

M E M O R A N D U M

TO: Missouri Public Service Commission Official Case File
Case No. HR-2010-0028, Tariff Tracking No. JH-2010-0026
KCP&L Greater Missouri Operations Company

FROM: James Watkins, Manager, Economic Analysis
Mack McDuffey, Rate & Tariff Examiner II

/s/ James Watkins 8/7/09
Energy Department / Date

/s/ Sarah Kliethermes 8/7/09
General Counsel's Office / Date

SUBJECT: Staff Recommendation For **Approval** Of Tariff Sheet To Add The Quarterly Cost Adjustment For The Second Quarter Of 2009 To Its Quarterly Cost Adjustment Rider

DATE: August 7, 2009

On July 15, 2009, KCP&L Greater Missouri Operations Company (GMO) filed with the Commission one (1) tariff sheet with an issue date of July 15, 2009, and a proposed effective date of September 1, 2009, to add the quarterly cost adjustment for the second quarter of 2009 as required by GMO's Quarterly Cost Adjustment Rider, which the Commission approved in Case No. HR-2005-0450. GMO's filing included workpapers consisting of four worksheets showing its calculation of the quarterly cost adjustment for the second quarter of 2009.

The Commission's Energy Department Staff (Staff) has reviewed the proposed tariff sheet, and based on GMO's workpapers Staff is of the opinion that the quarterly cost adjustment for the second quarter of 2009 has been calculated in accordance with the provisions of the Quarterly Cost Adjustment Rider (See attached Memo). Staff therefore recommends that the Commission approve the following proposed tariff sheet, as filed on July 15, 2009, to become effective on September 1, 2009, as requested by GMO, or permit the tariff sheet to go into effect by operation-of-law:

P.S.C. MO. No. 1

13th Revised Sheet No. 6.5 Canceling 12th Revised Sheet No. 6.5

The Staff has verified that GMO is not delinquent on any assessment or the filing of its 2008 annual report. The Staff is not aware of any other matter pending before the Commission that affects or is affected by this tariff filing.

MEMORANDUM

TO: Mack McDuffey

FROM: Leon Bender

SUBJECT: KCPL - GMO Steam Tariff, Tariff Tracking No. JH-20010-0026
Case No. HR-2010-0028

DATE: August 5, 2009

On July 15, 2009, KCP&L Greater Missouri Operations Company, (GMO) filed a Quarterly Cost Adjustment (QCA) for steam service in St. Joseph, Missouri, per the Stipulation and Agreement in Case No. HR-2005-0450, as modified or amended in Case No. HR-2009-0092 for steam service sales prior to July 1, 2009. The July 15 filing describes how GMO calculated the difference between GMO's actual fuel costs for generating steam and the QCA base costs during the second quarter of 2009 and describes how GMO calculated the QCA for the next 12 month recovery period from September 1, 2009 through August 31, 1010.

The procedure for the calculation of the QCA for steam service sales occurring prior to July 1, 2009 is set out in Revised Sheets 6.1 through 6.4 of GMO's tariff, entitled "Quarterly Cost Adjustment Rider for Steam."

I have reviewed the data and mathematical calculations provided by GMO. The calculations are correct, satisfy the standards set forth on Revised Sheets 6.1-6.4 of GMO's tariff, and are consistent with previous QCA tariff filings.

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of KCP&L Greater Missouri Operations)	Case No. HR-2010-0028
Company for Authority to File Tariffs Changing the)	Tariff No. JH-2010-0026
Steam QCA for Service Provided to Customers in its)	
Service Territory)	

AFFIDAVIT OF JAMES C. WATKINS

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

James C. Watkins, of lawful age, on oath states: that he has participated in the preparation of the foregoing Staff Recommendation; that he has knowledge of the matters set forth in such recommendation; and that such matters are true to the best of his knowledge and belief.

James C. Watkins

Subscribed and sworn to before me this 6th day of August, 2009.

Carla K. Schnieders
_____ Notary Public

