

Commissioners

SHEILA LUMPE Chair

M. DIANNE DRAINER Vice Chair

CONNIE MURRAY

KELVIN L. SIMMONS

STEVE GAW

Missouri Public Serbice Commission

POST OFFICE BOX 360 JEFFERSON CITY, MISSOURI 65102 573-751-3234 573-751-1847 (Fax Number) http://www.psc.state.mo.us

April 30, 2001

BRIAN D. KINKADE Executive Director

WESS A. HENDERSON Director, Utility Operations

ROBERT SCHALLENBERG Director, Utility Services

DONNA M. KOLILIS Director, Administration

DALE HARDY ROBERTS Secretary/Chief Regulatory Law Judge

> DANA K. JOYCE General Counsel

Mr. Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102 **FILED**³

Missouri Public Service Commission

APR 3 0 2001

RE: Case No. ES-99-581 - Kansas City Power & Light Company

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of the RESPONSE TO ORDER DIRECTING FILING.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Lera L. Shemwell

Associate General Counsel

(573) 751-7431

(573) 751-9285 (Fax)

LLS:sw Enclosure

cc: Counsel of Record

FILED³

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

APR 3 0 2001

Missouri Public Service Commission

In the Matter of Kansas City Power &)	
Light Company Regarding an Incident at)	Case No. ES-99-581
the Hawthorn Station, Kansas City,)	Case No. ES-99-361
Missouri on February 17, 1999.)	

RESPONSE TO ORDER DIRECTING FILING

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for this Response to Order Directing Filing states:

- 1. The Missouri Public Service Commission (Commission) established this case, pursuant to Sections 393.130.1 and 393.140(1), (2), (3), (5), (9) and (10) RSMo (Supp. 1999), for the purpose of receiving the Staff's Incident Report of its investigation of the February 17, 1999 Hawthorn Station explosion involving Boiler No. 5, in which the boiler was completely destroyed.
- 2. On September 28, 2000, the Commission issued its Order Adopting Protective Order in which it recognized both the need to protect sensitive information and that the issuance of a protective order allows parties to provide such information to the Commission with the assurance that such information will be treated according to the terms of the protective order.
- 3. In its April 19, 2001 Order Directing Filing the Commission expressed concern about the amount of information that was designated as Highly Confidential (HC) in Staff's January 15, 2001 Final Electric Incident Report and Staff's February 26, 2001 Evaluation of Kansas City Power & Light Company's System Performance and Employee Safety and Training Programs report.

- 4. Staff has no independent interest in having any of the material in this case classified as "HC," and relies on KCPL to articulate the continuing need to keep portions of the materials classified as HC.
- 5. Staff did request in its January 25, 2001 Motion to File Final Incident Report that the Commission order KCPL to explain why KCPL's entire report was designated HC "when much of the information does not appear to fall within the definition of "Highly Confidential" contained in the Protective Order issued in this case."
- 6. Staff filed much of its Final Report as Highly Confidential (HC) because Kansas City Power & Light (KCPL) had designated its entire report as HC and, mindful of the provisions of the Commission's Protective Order, and of § 386.480 RSMo 2000, Staff observed the HC determinations of KCPL and designated any information that corresponded to the specific content of KCPL's report as HC. Since § 386.480 says that "no information furnished to the commission by a corporation . . . except such matters as are specifically required to be open to public inspection by provisions of this Chapter or chapter 610, RSMo shall be open to the public or made public except on order of the Commission," Staff carefully separated information that was designated as HC by KCPL, which fell under the Commission's Protective Order, and filed both HC and non-proprietary versions.
- 7. In addition to concerns with violating the Commission's Protective Order, Staff had been notified by KCPL of KCPL's serious concern that premature release of information regarding the explosion might jeopardize subrogation efforts. Since successful subrogation may have significant benefits for KCPL customers, Staff did not want to take actions that might jeopardize subrogation efforts.

- 8. In its June 27, 2000 Order, the Commission directed Staff to file with the Commission a copy of any investigation or report received from Kansas City Power & Light Company (KCPL Report) or Crawford Investigation Services (Crawford) concerning the Hawthorn 5 incident.
- 9. In its April 19, 2001 Order Directing Filing, the Commission faulted a number of filings in the case. Among other things the Commission noted that Staff did not file the KCPL Report concerning the Hawthorn explosion in October 2000, suggesting that Staff had promised to do so in its June 6, 2000 filing.
- 10. Staff has reviewed its June 6, 2000 Motion to File Third Interim Report and Incident Investigation Third Interim Report, (June 6 filing) and noted that the filing did refer to KCPL's final report several times. Staff respectfully notes that no such reference suggested that Staff would file KCPL's report immediately upon receipt. Thus, Staff did not realize that the Commission viewed one of these references as indicating that Staff would file KCPL's report as soon as it became available.
- 11. Staff takes its commitments to the Commission very seriously and did not intend to delay the Commission's receipt of information. Staff, in internal discussions noted that the June 27, 2000 Order in which Staff was directed to file KCPL's and Crawford's reports did not say whether it was to be filed immediately or with Staff's Final Report. Staff had discussed the fact that the KCPL Final Report and Staff's Final Report were closely linked and the most complete and efficient way to file the information with the Commission would be as a single integrated package. Staff apologizes for any misunderstanding.
- 12. Although Staff received a preliminary Final Report from KCPL in early October, Staff notes that it did not receive the actual, complete and final version of KCPL's Final Report

until December 18, 2000. That is the Report that was attached at Appendix E to the Commission's copies of Staff's Final Report filed on January 25, 2001.

- 13. Crawford is investigating responsibility for the explosion for the purpose of pursuing subrogation for KCPL and its insurers. To date, Staff has not received any report from Crawford. Unless and until KCPL receives the Crawford Report, or it becomes a public document, Staff has no ability, of which it is presently aware, to compel Crawford to provide its report to the Staff or to the Commission.
- 14. Staff would note that KCPL filed a civil action in Jackson County Circuit Court on April 3, 2001.

Respectfully submitted,

DANA K. JOYCE General Counsel

Lera L/Shemwell

Assistant General Counsel Missouri Bar No. 43792

Attorney for the Staff of the Missouri Public Service Commission P. O. Box 360
Jefferson City, MO 65102
(573) 751-7431 (Telephone)
(573) 751-9285 (Fax)

Themwell

Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 30th day of April 2001.

Service List For Case No. ES-99-581 Revised: April 30, 2001 (SW)

Office of the Public Counsel P.O. Box 7800 Jefferson City, MO 65102

James M. Fischer Fischer & Dority 101 Madison Street, Suite 400 Jefferson City, MO 65101 William G. Riggins/Gerald Reynolds Kansas City Power & Light Company 1201 Walnut Kansas City, MO 64106-2124