

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

HEARING

July 14, 2000
Jefferson City, Missouri
Volume 9

In the Matter of the Joint)
Application of UtiliCorp United,)
Inc. and St. Joseph Light & Power)
Company for Authority to Merge)
St. Joseph Light & Power) Case
Company with and into UtiliCorp) No. EM-2000-292
United, Inc, and, in Connection)
Therewith, Certain Other Related)
Transactions.)

Exhibit No. 301
Date 9-15-00 Case No. EM-2000-369
Reporter ff

ASSOCIATED COURT REPORTERS

AN **Interim** LEGAL SERVICES COMPANY

714 West High Street • Jefferson City, Missouri 65109
573.636.7551 • 573.636.9055 (fax) • 1.888.636.7551
Clayton • St. Charles • St. Louis (Soulard) • Columbia • Rolla.

1 JUDGE WOODRUFF: Then he's excused.
2 MR. SWEARINGEN: I think that takes us up to,
3 then, transmission access.
4 JUDGE WOODRUFF: Transmission access.
5 And Mr. Kreul.
6 MR. DUFFY: Your Honor, it's my understanding
7 that Mr. Kreul's testimony has already been marked and
8 perhaps already admitted. He's been on the stand before.
9 I'm not sure.
10 JUDGE WOODRUFF: I'm sure it has been marked.
11 12 and 13. 12 is his direct and 13 is his
12 surrebuttal.
13 (OFF THE RECORD.)
14 JUDGE WOODRUFF: We're back on the record then.
15 MR. DUFFY: Your Honor, the Company -- or
16 UtiliCorp, rather, has called to the stand Richard C.
17 Kreul.
18 It's my understanding he's been previously on
19 the stand and his testimony, his direct testimony, has
20 already been marked, his surrebuttal testimony has been
21 marked as an exhibit and has made corrections, and so I
22 believe I just tender the witness for cross-examination on
23 the transmission access and reliability issue.
24 JUDGE WOODRUFF: Do you want to offer 12 and 13
25 at this time?

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1233

1 A. It is outside the range of acceptable operation
2 for that particular facility.
3 Q. And the range is also sometimes referred to,
4 like, a line rating?
5 A. That's correct.
6 Q. So if a loadflow indicates that the power
7 flowing over a line is greater than the line rating, this
8 would be a loading violation. Correct?
9 A. Not necessarily. Typically it's within a
10 range, a percentage range, I think our standard is plus or
11 minus 5 percent. So if it's within that range, it's
12 within the loading of the facility.
13 Q. I mean, are you saying that it would be, like,
14 105 percent of the lines emergency rating?
15 A. No, not the emergency rating. The -- the
16 actual -- the design of the facility. The facilities are
17 designed to carry so much load, and if it's -- if it's
18 within a 5 percent range -- 5 percent of that loading,
19 then we consider that within the range.
20 Q. So if a line is carrying 5 percent more load
21 than it is rated to carry, UtiliCorp does not consider
22 that to be a loading violation?
23 A. We consider that within the range of operation,
24 yes, acceptable range of operation.
25 Q. Are all of your lines rated then at 105?

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1235

1 MR. DUFFY: Sure.
2 JUDGE WOODRUFF: 12 and 13 have been offered
3 into evidence.
4 Any objection?
5 Hearing none, they will be received.
6 (EXHIBIT NOS. 12 AND 13 WERE RECEIVED INTO
7 EVIDENCE.)
8 JUDGE WOODRUFF: Mr. Kreul is tendered for
9 cross-examination. Does anyone have any questions for
10 Mr. Kreul on this issue?
11 You may proceed, the City of Springfield.
12 MR. KEEVIL: Thank you, Judge.
13 CROSS-EXAMINATION BY MR. KEEVIL:
14 Q. Good morning, Mr. Kreul.
15 A. Good morning.
16 Q. If I could direct your attention to page 18
17 (sic) of your surrebuttal, page 18, line 2 (sic) of your
18 surrebuttal.
19 You state that -- well, actually it begins on
20 line 17 of page 2, you state there that the results of the
21 loadflow analysis performed by UCU for the heavy transfer
22 case scenario (pre-contingency) showed zero loading
23 violations and only one voltage violation. Correct?
24 A. That's correct.
25 Q. Now, a loading violation means what?

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1234

1 A. No. They're -- every one of the facilities
2 are -- are designed at a certain -- at a certain load.
3 Q. Would you repeat your last answer, Mr. Kreul?
4 A. All of our facilities are designed to carry a
5 certain amount of load.
6 Q. Right. But if you're 5 percent over whatever
7 that facility is designed to carry, that's fine as far as
8 UtiliCorp --
9 A. We -- we consider that to be good practices.
10 You can operate within plus or minus 5 percent.
11 Q. What is the purpose of a rating then?
12 A. It's the -- well, it sets the range, the
13 perimeter of the range.
14 Q. How long could you operate the line 5 percent
15 over emergency?
16 MR. DUFFY: Could I ask to rephrase the
17 question? When he threw in that last term "emergency",
18 I'm not sure how that --
19 JUDGE WOODRUFF: Yeah. What exactly are you
20 asking? You threw in the term "emergency."
21 BY MR. KEEVIL:
22 Q. The emergency rating.
23 A. Oh, okay.
24 Typically emergency, we don't like to operate
25 more than two or three, maybe four hours at the most.

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1236

1 Q. Now, Mr. Krael, let me ask you: Are you
2 confusing voltage criteria with loading criteria here?
3 A. I don't believe I am.
4 Q. And what does UCU -- we mentioned emergency
5 ratings. Would you describe your understanding of what is
6 referred to by the term "emergency rating"?
7 A. Well, it's -- it's -- it would be at a higher
8 level of load on that particular facility, using different
9 calculations. It would be -- an emergency rating would be
10 probably under some contingency and certainly wouldn't be
11 under normal operating practices. But there is -- each
12 one of the facilities do have an emergency rating, and --
13 and we considered it -- consider it acceptable to operate
14 at an emergency rating for a short period of time.
15 Q. What is a short period of time? How do you
16 define short period of time?
17 A. Like I said earlier, two, maybe three, four
18 hours at the most.
19 Q. Does the Southwest Power Pool have criteria for
20 setting emergency ratings?
21 A. To be honest with you, I'm not sure what their
22 criteria is if they do have one.
23 Q. Do you know if Southwest Power Pool criteria
24 allows you to exceed whatever -- assuming they have a
25 criteria, whatever that emergency criteria is?

