Exhibit No.:

Issue: Off-System Sales Margin Calculation

Witness: Michael M. Schnitzer

Type of Exhibit: Rebuttal True-up Testimony

Sponsoring Party: Kansas City Power & Light Company

Case No.: ER-2006-0314

Date Testimony Prepared: November 13, 2006

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2006-0314

REBUTTAL TRUE-UP TESTIMONY

OF

MICHAEL M. SCHNITZER

ON BEHALF OF

KANSAS CITY POWER & LIGHT COMPANY

Kansas City, Missouri **November 13, 2006**

**" Designates "Highly Confidential" Information Has Been Removed. "Highly Confidential" Information Has Been Removed from Certain Schedules Attached to This Testimony Designated ("HC") Pursuant To the Standard Protective Order.

1		REBUTTAL TRUE-UP TESTIMONY
2		OF
3		MICHAEL M. SCHNITZER
4		Case No. ER-2006-0314
5		
6	Q:	Please state your name and business address.
7	A:	My name is Michael M. Schnitzer. My business address is 30 Monument Square
8		Concord, Massachusetts 01742.
9	Q:	By whom and in what capacity are you employed?
0	A:	I am a Director of the NorthBridge Group, Inc. ("NorthBridge"). NorthBridge is a
1		consulting firm specializing in providing economic and strategic advice to the electric
12		and natural gas industries.
13	Q.	Are you the same Michael M. Schnitzer who provided Direct Testimony, Rebuttal
14		Testimony and Surrebuttal Testimony in support of Kansas City Power & Light
15		Company in this Case No. ER-2006-0314?
16	A.	Yes, I am.
17	Q:	Please describe the purpose of your Rebuttal True-up Testimony.
18	A.	I provide an update (as of the true-up date of September 30, 2006) to the prospective
19		calculation of Off-System Contribution Margin for KCPL in 2007, as originally provided
20		in the second part of my Direct Testimony, and previously updated to June 30, 2006 in
21		my Rebuttal Testimony.
22	Q:	What are the results of your updated analysis as of the true-up date of September
23		30, 2006?

- 1 A. The updated distribution of potential Off-System Contribution Margin outcomes has a
- 2 median value of ** with a 25th percentile value of **
- 3 Q. How has this analysis changed since your Rebuttal Testimony?
- 4 A. The prospective analysis of 2007 Off-System Contribution Margin contained in my
- 5 Rebuttal Testimony was based on inputs from the Company as of June 30, 2006. That
- 6 analysis had a median value of ** **, with a 25th percentile value of **
- **. In October, KCPL provided inputs to NorthBridge as of September 30, 2006,
- 8 which were then used to further update my probabilistic analysis to the true-up date. A
- 9 comparison of the probability distributions from the true-up analysis and the Rebuttal
- Testimony analysis is shown on page 5 of Schedule MMS-10. As well, Schedule MMS-
- 10 contains at page 3 a description of key changes in the underlying modeling inputs
- between June 30th and September 30th, and at page 4 a graphical representation of the
- incremental impact on the 2007 Off-System Contribution Margin of these changes.
- 14 Q. Does that conclude your testimony?
- 15 A. Yes, it does.

SCHEDULE MMS-10

THIS DOCUMENT CONTAINS HIGHLY CONFIDENTIAL INFORMATION NOT AVAILABLE TO THE PUBLIC

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Kansas City Power & Light Company to Modify Its Tariff to Begin the Implementation of Its Regulatory Plan Case No. ER-2006-0314)			
AFFIDAVIT OF MICHAEL M. SCHNITZER			
COMMONWEALTH OF MASSACHUSETTS)			
COUNTY OF MIDDLESEX) ss			
Michael M. Schnitzer, being first duly sworn on his oath, states:			
1. My name is Michael M. Schnitzer. I work in Concord, Massachusetts, and I am			
employed by The NorthBridge Group, Inc. as a Director.			
2. Attached hereto and made a part hereof for all purposes is my Rebuttal True-up			
Testimony on behalf of Kansas City Power & Light Company consisting of (2) pages			
and Schedule MMS-12 both of which having been prepared in written form for introduction into			
evidence in the above-captioned docket.			
3. I have knowledge of the matters set forth therein. I hereby swear and affirm that			
my answers contained in the attached testimony to the questions therein propounded, including			
any attachments thereto, are true and accurate to the best of my knowledge, information and			
belief. Michael M. Schnitzer			
Subscribed and sworn before me this Branch day of November 2006. Atticia ban to Branch Notary Public			
My commission expires: June 21, 2013			