 19, 2009

SPP-NTC-20042

Mr. Todd Fridley
Kansas City Power and Light Company
1201 Walnut Street
16th Floor
Kansas City, MO 64106

RE: Notification to Construct Approved Balanced Portfolio Network Upgrades

Dear Mr. Fridley:

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. ("SPP") Membership Agreement and Attachment O, Section VIII, of the SPP Open Access Transmission Tariff ("OATT"), SPP provides this Notification to Construct ("NTC") directing Kansas City Power and Light Company ("KCPL"), as the Designated Transmission Owner, to construct the following approved Network Upgrades.

During the April 28, 2009 meeting, the SPP Board of Directors approved Balanced Portfolio 3E "adjusted" and directed the following Network Upgrades to be constructed contingent upon the approval of the Balanced Portfolio Report by the Markets and Operations Policy Committee ("MOPC"). On June 12, 2009 the MOPC approved the 2009 Balanced Portfolio Report.

Project ID: 702

Project Name: Swissvale – Stilwell Tap

Estimated In-Service Date for Project: 06/01/2012

Estimated Cost for project: \$2,000,000

Network Upgrade ID: 10934

Network Upgrade Description: Tap the Swissvale to Stilwell 345 kV line at West Gardner

Network Upgrade Owner: KCPL

MOPC Representative: Todd Fridley

Categorization: Balanced Portfolio Network Upgrade

Network Upgrade Specifications: Tap the Swissvale to Stilwell 345 kV line at the West Gardner substation.

Network Upgrade Justification: Balanced Portfolio 3E "adjusted"

Estimated In-Service Date for Network Upgrade: 6/1/2012

Estimated Cost for Network Upgrade (current day dollars): \$2,000,000

Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT

Source of Cost Estimate: KCPL

Date of Cost Estimate: April 2009

Project ID: 703

Project Name: Iatan – Nashua 345 kV line

EXHIBIT 4

Estimated In-Service Date for Project: 06/01/2015

Estimated Cost for project: \$54,444,000

Network Upgrade ID: 10935

Network Upgrade Description: 345 kV line from Iatan substation to Nashua substation

Network Upgrade Owner: KCPL

MOPC Representative: Todd Fridley

Categorization: Balanced Portfolio Network Upgrade

Network Upgrade Specifications: Construct 30 miles of 345kV, 3000 amp or greater capacity transmission line from the KCPL Iatan substation to the KCPL Nashua substation and acquire the necessary right-of-way to accommodate the 345 kV line. Upgrade the Iatan substation to include any necessary terminal equipment.

Network Upgrade Justification: Balanced Portfolio 3E “adjusted”

Estimated In-Service Date for Network Upgrade: 6/1/2015

Estimated Cost for Network Upgrade (current day dollars): \$49,824,000

Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT

Source of Cost Estimate: KCPL

Date of Cost Estimate: April 2009

Network Upgrade ID: 10945

Network Upgrade Description: Nashua 345/161 kV Transformer

Network Upgrade Owner: KCPL

MOPC Representative: Todd Fridley

Categorization: Balanced Portfolio Network Upgrade

Network Upgrade Specifications: Install a 345/161 kV transformer, 600 MVA at the Nashua substation. Upgrade the Nashua substation to include any other necessary terminal equipment.

Network Upgrade Justification: Balanced Portfolio 3E “adjusted”

Estimated In-Service Date for Network Upgrade: 6/1/2015

Estimated Cost for Network Upgrade (current day dollars): \$4,620,000

Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT

Source of Cost Estimate: KCPL

Date of Cost Estimate: April 2009

Please provide to SPP a written commitment to construct the Network Upgrades within 90 days of the date of this Notification to Construct, pursuant to Attachment O, Section VIII.6 of the SPP OATT, in addition to providing a construction schedule for the Network Upgrades. Failure to provide a sufficient written commitment to construct as required by Attachment O could result in the Network Upgrades being assigned to another entity.

Please submit a notification of commercial operation for each listed Network Upgrade to SPP as soon as the Network Upgrade is complete and in-service. Please provide SPP with the actual costs of these Network Upgrades as soon as possible after completion of construction. This will facilitate the timely billing by SPP based on actual costs.

On an ongoing basis, please keep SPP advised of any inability on KCPL's part to complete the approved Network Upgrades. For project tracking purposes, SPP requires KCPL to submit updates on the status of the Network Upgrades on a quarterly basis in conjunction with the SPP Board of Directors meetings. However, KCPL shall also advise SPP of any inability to comply with the Project Schedule as soon as the inability becomes apparent.

All terms and conditions of the SPP OATT and the SPP Membership Agreement shall apply to this Project, and nothing in this letter shall vary such terms and conditions.

Feel free to contact me if you have questions or comments regarding these instructions. Thank you for the important role that you play in maintaining the reliability of our electric grid.

Sincerely,

A handwritten signature in black ink that reads 'Bruce A. Rew'.

Bruce Rew
Vice President, Engineering
Phone (501) 614-3214 • Fax: (501) 821-3198 • brew@spp.org

cc: Carl Monroe, Les Dillahunt, Pat Bourne, Jay Caspary, Keith Tynes, SPPProjecttracking@spp.org, Richard Spring, Dennis Odell, Harold Wyble



September 15, 2009

Mr. Bruce Rew
Vice President, Engineering
Southwest Power Pool
415 N. McKinley, Suite 140
Little Rock, AR 72205-3020

Re: Notification to Construct Approved Balanced Portfolio Network Upgrades

Dear Mr. Rew,

In response to your letter dated June 19, 2009, regarding SPP's Notification to Construct Approved Balanced Portfolio Network Upgrades in which KCP&L was directed, as the Designated Transmission Owner, to construct two projects contained within the SPP Board of Directors approved Balanced Portfolio 3E – Adjusted, KCP&L responds as follows:

Pursuant to Attachment O, Section VIII.6 of the SPP Open Access Transmission Tariff ("OATT") KCP&L will construct the two projects, Project ID 702 and Project ID 703 as described below.

Project ID: 702
Project Name: Swissvale – Stilwell Tap
Estimated In-Service Date for Project: 06/01/2012
Estimated Cost for project: \$2,000,000
Network Upgrade ID: 10934
Network Upgrade Description: Tap the Swissvale to Stilwell 345 kV line at West Gardner.

KCP&L anticipates that Project ID 702 will be completed as stated. This project requires no additional right-of-way.

Project ID: 703
Project Name: Iatan – Nashua 345 kV line
Estimated In-Service Date for Project: 06/01/2015
Estimated Cost for project: \$54,444,000
Network Upgrade ID: 10935
Network Upgrade Description: 345 kV line from Iatan substation to Nashua substation
Network Upgrade ID: 10945
Network Upgrade Description: Nashua 345/161 kV Transformer



Due to Project ID 703 requiring new transmission right-of-way in an urbanized area in or near northern portions of Kansas City, Missouri, KCP&L may require alternative line routing and substation location in order to produce comparable transmission system connectivity.

In addition to the above projects, KCP&L will provide the following administrative items:

- 1) Provide quarterly project status updates for each Network Upgrade as part of SPP's project tracking process.
- 2) Advise SPP of any inability on KCP&L's part to complete each Network Upgrade.
- 3) Submit a notification of commercial operation for each Network Upgrade as soon as the Network Upgrade is completed and placed into service.
- 4) Submit the total actual costs for each Network Upgrade as it is available after the construction is completed.

Please feel free to contact me directly if you have any questions or comments regarding KCP&L's response to SPP's Notification to Construct Balanced Portfolio Network Upgrades.