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551
1237

1 by -- or sent to us by Dennis Florum whom Mr. Krael just
2 described.
3 (EXHIBIT NO. 304 WAS MARKED FOR
4 IDENTIFICATION.)
5 BY MR. KEEVIL:
6 Q. Now, Mr. Krael, I've handed you what's been
7 marked as Exhibit 304. If you'd turn over to the third
8 page of that exhibit. Do you see where the 7502 Sibley,
9 underlined the Sibley to Duncan?
10 A. Yes, I see that.
11 Q. Okay. Do you see in the far right column 102?
12 A. I see that number, yes.
13 Q. What does that number represent, sir?
14 A. I'm not familiar with this sort of report, so
15 I'm -- I'm not sure.
16 Q. You're not familiar with this report?
17 A. No.
18 Q. But I believe indicated Mr. Florum works for
19 you?
20 A. Yes, I have.
21 Q. Look up at the top left, I guess, if you're
22 holding the page this way, the General Electric PSLF
23 Version 11.0.
24 A. Yes, I see that.
25 Q. Now, are you familiar with that being

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551
1239

1 A. I don't know.
2 Q. So getting back to page 2, line 18 of your
3 surrebuttal, you refer there to the heavy transfer case
4 scenario precontingency.
5 Now, is this the same case that was provided to
6 Springfield in response to data requests?
7 A. Which data request?
8 Q. Oh, which one?
9 That would have been, I believe, EDSFR-28, the
10 loadflow base cases.
11 A. I'm not familiar with that particular data
12 request.
13 Q. Who is Dennis Florum?
14 A. He's a planning engineer in our group.
15 Q. Does he work for you?
16 A. Yes. He works in the group that I supervise.
17 Q. Okay.
18 MR. KEEVIL: Judge, I apologize. I didn't
19 expect to have to introduce this, so I haven't written
20 down the little markings yet. This would be 304 actually,
21 I believe. I have premarked up through 303.
22 JUDGE WOODRUFF: We'll make it 304. And what
23 is it?
24 MR. KEEVIL: This is the UtiliCorp -- a portion
25 of the UtiliCorp response to that data request prepared

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551
1238

1 UtiliCorp's model?
2 A. No, I'm not. I'm not sure if that is the
3 UtiliCorp model or not.
4 Q. You're not sure if that --
5 A. I don't -- I don't know what model we used in
6 those. I'm sorry.
7 Q. You don't know what model the people that work
8 for you use?
9 A. I do not, no.
10 Q. Okay. Flip back to the front page then. Do
11 you see where it says from Dennis Florum and a message to
12 Sedina Eric?
13 A. Yes, I see that.
14 Q. Do you have any reason to believe that is
15 not -- do you see the return address on Dennis Florum's?
16 A. Yes, I see that.
17 Q. So do you have any doubt that this document,
18 pages 1 through 3 of Exhibit 304, was from Dennis Florum
19 to Sedina Eric?
20 A. I don't have any reason to believe that it
21 didn't come from Mr. Florum.
22 MR. KEEVIL: Judge, I'd offer Exhibit 304.
23 JUDGE WOODRUFF: Exhibit 304 has been offered
24 into evidence. Are there any objections?
25 MR. DUFFY: I'll object on the basis of no --

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551
1240

1 inappropriate foundation was laid.
2 JUDGE WOODRUFF: And anything more specific?
3 MR. DUFFY: No.
4 JUDGE WOODRUFF: Okay. The objection is
5 overruled. It will be received.
6 (EXHIBIT NO. 304 WAS RECEIVED INTO EVIDENCE.)
7 BY MR. KEEVIL:
8 Q. So Mr. -- just to reiterate, Mr. Kreul, you
9 cannot explain Mr. Florum's study there on page 3 of
10 Exhibit 304?
11 A. No, I cannot.
12 Q. If you assume, Mr. Kreul, that that 102 shown
13 in that far right column, page 3 of Exhibit 304 on the
14 Sibley to Duncan line, indicates the -- let me make sure I
15 get the technical term correct -- if you assume that that
16 102 is the percentage of the emergency rating that that
17 line is carrying under that condition indicated up there
18 at the top of the schedule, would that line carrying
19 102 percent of the emergency rating and the 2000 summer
20 peak base case heavy north/south transfer constitutes a
21 loading violation?
22 A. If you assume that the far right column, what
23 you're speaking of, is 102 percent of the emergency
24 rating, I would -- I think I could state that it's over
25 the emergency rating.

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1241

1 A. Loadflow studies are conducted on a regional
2 basis, yes.
3 Q. Okay. Do you believe that the Southwest Power
4 Pool has the requisite knowledge, information and
5 understanding to conduct regional loadflow studies?
6 A. They do that as a practice, yes.
7 Q. Now, recently UtiliCorp asked the Southwest
8 Power Pool to conduct an analysis of providing
9 transmission service necessary to run the post merger
10 UtiliCorp as a single control area. Correct?
11 A. That's correct.
12 MR. KEEVIL: Judge, I'm handing Mr. Kreul what
13 has been premarked as Exhibit 301.
14 BY MR. KEEVIL:
15 Q. Now, Mr. Kreul, I realize that this is not the
16 entire Southwest Power Pool study that I've handed you in
17 Exhibit 301, although I do have some -- another exhibit
18 that has the bulk of the remainder of the study, but I
19 will represent to you and see if you would agree with me
20 that Exhibit 301 is the first five pages of that Southwest
21 Power Pool system impact study that UtiliCorp requested
22 and essentially just contains a narrative of the findings
23 by the SPF based on the study.
24 Would you agree with that representation, sir?
25 A. I would agree with it, yes.

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1243

1 Q. And would that constitute a loading violation?
2 A. I couldn't tell you if that's a loading
3 violation or not.
4 Q. Whose criteria -- well, let me ask this: Why
5 can you not say if that would be a load violation or not?
6 A. Well, I could say that it exceeds the emergency
7 violation. Again, I don't know what -- how you would
8 define a loading violation. It clearly exceeds -- it
9 would exceed the emergency viola-- emergency level.
10 Q. Do you know how UtiliCorp defines the loading
11 violation?
12 A. Not specifically, no.
13 Q. What's your position in the company again,
14 Mr. Kreul?
15 A. I'm vice-president of energy delivery.
16 Q. Energy delivery. Which would include electric
17 transmission?
18 A. Which includes electric transmission.
19 Q. All right. Now, if I could direct you to
20 line 16 there of page 2. You state that UtiliCorp studies
21 are superior to Springfield study because UtiliCorp has
22 more accurate information and a clear understanding of the
23 facts.
24 Now, do you believe that loadflow studies
25 should be conducted on a regional basis?

