

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**

**\*\*\* [REDACTED] \*\*\* 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 A. The updated distribution of potential Off-System Contribution Margin outcomes has a  
2 median value of \*\*[REDACTED]\*\*, with a 25th percentile value of \*\*[REDACTED]\*\*.

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 \*\*[REDACTED]\*\*, with a 25th percentile value of \*\*[REDACTED]  
7 [REDACTED]\*\*. 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  
10 Testimony analysis is shown on page 5 of Schedule MMS-10. As well, Schedule MMS-  
11 10 contains at page 3 a description of key changes in the underlying modeling inputs  
12 between June 30<sup>th</sup> and September 30<sup>th</sup>, and at page 4 a graphical representation of the  
13 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**


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  
)

COMMONWEALTH OF MASSACHUSETTS )  
 ) ss  
COUNTY OF MIDDLESEX )

1. My name is Michael M. Schnitzer. I work in Concord, Massachusetts, and I am employed by The NorthBridge Group, Inc. as a Director.

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 3<sup>th</sup> day of November 2006.

Patricia Ann Johnson  
Notary Public

My commission expires: June 21, 2013