Sincerely,

Todd Fridley

Todd Fridley
Sr. Manager, Transmission Policy & Compliance
and Chief FERC Compliance Officer
Tel: (816) 654-1214 ▪ Cell: (816) 719-9709 ▪ Email: todd.fridley@kcpl.com

C: Mike Deggendorf
John Marshall
Bill Herdegen
Steve Gilkey
Harold Wyble
Bill Riggins
Curtis Blanc
Charles Locke
Carl Monroe - SPP
Les Dillahunt - SPP



April 9, 2012

Mr. Lanny Nickell
Vice President, Engineering
Southwest Power Pool, Inc.
415 N. McKinley, Suite 140
Little Rock, AR 72205-3020

RE: Notification to Construct ("NTC") SPP-NTC-20042

Dear Mr. Nickell,

This letter is in regards to the Notification to Construct approved Balanced Portfolio Network Upgrades (SPP-NTC-20042), dated June 19, 2009 ("NTC") issued by Southwest Power Pool, Inc. ("SPP") to Kansas City Power & Light Company ("KCP&L"). KCP&L accepted the obligation to build the upgrades associated with the NTC by letter dated September 15, 2009. For ease of reference, both letters are attached hereto.

The NTC issued by SPP pursuant to Section 3.3 of the SPP Membership Agreement and Attachment O, Section VI¹, of the SPP Open Access Transmission Tariff ("OATT") directed KCP&L to construct certain approved Balanced Portfolio 3E-"adjusted" network upgrades. The upgrade at issue is the Iatan-Nashua 345 kV line, identified in the NTC as Project ID #703 and Network Upgrade IDs #'s 10935 and 10945 (the "Project"). KCP&L accepted the obligation to construct the Project on behalf of itself as the designated owner of Nashua facility, and as the owner-operator of the Iatan substation.² While the Iatan substation is operated by KCP&L, it is physically located in GMO's service territory. As a result, the Project will traverse through GMO's service territory to connect with KCP&L's Nashua substation.

Pursuant to SPP's Membership Agreement §3.3(b) and the OATT Attachment O §VI(4) "[i]f the project forms a connection with facilities owned by *multiple* Transmission Owners, the applicable Transmission Owners will be designated to provide their respective new facilities. If there is more than one Transmission Owner designated to construct a project, the Designated Transmission Owners will agree among themselves which part of the project will be provided by each entity." As the Project forms a connection between facilities owned by multiple parties, the parties should be

¹ The NTC referenced Attachment O, Section VIII, which was correct at the time it was issued. In the current OATT, the section that governs notifications to construct SPP-approved upgrades is Attachment O, Section VI.

² The owners of Iatan Station own the Iatan substation as tenants in common, each with an undivided ownership interest. The owners of Iatan Station are KCP&L, KCP&L Greater Missouri Operations Company ("GMO"), Empire District Electric Company ("Empire"), Missouri Joint Municipal Electric Utility Commission ("MJMEUC") and Kansas Electric Power Cooperative, Inc. ("KEPCo"). KCP&L is the exclusive Operator responsible for the actual design, permitting, development, procurement, construction, operation and maintenance of Iatan Station, including the Iatan substation, subject to the direction of the Management Committee.

Mr. Lanny Nickell
Vice President, Engineering
April 9, 2012
Page 2

permitted to determine which part of the Project will be constructed by each entity. As a tenant in common in the Iatan substation with KCP&L, GMO holds a common, undivided ownership interest in the substation. Because the substation is located in GMO's service territory and because the substation is owned by both KCP&L and GMO, KCPL requests that SPP also issue the NTC to GMO to allow both KCPL and GMO to determine how the Project will be constructed.³ Doing so would allow all parties to fulfill their obligations consistently with the requirements of the Membership Agreement and the OATT, as explained herein.

Please feel free to contact me directly if you have any questions or comments regarding KCP&L's request contained herein.


Todd Fridley
Sr. Manager, Transmission Policy
Tel: (816) 654-1214
Cell: (816) 719-9709
Email: todd.fridley@kcpl.com

³ Although the other tenants in common have an undivided interest in the Iatan Substation, because the facility is located *entirely* within GMO's territory and the Project has only two points of interconnection that practically allow no more than two owner-operators of the Project, it would not be inconsistent with the Membership Agreement or the OATT to only issue the additional NTC to GMO.



HELPING OUR MEMBERS WORK TOGETHER
TO KEEP THE LIGHTS ON... TODAY AND IN THE FUTURE

SPP
Notification to Construct

June 19, 2009

SPP-NTC-20042

Mr. Todd Fridley
Kansas City Power and Light Company
1201 Walnut Street
16th Floor
Kansas City, MO 64106

RE: Notification to Construct Approved Balanced Portfolio Network Upgrades

Dear Mr. Fridley:

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. ("SPP") Membership Agreement and Attachment O, Section VIII, of the SPP Open Access Transmission Tariff ("OATT"), SPP provides this Notification to Construct ("NTC") directing Kansas City Power and Light Company ("KCPL"), as the Designated Transmission Owner, to construct the following approved Network Upgrades.

During the April 28, 2009 meeting, the SPP Board of Directors approved Balanced Portfolio 3E "adjusted" and directed the following Network Upgrades to be constructed contingent upon the approval of the Balanced Portfolio Report by the Markets and Operations Policy Committee ("MOPC"). On June 12, 2009 the MOPC approved the 2009 Balanced Portfolio Report.

Project ID: 702

Project Name: Swissvale – Stilwell Tap

Estimated In-Service Date for Project: 06/01/2012

Estimated Cost for project: \$2,000,000

Network Upgrade ID: 10934

Network Upgrade Description: Tap the Swissvale to Stilwell 345 kV line at West Gardner

Network Upgrade Owner: KCPL

MOPC Representative: Todd Fridley

Categorization: Balanced Portfolio Network Upgrade

Network Upgrade Specifications: Tap the Swissvale to Stilwell 345 kV line at the West Gardner substation.

Network Upgrade Justification: Balanced Portfolio 3E "adjusted"

Estimated In-Service Date for Network Upgrade: 6/1/2012

Estimated Cost for Network Upgrade (current day dollars): \$2,000,000

Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT

Source of Cost Estimate: KCPL

Date of Cost Estimate: April 2009

Project ID: 703

Project Name: Iatan – Nashua 345 kV line

Estimated In-Service Date for Project: 06/01/2015
Estimated Cost for project: \$54,444,000

Network Upgrade ID: 10935
Network Upgrade Description: 345 kV line from Iatan substation to Nashua substation
Network Upgrade Owner: KCPL
MOPC Representative: Todd Fridley
Categorization: Balanced Portfolio Network Upgrade
Network Upgrade Specifications: Construct 30 miles of 345kV, 3000 amp or greater capacity transmission line from the KCPL Iatan substation to the KCPL Nashua substation and acquire the necessary right-of-way to accommodate the 345 kV line. Upgrade the Iatan substation to include any necessary terminal equipment.
Network Upgrade Justification: Balanced Portfolio 3E "adjusted"
Estimated In-Service Date for Network Upgrade: 6/1/2015
Estimated Cost for Network Upgrade (current day dollars): \$49,824,000
Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT
Source of Cost Estimate: KCPL
Date of Cost Estimate: April 2009

Network Upgrade ID: 10945
Network Upgrade Description: Nashua 345/161 kV Transformer
Network Upgrade Owner: KCPL
MOPC Representative: Todd Fridley
Categorization: Balanced Portfolio Network Upgrade
Network Upgrade Specifications: Install a 345/161 kV transformer, 600 MVA at the Nashua substation. Upgrade the Nashua substation to include any other necessary terminal equipment.
Network Upgrade Justification: Balanced Portfolio 3E "adjusted"
Estimated In-Service Date for Network Upgrade: 6/1/2015
Estimated Cost for Network Upgrade (current day dollars): \$4,620,000
Source of funding for Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT
Source of Cost Estimate: KCPL
Date of Cost Estimate: April 2009

Please provide to SPP a written commitment to construct the Network Upgrades within 90 days of the date of this Notification to Construct, pursuant to Attachment O, Section VIII.6 of the SPP OATT, in addition to providing a construction schedule for the Network Upgrades. Failure to provide a sufficient written commitment to construct as required by Attachment O could result in the Network Upgrades being assigned to another entity.

Please submit a notification of commercial operation for each listed Network Upgrade to SPP as soon as the Network Upgrade is complete and in-service. Please provide SPP with the actual costs of these Network Upgrades as soon as possible after completion of construction. This will facilitate the timely billing by SPP based on actual costs.



