

Exhibit No.:  
Issues: Revenue  
Witness: Curt Wells  
Sponsoring Party: MO PSC Staff  
Type of Exhibit: True-up Direct Testimony  
Case No.: ER-2006-0314  
Date Testimony Prepared: November 7, 2006

**MISSOURI PUBLIC SERVICE COMMISSION**

**UTILITY OPERATIONS DIVISION**

**TRUE-UP DIRECT TESTIMONY**

**OF**

**CURT WELLS**

**KANSAS CITY POWER & LIGHT COMPANY**

**CASE NO. ER-2006-0314**

**Jefferson City, Missouri  
November 2006**

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


In the Matter of the Application of Kansas )  
City Power & Light Company for )  
Approval to Make Certain Changes in its )  
Charges for Electric Service to Begin the )  
Implementation of Its Regulatory Plan )

Case No. ER-2006-0314

**AFFIDAVIT OF CURT WELLS**

STATE OF MISSOURI     )  
                                      ) ss  
COUNTY OF COLE     )

Curt Wells, of lawful age, on his oath states: that he has participated in the preparation of the following True-Up Direct Testimony in question and answer form, consisting of 3 pages of True-Up Direct Testimony to be presented in the above case, that the answers in the following True-Up Direct Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.

  
\_\_\_\_\_  
Curt Wells

Subscribed and sworn to before me this 3<sup>rd</sup> day of November, 2006.



SUSAN L. SUNDERMEYER  
My Commission Expires  
September 21, 2010  
Callaway County  
Commission #06842086

  
\_\_\_\_\_  
Notary Public

My commission expires 9-21-10

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14

<b>Table of Contents</b>	
<b>TRUE-UP DIRECT TESTIMONY</b>	
<b>OF</b>	
<b>CURT WELLS</b>	
<b>KANSAS CITY POWER &amp; LIGHT COMPANY</b>	
<b>CASE NO. ER-2006-0314</b>	
<b>EXECUTIVE SUMMARY.....</b>	<b>1</b>
<b>REVISIONS/UPDATES.....</b>	<b>1</b>

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

**TRUE-UP DIRECT TESTIMONY**  
**OF**  
**CURT WELLS**  
**KANSAS CITY POWER & LIGHT COMPANY**  
**CASE NO. ER-2006-0314**

Q. Please state your name and business address.

A. My name is Curt Wells and my business address is Missouri Public Service Commission, P. O. Box 360, Jefferson City, Missouri, 65102.

Q. Are you the same Curt Wells who has submitted direct testimony in this case?

A. Yes, I am.

**EXECUTIVE SUMMARY**

Q. What is the purpose of your True-Up Direct testimony?

A. My True-Up Direct testimony describes changes I made to my Schedule W-1 subsequent to my direct filing resulting from: 1) data revisions and updates to Missouri retail rate revenues provided by Kansas City Power & Light Company (KCP&L or Company) throughout this case; 2) an adjustment to my Missouri retail revenue calculations; and 3) allocations from Other Rate Revenue to the rate classes. My attached Schedule CW-1(True-up) presents total Missouri Rate Revenue incorporating all changes through true-up.

**REVISIONS/UPDATES**

Q. What prompted the updates from KCP&L to Missouri retail rate revenue?

1           A.     As a result of discussions with KCP&L, it became apparent that some data it  
2     provided had not been updated to reflect the last quarter of the test year. KCP&L provided  
3     that update, resulting in changes to the Small General Service, Lighting, Special Contract, and  
4     Other Rate Revenue categories of my Schedule CW-1.

