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MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2016-0285

REBUTTAL TESTIMONY

OF

JOHN J. SPANOS

ON BEHALF OF

KANSAS CITY POWER & LIGHT COMPANY

Kansas City, Missouri
December 2016

REBUTTAL TESTIMONY

OF

JOHN J. SPANOS

Case No. ER-2016-0156

Q. Please state your name and business address.

A. John J. Spanos, 207 Senate Avenue, Camp Hill, Pennsylvania, 17011.

Q. Are you the same John J. Spanos who pre-filed Direct Testimony in this matter?

A. Yes.

Q. What is the purpose of your Rebuttal Testimony?

A. The purpose of my testimony is to rebut the Direct Testimony set forth in the Staff Report filed by the Missouri Public Service Commission ("Commission") Staff ("Staff") and to rebut the Direct Testimony of Office of Public Counsel ("OPC") witness John A. Robinett.

Q. What are the subjects of your Rebuttal Testimony?

A. The overall subject of my testimony is depreciation. Both Staff and OPC have recommended to continue to use KCP&L's current depreciation rates, as opposed to the updated depreciation rates I have provided with my direct testimony. The main difference between the current and KCP&L proposed depreciation rates is the inclusion of terminal net salvage (which is generally for costs related to the retirement and dismantlement of the Company's power plants). The primary subject of my rebuttal testimony will therefore be to address the issue of terminal net salvage, as well as issues with the calculation of the depreciation rates recommended by Staff and OPC. I will also discuss the depreciation rates for the Greenwood Solar facility and for electric vehicle charging stations.

I. Terminal Net Salvage

Q. What is terminal net salvage?

A. Terminal net salvage is the net salvage (i.e. gross salvage less cost of removal) related to the final or terminal retirement of life span property. Life span property is the term used to describe assets (such as power plants) for which all assets associated with a facility will eventually be retired concurrently. The retirements that occur at the end of the life of an entire power plant are referred to as "final" or "terminal" retirements. These contrast with the retirements that occur throughout the life of the plant (e.g. the replacement of individual components of the plant such as piping or pumps), which are referred to as "interim" retirements. The "life span method" is used for life span property. For the life span method, service life estimates are made for the final retirement of a facility as well as for the interim retirements expected to occur throughout the life of the facility.

There are typically net salvage costs associated with both types of retirements. Costs associated with interim retirements, such as the costs incurred to replace piping or pumps throughout the life of the facility, are referred to as "interim net salvage." The costs related to the final retirement of the facility, such as the demolition of the superstructure and the remediation of ash ponds, are referred to as "final net salvage" or "terminal net salvage."

Q. Has the Commission accepted the use of the life span method in the past?

A. Yes. The Commission first accepted the use of the life span method in Case No. ER-2010-0036 for Union Electric Company d/b/a Ameren Missouri ("AmerenMO", at the time AmerenUE), and has accepted the life span method in subsequent cases as well. The life span approach was also accepted in KCP&L Case Nos. ER-2010-0355 and ER-

2014-0370. Prior to Case No. ER-2010-0036, the Commission had historically not accepted the use of the life span method for most types of power plants.

Q. Do Staff and OPC agree with the use of the life span method for assets such as power plants?

A. Yes. Staff has agreed with this method in both this case and in KCP&L's previous Case No. ER-2014-0370. In the instant case Staff states that "[t[he projected retirement dates for production plants relied on for depreciation purposes by KCP&L were used by Staff during the last KCP&L rate case, Case No. ER-2014-0370, and have not changed for this rate case."[1]

Both Staff and OPC have proposed to continue to use the depreciation rates approved in a settlement agreement in Case No. ER-2014-0370. The currently approved depreciation rates for production plant accounts were calculated using the life span method, and thus both Staff and OPC have proposed depreciation rates based on the life span method in the instant case. The difference between Staff and OPC's proposed depreciation rates and the depreciation rates I have proposed is that I have included estimates of terminal net salvage that the Company will incur upon the retirement of its generating facilities. Thus, the primary area of disagreement production plant assets is the inclusion of terminal net salvage in the depreciation rates, although as I will discuss in the next section neither party has properly incorporated the impact of the final retirement of Montrose Unit 1.