HELPING OUR MEMBERS WORK TOGETHER
TO KEEP THE LIGHTS ON... TODAY AND IN THE FUTURE

On an ongoing basis, please keep SPP advised of any inability on KCPL's part to complete the approved Network Upgrades. For project tracking purposes, SPP requires KCPL to submit updates on the status of the Network Upgrades on a quarterly basis in conjunction with the SPP Board of Directors meetings. However, KCPL shall also advise SPP of any inability to comply with the Project Schedule as soon as the inability becomes apparent.

All terms and conditions of the SPP OATT and the SPP Membership Agreement shall apply to this Project, and nothing in this letter shall vary such terms and conditions.

Feel free to contact me if you have questions or comments regarding these instructions. Thank you for the important role that you play in maintaining the reliability of our electric grid.

Sincerely,

Bruce A. Rew

Bruce Rew
Vice President, Engineering
Phone (501) 614-3214 • Fax: (501) 821-3198 • brew@spp.org

cc: Carl Monroe, Les Dillahunt, Pat Bourne, Jay Caspary, Keith Tynes, SPPProjecttracking@spp.org,
Richard Spring, Dennis Odell, Harold Wyble



September 15, 2009

Mr. Bruce Rew
Vice President, Engineering
Southwest Power Pool
415 N. McKinley, Suite 140
Little Rock, AR 72205-3020

Re: Notification to Construct Approved Balanced Portfolio Network Upgrades

Dear Mr. Rew,

In response to your letter dated June 19, 2009, regarding SPP's Notification to Construct Approved Balanced Portfolio Network Upgrades in which KCP&L was directed, as the Designated Transmission Owner, to construct two projects contained within the SPP Board of Directors approved Balanced Portfolio 3E – Adjusted, KCP&L responds as follows:

Pursuant to Attachment O, Section VIII.6 of the SPP Open Access Transmission Tariff ("OATT") KCP&L will construct the two projects, Project ID 702 and Project ID 703 as described below.

Project ID: 702
Project Name: Swissvale – Stilwell Tap
Estimated In-Service Date for Project: 06/01/2012
Estimated Cost for project: \$2,000,000
Network Upgrade ID: 10934
Network Upgrade Description: Tap the Swissvale to Stilwell 345 kV line at West Gardner.

KCP&L anticipates that Project ID 702 will be completed as stated. This project requires no additional right-of-way.

Project ID: 703
Project Name: Iatan – Nashua 345 kV line
Estimated In-Service Date for Project: 06/01/2015
Estimated Cost for project: \$54,444,000
Network Upgrade ID: 10935
Network Upgrade Description: 345 kV line from Iatan substation to Nashua substation
Network Upgrade ID: 10945
Network Upgrade Description: Nashua 345/161 kV Transformer



Due to Project ID 703 requiring new transmission right-of-way in an urbanized area in or near northern portions of Kansas City, Missouri, KCP&L may require alternative line routing and substation location in order to produce comparable transmission system connectivity.

In addition to the above projects, KCP&L will provide the following administrative items:

- 1) Provide quarterly project status updates for each Network Upgrade as part of SPP's project tracking process.
- 2) Advise SPP of any inability on KCP&L's part to complete each Network Upgrade.
- 3) Submit a notification of commercial operation for each Network Upgrade as soon as the Network Upgrade is completed and placed into service.
- 4) Submit the total actual costs for each Network Upgrade as it is available after the construction is completed.

Please feel free to contact me directly if you have any questions or comments regarding KCP&L's response to SPP's Notification to Construct Balanced Portfolio Network Upgrades.

Sincerely,

Todd Fridley

Todd Fridley

Sr. Manager, Transmission Policy & Compliance
and Chief FERC Compliance Officer

Tel: (816) 654-1214 ■ Cell: (816) 719-9709 ■ Email: todd.fridley@kcpl.com

C: Mike Deggendorf
John Marshall
Bill Herdegen
Steve Gilkey
Harold Wyble
Bill Riggins
Curtis Blanc
Charles Locke
Carl Monroe - SPP
Les Dillahunt - SPP

SPP-NTC-200188

**SPP
Notification to Construct**

April 17, 2012

Mr. Harold Wyble
Kansas City Power & Light Company
801-A, P.O. Box 418679
Kansas City, MO 64141-9679

RE: Notification to Construct Approved Balanced Portfolio Network Upgrades

Dear Mr. Wyble,

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. ("SPP") Membership Agreement and Attachment O, Section VI, of the SPP Open Access Transmission Tariff ("OATT"), SPP provides this Notification to Construct ("NTC") directing Kansas City Power & Light Company ("KCP&L"), as the Designated Transmission Owner, to construct the Network Upgrade(s).

KCP&L received and accepted NTC 20042 in 2009 to construct the approved Balanced Portfolio Project ID 703, Iatan to Nashua 345 kV. On April 9, 2012, KCP&L requested SPP modify the Project to include KCP&L Greater Missouri Operations Company ("GMO") as a Designated Transmission Owner of the project. Except as otherwise described in this modified NTC, all other terms and conditions of NTC 20042, and KCP&L's acceptance of the obligation to construct Network Upgrades identified in NTC 20042, remain unchanged and in full force and effect.

Upgrades with Modifications

Previous NTC Number: 20042

Previous NTC Issue Date: 6/19/2009

Project ID: 703

Project Name: Multi - Iatan - Nashua 345 kV

Estimated Cost for Project: \$54,444,000 (this project cost contains Network Upgrades not included in this NTC)

Date of Estimated Cost: 4/1/2009

Estimated Cost Source: KCP&L

Network Upgrade ID: 10935

Network Upgrade Name: Iatan - Nashua 345 kV Ckt 1 (KCP&L)

Network Upgrade Description: Build new 345 kV line from Iatan to Nashua. The total

SPP-NTC-200188

mileage of this 345 kV line is 30 miles. GMO and KCP&L shall decide who shall build how much of these Network Upgrades and shall provide such information, along with specific cost estimates for each Designated Transmission Owner's portion of the Network Upgrades, to SPP in the response to this NTC.

Network Upgrade Owner: Kansas City Power & Light Company

MOPC Representative: Todd Fridley

TWG Representative: Harold Wyble

Reason for Change: The changes reflected in this NTC are being made at the request of KCP&L, who clarified that the Iatan substation is a jointly-owned facility. An NTC is also being issued to GMO to acknowledge GMO's ownership interest in the facilities.

Categorization: Balanced Portfolio

Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA, but are not limited to that amount.

Network Upgrade Justification: Balanced Portfolio 3E "adjusted"

Estimated In-Service Date for Network Upgrade: 6/1/2015

Cost Allocation of the Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) within 90 days of the date of this NTC, pursuant to Attachment O, Section VI.6 of the SPP OATT, in addition to providing a construction schedule for the Network Upgrade(s). Failure to provide a sufficient written commitment to construct as required by Attachment O could result in the Network Upgrade(s) being assigned to another entity.

Coordination with Neighbors

KCP&L is responsible for coordinating these jointly owned projects with other constructing Designated Transmission Owners. Coordination includes, but is not limited to, construction specifications, facility ratings, interception location, and construction timing.

Notification of Commercial Operation

Please submit a notification of commercial operation for each listed Network Upgrade to SPP as soon as the Network Upgrade is complete and in-service. Please provide SPP with the actual costs of these Network Upgrades as soon as possible after completion of construction. This will facilitate the timely billing by SPP based on actual costs.

Notification of Progress

On an ongoing basis, please keep SPP advised of any inability on KCP&L's part to complete the approved Network Upgrade(s). For project tracking purposes, SPP requires KCP&L to submit updates on the status of the Network Upgrade(s) on a quarterly basis in conjunction with the SPP Board of Directors meetings. However, KCP&L shall also advise SPP of any inability to comply

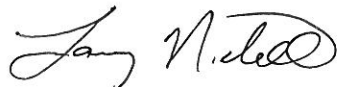
SPP-NTC-200188

with the Project Schedule as soon as the inability becomes apparent.

