

KANSAS CITY POWER & LIGHT COMPANY
MISSOURI REVENUE REQUIREMENT
2006 TEST YEAR INCL KNOWN & MEASURABLE CHANGES TO 9-30-07
SUMMARY OF ADJUSTMENTS (1)

Non-Proprietary Version

		Total Company Adjustments Incr (Decr)	Total Company Adjustments Incr (Decr)	Incr (decr) Sept vs March
		9/30/2007 True-up	3/31/2007 Update	
JURISDICTIONAL COST OF SERVICE				
OPERATING REVENUE				
Retail Sales - Schedule 1, line 1-010				
Adj-1	Remove Gross Receipts Tax from revenues	(39,735,592)	(39,735,592)	-
Adj-49a	Normalize revenues for weather - MO	(6,003,697)	(5,998,357)	(5,340)
Adj-49a	Normalize revenues for weather- KS	(6,494,878)	(6,494,878)	-
Adj-49b	Annualize revenues for customer growth through Sept 2007 - MO	3,105,347	8,870,357	(5,765,010)
Adj-49b	Annualize revenues for customer growth through Sept 2007 - KS	6,397,751	14,811,241	(8,413,490)
Adj-49c	Annualize revenues for rate increase effective 1/1/2007- MO	51,699,409	51,933,634	(234,225)
Adj-49c	Annualize revenues for rate increase effective 1/1/2007- KS	29,985,734	30,243,986	(258,252)
		<u>38,954,074</u>	<u>53,630,391</u>	<u>(14,676,317)</u>
Miscellaneous Revenue - Schedule 1, line 1-011				
Adj-48	Reflect annualized revenues related to LaCygne-Gardner transmission line upgrade	167,186	113,430	53,756
Adj-49d	Adjust forfeited discounts (Missouri only)	186,556	-	186,556
		<u>353,742</u>	<u>113,430</u>	<u>240,312</u>
Bulk Power Sales - Schedule 1, line 1-012				
Adj-18	Remove effects of 2006 Hawthorn subrogation settlement	(2,528,765)	(2,528,765)	-
Adj-39	Normalize Bulk Power Sales	(68,292,829)	(58,915,928)	(9,376,901)
		<u>(70,821,594)</u>	<u>(61,444,693)</u>	<u>(9,376,901)</u>
	Operating Revenue - Schedule 1, line 1-014	<u>(31,513,778)</u>	<u>(7,700,872)</u>	<u>(23,812,906)</u>
OPERATING EXPENSES				
Fuel - Schedule 1, line 1-017				
Adj- 11	**			**
Adj-11	Adjust 2006 expenses for Wolf Creek nuclear fuel refund recorded in 2006 related to prior years	427,150	427,150	-
Adj-12	Adjust book depreciation expense to jurisdictional rates- unit trains	(91,370)	(91,370)	-
Adj-18	Remove effects of 2006 Hawthorn subrogation settlement	3,678,204	3,678,204	-
Adj-20	Annualize salaries and wages payroll costs for changes in staffing levels and base pay rates	5,641,174	5,661,119	(19,945)
Adj-20a	Reverse actual salaries and wages payroll costs incurred for actual staffing levels at base pay rates	(5,165,813)	(5,174,776)	8,963
Adj-38	Annualize Fuel Expense at contract prices for net system input normalized for weather and annualized for customer growth	(53,353,076)	(50,480,554)	(2,872,522)
Adj-52	Adjust for fuel additives related to new LaCygne SCR	1,599,540	1,931,700	(332,160)
Adj-62	**			**
Adj-97	Reverse all previous depreciation adjustments- unit trains	91,370	91,370	-
Adj-98	Annualize depreciation expense based on jurisdictional depreciation rates applied to Jurisdictional Plant in Service at 9-2007	450,335	451,936	(1,601)
	Fuel - Schedule 1, line 1-017	<u>(45,661,780)</u>	<u>(42,480,773)</u>	<u>(3,181,007)</u>
Purchased Power - Schedule 1, line 1-018				
Adj- 18	Remove effects of Sept 2006 Hawthorn subrogation settlement	10,804,723	10,804,723	-
Adj-40	Annualize Purchased Power Expense for net system input normalized for weather and annualized for customer growth	8,555,531	12,439,948	(3,884,417)
		<u>19,360,254</u>	<u>23,244,671</u>	<u>(3,884,417)</u>
Other Operations & Maintenance Expenses - Schedule 1, line 1-019				
Adj-4	Transfer KCREC Bad Debt Expense to KCPL A/C 904	4,513,695	4,513,695	-