5           Q.     What adjustment to your revenue calculations did you make?

6           A.     I adjusted normalized revenue under the Other Rate Revenue category.  
7     Subsequent to the filing of my direct testimony, I spoke with KCP&L witnesses Tim Rush  
8     and Lois Liechti concerning KCP&L's method of weather normalizing revenue for manual  
9     billings and other revenue adjustments. They stated that weather normalized sales and  
10    revenues for these categories had already been allocated by rate group in KCP&L's Bill  
11    Frequency numbers and included in normalized revenue for each rate group. They stated that  
12    weather normalizing these revenues again under "Other Rate Revenue" would result in  
13    double-counting the revenue. I accepted their explanation and reduced normalized revenue in  
14    these areas to reflect KCP&L's figures.

15          Q.     What other changes did you make?

16          A.     To better reflect revenue by class, I moved these revenues from "Other Rate  
17    Revenue" and assigned them to the appropriate rate classes. I also removed KCP&L's  
18    weather normalization adjustment from the large power rate class. Staff has determined that  
19    this class is not weather sensitive and should not have been adjusted. I also removed unbilled  
20    revenue from the calculation of Missouri rate revenue to be consistent with the Company's  
21    use of billing data.

22          Q.     Did Staff make any other revisions to Missouri retail rate revenues?

True-Up Direct Testimony of  
Curt Wells

1           A.     Yes.     Staff witness Kim Bolin provided updated growth/annualization  
2 adjustments to my Schedule CW-1(True-up) as a result of the above changes and true-up  
3 adjustments.

4           Q.     How will the revenues shown on your Schedule CW-1(True-up) be used in this  
5 case?

6           A.     Total Missouri Rate Revenue (Including Growth/Annualization) as shown on  
7 Schedule CW-1(True-up) will be used in determining new rates for KCP&L. It is anticipated  
8 that these new rates will be developed in accordance with the Stipulation and Agreement  
9 Regarding Class Cost-of-Service and Rate Design Issues, filed recently in this case, provided  
10 that the document receives Commission approval. Each rate element of those rates will be  
11 factored up by multiplying that element by the sum of one plus the result of dividing any  
12 overall increase in Company revenue requirement the Commission orders in this case by Total  
13 Missouri Rate Revenue.

14          Q.     Does this conclude your true-up direct testimony?

15          A.     Yes, it does.

**The Kansas City Power & Light Company - Case No. ER-2006-0314**  
**Summary of Missouri Rate Revenue**

<b>Rate Schedule</b>	<b>Revenue</b>	<b>Weather Adjustments</b>	<b>Normalized Revenue</b>	<b>Growth/ Annualization Adjustment</b>	<b>Total Revenue Including Growth/ Annualization</b>
<b>TOTAL LARGE GENERAL SERVICE</b>	\$109,845,844	(\$202,257)	\$109,643,587	\$1,510,225	<b>\$111,153,812</b>
<b>TOTAL LARGE POWER</b>	\$95,799,355		\$95,799,355	(\$81,319)	<b>\$95,718,036</b>
<b>TOTAL MEDIUM GENERAL SERVICE</b>	\$62,938,767	(\$488,594)	\$62,450,173	\$429,770	<b>\$62,879,943</b>
<b>TOTAL SMALL GENERAL SERVICE</b>	\$37,440,367	(\$190,749)	\$37,249,618	\$59,890	<b>\$37,309,508</b>
<b>TOTAL RESIDENTIAL</b>	\$175,465,535	(\$4,943,642)	\$170,521,893	\$1,022,028	<b>\$171,543,921</b>
<b>TOTAL LIGHTING</b>	\$5,789,960	\$0	\$5,789,960	\$0	<b>\$5,789,960</b>
<b>Special Contract</b>	\$201,696	(\$436)	\$201,260	\$0	<b>\$201,260</b>
<b>MO Rev Adj (Residential &amp; Commercial)</b>	(\$74,114)	\$74,114	\$0	\$0	<b>\$0</b>
<b>MISSOURI RATE REVENUE</b>	<b>\$487,407,409</b>	<b>(\$5,751,563)</b>	<b>\$481,655,846</b>	<b>\$2,940,594</b>	<b>\$484,596,440</b>