All terms and conditions of the SPP OATT and the SPP Membership Agreement shall apply to this Project, and nothing in this NTC shall vary such terms and conditions.

Don't hesitate to contact me if you have questions or comments regarding these instructions. Thank you for the important role that you play in maintaining the reliability of our electric grid.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lanny Nickell', written in a cursive style.

Lanny Nickell

Vice President, Engineering

Phone: (501) 614-3232 • Fax: (501) 821-3198 • lnickell@spp.org

cc: Carl Monroe - SPP
Katherine Prewitt - SPP
Todd Fridley - Kansas City Power & Light Company
Patricia Denny - Kansas City Power & Light Greater Missouri Operations Company

SPP-NTC-200189

SPP
Notification to Construct

April 17, 2012

Mr. Harold Wyble
KCP&L Greater Missouri Operations Company
801-A, P.O. Box 418679
Kansas City, MO 64141-9679

RE: Notification to Construct Approved Balanced Portfolio Network Upgrades

Dear Mr. Wyble,

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. ("SPP") Membership Agreement and Attachment O, Section VI, of the SPP Open Access Transmission Tariff ("OATT"), SPP provides this Notification to Construct ("NTC") directing Kansas City Power & Light Greater Missouri Operations Company ("GMO"), as the Designated Transmission Owner, to construct the Network Upgrade(s).

Kansas City Power & Light Company ("KCP&L") received and accepted NTC 20042 in 2009 to construct the approved Balanced Portfolio Project ID 703, Iatan to Nashua 345 kV. On April 9, 2012, KCP&L requested SPP modify the Project to include GMO as a Designated Transmission Owner of the project.

New Network Upgrades

Project ID: 703

Project Name: Multi - Iatan - Nashua 345 kV

Estimated Cost for Project: \$54,444,000 (this project cost contains Network Upgrades not included in this NTC)

Date of Estimated Cost: 4/1/2009

Estimated Cost Source: KCP&L

Network Upgrade ID: 50499

Network Upgrade Name: Iatan - Nashua 345 kV Ckt 1 (GMO)

Network Upgrade Description: Build new 345 kV line from Iatan to Nashua. The total mileage of this 345 kV line is 30 miles. GMO and KCP&L shall decide who shall build how much of these Network Upgrades and shall provide such information, along with specific cost estimates for each Designated Transmission Owner's portion of the Network Upgrades, to SPP in the response to this NTC.

SPP-NTC-200189

Network Upgrade Owner: KCP&L Greater Missouri Operations Company
MOPC Representative: Patricia Denny
TWG Representative: Harold Wyble
Categorization: Balanced Portfolio
Network Upgrade Specification: All elements and conductor must have at least an emergency rating of 1792 MVA, but are not limited to that amount.
Network Upgrade Justification: Balanced Portfolio 3E “adjusted”
Estimated In-Service Date for Network Upgrade: 6/1/2015
Cost Allocation of the Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT

Commitment to Construct

Please provide to SPP a written commitment to construct the Network Upgrade(s) within 90 days of the date of this NTC, pursuant to Attachment O, Section VI.6 of the SPP OATT, in addition to providing a construction schedule for the Network Upgrade(s). Failure to provide a sufficient written commitment to construct as required by Attachment O could result in the Network Upgrade(s) being assigned to another entity.

Coordination with Neighbors

GMO is responsible for coordinating these jointly owned projects with other constructing Designated Transmission Owners. Coordination includes, but is not limited to, construction specifications, facility ratings, interception location, and construction timing.

Notification of Commercial Operation

Please submit a notification of commercial operation for each listed Network Upgrade to SPP as soon as the Network Upgrade is complete and in-service. Please provide SPP with the actual costs of these Network Upgrades as soon as possible after completion of construction. This will facilitate the timely billing by SPP based on actual costs.

Notification of Progress

On an ongoing basis, please keep SPP advised of any inability on GMO's part to complete the approved Network Upgrade(s). For project tracking purposes, SPP requires GMO to submit updates on the status of the Network Upgrade(s) on a quarterly basis in conjunction with the SPP Board of Directors meetings. However, GMO shall also advise SPP of any inability to comply with the Project Schedule as soon as the inability becomes apparent.

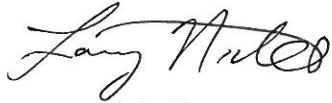
All terms and conditions of the SPP OATT and the SPP Membership Agreement shall apply to this Project, and nothing in this NTC shall vary such terms and conditions.

Don't hesitate to contact me if you have questions or comments regarding these instructions.

SPP-NTC-200189

Thank you for the important role that you play in maintaining the reliability of our electric grid.

Sincerely,



Lanny Nickell

Vice President, Engineering

Phone: (501) 614-3232 • Fax: (501) 821-3198 • lnickell@spp.org

cc: Carl Monroe - SPP
Katherine Prewitt - SPP
Todd Fridley - Kansas City Power & Light Company
Patricia Denny - Kansas City Power & Light Greater Missouri Operations Company



June 22, 2012

Mr. Lanny Nickell
Vice President, Engineering
Southwest Power Pool
415 N. McKinley, Suite 140
Little Rock, AR 72205-3020

Re: Notification to Construct Approved Balanced Portfolio Network Upgrades (NTC-200188)

Dear Mr. Nickell,

In response to your letter dated April 17, 2012, regarding KCP&L's request to include KCP&L Greater Missouri Operations Company (GMO) as a designated Transmission Owner to construct portions of the approved Balanced Portfolio Project ID 703, Iatan to Nashua 345kV, KCP&L responds as follows:

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. ("SPP") Membership Agreement and Attachment O, Section VI of the SPP Open Access Transmission Tariff ("OATT") KCP&L has coordinated with GMO and will construct the substation terminal portions of Project ID 703 as described below.

Previous NTC number: 20042
Previous NTC Issue date: 6/19/2009
Project ID: 703
Project Name: Mult – Iatan – Nashua 345 kV
Need Date for Project: 6/1/2015
Estimated Cost for Project: \$64,800,000 (includes upgrades not part of this NTC)

Network Upgrade ID: 10935
Network Upgrade Name: Iatan – Nashua substation upgrades
Network Upgrade Description: Add 345 kV line terminal at Iatan; add 4 breaker 345 kV ring bus substation at Nashua with 3 line terminals (Iatan, St. Joseph, Hawthorn) and 1 345/161 kV autotransformer terminal; upgrade Nashua 161kV substation to accommodate new autotransformer terminal; increase Nashua – Nashua North tie capacity to 2000 amps or higher
Network Upgrade Owner: KCP&L
MOPC Representative: Todd Fridley
TWG Representative: Harold Wyble
Categorization: Balanced Portfolio



Network Upgrade Specification: All 345 kV substation elements must be rated for 3000 amps or higher. Upgrades to Nashua 161 kV substation must be rated 2000 amps or higher.

Network Upgrade Justification: Balanced Portfolio 3E "adjusted"

Estimated Cost for Network Upgrade (current day dollars): \$10,156,909

Cost Allocation of the Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT

Estimated Cost Source: KCP&L

Date of Estimated Cost: 6/11/2012

For the above project, KCP&L will provide the following administrative items:

- 1) Provide quarterly project status updates for each Network Upgrade as part of SPP's project tracking process.
- 2) Advise SPP of any inability on KCP&L's part to complete each Network Upgrade.
- 3) Submit a notification of commercial operation for each Network Upgrade as soon as the Network Upgrade is completed and placed into service.
- 4) Submit the total actual costs for each Network Upgrade as it is available after the construction is completed.

Please feel free to contact me directly if you have any questions or comments regarding KCP&L's response to SPP's Notification to Construct Regional Reliability Network Upgrades.