KANSAS CITY POWER & LIGHT COMPANY
MISSOURI REVENUE REQUIREMENT
2006 TEST YEAR INCL KNOWN & MEASURABLE CHANGES TO 9-30-07
SUMMARY OF ADJUSTMENTS (1)

Non-Proprietary Version

		Total Company Adjustments Incr (Decr)	Total Company Adjustments Incr (Decr)	Incr (decr) Sept vs March
		9/30/2007 True-up	3/31/2007 Update	
Adj-8	Eliminate billings from GPES to KCPL for earnings tax and interest expense	(244,047)	-	(244,047)
Adj-9	Adjust for current period bank fees paid by KCREC related to sale of receivables	3,822,431	3,822,431	-
Adj-11	Adjust 2006 expenses for 2005 advertising costs reversed in 2006 (MO only)	60,895	60,895	-
Adj-11	Adjust 2006 expenses for 2005 Leadership Development Initiative (LED-LDI) costs reversed in 2006 (MO only)	867,870	867,870	-
Adj-11	Adjust 2006 expenses for 2005 Corporate Development/Planning (CORPDP-KCPL) costs reversed in 2006 (MO only)	879,112	879,112	-
Adj-11	Adjust 2006 expenses for 2005 Talent Assessment costs reversed in 2006 (KS only)	216,771	216,771	-
Adj-11	Adjust 2006 expenses for 2005 MSC0140, KCPL Strategic Initiatives costs, reversed in 2006 (MO only)	1,155,665	1,155,665	-
Adj-11	Adjust 2006 expenses for 2005 FERC assessment reversed in 2006	131,079	131,079	-
Adj-16	**			**
Adj-18	Remove effects of 2006 Hawthorn subrogation settlement	(122,410)	(122,410)	-
Adj-20	Annualize salaries and wages payroll costs for changes in staffing levels and base pay rates	150,107,559	150,703,642	(596,083)
Adj-20a	Reverse actual salaries and wages payroll costs incurred for actual staffing levels at base pay rates	(137,458,540)	(137,756,778)	298,238
Adj-20b	Adjust severance payroll costs to normalized amount	(21,562)	191,821	(213,383)
Adj-20c	Adjust Talent Assessment severance payroll costs to amortized amount	(7,029,556)	(6,957,387)	(72,169)
Adj-20d	Adjust incentive compensation- Power Marketing payroll costs to normalized amount	(30,389)	(33,481)	3,092
Adj-20e	Adjust incentive compensation- Value Link payroll costs to normalized amount	(1,498,047)	(1,567,018)	68,971
Adj-20h	Normalize employee relocation costs (5-year average)	(190,411)	-	(190,411)
Adj-23	Remove R&D tax credits consulting fees from test period	(385,000)	-	(385,000)
Adj-26a	Normalize Production maintenance expense	6,073,809	7,170,486	(1,096,677)
Adj-26b	Normalize Transmission & Distribution maintenance expense	(2,103,269)	1,527,998	(3,631,267)
Adj-26b	Normalize General maintenance expense	1,112,306	1,118,982	(6,676)
Adj-27a	Adjust FAS 87 and FAS 88 pension expense, including amortization of pension regulatory assets	20,482,635	21,044,900	(562,265)
Adj-27b	Normalize SERP expense	312,036	-	312,036
Adj-30	**			**
Adj-31	Reflect amortization of regulatory asset related to deferred Affordability, Efficiency and Demand Response Programs costs (MO only)	688,292	1,157,886	(469,594)
Adj-32a	Reflect amortization of regulatory asset related to deferred incremental rate case expenses for 2007 filing	712,308	1,000,000	(287,692)

KANSAS CITY POWER & LIGHT COMPANY
MISSOURI REVENUE REQUIREMENT
2006 TEST YEAR INCL KNOWN & MEASURABLE CHANGES TO 9-30-07
SUMMARY OF ADJUSTMENTS (1)