Q. Should net salvage be included in depreciation?

A. Yes. Net salvage costs experienced at the end of an asset's service life are part of the service value of the asset. In order for customers to pay their cost of electric service,

[1] Staff Report, p. 147, lines 5-7.

depreciation must allocate the full service value (original cost less net salvage) over the service life of the assets. This concept is set forth in the electric Uniform System of Accounts ("USOA"), which states in General Instruction 22:

> Utilities must use a method of depreciation that allocates in a systematic and rational manner the service value of depreciable property over the service life of the property. (Emphasis added)

The USOA defines the term "service value" used in the above instruction as "the difference between original cost and net salvage value of electric plant."[2]

If net salvage is not included in depreciation, then the net salvage costs the company will incur upon the retirement of its assets will have to be paid by future customers after the assets are retired. Future customers will not be receiving service from assets that have already been retired. Therefore, excluding net salvage from depreciation results in intergenerational inequity because future customers will pay the costs of assets which have already been retired and from which they receive no benefit.

Q. Has the Commission ruled that net salvage should be included in depreciation?

A. Yes. The Commission addressed the issue of net salvage in Case No. GR-99-315 for Laclede Gas Company ("Laclede"), and ruled that net salvage should be included in depreciation. The Commission stated:

> The Commission finds that the fundamental goal of depreciation accounting is to allocate the full cost of an asset, including its net salvage cost, over its economic or service life so that utility customers will be charged for the cost of the asset in proportion to the benefit they receive from its consumption. The Commission further finds that the method utilized by Laclede is consistent with that fundamental goal.[3]

Q. Do Staff and OPC agree that net salvage should be included in depreciation?

A. Yes, in general both appear to agree with this concept, as evidenced by Staff's recommendations in this case (and in other cases) and OPC's recommendation in this

[2] FERC Uniform System of Accounts, definition 37.
[3] Case No. GR-99-315, Third Report and Order, Issued January 11, 2005, p. 9 ("Laclede Order").

case. The currently approved depreciation rates for all of the Company's transmission, distribution and general plant accounts include net salvage, and thus Staff and OPC have recommended depreciation rates for these accounts that include net salvage. Both have also recommended depreciation rates that incorporate interim net salvage estimates for the Company's production plant accounts. Both parties' transmission, distribution and general plant net salvage estimates, as well as their interim net salvage estimates, are therefore consistent with the Commission's decision in Laclede.

Q. Did Staff and OPC include terminal net salvage in their recommendations?

A. No. Neither Staff nor OPC included terminal net salvage in their recommendations. This is despite the fact that Staff has acknowledged in the instant case and in previous cases that terminal net salvage is likely to occur for production plant assets. Staff and OPC's recommendations for terminal net salvage are therefore not consistent with the USOA, nor are they consistent with the Commission's Order in Laclede. Their recommendations are also not consistent with its recommendations in this case for other accounts and for interim net salvage.

Q. Do Staff or OPC explain why they have excluded terminal net salvage from their recommended depreciation rates?

A. Generally no. Staff does not provide an explanation in its report in the instant case as to why Staff believes terminal net salvage should be excluded. OPC also does not provide an explanation as to why they believe net salvage costs should be excluded, and instead states that the approved depreciation rates should continue to be used. Both parties have therefore provided no justification for their decisions to defer net salvage costs to future customers. KCPL is currently reviewing Staff's response to data request 0316 and 0317

to see if additional clarification has been provided regarding generation plant retirements and terminal net salvage.

Q. Does Staff recognize that terminal net salvage costs will occur for generating facilities?

A. Yes. KCP&L has recently retired Unit 1 at its Montrose facility. In the Staff Report Staff states that "[d]uring a September 28, 2016 plant tour, Staff observed that Unit 1 had indeed ceased coal-fired generation, and was at the time experiencing demolition activities required to meet environmental regulations, safety standards, and/or mandated decommissioning schedules."[4] Thus, Staff testifies that terminal net salvage costs do in fact occur. Staff has provided no reason to expect that similar activities will not occur at the Company's other facilities, and therefore these terminal net salvage costs should be included in depreciation expense. Given that Staff recognizes that terminal net salvage costs do occur, Staff's exclusion of these costs is in contradiction of both the Commission's Laclede Order and the USOA.