Sincerely,

Harold G. Wyble

Harold G. Wyble

Manager, Transmission Planning

Tel: (816) 654-1213 ■ Cell: (816) 835-9926 ■ Email: harold.wyble@kcpl.com

C: Bill Herdegen, Jeff Wolf, Jim McBee, Leroy Lutes, Charles Locke
Carl Monroe, Katherine Prewitt, Todd Fridley, Patricia Denny
SPPprojecttracking@spp.org



June 22, 2012

Mr. Lanny Nickell
Vice President, Engineering
Southwest Power Pool
415 N. McKinley, Suite 140
Little Rock, AR 72205-3020

Re: Notification to Construct Approved Balanced Portfolio Network Upgrades (NTC-200189)

Dear Mr. Nickell,

In response to your letter dated April 17, 2012, regarding KCP&L's request to include KCP&L Greater Missouri Operations Company (GMO) as a designated Transmission Owner to construct portions of the approved Balanced Portfolio Project ID 703, Iatan to Nashua 345kV, GMO responds as follows:

Pursuant to Section 3.3 of the Southwest Power Pool, Inc. ("SPP") Membership Agreement and Attachment O, Section VI of the SPP Open Access Transmission Tariff ("OATT") GMO has coordinated with KCP&L and will construct the transmission line portions of Project ID 703 as described below.

Previous NTC number: 20042
Previous NTC Issue date: 6/19/2009
Project ID: 703
Project Name: Mult – Iatan – Nashua 345 kV
Need Date for Project: 6/1/2015
Estimated Cost for Project: \$64,800,000 (includes upgrades not part of this NTC)

Network Upgrade ID: 50449
Network Upgrade Name: Iatan – Nashua 345kV Ckt 1
Network Upgrade Description: Construct new 345 kV transmission line from Iatan to Nashua approximately 30 miles
Network Upgrade Owner: GMO
MOPC Representative: Patty Denny
TWG Representative: Harold Wyble
Categorization: Balanced Portfolio
Network Upgrade Specification: 345 kV transmission line must have an emergency rating of 3000 amps or higher.
Network Upgrade Justification: Balanced Portfolio 3E "adjusted"



Estimated Cost for Network Upgrade (current day dollars): \$50,643,091

Cost Allocation of the Network Upgrade: Region-wide charge as specified by Attachment J, SPP OATT

Estimated Cost Source: GMO

Date of Estimated Cost: 6/11/2012

For the above project, GMO will provide the following administrative items:

- 1) Provide quarterly project status updates for each Network Upgrade as part of SPP's project tracking process.
- 2) Advise SPP of any inability on GMO's part to complete each Network Upgrade.
- 3) Submit a notification of commercial operation for each Network Upgrade as soon as the Network Upgrade is completed and placed into service.
- 4) Submit the total actual costs for each Network Upgrade as it is available after the construction is completed.

Please feel free to contact me directly if you have any questions or comments regarding GMO's response to SPP's Notification to Construct Regional Reliability Network Upgrades.

Sincerely,

Harold G. Wyble

Harold G. Wyble

Manager, Transmission Planning

Tel: (816) 654-1213 ■ Cell: (816) 835-9926 ■ Email: harold.wyble@kcpl.com

C: Bill Herdegen, Jeff Wolf, Jim McBee, Leroy Lutes, Charles Locke
Carl Monroe, Katherine Prewitt, Todd Fridley, Patricia Denny
SPPprojecttracking@spp.org

AGREEMENT FOR SALE/PURCHASE OF
SPECIFIED TRANSMISSION SYSTEM PROPERTY

THIS AGREEMENT is entered into as of the 29th day of June, 2012, by and between Kansas City Power & Light Company, a corporation organized under the laws of the State of Missouri, hereinafter called "Seller" or "Party," and KCP&L Greater Missouri Operations Company, a corporation organized under the laws of the State of Delaware, hereinafter called "Buyer" or "Party" (collectively, the "Parties").

1. Property To Be Sold

1.1 Subject to terms and conditions hereinafter set forth, and subject to the receipt of all necessary authority from the Missouri Public Service Commission ("MPSC") and the Federal Energy Regulatory Commission ("FERC"), hereinafter collectively referred to as "the Commissions," and release from Seller's General Mortgage Indenture and Deed of Trust to United Missouri Bank of Kansas City, N.A., the Seller shall sell to Buyer, and the Buyer shall purchase from the Seller, the 161 kilovolt ("kV"), three phase transmission line including the poles, crossarms, insulators, conductors and other associated devices of the 161 kV line with the southern terminus located at the Seller's Nashua Substation and the northern terminus located at the Buyer's Alabama Substation ("Transmission Line"); as further described graphically (map) in Exhibit A, attached hereto and made a part hereof.

2. Transfer and Conveyance of Property to be Sold

2.1 At the Closing, the Seller shall execute and deliver to the Buyer an appropriate bill of sale and other instruments of conveyance and transfer of the property to be sold. Within a reasonable time after closing, Seller shall deliver to Buyer in recordable form appropriate assignments of all easements associated with the Transmission Line. Subject to Section 1.1 above, the property to be sold shall be conveyed and transferred free and clear of all liens and encumbrances except for (i) any defects in

the respective titles of Seller's grantors and (ii) the lien of taxes not in default. Seller shall notify Buyer of any defects in title of Seller's grantors which are known to Seller and which are not apparent through title examination. Seller shall not be obligated to conduct any investigation to discover any possible defects. All taxes levied and assessed against the property to be sold for the calendar year prior to the Closing Date shall be paid by Seller. All taxes levied and assessed for the calendar year in which the Closing Date occurs shall be prorated between the Seller and the Buyer on the basis of the date of such transfer of title to the property. Taxes, if any, for all years after such transfer shall be the sole responsibility of Buyer.

3. Purchase Price

3.1 Upon the sale, transfer, conveyance and assignment by the Seller to the Buyer of the property to be sold, the Buyer shall pay to the Seller on the Closing Date, a sum equal to the book value of the Transmission Line assets less the amount of depreciation reserve associated with those assets as reflected in the Seller's accounting records as of the Closing Date.

4. Summary of Transfer of Records

4.1 On the Closing Date, the Seller shall deliver to Buyer the following records and documents pertaining to the property to be sold:

- a) A Seller executed Bill of Sale including Exhibit A (general description of property to be sold with reasonable accuracy, subject to the exceptions described herein).
- b) A Seller executed Easement Assignment which includes the instruments or drawings or both which indicate the property rights necessary and pertinent to the property to be sold.

5. Closing

5.1 The Closing shall be at a mutually agreeable date and time within thirty (30) days

after the effective date of an order of the MPSC or the FERC, whichever is later, approving the sale of the property to be sold; provided, however, that the orders of the Commissions are acceptable to both the Buyer and Seller in accordance with Section 5.3.

5.2 The place of Closing shall be at Seller's offices at 1200 Main Street, Kansas City, Missouri 64105.

5.3 In the event the order of the MPSC or FERC approving the sale of property is not obtained, or if the orders of the MPSC or FERC substantially changes the terms and conditions of this Agreement, or if some person or entity pursues rehearing or appeal of the order, the Closing shall be suspended until the situation is resolved to the satisfaction of Seller and Buyer. If the Closing is suspended for these reasons for a period longer than six months from the effective date of the order of either the MPSC or the FERC, upon the written request of either Party, this Agreement shall become null and void and neither Party shall be liable to the other hereunder.

6. Regulatory Approvals

6.1 Seller and Buyer shall cooperate and use their best efforts to obtain the approval of the both the MPSC and the FERC for this proposed transaction. Seller and Buyer shall equally share responsibility for preparation of all applications for regulatory approvals by both the MPSC and the FERC, and shall share all costs and expenses in connection therewith. Seller and Buyer agree to cooperate fully with respect to the production of any information, the provision of witnesses, and any other lawful requests made by the Commissions, or any interveners in the proceedings seeking approval of the proposed transaction.

7. Transfer of the Transmission Line

7.1 There is one (1) location where the Transmission Line physically interconnects with the Buyer's existing transmission system as described in Section 1.1. It is anticipated

that no physical changes will be needed to integrate the Transmission Line into the Buyer's electric system. Therefore, the transfer of the ownership and operation shall occur on the Closing Date.