Non-Proprietary Version

		Total Company Adjustments Incr (Decr)	Total Company Adjustments Incr (Decr)	Incr (decr) Sept vs March
		9/30/2007 True-up	3/31/2007 Update	
Adj-32b	Reflect amortization of regulatory asset related to deferred incremental rate case expenses for 2006 filing	840,375	1,172,017	(331,642)
Adj-37	Annualize MPSC assessment	303,470	-	303,470
Adj-41	Normalize bad debt expense on test year revenues	232,237	259,575	(27,338)
Adj-42	Adjust Wolf Creek refueling outage amortization expense	757,218	757,218	-
Adj-44	Adjust Nuclear decommissioning expense	1,936	1,936	-
Adj-45	Adjust benefit expense for Other Post Employment Benefits (OPEB), 401K, and for other benefits relating to active employees	3,900,887	4,488,826	(587,939)
Adj-48	Adjust transmission expense (Account 565) and increase NERC/SPP fees	5,211,045	1,370,400	3,840,645
Adj-49a	Adjust bad debt expense related to normalization of revenues for weather	(60,388)	(60,885)	497
Adj-49b	Adjust bad debt expense related to annualization of revenues for customer growth	40,757	108,921	(68,164)
Adj-49c	Adjust bad debt expense related to annualization of revenues for the rate increase effective 1/1/07	438,707	432,878	5,829
Adj-52	Adjust non-fuel O&M expenses for new LaCygne SCR	292,462	292,462	-
Adj-54	Adjust current period actual bank fees paid by KCREC related to sale of receivables to projected amounts	223,186	244,874	(21,688)
Adj-56	Annualize Customer Accounts expense for costs associated with accepting credit card payments	182,625	563,490	(380,865)
Adj-59	Capitalize Sierra Club legal expenses	(6,075)	-	(6,075)
Adj-59a	Disallow Washington DC employee costs	(92,400)	-	(92,400)
Adj-59b	Disallow dues per Settlement Stipulation	(256,842)	-	(256,842)
Adj-60	Amortize project costs for Leadership Dvlp Initiative (LED-LDI) (MO only)	223,717	223,717	-
Adj-61	Amortize project costs for Corporate Dvlp/Plan (CORPDP-KCPL) (MO only)	176,116	176,116	-
Adj-63	Amortize project costs for Talent Assessment (KS only)	21,677	21,677	-
Adj-65	Disallow meal expenses per Settlement Stipulation	(365,563)	-	(365,563)
Adj-69	Amortize certain advertising expense over two years	(534,837)	-	(534,837)
	Other Oper & Mtce Expenses - Schedule 1, line 1-019	<u>55,802,008</u>	<u>61,397,847</u>	<u>(5,595,839)</u>
	Depreciation Expense - Schedule 1, line 1-020			
Adj-12	Adjust book depreciation expense to jurisdictional rates	(6,551,796)	(6,551,796)	-
Adj-97	Reverse all previous depreciation adjustments, including adjustment to fuel expense	6,551,796	6,551,796	-
Adj-98	Annualize depreciation expense based on jurisdictional depreciation rates applied to Jurisdictional Plant in Service at 9-2007	(8,926,431)	(8,419,764)	(506,667)
	Depreciation Expense - Schedule 1, line 1-020	<u>(8,926,431)</u>	<u>(8,419,764)</u>	<u>(506,667)</u>
	Amortization Expense - Schedule 1, line 1-021			
Adj-12	Adjust book amortization expense to jurisdictional basis	241,021	241,021	-

KANSAS CITY POWER & LIGHT COMPANY
MISSOURI REVENUE REQUIREMENT
2006 TEST YEAR INCL KNOWN & MEASURABLE CHANGES TO 9-30-07
SUMMARY OF ADJUSTMENTS (1)

Non-Proprietary Version

		Total Company Adjustments Incr (Decr)	Total Company Adjustments Incr (Decr)	Incr (decr) Sept vs March
		9/30/2007 True-up	3/31/2007 Update	
Adj-25	Reflect additional amortization to maintain credit ratios included in Case No. ER-2006-0314	25,679,061	25,679,061	-
Adj-97	Reverse all previous amortization adjustments, including adjustment to fuel expense, excluding credit ratio amortization	(241,021)	(241,021)	-
Adj-98b	Annualize amortization expense	1,378,368	148,890	1,229,478
	Amortization Expense - Schedule 1, line 1-021	<u>27,057,429</u>	<u>25,827,951</u>	<u>1,229,478</u>
Interest on Customer Deposits - Missouri - Schedule 1, line 1-022				
Adj-10	Transfer interest on customer deposits above the line	<u>438,857</u>	<u>438,857</u>	<u>-</u>
Interest on Customer Deposits - Kansas - Schedule 1, line 1-023				
Adj-10	Transfer interest on customer deposits above the line	<u>78,796</u>	<u>78,796</u>	<u>-</u>
Taxes Other than Income - Schedule 1, line 1-024				
Adj-1	Remove Gross Receipts Tax	(39,812,079)	(39,812,079)	-
Adj-11	Adjust 2006 expenses for reversal of capital stock reserves due to favorable ruling by the MO Dept of Rev on the use of a tax basis balance sheet vs. GAAP balance sheet for the computation of the MO franchise tax since 2000	1,036,305	1,036,305	-
Adj-20c	Adjust Talent Assessment FICA payroll taxes consistent with Talent Assessment severance adjustment	(494,654)	(520,230)	25,576
Adj-20g	Adjust FICA payroll taxes consistent with annualized payroll adjustment	965,082	883,952	81,130
Adj-33b	Adjust property taxes	2,403,425	2,856,598	(453,173)
Multiple	Adjust Kansas City Earnings Tax for impact of other adjustments	(24,405)	(16,959)	(7,446)
	Taxes Other than Income - Schedule 1, line 1-024	<u>(35,926,326)</u>	<u>(35,572,413)</u>	<u>(353,913)</u>
Federal and State Income Taxes- Schedule 1, line 025				
multiple	Reflect adjustments to Schedule 7, Allocation of Current and Deferred Income Taxes	(21,702,310)	(21,542,734)	(159,576)
Adj-99	Reflect the tax deduction for interest synchronization, the tax impact of which is included in the Schedule 7 adjustments above	-	-	-
	Fed and State Income Taxes - Schedule 1, line 1-025	<u>(21,702,310)</u>	<u>(21,542,734)</u>	<u>(159,576)</u>
	Total Electric Operating Exp - Schedule 1, line 1-027	<u>(9,479,503)</u>	<u>2,972,438</u>	<u>(12,451,941)</u>
	Net Electric Operating Income - Schedule 1, line 1-029	<u>(22,034,275)</u>	<u>(10,673,310)</u>	<u>(11,360,965)</u>