Q. Has Staff provided an explanation in previous cases as to why it has excluded terminal net salvage costs?

A. Yes. In KCP&L's previous filing in Docket No. ER-2014-0370 one of Staff's primary bases for excluding terminal net salvage was a discussion of a previous Commission decision.[5]

Q. Please address Staff's reason for excluding terminal net salvage based on this prior decision of the Commission.

A. In the past, Staff cited the Commission's Report and Order in Case No. ER-2004-0570 ("Empire Order") for the Empire District Electric Company ("Empire"). Staff's

[4] Staff Report, p. 147, lines 14-16.
[5] See page 166 of the Staff Report in Case No. ER-2014-0370.

testimony could incorrectly give the impression that the Commission's order in the Empire case would disallow terminal net salvage in all cases. However, a more detailed reading of the Empire case makes clear that the Commission's decision in that case, issued more than a decade ago, was based on assumptions that experience has shown to be incorrect. Given the circumstances today, as well as more recent Commission decisions regarding life span property, the Empire decision for terminal net salvage is no longer applicable and should not apply to KCP&L's instant case. Specifically, the Commission's logic in the Empire case was based on an expectation that power plants would be unlikely to be fully retired, much less experience terminal net salvage upon retirement. However, experience over the past decade has demonstrated that power plants are eventually retired and experience terminal net salvage costs upon retirement. Indeed, as noted above, Staff has testified in the instant case that KCP&L has experienced terminal net salvage costs at Montrose Unit 1.

Q. What has Staff cited regarding the Empire case as it relates to terminal net salvage?

A. In Case No. ER-2014-0370 Staff quoted a portion of a sentence from page 53 of the Empire Order.[6] However, a more complete citation also provides the Commission's reasoning in the Empire case. Specifically, the Commission stated:

> [W]ith respect to Terminal Net Salvage of Production Plant Accounts, this Commission generally has not allowed the accrual of this item. The reason is that generating plants are rarely retired and any allowance for this item would necessarily be purely speculative. It is true that all depreciation is founded upon estimates, but all estimates are not unduly speculative. Just as utility companies plan rate cases around the projected in-service dates of new plants, so Empire can plan around the retirement of its generating plants so that the Net Salvage expense is incurred in a Test Year. Another alternative is the device of the Accounting Authority Order. As already discussed in connection with the Production Account Service Life issue, there is no evidence that the retirement of any of Empire's plants is imminent and the estimated retirement dates considered

[6] See page 166 of the Staff Report in Case No. ER-2014-370 at lines 16-17.

> in this proceeding are not persuasive. For these reasons, the Commission will not allow the accrual of any amount for Terminal Net Salvage of Production Plants. (Emphasis added)

Q. Why did the Commission not allow for terminal net salvage in the Empire case?

A. As the underlined passages cited above demonstrate, the Commission's primary reason for not allowing terminal net salvage was that at the time of the Empire decision the Commission did not agree in concept with the use of the life span method. As I have noted previously, the Commission did not allow the use of the life span method prior to Case No. ER-2010-0036. Thus, in the Empire case, the Commission did not just reject the use of terminal net salvage but also rejected the use of final retirement dates for power plants.

However, in the time since the Empire decision, the Commission has reversed its opinion and has accepted the use of the life span method as appropriate for power plants. The Commission's reasoning for excluding terminal net salvage in the Empire case therefore no longer applies. Instead, logic and fairness dictates that since the life span method is used, terminal net salvage must also be included in depreciation in order to be consistent with the USOA and the Commission's decision in Laclede.

Q. In the passage from the Empire case you have cited above, the Commission stated that "generating plants are rarely retired and any allowance for this item would necessarily be purely speculative." Has experience since the Empire decision shown that generating plants are retired and that they experience terminal net salvage?

A. Yes. In the time since the Commission issued the Empire Order the number of retirements of coal-fired power plants in particular has increased significantly, due in part to changing environmental regulations. Again, Staff testifies that Montrose Unit 1 has been retired and has experienced terminal net salvage activities. As a result, there is far

more evidence of the ultimate disposition of these facilities upon their retirement than was available at the time of the Empire decision. The retirement of these plants has typically resulted in costs not only related to the dismantlement of the physical power plants, but also significant costs related to the clean-up of the generating sites.

Q. In the current depreciation study for KCP&L, how were the terminal net salvage costs determined?

A. As described in my Direct Testimony, KCP&L retained the firm Sega, Inc. to perform a detailed study of the expected retirement and dismantlement costs for the Company's power plants. The results of this report ("Sega report") are set forth in Chris Rogers' Direct Testimony, Schedule CRR-2. The Sega report determined the costs expected to be incurred upon the retirement and dismantlement of the Company's plants. These costs were based on a thorough review of the activities associated with the terminal net salvage for these facilities. Further, the terminal net salvage used for the depreciation study are based only on the retirement components of the Sega report, and do not include other costs for site remediation that may potentially occur. The terminal net salvage costs used for depreciation are therefore conservative estimates of the terminal net salvage costs. The net salvage costs included in the depreciation study are not speculative estimates of terminal net salvage, but are instead a minimum level of the costs that the Company is very likely to incur.