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1242

1 JUDGE WOODRUFF: Judge, I'd offer Exhibit 301.
2 JUDGE WOODRUFF: Exhibit 301 has been offered
3 into evidence. Are there any objections?
4 Hearing none, it will be received.
5 (EXHIBIT NO. 301 WAS RECEIVED INTO EVIDENCE.)
6 MR. KEEVIL: I hadn't planned to do it in this
7 order, Judge, but I figured while I'm here, I might as
8 well.
9 JUDGE WOODRUFF: You might as well.
10 MR. KEEVIL: I'm distributing now what's been
11 premarked as Exhibit 303.
12 (EXHIBIT NO. 303 WAS MARKED FOR
13 IDENTIFICATION.)
14 BY MR. KEEVIL:
15 Q. Mr. Kreul, do you recognize what I just handed
16 you that is marked as Exhibit 303 as the bulk of the
17 remainder of that Southwest Power Pool study?
18 If you'll notice the first page there of what I
19 just handed you begins on page 6, which would pick up
20 right after the previous exhibit I handed you?
21 A. Yes, it appears to be.
22 Q. All right.
23 MR. KEEVIL: Judge, I'd offer Exhibit 303.
24 JUDGE WOODRUFF: All right. Exhibit 303 has
25 been offered into evidence. Are there any objections?

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1244

1 Hearing none, it will be received.
2 (EXHIBIT NO. 303 WAS RECEIVED INTO EVIDENCE.)
3 BY MR. KEEVIL:
4 Q. Now, Mr. Kreul, the Southwest Power Pool impact
5 study represented in Exhibits 301 and 303 showed adverse
6 impacts of the integration or -- yes -- integration
7 necessary to run your post-merger company as a
8 single-control area, didn't it?
9 A. I recall that it did under these scenario --
10 under this scenario -- under the scenario that the study
11 was run, yes, sir.
12 Q. I'm glad you said that. What was the scenario
13 under which the study was run, Mr. Kreul?
14 A. Well, it was under existing facilities in
15 place.
16 Q. And those adverse impacts shown in the study
17 would be quite costly to correct. Am I accurate in that?
18 A. It would be costly, yes.
19 Q. And, Mr. Kreul, if I could have you look over
20 on page -- I believe it's page 4 of your surrebuttal. You
21 refer to Mr. Russell testifying or containing in his
22 rebuttal testimony reference to three lines that do not
23 exist. But then down there on line 13 -- you make that
24 criticism of Mr. Russell beginning on line 10, I believe.
25 But then on line 13 of that same page you state that the

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551

1245

1 A. The details of loadflow modeling, yes, I am.
2 Q. Okay. So personally you would not be in a
3 position to criticize the results of loadflow study done
4 by someone else?
5 A. I'm not quite sure what you mean by personally.
6 Q. You would not be in a position to --
7 A. Well --
8 Q. Go ahead.
9 A. I was -- it was obvious to me that these are
10 fictitious points, and it was, again, obvious to me
11 that Mr. Russell was speaking to these as if they were not
12 fictional points. That was the point of my, as you call
13 it, criticism.
14 Q. But in terms of the impact of that on the
15 loadflow study, you I believe admitted a moment ago that
16 it has no bearing on the results of the loadflow. Is that
17 correct?
18 A. That's correct.
19 Q. Over on page 5 of your surrebuttal, you state
20 on line 15 that all of the lines noted by Mr. Russell are
21 being upgraded, thus no longer a problem. Correct?
22 A. That's what I state, yes.
23 Q. Now, when you say all of the lines noted by
24 Mr. Russell, which lines specifically are you referring
25 to?

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551

1247

1 buses to which Mr. Russell referred were added by
2 UtiliCorp to the loadflow models in the transmission
3 study. Is that correct?
4 A. That's correct.
5 Q. So the material which was provided by UtiliCorp
6 to Mr. Russell's firm contained these fictional buses
7 which were added by UtiliCorp; is that correct?
8 A. That's correct.
9 Q. Now, since there are no active connections with
10 other facilities at these fictional buses, the existence
11 of these buses on the line has no effect on the power flow
12 through the Lake Road to Nashua line. Correct?
13 A. That's my understanding.
14 Q. So whether you model that as one line or three
15 sections, three different lines all added together as one
16 line, it has no effect on the results of Mr. Russell's
17 loadflow study. Correct?
18 A. I'm not familiar with the details of modeling,
19 so I couldn't accurately answer that.
20 Q. Okay. Did you prepare this portion of your
21 testimony?
22 A. It was prepared under my direction, yes.
23 Q. By whom?
24 A. By engineers in my group.
25 Q. But you're unfamiliar with loadflow modeling?

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551

1246

1 A. I believe in his rebuttal testimony, actually
2 it's in the question beginning at Line No. 10 there, he
3 discusses the lines of Pleasant Hill to Lake Winnebago and
4 from Lake Winnebago to -- Lake Winnebago to Hook Road
5 experienced overloading.
6 Q. Okay.
7 A. Those are the lines I'm -- and then also the
8 Greenwood to Lee's Summit, I believe. Those are the
9 lines, yes.
10 Q. Okay. Now, when will those lines be upgraded?
11 A. They've -- they've been upgraded already. It's
12 completed.
13 Q. They are completed now?
14 A. That's correct.
15 Q. Okay. To what standard were they upgraded?
16 A. I'm not quite sure. I guess to UtiliCorp's
17 standard. I'm not sure what you mean by the question.
18 Q. Let me have you turn back to page 3 of your
19 surrebuttal, Mr. Kreul, beginning on line 14. I believe
20 what you're saying in that answer there is that you can
21 cure that loading violation problem on the Sibley to
22 Duncan line by redispatch. Is that correct?
23 A. That's what I'm stating there, yes.
24 Q. And beginning on line 17 you say that this
25 procedure calls for reducing generation at Sibley and/or

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551

1248

1 increasing generation at Greenwood. Is that correct?
2 A. That's correct, that's what it says.
3 Q. Does that mean you never have a situation at --
4 in which Greenwood cannot be increased?
5 A. I'm sorry. I don't understand your question.
6 Q. Is Greenwood ever fully loaded?
7 A. You know, I don't -- I don't know if it is or
8 not.
9 Q. If it was, that would certainly impact your
10 operating procedure, would it not?
11 A. If it was, that would, yes.
12 Q. Concerning redispatch, UtiliCorp has no
13 obligation to redispatch for firm point-to-point
14 transmission customers. Correct?
15 A. I believe that's correct.
16 Q. Okay. So if redispatch would allow UtiliCorp
17 to avoid curtailing a firm point-to-point transmission
18 customer, UtiliCorp would nevertheless curtail that
19 customer. Correct?
20 A. That's not necessarily true.
21 Q. Under what circumstances would you not?
22 A. I don't know of any circumstances.
23 Q. But hypothetically speaking you could imagine
24 such a situation?
25 A. I could imagine such a situation, yes.