RATE BASE

Total Electric Plant - Schedule 1, line 1-032				
Adj-3	Adjust Wolf Creek disallowance to 100% jurisdictional basis	(6,770,612)	(6,770,612)	-
Adj-21	Increase Plant in Service for additions and retirements for the period January-September, 2007	151,213,817	178,204,162	(26,990,345)
	Total Electric Plant - Schedule 1, line 1-032	<u>144,443,205</u>	<u>171,433,550</u>	<u>(26,990,345)</u>
Accumulated Depreciation & Amortization - Schedule 1, line 1-033				
Adj-13	Adjust book Depreciation Reserve to 100% basis at jurisdictional depreciation rates for December 2006	(98,041,116)	(98,041,116)	
Adj-53a	Adjust Depreciation Reserve for annualized depreciation provision subsequent to test year or update period, whichever is later, through September 2007	-	83,272,691	

KANSAS CITY POWER & LIGHT COMPANY
MISSOURI REVENUE REQUIREMENT
2006 TEST YEAR INCL KNOWN & MEASURABLE CHANGES TO 9-30-07
SUMMARY OF ADJUSTMENTS (1)

Non-Proprietary Version

		Total Company Adjustments Incr (Decr)	Total Company Adjustments Incr (Decr)	Incr (decr) Sept vs March
		9/30/2007 True-up	3/31/2007 Update	
Adj-53b	Adjust Depreciation Reserve for projected retirements and net salvage expenditures subsequent to the test year or update period, whichever is later, through September 2007	-	(31,739,674)	
Adj-53c	Adjust Depreciation Reserve from jurisdictional balance as of December of test year to jurisdictional balance as of update or true up period.	90,496,873	31,806,832	
	Accumulated Depr & Amort - Schedule 1, line 1-033	<u>(7,544,243)</u>	<u>(14,701,267)</u>	<u>7,157,024</u>
	Net Plant - Schedule 1, line 1-034	<u>151,987,448</u>	<u>186,134,817</u>	<u>(34,147,369)</u>
Working Capital - Schedule 1, line 1-036				
Adj-50	Adjust Prepayments to 13-Month average	1,299,857	2,062,656	(762,799)
Adj-51	Adjust Fossil inventories to required levels and adjust Nuclear inventory to 18-month average	6,291,814	1,424,342	4,867,472
Adj-72	Adjust M&S inventories to 13 month average	763,970	(925,204)	1,689,174
Various	Impact of other adjustments on Cash Working Capital	<u>(3,490,499)</u>	<u>(5,446,296)</u>	<u>1,955,797</u>
	Working Capital - Schedule 1, line 1-036	<u>4,865,142</u>	<u>(2,884,502)</u>	<u>7,749,644</u>
Prior Net Pre-paid Pension Asset - MO - Schedule 1, line 1-037				
Adj-27	Reduce Net Prepaid Pension Asset for excess of FAS 87 pension cost over contributions (54.5%)	<u>(1,892,208)</u>	<u>(1,869,634)</u>	<u>(22,574)</u>
Prior Net Pre-paid Pension Asset - KS - Schedule 1, line 1-038				
Adj-27	Reduce Net Prepaid Pension Asset for excess of FAS 87 pension cost over contributions (44.3%)	<u>(1,538,070)</u>	<u>(1,519,721)</u>	<u>(18,349)</u>
Prior Net Pre-paid Pension Asset - WS - Schedule 1, line 1-039				
Adj-27	Reduce Net Prepaid Pension Asset for excess of FAS 87 pension cost over contributions (1.2%)	<u>(41,663)</u>	<u>(41,166)</u>	<u>(497)</u>
Pension Regulatory Asset - Schedule 1, line 1-040				