Q. Can you provide an example of a power plant owned by a Missouri electric company that has been retired and experienced significant terminal net salvage costs?

A. Yes. The Venice Plant, operated until its closure by AmerenMO, provides an example with which both Staff and I are familiar. Staff and I have both toured the site of the

Venice Plant subsequent to its decommissioning and dismantlement. This example is instructive not only because it provides an illustration of the terminal net salvage costs involved with power plants, but also because the site continues to be used for generation by AmerenMO. This example therefore provides evidence that terminal net salvage should be expected even if a generating site can be reused for other purposes after the closure of the facility.

Q. What was the experience of AmerenMO with the Venice Plant?

A. The Venice Power Plant was a six unit coal-fired power plant (which was converted to burn oil and gas in the 1970s) sited on the east bank of the Mississippi River near St. Louis. The plant was owned and operated by AmerenMO. The total capacity of the plant was 474 MW. In 2002, the plant was retired. Decommissioning and dismantlement occurred in the years subsequent to the retirement and was completed in 2013. Total costs expended by AmerenMO to retire the Venice Plant were approximately $36.3 million, which was offset by about $12.1 million in gross salvage. Thus, the total terminal net salvage cost for Venice was approximately $24.2 million. This amount includes not only the demolition of the plant itself, but also significant costs to close and remediate the ash pond for the site.

Q. Has Staff recognized that Venice has experienced terminal net salvage costs?

A. Yes. In the Staff Report for AmerenMO's Case No. ER-2014-0258, Staff discusses the Venice Plant:

> The Venice steam production plant was retired in 2002, and environmental cleanup, demolition, and disposal were completed in 2013. During three visits over the past several years, Staff has observed the progression of the removal of the steam production plant at Venice. The cost of removal and salvage for these large plants often continues for many years, and is recorded to the company's plant depreciation reserves. The Venice steam

plant accounts currently show an accumulated depreciation reserve deficit of $17,219,969.[7]

Q. Were the terminal net salvage costs of the Venice Plant recovered over the life of the plant?

A. No. Because the Commission had not allowed for the recovery of terminal net salvage through depreciation expense, the terminal net salvage costs for Venice were not recovered over the plant's life. Current customers are paying for these costs, even though they are not receiving service from Venice.[8]

The experience for Venice should demonstrate why it is important that terminal net salvage be recovered prospectively through depreciation expense over the life of each generating facility. Under Staff's proposal to exclude terminal net salvage from depreciation, future customers will have to pay for the terminal net salvage costs of these plants – costs that Staff recognizes will occur. This is unfair to future customers, as they will be paying costs related to assets that are retired and no longer providing service.

Q. Has Staff also recognized that other Missouri power plants should be expected to have terminal net salvage costs?

A. Yes. In Case No. ER-2014-0258, Staff not only acknowledged the costs incurred at Venice, but recognized that other plants will experience terminal net salvage when retired. In the Surrebuttal Testimony of Arthur Rice in that case, Staff not only acknowledged future terminal net salvage costs for AmerenMO's Meramec plant, but provided a rough estimate of those future costs:

[7] Case No. ER-2014-0258, Staff Cost of Service Report, p. 151, lines 21-27.

[8] In Case No. ER-2014-0258, Staff's proposal was to offset the unrecovered Venice costs with accumulated depreciation reserves from certain general plant accounts. I should point out that mathematically Staff's proposal for Venice has the effect of recovering the Venice costs over the recovery period of these general plant accounts, as current customers will now pay more depreciation for the general plant assets. Thus, even with these reserve transfers current customers must pay higher rates due to the fact that earlier generations of customers did not pay the full cost of the Venice Plant.

> At this time Staff has only a very rough estimate of a cost for terminal net salvage of the Meramec steam plant, (retirement and removal cost corrected for salvage receipts). Based on this limited information, Staff estimates the cost at approximately $100 million, (15% of the current plant in service for the Meramec steam plant).[9]

Because Staff has recognized that there are terminal net salvage costs for Meramec, I would expect that they would also recognize that KCP&L will incur similar costs for its steam plants.

Q. How does Staff's estimate of terminal net salvage for the Meramec steam plant compare to the estimates KCP&L has proposed in this proceeding?

A. KCP&L's estimates are conservative estimates of terminal net salvage when compared to Staff's (admittedly rough) estimate of Meramec's terminal net salvage costs.