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551

1249

1 MR. KEEVIL: You're right.
2 MR. DUFFY: This line doesn't go to the State
3 of Nevada.
4 MR. KEEVIL: I was getting ahead of myself. I
5 thought you were trying to keep the slot machines rolling
6 there.
7 BY MR. KEEVIL:
8 Q. Now, you said this would be done after the
9 consummation of the merger. Is that correct, Mr. Kreul?
10 A. That is correct.
11 Q. Okay. So if you don't start -- I assume that
12 would be when you would begin the upgrade or the
13 construction or when you would budget -- what exactly
14 would happen after the consummation of the merger as it
15 relates to the construction of these lines?
16 A. Well, we haven't worked out the intimate
17 details of when we would start engineering, construction,
18 material procurement, that sort of thing.
19 So I think it would be conceivable we could
20 start prior to the consummation, but it's -- most of the
21 work would probably follow after the closing of the deal.
22 Q. Now, is construction of those lines reflected
23 in the Company's savings calculation of the merger?
24 A. Yes, I believe they are.
25 Q. Okay. Now, is that budgeted then, the

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551

1251

1 Q. Would there be a charge to the customer in that
2 situation?
3 A. In which situation?
4 Q. Well, in the situation where you did not
5 curtail them.
6 A. No, I do not believe there would be.
7 Q. Would the same thing be true for a network
8 service customer?
9 A. I honestly don't know if there would be any
10 differences or not.
11 Q. Page 7 of your surrebuttal, beginning on
12 line 7, I guess it begins, with the word "after,"
13 continues on, after the completion of the upgrade to the
14 LR-Nashua line and the construction of the Nevada-Asbury
15 line, ATCs in these regions will be increased.
16 Do you see that, sir?
17 A. I see that, yes.
18 Q. Now, is it my understanding that UtiliCorp is
19 making a commitment to upgrade the LR-Nashua line and
20 construct the Nevada-Asbury line?
21 A. Upon merger -- consummation of the merger, yes.
22 Q. Upon consummation of the merger. Okay.
23 MR. DUFFY: I think that the Commission should
24 take notice of the fact that the people down there call it
25 Nevada.

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551

1250

1 construction and upgrades of those lines?
2 A. Yes, I believe it is.
3 Q. But you haven't gotten into the engineering
4 details?
5 A. Preliminarily we have, yes, sir.
6 Q. When will those lines be in service?
7 A. It's difficult to say. The one from Nashua to
8 Lake Road going into St. Joe is anticipated that will go
9 much quicker because the right-of-way has already been --
10 it's acquired. The arrangement -- we would be doing a
11 deal with KCP&L, currently has the right-of-way.
12 The one going south where we interconnect with
13 Empire, there is no right-of-way that has been acquired,
14 so that -- we anticipate that to take a little bit longer.
15 Q. Now, on page 7 where you're talking about those
16 lines, you state that ATCs will be increased. How much
17 ATC will be gained on a north/south transfer?
18 A. I'm not sure.
19 Q. Let me ask you this: How much ATC will
20 increase overall?
21 A. I'm not -- I'm not sure.
22 Q. How much will be gained south to north?
23 A. I'm not sure.
24 Q. But you're sure that they will be increased?
25 A. Yeah. We have committed that with -- with the

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551

1252

1 construction of these lines and then the dispatch, the
2 joint dispatch, we will not -- we will not be in a
3 situation where we actually lower the ATC. We will
4 increase the ATC in the area.
5 Q. Now, Mr. Kreul, in your -- well, let me start
6 that over.

7 After the Southwest Power Pool completed this
8 study, in response to a letter ordered from the FERC,
9 UtiliCorp filed a response to the FERC and included
10 therewith with some supplemental testimony on your behalf
11 at the FERC. Is that correct?

12 A. That's correct, yes. As it relates to this --
13 to the merger, I presume you're speaking of?

14 Q. Yes, in the FERC merger document.

15 A. Okay. Yes.

16 MR. KEEVIL: Judge, I'd like to hand out
17 Exhibit 302 at this time.

18 (EXHIBIT NO. 302 WAS MARKED FOR
19 IDENTIFICATION.)

20 BY MR. KEEVIL:

21 Q. Mr. Kreul, if I could have you look at what
22 I've handed you -- it has been premarked as
23 Exhibit 302 -- and ask you if that appears to be the
24 response of UtiliCorp to the FERC letter order in FERC
25 Docket No. EC00-28-000?

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1253

1 A. Yes, that's right.

2 Q. So as I understand it, the post merger -- by
3 the way, just so everyone is clear, that two docket
4 numbers on the FERC case reflect the fact that the FERC
5 case covers both the UtiliCorp/St. Joe merger and the
6 UtiliCorp/Empire merger.

7 Is that your understanding, Mr. Kreul?

8 A. I couldn't tell you if it does or not. I'm
9 sorry.

10 Q. Well, flip back to the very first page of your
11 testimony -- or supplemental FERC testimony that we're
12 looking at, and look at the caption at the top of the
13 page.

14 A. Okay.

15 Q. Okay. Now, you see where it has two docket
16 numbers and two case captions?

17 A. Yes, I see that.

18 Q. All right. Now, as I was getting to -- as I
19 understand it, in this testimony, supplemental FERC
20 testimony, you have stated that the applicants -- and that
21 would be in the FERC case, UtiliCorp, St. Joe and Empire,
22 I believe, are willing to limit the amount of priority
23 transfer right to 100 megawatts and 200 megawatts for a
24 period of three years depending on the direction of the
25 export. Is that correct?

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1255

1 A. Yes, that appears to be.

2 Q. And if you'd flip, oh, about ten pages into it,
3 you come to the beginning of what is apparently the
4 supplemental testimony of Richard C. Kreul. Do you see
5 that, sir?

6 A. Yes, I see it.

7 Q. Is that the supplemental testimony that you
8 filed in those captioned FERC dockets?

9 A. Yes, it appears to be.

10 MR. KEEVIL: Judge, I'd offer Exhibit 302.

11 JUDGE WOODRUFF: Exhibit 302 has been offered
12 into evidence. Are there any objections to its receipt?
13 Hearing none, it will be received into
14 evidence.

15 (EXHIBIT NO. 302 WAS RECEIVED INTO EVIDENCE.)