8. Warranties

8.1 Seller warrants that (i) it has good and sufficient title to the property to be sold subject to the approvals of both the MPSC and FERC and will release from Seller's General Mortgage Indenture and Deed of Trust to United Missouri Bank of Kansas City, N.A., and (ii) this Agreement does not violate or conflict with any agreement, instrument, license, permit, authorization, court order, or decree to which Seller is a party or subject or by which Seller or any of its assets are bound.

8.2 Buyer warrants that it has the requisite and effective lawful authority to enter into this Agreement, perform thereunder, and to take title to the property to be sold; and that this Agreement does not violate or conflict with any agreement, instrument, license, permit, authorization, court order, or decree to which Buyer is a party or subject or by which Buyer or any of its assets are bound.

8.3 Except as expressly set forth herein or in the documents or instruments to be delivered at Closing, the Seller makes no representations or warranties, express or implied, with regard to the physical condition of the property to be sold, including any implied warranties of merchantability, usability or fitness for a particular purpose. The property to be sold is sold on an "as is - where is" basis. Buyer certifies that it has inspected the property to be sold to its satisfaction and by executing this Agreement, signifies that it accepts the property to be sold in its present condition, including only normal wear and tear thereafter until the Closing.

8.4 Each Party warrants to the other that there are no legal, quasi-judicial or administrative proceedings, suits, claims or demands of any kind or nature now pending or threatened which involve the Seller or the Buyer and which have or would

have a material adverse effect on the property to be sold.

9. Termination, Amendment, Waiver of Provisions Prior to Closing

9.1 This Agreement may be terminated at any time prior to Closing only:

- a) By mutual consent of Buyer and Seller;
- b) By Seller or Buyer pursuant to Section 5.3 herein; or
- c) By Seller or Buyer, if any approval or release legally required from a third party in order to consummate the transaction is not obtained.

9.2 In the event of termination of this Agreement in accordance with Section 9.1, there shall be no liability on the part of either Party hereto to the other; provided, however, that such termination shall not preclude liability attaching to a Party who has caused the termination hereof by willful act or willful failure to act in violation of the terms and provisions of this Agreement.

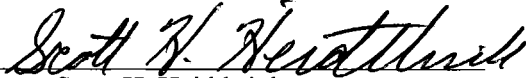
9.3 This document represents the entire Agreement between Seller and Buyer and supersedes all other prior agreements or undertakings with regard to the property to be sold and may not be amended except by an instrument in writing signed on behalf of each of the Parties hereto.

9.4 Any terms or provisions of this Agreement may be waived in writing at any time by the Party or Parties which are entitled to the benefits thereof. The failure of any Party at any time or times to require performance of any provision hereof shall in no manner affect such Party's right at a later time to enforce the same. No waiver by any Party of a condition, or the breach of any term or provision contained herein, whether by conduct or otherwise, in any one or more instances shall be deemed to be or construed as a further or continuing waiver of any such condition or breach of any term or provision of this Agreement.

[signature page next page]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective corporate officers thereunto duly authorized as of the day and year first above written.

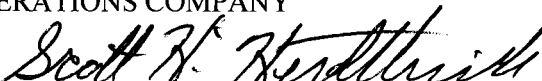
KANSAS CITY POWER & LIGHT CO.


By: Scott H. Heidtbrink
Title: Executive Vice President and
Chief Operating Officer

Approved:

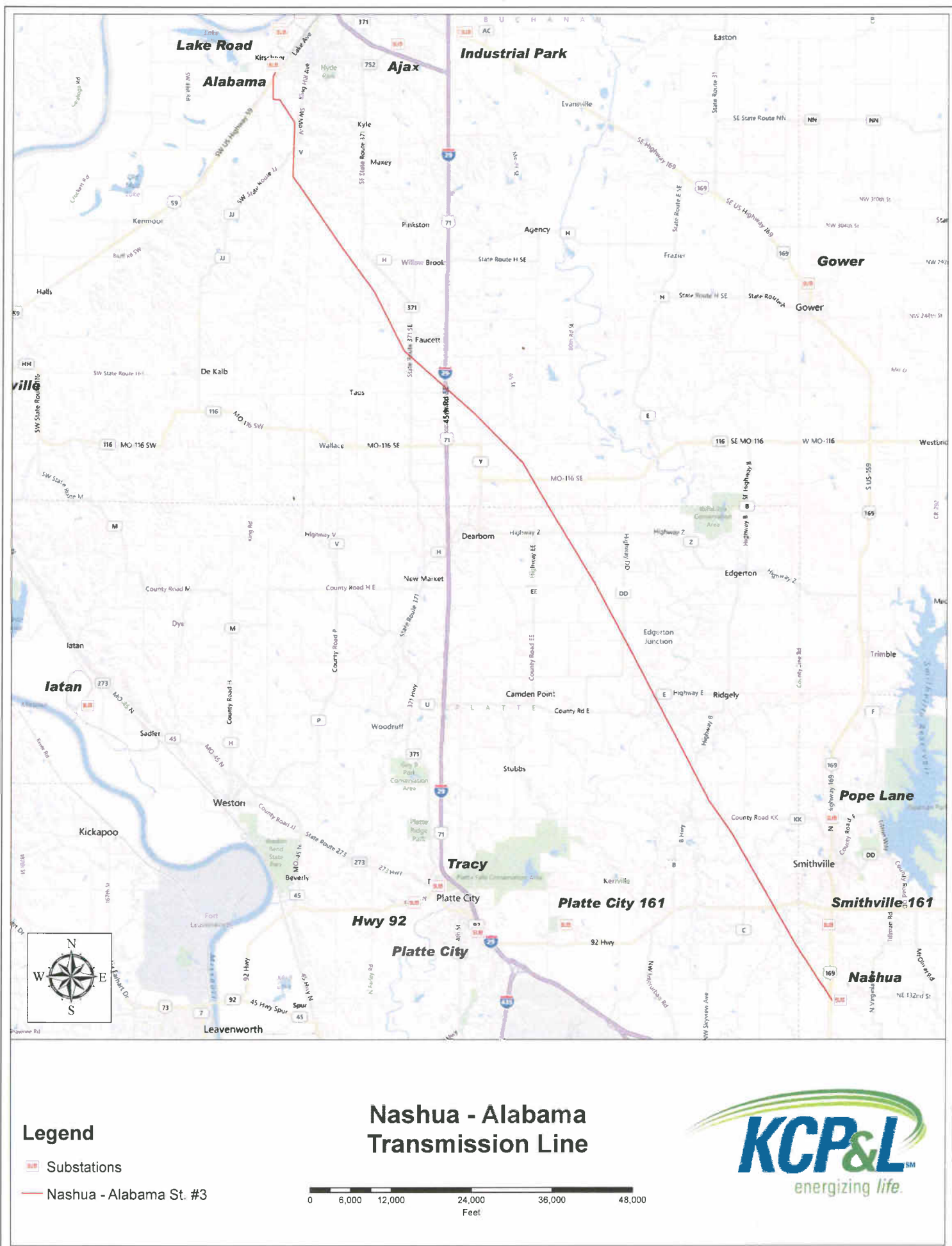
Approved as to Legal Form
DMB for JLS 6/29/12
KCPL Law Dept.

KCP&L GREATER MISSOURI
OPERATIONS COMPANY


By: Scott H. Heidtbrink
Title: Executive Vice President and
Chief Operating Officer

Approved:

Approved as to Legal Form
DMB for JLS 6/29/12
KCPL Law Dept.