Table 2 of Exhibit JJS-1 provides the total terminal net salvage estimates included in the depreciation rates recommended in the study. This table shows that the total terminal net salvage estimated for all of KCP&L's steam production plants is approximately $150 million. The costs for all of KCP&L's steam plants is therefore only about 50% more than the cost Staff has estimated for just one of AmerenMO's power plants. This should emphasize that KCP&L's terminal net salvage estimates are conservative estimates of the future costs the Company should be expected to incur.

Q. One argument that has been made against the inclusion of terminal net salvage in depreciation is that generating sites can be reused for future generation. Does AmerenMO still use the Venice site for power generation?

A. Yes, it does. There are gas-fired generating units in operation on the site. The decommissioning activities, such as the closure of ash ponds, were not required in order to use the site for new generation and thus, cannot be charged to it. Indeed, much of the

[9] Case No. ER-2014-0036, surrebuttal testimony of Arthur Rice, p. 5, lines 15-18.

site is not used for generation, as newer gas plants require a much smaller footprint than coal-fired power plants. For example, the site of the ash pond, which represented a significant portion of the terminal net salvage costs, is not used for generation. Instead, this site is currently a grass field with wells to monitor the closed ash pond.

Q. How does the experience of the Venice Plant impact the inclusion of terminal net salvage in this case?

A. The facts surrounding the experience of the Venice Plant demonstrate that significant costs should reasonably be expected upon the final retirement of coal-fired power plants. These costs are not speculative, and instead experience shows that terminal net salvage costs will occur.

First, consider the argument that the Company's plants can be reused for other purposes (such as future generation). Such a scenario has in fact occurred with the Venice site. The coal facility at this site was retired in 2002, and the site continues to be used for other types of generation. AmerenMO has spent a net amount of approximately $24.2 million removing the retired power plant and remediating the site. Thus, this experience reveals that even when the site will be reused for new generation there will still be significant costs incurred for the retirement of the old plant. These costs therefore should be included prospectively in depreciation rates.

The costs and activities associated with the retirement of the ash pond at Venice are also instructive. These are activities that are highly likely to be required upon the retirement of the Company's power plants. Recent breaches of ash ponds at sites owned by the Tennessee Valley Authority and by Duke Energy, in which the contents of the ash ponds entered waterways, have increased scrutiny related to the remediation of the ash ponds at coal plants across the country and resulted in the EPA's Coal Combustion

Residuals ("CCR") rule. It should therefore be expected that the costs incurred at KCP&L's existing coal fleet at a minimum be similar in scope to the activities that were undertaken at Venice.

Q. Can you provide examples from other jurisdictions of power plants that have been or are planned to be decommissioned?

A. Yes. There are many recent examples of plants that either have been or will be decommissioned and dismantled. Some examples include:

- Black Hills Power will decommission its Ben French, Osage and Neil Simpson I plants.
- Black Hills Colorado Electric is in the process of decommissioning its Canon City (W.N. Clark) plant and units 5 and 6 at its Pueblo plant.
- Duke Energy is in the process of decommissioning a number of sites in the Carolinas, and activities related to the retirements of these sites include asbestos removal, demolition and the closure of ash ponds.
- Dominion Virginia Power is in the process of decommissioning coal units at its Chesapeake Energy Center, North Branch and Yorktown sites.
- PacifiCorp is in the process of decommissioning its Carbon coal power plant.
- Florida Power and Light has decommissioned a number of retired oil and gas fired steam power plants, including Cape Canaveral, Riviera, Cutler and Pt. Everglades.

Q. Will any of these sites continue to be used for power generation?

A. Yes. Some of these facilities have other existing generating facilities on location and others have been reused for new generating facilities.

Q. What do you conclude regarding terminal net salvage?

A. Depreciation principles as set forth in the USOA and by the Commission require that net salvage is included in depreciation expense. The exclusion of net salvage costs results in intergenerational inequity because future customers will be required to pay for the costs of retired assets that are no longer providing service. Despite the fact that Staff has recognized that terminal net salvage costs will occur, Staff has proposed to exclude these costs from depreciation. Staff's recommendation, as well as OPC's recommendation, therefore do not meet the requirements of the USOA, contradict the Commission's Laclede Order, and will produce intergenerational inequity. For these reasons, the Commission should reject Staff's proposal and accept the depreciation rates proposed in the depreciation study.