16 BY MR. KEEVIL:

17 Q. Now, in your FERC testimony which is contained
18 as part of Exhibit 302, Mr. Kreul, I believe, if I could
19 find the reference there, the top of page 5 of your
20 supplemental FERC testimony, beginning on the bottom of
21 page 4 --

22 A. Yes.

23 Q. -- you refer to your willingness to limit the
24 amount of transfer capability that is reserved between the
25 three current control areas; is that correct?

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1254

1 A. That's -- that's my testimony, yes.

2 Q. Now, have you reached -- well, let me back up.

3 On page 6 of your surrebuttal in the State case
4 here -- I believe it's page 6 -- yeah, page 6, line 10 of
5 your surrebuttal in the Missouri PSC docket, you state
6 that regional ATC will be increased approximately
7 700 megawatts.

8 A. That's what I state, yes.

9 Q. Now, is that as the result of the construction
10 of these two lines that you're referring to over on page 7
11 of your surrebuttal testimony?

12 A. That's the result of the construction of the
13 Lake Road to Nashua line that would interconnect St. Joe's
14 operations with Utilicorp's.

15 Q. Okay. And does it not take into account the
16 construction of the, as Mr. Duffy says, Nevada to Ashbury
17 line?

18 A. No.

19 Q. Okay. Now, when you're referring to that
20 700 megawatt increase of ATC on page 6 of your
21 surrebuttal, have you reached that amount of ATC increase
22 by analyzing the loadflow base case?

23 A. As I understand what that 700 is, is when we
24 build the Nashua to Lake Road line, that increases -- the
25 regional ATC increases the ability to flow more energy

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1256

1 north to south.

2 Q. How is that 700 megawatt increase in ATC
3 arrived at? I mean, did you run a study? Did someone run
4 a study?

5 A. A study was run, yes.

6 Q. By whom?

7 A. Again, the engineering group within my group.

8 Q. Do you know the name of the engineer?

9 A. I could not tell you specifically, no.

10 Q. Okay. And does this have anything to do -- I
11 believe earlier you stated that you were not personally
12 familiar with running loadflow models.

13 A. I'm not personally familiar with that, no.

14 Q. Okay. Now, are you familiar with the fact that
15 the Southwest Power Pool ISO is responsible for the
16 calculations of ATC in the region?

17 A. I don't believe there is a Southwest Power Pool
18 ISO.

19 Q. Do you believe that an RTO should calculate the
20 ATC for a region?

21 A. That is one of the functions of -- proposed
22 functions of an RTO, yes.

23 Q. Okay. Rather than each individual utility
24 company calculating their own ATC?

25 A. Well, I think the way it would work, the two

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1257

1 either accept risk or provide solution?

2 A. Um, not being intimately familiar with this
3 report, but what I -- I believe that is, with the
4 scenarios that the SPP ran the study under our request of
5 network service, and again, that did not include the new
6 construction of Lake Road to Nashua and the Asbury to
7 Nevada lines, that apparently there was some voltage
8 problems as -- as indicated in this report.

9 Q. Okay. So there were voltage problems found on
10 the SPP. Correct?

11 A. Under the scenarios they ran in the study, yes.

12 Q. Okay. On page 11 of your testimony,
13 surrebuttal testimony, in the Missouri Public Service
14 Commission proceeding, page 11, beginning on line 17, you
15 state that a look at the Southwest Power Pool 2001 summer
16 peak model reveals that the lowest bus voltage in the
17 Empire system is 92 percent (8 percent below nominal), and
18 this occurred on a 34kV bus.

19 Five buses in the Empire system exhibited bus
20 voltages below 95 percent but still above 90 percent and
21 these were all a 34kV buses.

22 No buses at 69kV or above exhibited bus
23 voltages less than 95 percent. Did I read that correctly?

24 A. You read that correctly.

25 Q. If I could have you look on page 26 of

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1259

1 would work in conjunction with one another.

2 Q. Is SPP responsible currently for calculating
3 ATC in the region?

4 A. You know, I don't -- don't think that they are.
5 They can do that, but I don't think that they are
6 deemed -- deemed to have the responsibility of doing that.

7 Q. Has SPP --

8 MR. KEEVIL: Just so the record is clear, Your
9 Honor, when I say SPP, I'm referring to Southwest Power
10 Pool.

11 BY MR. KEEVIL:

12 Q. Mr. Kreul, has SPP confirmed your unnamed
13 engineers' finding of an increase in ATC of 700 megawatt?
14 A. I don't believe they have. I -- I don't know.
15 I have no knowledge of them doing it.

16 Q. Would you take a look at Exhibit 303, if you'd
17 look at page 24. Do you see down there -- well, tell me
18 this first, Mr. Kreul: What is your understanding of what
19 is shown on page 24 of Exhibit 303?

20 A. According to the title on the top of the page,
21 this is a voltage report table.

22 Q. Okay. Can you explain to me the numerous
23 conditions with voltage lower than 90 percent in the
24 Empire and Missouri Public Service area reported in this
25 study and which are shown on the far right column as being

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1258

1 Exhibit 303. I believe it's the bus number. But the
2 column on the far left, the 59570, do you see that, down
3 at the second to the bottom?

4 A. 59579. On page 26?

5 Q. Yes.

6 A. Second from the bottom is 59579.

7 Q. Okay. I was actually on the -- over in the far
8 left side of the page, Mr. Kreul.

9 A. I'm sorry. Okay. Okay.

10 Q. Those may not be bus numbers. Is that -- on
11 the far left column, are those bus numbers?

12 A. I don't know.

13 Q. Okay. You see the second narrative there that
14 begins on the left side, 59570 --

15 A. Yes.

16 Q. -- to bus 59604.

17 If you follow that line over to the right side
18 of the page, you'll see a bus No. 59570 OZK330 269.0. Do
19 you see that?

20 A. Yes.

21 Q. Well, that 269.0 indicates that that's a 69kV
22 bus. Correct?

23 A. Okay. I don't -- I don't know that to be the
24 fact, no.

25 Q. You don't know --

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1260

1 A. I wouldn't know how they indicate it in this
2 report, no.
3 Q. Well, why not?
4 A. I'm not intimately familiar with this report.
5 I'm sorry.
6 Q. You testify about this report. Correct?
7 A. Yes, I do.
8 Q. And you state that no buses at 69kV or above in
9 this report exhibited bus voltages less than
10 95 percent. Correct?
11 A. That's what I stated, yes.
12 Q. So if you don't know how the 69kV buses are
13 indicated in this report which you just testified to, how
14 can you make that statement in your testimony?
15 MR. DUFFY: Well, Your Honor, I'm going to
16 object. There has been no foundation laid that the report
17 in Exhibit 303 is the same report that is being referred
18 to on page 11 as the 2001 summer peak model.
19 You first have to establish we're both talking
20 out of the same hymnal here.
21 JUDGE WOODRUFF: Mr. Keevil, can you make
22 that --
23 MR. KEEVIL: Certainly. Actually I think that
24 was the statement when the exhibit was introduced, but
25 we'll do it again.