Adj-5	Adj 2006 FAS 87 book regulatory asset to 2006 total Company-Missouri basis regulatory asset	(2,274,662)	(2,286,101)	11,439
Adj-27	Decrease Missouri basis regulatory asset to 9-30-07 amount	<u>(6,001,121)</u>	<u>(5,767,662)</u>	<u>(233,459)</u>
	Pension Regulatory Asset - Schedule 1, line 1-040	<u>(8,275,783)</u>	<u>(8,053,763)</u>	<u>(222,020)</u>
Pension Regulatory Asset - Schedule 1, line 1-041				
Adj-5	Adj 2006 FAS 88 book regulatory asset to 2006 total Company-Missouri basis regulatory asset	<u>(22,673,747)</u>	<u>(22,673,747)</u>	<u>-</u>
Regulatory Asset-2002 Ice Storm- MO- Schedule 1, line 1-048				
Adj- 29	Decrease Regulatory Asset to 9-30-2007 amount	<u>(380,167)</u>	<u>(380,167)</u>	<u>-</u>
** **				
Adj-30	**			**
Regulatory Asset-Demand Side Mgmt Prog-MO - Schedule 1, line 1-043				
Adj-31	Increase Regulatory Asset to 9-30-2007 amount	<u>3,049,211</u>	<u>2,592,470</u>	<u>456,741</u>
Regulatory Asset-Demand Side Mgmt Prog-KS - Schedule 1, line 1-044				
Adj-31	Increase Regulatory Asset to projected 9-30-2007 amount	<u>-</u>	<u>2,859,938</u>	<u>(2,859,938)</u>
Regulatory Asset-Regulatory Expenses-MO - Removed from Schedule 1				
Adj-32a/b	Increase Regulatory Asset to projected 9-30-2007 amount	<u>-</u>	<u>450,628</u>	<u>(450,628)</u>
Regulatory Asset-Regulatory Expenses-KS - Removed from Schedule 1				
Adj-32a/b	Increase Regulatory Asset to projected 9-30-2007 amount	<u>-</u>	<u>-</u>	<u>-</u>
Regulatory Asset-STB Litigation-MO - Removed from Schedule 1				
Adj-62	**			**
Accumulated Deferred Income Taxes - Schedule 1, line1-047				
Adj-14	Adjust Deferred Income Tax Reserves to 100% jurisdictional basis	24,547,829	30,628,809	

KANSAS CITY POWER & LIGHT COMPANY
MISSOURI REVENUE REQUIREMENT
2006 TEST YEAR INCL KNOWN & MEASURABLE CHANGES TO 9-30-07
SUMMARY OF ADJUSTMENTS (1)

Non-Proprietary Version

		Total Company Adjustments Incr (Decr)	Total Company Adjustments Incr (Decr)	Incr (decr) Sept vs March
		9/30/2007 True-up	3/31/2007 Update	
Adj-33a	Adjust Deferred Income Tax Reserves for proforma impact of additional straight line tax depreciation on 2006 plant additions and adjustments to deferred Regulatory assets and liabilities	6,539,579	(607,592)	
	Accumulated Deferred Income Taxes - Schedule 1, line 1-050	<u>31,087,408</u>	<u>30,021,217</u>	<u>1,066,191</u>
Deferred Gain on Emission Allowance Sales - Schedule 1, line 1-048				
Adj-28	**			**
Deferred Gain on Emission Allowance Sales - Schedule 1, line 1-049 (MO only)				
Adj-28	**			**
Customer Advances for Construction-MO - Schedule 1, line 1-050				
Adj-74	Adjust Customer Advances for Construction to 13 month average	<u>(23,937)</u>	<u>-</u>	<u>(23,937)</u>
Customer Deposits-MO - Schedule 1, line 1-052				
Adj-73	Adjust Customer Deposits to 13 month average	<u>(63,770)</u>	<u>-</u>	<u>(63,770)</u>
RATE BASE - Schedule 1, line 1-057		<u>93,217,818</u>	<u>123,880,972</u>	<u>(30,663,154)</u>

(1) All amounts are total company; if an adjustment is applicable to only MO or KS it is so indicated