II. Calculation Issues with Staff's Proposal for Montrose Unit 1

Q. How have you incorporated the retirement of Montrose Unit 1 into your recommended depreciation rates?

A. The depreciation rates in the instant case are based on the same plant and accumulated depreciation balances as in Case No. ER-2014-0370. However, because Montrose Unit 1 has now been retired, I have reflected this retirement by removing from both the plant and accumulated depreciation balances the total original cost amount for Montrose Unit 1. This is consistent with the accounting for the retirement of a generating unit, which reduces both the plant and accumulated depreciation balances by the same retirement amount (which is a credit to plant and a debit to accumulated depreciation).

KCP&L maintains its accumulated depreciation at the FERC plant level (as opposed to the generating location or generating unit level). For the purposes of calculating depreciation rates in the instant case and in previous depreciation studies, the

accumulated depreciation is allocated to each generating unit within each plant account. As a result, the retirement on Montrose Unit 1 means that the accumulated depreciation needs to be allocated differently from the allocation used in Docket No. ER-2014-0370. I have performed this allocation for my recommended depreciation rates provided in Exhibit JJS-1.

Q. How has Staff incorporated the retirement of Montrose Unit 1 into their depreciation recommendation in the instant case?

A. Staff appears to have simply removed the depreciation expense for Montrose Unit 1. However, Staff should have allocated the accumulated depreciation for each production account to properly recognize the retirement of Montrose Unit 1. KCPL is currently reviewing Staff's response to data request 0316 and 0317 to see if additional clarification has been provided regarding generation plant retirements and terminal net salvage.

III. Electric Vehicle Charging Stations

Q. What has Staff proposed for electric vehicle charging stations?

A. Staff has proposed the removal of costs related to electric vehicle ("EV") charging stations from the cost of service. Staff also does not recommend depreciation rates for a new account for EV charging stations.[10]

Q. Please address Staff's recommendation.

A. First, I note that my testimony does not address the appropriateness of including EV charging stations in rate base. That issue will be addressed by Tim Rush. That said, regardless of whether the assets are in rate base, they will need to be depreciated. The 10% depreciation rate, 10-S2.5 survivor curve and 0% net salvage I have recommended

[10] Staff Report, p. 146, lines 20-27.

is appropriate for this account and is consistent with the depreciation rates and parameters used by others in the industry.

Q. Does Staff dispute the appropriateness of your recommended depreciation rate and parameters for EV charging stations?

A. No. Staff states that "[c]urrently, Depreciation Staff has no reason to dispute KCP&L's requested depreciation rate."[11] Thus, the record supports that my recommended depreciation rates and parameters for this account are appropriate.

IV. Greenwood Solar Facility

Q. What does Staff propose for the Greenwood Solar Facility?

A. Staff has recommended the "allocation of a portion of the plant in service for this facility to KCP&L."[12] Staff recommends that the depreciation rates for this facility be the same depreciation rates approved in the settlement in GMO's most recent rate case in Case No. ER-2016-0156.

Q. Do you agree with Staff's recommended depreciation rates for this facility?

A. Yes. The currently approved depreciation rates for the Greenwood Solar facility for GMO are the same depreciation rates I proposed for this facility in Case No. ER-2016-0156.

Q. Do you have a position on the allocation of a portion of this facility to KCP&L?

A. No. This issue will instead be addressed by Tim Rush.

Q. Does this conclude your Rebuttal Testimony?

A. Yes, it does.

[11] Staff Report, p. 147, lines 2-3.
[12] Staff Report, p. 147, lines 22-23.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Kansas City Power & Light Company's Request for Authority to Implement A General Rate Increase for Electric Service	)))	Case No. ER-2016-0285

AFFIDAVIT OF JOHN J. SPANOS

COMMONWEALTH OF PENNSYLVANIA)
) **ss**
COUNTY OF CUMBERLAND)

John J. Spanos, being first duly sworn on his oath, states:

1. My name is John J. Spanos. I am employed by Gannett Fleming Valuation and Rate Consultants, LLC as Senior Vice President. I have been retained to serve as an expert witness to provide testimony on behalf of Kansas City Power & Light Company.

2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony on behalf of Kansas City Power & Light Company consisting of seventeen(17) pages, 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.

John J. Spanos
John J. Spanos

Subscribed and sworn before me this 22nd day of December, 2016.

Megan Lynn Wade
Notary Public

My commission expires: Sep. 12, 2019

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
MEGAN LYNN WADE
Notary Public
EAST PENNSBORO TWP. CUMBERLAND COUNTY
My Commission Expires Sep 12, 2019