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551
1261

1 said earlier, that this report does indicate that there
2 are voltages below 95 percent.
3 Q. Mr. Kreul, did you prepare the portions of your
4 testimony which refer to the Southwest Power Pool study as
5 shown in Exhibit 303 or did someone else?
6 A. It was prepared under my direction, yes.
7 Q. You directed someone else to prepare it.
8 Correct?
9 A. Yes.
10 Q. But you do not know if what they prepared based
11 on the study was correct. Is that a true statement?
12 A. Well, no, I -- I assume it is correct.
13 Q. No. No. Excuse me, sir. I didn't ask if you
14 assumed that it was correct. This is your testimony, is
15 it not?
16 A. It is my testimony.
17 Q. Has an affidavit signed by you and notarized?
18 A. It is my testimony.
19 Q. So this is your testimony. But you do not know
20 if the references prepared by someone else in your
21 testimony to the Southwest Power Pool study are correct.
22 True?
23 A. Yes, they're correct.
24 Q. Okay.
25 MR. KEEVIL: Judge, I'm going to move to strike

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551
1263

1 BY MR. KEEVIL:
2 Q. Mr. Kreul, you are referring on page 11 to the
3 Southwest Power Pool study which was requested by
4 UtiliCorp and run according to the parameters UtiliCorp
5 gave the Southwest Power Pool, are you not?
6 A. Yes, I am.
7 Q. All right. And that would be Exhibit 303 as we
8 have previously determined. Correct?
9 A. That's correct.
10 Q. All right.
11 JUDGE WOODRUFF: Your objection is overruled
12 then.
13 BY MR. KEEVIL:
14 Q. So when you state on line 20 of page 11 that no
15 buses at 69kV or above exhibited bus voltages less than
16 95 percent in this study but you also indicated you don't
17 know how to tell from looking at this study which buses
18 are 69kV buses and which aren't, how can you make the
19 statement you make on page 11 of your surrebuttal
20 testimony?
21 A. Well, again, this testimony was prepared under
22 my direction. I do not -- I'm not familiar -- intimately
23 familiar with these reports, and -- you know, I see your
24 point, if, in fact, you designate -- your correction --
25 you're correct about the 69kV bus as designated like you

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551
1262

1 all references -- I didn't know he was going to say that.
2 It will take me a while if you want me to go through one
3 by one -- but any references in his surrebuttal testimony
4 to the -- what would this be -- criticizing
5 Mr. Russell's study on the basis of his interpretation of
6 the Southwest Power Pool study which he now said he
7 doesn't know how to read and someone else prepared for
8 him.
9 MR. DUFFY: Your Honor, that goes to the weight
10 and not the admissibility of the evidence.
11 JUDGE WOODRUFF: I believe your objection is
12 correct, that it does go to the weight. I will give you
13 an opportunity to mark and reindicate on the record what
14 portions are involved here.
15 We're going to take a break --
16 MR. KEEVIL: Before we do that, just for
17 clarification, Judge, like I said, I had no idea he was
18 going to say that. Can I have some time to late-file
19 that? It will take me some time.
20 JUDGE WOODRUFF: I thought you wanted to do it
21 right now.
22 MR. KEEVIL: No. I'd like a week or ten days
23 or whatever.
24 JUDGE WOODRUFF: Okay. Yeah, we can do that,
25 ten days. And that will give the other parties a chance

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551
1264

1 to respond to that when it's filed.

2 MR. KEEVIL: That's fine. Thank you.

3 JUDGE WOODRUFF: But it is time to take a
4 break. Let's come back at 10:45.

5 (A RECESS WAS TAKEN.)

6 JUDGE WOODRUFF: We're on the record.

7 MR. DUFFY: Your Honor, during the break the
8 witness informed me that he realized that he had made some
9 incorrect responses in his previous testimony just prior
10 to the break and he would like to correct those erroneous
11 statements at this time.

12 MR. KEEVIL: Judge, I'd like to explore the
13 basis of his discovery on that.

14 JUDGE WOODRUFF: You certainly may.

15 BY MR. KEEVIL:

16 Q. Mr. Kreul, did you discover you made erroneous
17 statements in your previous testimony --

18 MR. DUFFY: Well, Your Honor, can we make the
19 corrections first and then allow Mr. Keevil to ask
20 whatever questions that he wants to do about that.

21 MR. KEEVIL: No, because then they'll be in
22 there. You know, they'll be on the record.

23 JUDGE WOODRUFF: Go ahead and ask your
24 questions first, Mr. Keevil.

25 BY MR. KEEVIL:

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551
1265

1 it needs to be argumentative.

2 MR. KEEVIL: I object to them now coming back
3 after he's had the chance to be coached by this other
4 engineer and change his answers that he's previously --
5 you know, we spent an hour and a half going through a
6 minute ago.

7 JUDGE WOODRUFF: All right. Your objection is
8 noted. It will be overruled. It certainly goes to the
9 credibility of the witness rather than his admissibility
10 as previously argued.

11 You may go ahead and make your corrections.

12 THE WITNESS: Previously we were speaking to my
13 responses to Mr. Russell's comments that -- well, I'm
14 sorry.

15 In my surrebuttal testimony I stated that there
16 is no bus -- no buses at 69kV or above exhibited bus
17 voltage less than 95 percent. And that was in the SPP
18 2001 summer peak model.

19 That is not referred -- that is not the case in
20 this network service flow model that SPP did for us. So
21 it's two different reports.

22 He'd asked earlier -- you asked me -- I think
23 your previous question, was it the same report and I said
24 yes, it was, and it's really two different reports.

25 Q. Mr. -- so that's a different report entirely

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551
1267

1 Q. Mr. Kreul, did you discover you had made
2 erroneous answers in response to the previous questions
3 after consultation with anyone from UtiliCorp?

4 A. Yes.

5 Q. Who was it that you consulted with that
6 informed you that you had given incorrect answers?

7 A. One of my engineers, engineers in my group.

8 Q. Okay. So it was the engineer in your group
9 that realized you had made incorrect answers to your
10 previous testimony?