KCP&L Greater Missouri Operations Company
Balance Sheet at May 31, 2012 - Pro forma

Mapping Account	USOA	Account Description	KCP&L GMO Balance Sheet at May 31, 2012	Pro forma Adjustments	Pro forma KCP&L GMO Balance Sheet
101	101_1012_118_PLINSVC	Plant in Svc	2,386,528,783	1,752,000	2,388,280,783
1011	1011_PROP_CAP_LSE	Property Capital Lease	262,820,955		262,820,955
102	102_PROP_PURCH_SOLD	Property Purch Sold	-	0	-
104	104_LSD_TO_OTH	Leased to Others	-		-
105	105_PLNT_FUT_USE	Plant for Future Use	2,525,367		2,525,367
106	106_COMP_NOT_CLS	Complete Not Classified	478,569,750		478,569,750
114	114_ACQ_ADJ_PLNT	Plant Acq Adjustment	-		-
1201	1201_NUC_FUEL_IN_PROC	Nuclear Fuel in Process	-		-
1202	1202_NUC_FUEL_STK_MAT_ASSE	Nuclear Fuel Stock Materials & Assem	-		-
1203	1203_NUC_FUEL_REACTOR	Nuclear Fuel in Reactor	-		-
1204	1204_NUC_FUEL_SPENT	Nucl Fuel Spent	-		-
	UTILITY_PLANT	Utility Plant	3,130,444,855	1,752,000	3,132,196,855
107	107_CWIP_ACCT	CWIP Account Group	88,067,469		88,067,469
		Construction Work in Progress	88,067,469		88,067,469
		Total Utility Plant	3,218,512,324	1,752,000	3,220,264,324
108	108_111_119_ACCDEPR	Accumulated Depr Plant	(1,022,500,983)	(1,105,000)	(1,023,605,983)
115.1	115_ACCAMRT_ACQADJPL	Accum Amort Acq Adj Plant	-		-
115.2	115_ACCAMRT_ACQADJG	Accum Amort Acq Adj Goodwill	-		-
1205	1205_NUC_FUEL_AMORT_PROV	Accum Prov for Amort Nuc Fuel	-		-
	ACCUM_DEPR	Accumulated Depreciation	(1,022,500,983)	(1,105,000)	(1,023,605,983)
		Net Utility Plant	2,196,011,341	647,000	2,196,658,341
121	121_NONUTIL_PROP	NonUtility Prpty	9,283,601		9,283,601
122	122_ACCPROV_NONUTIL	Accum Prov for Debt & Amort	(4,167,674)		(4,167,674)
123	123_INV_SUB_CO	Invest in Subsidiary Co	(888,235,616)		(888,235,616)
124	124_OTH_INVEST	Other Investments	-		-
125	125_128_SPEC_FNDS	Special Funds	23,927,014		23,927,014
175.5	1755_LTDINST_ASTLT	LT Derivative Instr Asset	-		-
		Total Other Property and Investments	(859,192,675)	-	(859,192,675)
131	131_CASH_EQV	Cash & Cash Equivalent	759,485	(647,000)	112,485
132	132_134_SPEC_DEP	Spec Deposits	4,812,679		4,812,679
135	135_WORK_FUND	Work Funds	2,072,385		2,072,385
136	136_TEMP_CASH	Temp Cash	-		-
141	141_NOTE_RECV	Notes Receivables	-		-
142	142_CUST_AR	Customer AR	581,073		581,073
143	143_OTHER_AR	Other AR	1,654,564		1,654,564
144	144_ACCUMPROV_UNCOL	Accum Prov Uncol Accts	(1,321,699)		(1,321,699)
145	145_NR_ASSOC_CO	NR Assoc Co	958,795,664		958,795,664
146	146_AR_ASSOC_CO	AR Assoc Co	1,013,943		1,013,943
151	151_FUEL_STK	Fuels Stock	32,026,558		32,026,558
152	152_FUEL_STK_UNDIST	Fuels Stock Undistrib	-		-
154	154_PLMAT_OPSPPLY	Pint Mater & Ops Supplies	33,326,387		33,326,387
155	155_MERCH	Merchandise	-		-
156	156_OTH_MAT_SUP	Other Mater & Supplies	-		-
158	158_ALLOW	Allowance Accts	1,839,736		1,839,736
163	163_STOR_EXP_UNDIST	Stores Exp Undistr	6,977,716		6,977,716
164	1641_GS_STOR_UG_CURR	Gas Stored UG Current	-		-
165	165_PREPYMNT_OTH	Prepymnt Other	2,663,612		2,663,612
171	171_INT_DIV_RCV	Interest & Div Recv	-		-
172	172_RENT_RECV	Rent Recv	87,376		87,376
173	173_ACCR_UTIL_REV	Accrued Util Rev	-		-
174	174_MISC_CUR_ACCASST	Misc Curr Accr Assets	262,725		262,725
175	175_DRV_INSTR_ASSET	Deriv Instr Asset	-		-
176	176_DRV_INST_ASSTHGD	Deriv Assets Instr Hdge	-		-
1765	1765_DRV_INSTR_HEDGES_LT	Deriv Instr Hedges - Long Term	-		-
		Total Current and Accrued Assets	1,045,552,204	(647,000)	1,044,905,204
181	181_UNAMRT_DEBT	Unamort Debt Exp	2,626,183		2,626,183
182.2	1822_UNRVPLNT_REGCST	Unrec Plnt & Reg Study Cst	-		-
182.3	1823_OTH_REG_ASSETS	Other Reg Assets	270,388,157		270,388,157
183	1832_PRLMSRVY_INVOTH	Prelim Survey&Invstgtn Other	300,026		300,026
184	184_1_2_199999_CLEAR	Clear Accts	270,358		270,358
185	185_TEMP_FACILITIES	Temp Facilities	110		110
186	186_MISC_DEF_DB_OTH	Misc Deferred Db Oth	172,564,360		172,564,360
188	188_RSR_DV_DEM_EXP	Research, Dev, Demo Exp	-		-
189	189_UNAM_LS_RCQ_DB	189Unamort Loss on Reacq Debt	2,437,643		2,437,643
190	190_ACCUM_DEF_INCTX	Accum Deferred Inc Tax	531,423,043		531,423,043
191	191_UNRCV_PURGSCST	Unrec Purch Gas Cost	-		-
	TOTAL_DFRD_DEBITS	Total Deferred Debits	980,009,878	-	980,009,878
	ASSETS_AND_OTH_DEBIT	Total Assets And Other Debits	3,362,380,748	-	3,362,380,748
201	201_CMN_STK	Common Stock	0		0
204	204_PREF_STK	Preferred Stock	-		-
207	207_PREM_CMN_STK	Prem on Cmn Stk	-		-
208	208_211_OTH_PDINCAP	Oth Paid in Capital	1,276,949,287		1,276,949,287
214	214_CAP_STK_EXP	Capital Stock Exp	-		-
215	215_216_RET_EARN	Retained Earn	59,808,734		59,808,734
439	439_ADJ_RET_EARN	Adjust Retained Earn	-		-
1000	CURRENT_EARNINGS	Current Earnings	3,282,647		3,282,647
216.1	2161_UNAPR_SUBS_EARN	Unapprpr Subs Earn	(2,037,964)		(2,037,964)
217	217_REACQ_CAP_STK	Reacquired Capital Stk	-		-
219.1	219001_ACMCMPINC_CTA	Accum Oth Comprhnsv Inc CTA	-		-
219.2	219002_ACMCMP_INCOTH	Accum Oth Comprhnsv Inc Oth	(1,786,203)		(1,786,203)

KCP&L Greater Missouri Operations Company
Balance Sheet at May 31, 2012 - Pro forma