11 A. Yeah. Upon discussing with him we both dis--
12 discovered that there were errors in my testimony.

13 Q. You both discovered. After --

14 A. After -- after consulting with him, I
15 discovered there were errors in my testimony.

16 Q. Based on what he told you?

17 A. Yes.

18 Q. Okay.

19 MR. KEEVIL: This is still not his testimony.
20 He's testifying -- somebody else apparently has knowledge
21 on this matter. They put him up there on the stand to
22 testify.

23 MR. DUFFY: Your Honor, that's just
24 argumentative.

25 JUDGE WOODRUFF: He's making an objection, so

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551
1266

1 then the SPP report that you're referring to?

2 A. The SPP -- that was a 2001 summer peak model
3 where there were no buses at 69kV or above that
4 exhibited --

5 Q. Okay.

6 A. -- bus voltage.

7 MR. KEEVIL: Well, Judge, I'm going to --

8 BY MR. KEEVIL:

9 Q. Or let me ask you this, Mr. Kreul: Was that
10 SPP study to which you are referring on page 11 of your
11 surrebuttal provided to Springfield in response to DR
12 request?

13 A. No, it's not.

14 Q. That was not?

15 A. No.

16 Q. But it was requested by Springfield in
17 discovery. Correct?

18 A. Well, this would be available to Springfield.
19 They're a member of SPP. It's a --

20 Q. No. Springfield requested you to provide them
21 with studies of the -- such as that on the bottom of
22 page 11 of your testimony, correct --

23 A. That's correct.

24 Q. -- in the discovery?

25 Did you provide that response to Springfield in

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551
1268

1 response to their discovery asking for it?
2 A. Yes, we -- yes.
3 Q. You provided the 2001 summer peak?
4 A. Oh, I don't know -- I don't know if we provided
5 that particular model to them or not. Again, that's --
6 that's a SPP model that is available to anybody and
7 everybody as a member of SPP.
8 Q. But you don't know if UtiliCorp responded in
9 response to discovery or not?
10 A. No, I do not.
11 MR. KEEVIL: Well, Judge, I'm going to -- a
12 different basis this time, since he -- since he changed
13 his study on me.
14 I am going to again move to strike --
15 MR. DUFFY: Well, Your Honor, he didn't change
16 the study --
17 MR. KEEVIL: I am not finished, Mr. Duffy. May
18 I finish my --
19 JUDGE WOODRUFF: Please let him finish his
20 objection.
21 MR. KEEVIL: Springfield requested studies from
22 UtiliCorp, their copy. The only studies that were
23 provided to us in response to the data response -- data
24 request -- excuse me -- were the SPP studies that we have
25 here and the UtiliCorp information upon which Mr. Russell

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1269

1 different things.
2 I also understand that Mr. Keevil is objecting
3 about, apparently, whether Springfield asked for the 2001
4 summer peak model from SPP, and I don't know whether there
5 is any facts to substantiate at this point that they, in
6 fact, requested that specific model from UtiliCorp or that
7 UtiliCorp gave it to them or didn't give it to them.
8 You know, that information is not at my
9 fingertips, and Mr. Keevil hasn't demonstrated by showing
10 us some specific data request that he, in fact, asked for
11 these things.
12 So I don't think that there is any basis for
13 his objection here other than he's aggravated that
14 Mr. Kreul changed his answer once Mr. Kreul found out what
15 the facts were.
16 JUDGE WOODRUFF: Mr. Keevil, did you
17 specifically request -- can you provide the specific
18 information about the data request?
19 MR. KEEVIL: We requested -- hang on a second,
20 Judge.
21 MR. DUFFY: Of what little assistance I may be
22 able to make, the reference made on page 11 of Mr. Kreul's
23 surrebuttal testimony to an SPP base case loadflow. It's
24 my understanding that SPP on an annual basis prepares base
25 case load flows.

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1271

1 prepared his own study.
2 We didn't get this new study that Mr. Kreul has
3 now remembered after discussing it with another engineer
4 of UtiliCorp, and it's a direct violation of the
5 Commission's own new discovery rules that require
6 supplemental information be provided to other parties if
7 they come in the possession of something that is
8 responsive to a previous data request.
9 So I would move again to strike his new
10 supplemental answer changing his previous testimony.
11 JUDGE WOODRUFF: I'm not sure what exactly
12 we're at now.
13 Mr. Duffy, do you want to say anything?
14 MR. DUFFY: I don't -- I don't understand the
15 objection. I don't know what he's trying to do.
16 I understand that there are two different
17 studies that are being argued about here. One is
18 Exhibit 303 and Exhibit 301, and there is a totally
19 different study that is referred to on page 11.
20 And I understand that Mr. Keevil tried to -- or
21 asked Mr. Kreul whether those were the same things, and
22 Mr. Kreul said, yes, they were, and then Mr. Kreul said
23 no, they weren't the same things.
24 And that is as much as I understand, and that
25 the -- and the record now reflects that these are two

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1270

1 What is -- Exhibit 303 is a special study that
2 was done specifically for one situation, and it is not an
3 SPP base case loadflow.
4 That's our understanding of why there -- we're
5 talking about two different things here.
6 And if Springfield asked us for SPP base case
7 load flows, my understanding is we would not have given
8 them what is in Exhibit 303 because it's not an SPP base
9 case loadflow.
10 MR. KEEVIL: Judge, let me, if I could --
11 JUDGE WOODRUFF: Yes, Mr. Keevil. Go ahead.
12 MR. KEEVIL: If you'd turn to page 23 of
13 Exhibit 303, you see there on page 23 where it says 2001
14 summer peak, Missouri Public Service, area 540.
15 Go two pages further and you run into Empire.
16 That's the 2000 -- at page 25, 2001 summer peak, area 544.
17 Go another two pages of the 2001 summer peak,
18 St. Joseph Light & Power, area 679.
19 So those are, I believe, responsive to the
20 issue being addressed at the bottom of page 11.
21 But to get back to my original objection, that
22 he has in his testimony on page 11 something that he is
23 now claiming based on some other study they did not
24 provide us. We had requested --
25 MR. DUFFY: We haven't --