Mapping Account	USOA	Account Description	KCP&L GMO Balance Sheet at May 31, 2012	Pro forma Adjustments	Pro forma KCP&L GMO Balance Sheet
437	437_DIVIDEND	Dividend	-	-	-
438	438_DIVIDEND_COM	Dividend Common	-	-	-
	TOTAL_PRPRTRY_CAPITAL	Total Proprietary Capital	1,336,216,502	-	1,336,216,502
221	221_BONDS_PAY	Bonds Payable	28,025,000		28,025,000
222	222_BONDS_PAY	Reacquired Bonds	-		-
223	223_ADV_FROM_ASSOC_CO	Advances from Associated Comp	596,149,000		596,149,000
224	224_OTH_LTD_NET	Other Long Trm Debt	599,535,162		599,535,162
226	226_UNAMRT_DISC_LTD	Unamort Disc on LTD	-		-
		Total Long-Term Debt	1,223,709,162	-	1,223,709,162
227	227_OBL_CAP_LSE_NONC	Oblig Under Cap Lease	1,907,240		1,907,240
228.2	2282_ACC_PRV_ID_INS	Accum Prov I & D Ins	2,872,929		2,872,929
228.3	2283_ACC_PROV_PENSN	Accum Prov Pension & Ben	20,852,120		20,852,120
228.4	2284_ACC_PROV_MISCOP	Accum Prov Misc Oper	-		-
229	229_ACC_PROV_RT_REF	Accum Prov Rate Ref	-		-
230	230_ASSET_RETIR_OBL	Asset Retirmtnt Oblig	15,640,020		15,640,020
		Total Other Non-Current Liabilities	41,272,309	-	41,272,309
231	231_NP	Nt Payable	68,000,000		68,000,000
232	232_AP	AP	25,993,792		25,993,792
233	233_NP_ASC_CO	NP Assoc Co	2,010,849		2,010,849
234	234_AP_ASC_CO	AP Assoc Co	35,518,258		35,518,258
235	235_CUST_DEP	Cust Deposits	6,280,850		6,280,850
236	236_TX_ACCR_OTH	Tax Accrued Oth	9,068,812		9,068,812
237	237_INT_ACCR	Interst Accrued	27,745,158		27,745,158
238	238_DIV_DECL	Divs Declared	12,000,000		12,000,000
239	239_MATD_LTD	Matured LTD	-		-
241	241_TX_COLL_PAY	Tax Collection Payable	748,288		748,288
242	242_MISC_CUR_ACCR_LB	Misc Current & Accr Liab	2,425,026		2,425,026
243	243_OBL_CAPLSE_CURR	Oblig Cap Lease Current	67,556		67,556
244	244_DRV_INSTR_LIAB	244Derivative Instrument Liab	-		-
245	245_DRV_INST_LIAB_HG	Deriv Instr Liab Hedge	798,599		798,599
		Total Current and Accrued Liabilities	190,657,188	-	190,657,188
252	252_CUST_ADV_CNSTR	Cust Advances for Constr	2,786,440		2,786,440
253	253_OTH_DFRD_CR_OTH	Other Deferred Credit Other	12,141,451		12,141,451
254	254_OTH_REG_LIAB_LT	Other Regulated Liab LT	130,820,547		130,820,547
255	255_ACC_DFRD_INCTXCR	255Accum Deferred Inc Tax Cr	3,082,033		3,082,033
281		Accum Dfrd Inc Tx Accelerated Amortiz Property	-		-
282	282_ACCUM_DFRD_INCTX	Accumulated Deferred Income Tx	365,803,665		365,803,665
283	283_ACCM_DFRINCTX_OT	Accum Dfrd Inc Tx Oth	55,891,450		55,891,450
	TOTAL_DFRD_CREDITS	Total Deferred Credits	570,525,587	-	570,525,587
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY			3,362,380,748	-	3,362,380,748

KCP&L Greater Missouri Operations Company
Statement of Income at May 31, 2012 - Pro forma

	KCP&L GMO YTD May 31, 2012	Pro forma Adjustments	KCP&L GMO As Adjusted
UTILITY OPERATING INCOME			
Operating Revenues (400)	262,211,232		262,211,232
Operating Expenses	-		-
Operation Expenses (401)	149,203,895		149,203,895
Maintenance Expenses (402)	20,250,087		20,250,087
Depreciation Expense (403)	34,420,469		34,420,469
Depreciation Expense for Asset Retirement Costs (403.1)	50,310		50,310
Amort. & Depl. of Utility Plant (404-405)	1,839,798		1,839,798
Amort. of Utility Plant Acq. Adj. (406)	-		-
Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)	-		-
Amort. of Conversion Expenses (407)	-		-
Regulatory Debits (407.3)	-		-
(Less) Regulatory Credits (407.4)	360,202		360,202
Taxes Other Than Income Taxes (408.1)	15,022,997		15,022,997
Income Taxes - Federal (409.1)	(2,430,622)		(2,430,622)
- Other (409.1)	(110,636)		(110,636)
Provision for Deferred Income Taxes (410.1)	7,619,784		7,619,784
(Less) Provision for Deferred Income Taxes-Cr. (411.1)	153,297		153,297
Investment Tax Credit Adj. - Net (411.4)	(272,823)		(272,823)
(Less) Gains from Disp. of Utility Plant (411.6)	-		-
Losses from Disp. of Utility Plant (411.7)	-		-
(Less) Gains from Disposition of Allowances (411.8)	-		-
Losses from Disposition of Allowances (411.9)	-		-
Accretion Expense (411.10)	309,892		309,892
TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)	225,389,652	-	225,389,652
Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117, line 27	36,821,580	-	36,821,580
Net Utility Operating Income (Carried forward from page 114)	36,821,580	-	36,821,580
Other Income and Deductions			
Other Income			
Nonutility Operating Income			
Revenues From Merchandising, Jobbing and Contract Work (415)	-		-
(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)	-		-
Revenues From Nonutility Operations (417)	267,647		267,647
(Less) Expenses of Nonutility Operations (417.1)	618,636		618,636
Nonoperating Rental Income (418)	-		-
Equity in Earnings of Subsidiary Companies (418.1)	(2,877,262)		(2,877,262)
Interest and Dividend Income (419)	804,806		804,806
Allowance for Other Funds Used During Construction (419.1)	72,005		72,005
Miscellaneous Nonoperating Income (421)	528,790		528,790
Gain on Disposition of Property (421.1)	-		-
TOTAL Other Income (Enter Total of lines 31 thru 40)	(1,822,650)	-	(1,822,650)
Other Income Deductions			
Loss on Disposition of Property (421.2)	3,682		3,682
Miscellaneous Amortization (425)	-		-
Donations (426.1)	454,967		454,967
Life Insurance (426.2)	14,123		14,123
Penalties (426.3)	2		2
Exp. for Certain Civic, Political & Related Activities (426.4)	110,757		110,757
Other Deductions (426.5)	976,425		976,425
TOTAL Other Income Deductions (Total of lines 43 thru 49)	1,559,956	-	1,559,956
Taxes Applic. to Other Income and Deductions			
Taxes Other Than Income Taxes (408.2)	-		-
Income Taxes-Federal (409.2)	(3,055,188)		(3,055,188)
Income Taxes-Other (409.2)	(707,017)		(707,017)
Provision for Deferred Inc. Taxes (410.2)	-		-
(Less) Provision for Deferred Income Taxes-Cr. (411.2)	(3,486,198)		(3,486,198)
Investment Tax Credit Adj.-Net (411.5)	-		-
(Less) Investment Tax Credits (420)	-		-
TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)	(276,008)	-	(276,008)
Net Other Income and Deductions (Total of lines 41, 50, 59)	(3,106,599)	-	(3,106,599)
Interest Charges			
Interest on Long-Term Debt (427)	14,958,735		14,958,735
Amort. of Debt Disc. and Expense (428)	190,019		190,019
Amortization of Loss on Reaquired Debt (428.1)	279,631		279,631
(Less) Amort. of Premium on Debt-Credit (429)	-		-
(Less) Amortization of Gain on Reaquired Debt-Credit (429.1)	-		-
Interest on Debt to Assoc. Companies (430)	14,841,126		14,841,126
Other Interest Expense (431)	1,230,115		1,230,115
(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)	1,067,291		1,067,291
Net Interest Charges (Total of lines 62 thru 69)	30,432,335	-	30,432,335
Income Before Extraordinary Items (Total of lines 27, 60 and 70)	3,282,647	-	3,282,647
Extraordinary Items			
Extraordinary Income (434)	-		-
(Less) Extraordinary Deductions (435)	-		-
Net Extraordinary Items (Total of line 73 less line 74)	-	-	-
Income Taxes-Federal and Other (409.3)	-		-
Extraordinary Items After Taxes (line 75 less line 76)	-	-	-
Net Income (Total of line 71 and 77)	3,282,647	-	3,282,647