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1272

1 JUDGE WOODRUFF: Let him finish, Mr. Duffy.
2 Mr. Keevil, can you explain again what you're
3 asking the Commission to do?
4 MR. KEEVIL: Yes. My objection is, is that on
5 the bottom of page 11, apparently now Mr. Kreul is basing
6 that on some study that was not provided to Springfield.
7 After we took the break, he changed his mind as to what
8 study he was basing it on. Now, it's a study that only
9 they have apparently.
10 Data Request No. 28 -- and again, I apologize
11 Judge. I don't have the requisite number of copies of
12 this because I never dreamed this would become an issue,
13 but let me read it and then I'll show it to you.
14 It says, please provide power system data bases
15 for the years 1999 and 2001 peak and off peak and PSS/E
16 electronic format of the SPP transmission system with more
17 detailed modeling of UtiliCorp, MoPub, St. Joe and Empire
18 transmission systems.
19 In addition, please provide all power flow data
20 bases used by the applicants in any modeling conducted to
21 simulate power lever. That is one.
22 We have other ones here, four or five of them
23 where the response of the Company was, the study by SPP
24 has been requested, expect results in two to three months.
25 We did, like I said, eventually receive the

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551
1273

1 It's obvious to us, to me, that that was the 2001 loadflow
2 study and that is what I was responding to.
3 Q. So you don't know where he got his information
4 but you, therefore, responded that the study which you had
5 not provided to him was somehow different?
6 A. Well, again --
7 Q. Is that my understanding?
8 A. -- he states in his -- in his statement he
9 says, base case loadflow and that's -- that is what I was
10 responding to.
11 Q. Where is that?
12 A. It's line 14, page 11.
13 Q. Can we get a copy of the document to which you
14 are referring at the bottom of page 11, Mr. Kreul?
15 MR. DUFFY: Are you talking about the SPP 2001
16 summer peak model?
17 MR. KEEVIL: Whatever Mr. Kreul is talking
18 about is what I'm talking about.
19 JUDGE WOODRUFF: The study that they don't
20 have, apparently.
21 MR. KEEVIL: Which he's basing his testimony
22 on.
23 MR. DUFFY: I'm trying to be cooperative here.
24 JUDGE WOODRUFF: Right. I understand.
25 MR. DUFFY: I want to understand if he's asking

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551
1275

1 study which has been introduced as 303 but that's the only
2 study by SPP which we have received from the applicant.
3 JUDGE WOODRUFF: Do you want to ask these
4 questions to the witness explaining -- and get his
5 response as to what was sent to you?
6 MR. KEEVIL: Well, I think we covered that.
7 BY MR. KEEVIL:
8 Q. You don't know what was sent to Springfield, do
9 you, Mr. Kreul?
10 A. Under that particular data request?
11 Q. Yes.
12 A. I know that we -- I believe we sent them the
13 SPP network service, the flow study for the network
14 service. I don't believe we sent them any other report.
15 They have the SPP 2001 summer peak loadflow. I mean,
16 again, like I said earlier, that's available to anyone,
17 and I think that is what Mr. Russell was speaking to in
18 his rebuttal testimony, and that is how I -- that's what I
19 was responding to.
20 I mean, it's just -- line 13 of the question
21 was -- I mean, he made the statement in his rebuttal, some
22 voltages in the Empire area are more than 10 percent below
23 nominal in the SPP base case loadflow. And that's what I
24 was reporting to.
25 I'm not sure where he got that information.

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551
1274

1 about the 2001 summer peak model, I thought I heard Mr.
2 Kreul say that that's a product of the SPP, that any
3 member of the SPP can get it or that it's publicly
4 available and that Springfield can get it by asking for
5 it. And I ask Mr. Kreul to make sure that what I just
6 said is accurate.
7 It doesn't have to come from UtiliCorp, is what
8 I'm saying. It's a publicly available document, if my
9 facts are correct. But Mr. Kreul needs to confirm that.
10 JUDGE WOODRUFF: I think he's already testified
11 to that, actually.
12 MR. DUFFY: Well, that was my understanding.
13 JUDGE WOODRUFF: Mr. Keevil, are you simply
14 asking if there is a copy of that in this room somewhere?
15 MR. KEEVIL: Yes.
16 JUDGE WOODRUFF: Is there a copy of that in
17 this room somewhere?
18 MR. KEEVIL: Has it been introduced into the
19 record or anything?
20 THE WITNESS: I'm unaware of a copy of it being
21 available in this room. I mean, it's apparent to me that
22 he has a copy of it because he referred to it in his
23 rebuttal testimony.
24 BY MR. KEEVIL:
25 Q. And the results in that study would be

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551
1276

1 different than the results in Exhibit 303?
2 A. Yes.
3 Q. Why?
4 A. Again, the base case flow study is normal SP --
5 the way that the grid operates and the normal study SP
6 does, what the report, which you have, Exhibit 301, that
7 is a study we asked SP to do for us, assuming a number of
8 things, and one is, the major assumption is, providing
9 joint dispatch back and forth from Empire to MoPub, MoPub
10 to St. Joe, which is not in the base case flow study as --
11 Q. During the break did you learn how to interpret
12 the study shown in Exhibit 303?
13 A. No, I did not.
14 Q. Okay. So I can't ask you any questions about
15 that?
16 MR. DUFFY: It's argumentative. Mr. Keevil can
17 try to ask any question he wants.
18 JUDGE WOODRUFF: The objection will be
19 overruled.
20 Go ahead and ask the questions that you want.
21 BY MR. KEEVIL:
22 Q. Did you learn, Mr. Kreul, how bus voltages are
23 designated in Exhibit 303?
24 A. I did not.
25 MR. KEEVIL: Judge, it would be useless to ask

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1277

1 A. I'm unaware of one.
2 Q. When was St. Joe's criteria last changed?
3 A. I don't know.
4 Q. Okay. Regarding voltage, Mr. Kreul, tell me
5 what devices provide the reactive power that support it.
6 A. There is capacitors. Is that your question?
7 Q. Well, capacitors would be one.
8 A. Yeah, capacitor is one.
9 Q. Would generators be another?
10 A. I don't know.
11 Q. You don't know if electric generators provide
12 reactive power to support --
13 A. Yes, I believe generators provide reactive
14 power, yes.
15 Q. Thank you.
16 So if a generator is taken out of service,
17 there is no reactive power available from that generating
18 unit. Is that correct?
19 A. That would be my understanding, yes.
20 Q. Now, is it possible to dispatch a generator
21 with one megawatt output if the installed capacity of the
22 generator is 100 megawatts?
23 A. I really don't know.
24 Q. so you think you can dispatch a 100-megawatt
25 generator running at one megawatt?

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1279

1 Mr. Kreul about Exhibit 303, then, if he can't answer any
2 questions about it.
3 MR. DUFFY: Object to Mr. Keevil testifying.
4 JUDGE WOODRUFF: Overruled.
5 BY MR. KEEVIL:
6 Q. Mr. Kreul, what is the UtiliCorp voltage
7 criteria?
8 A. It's a criteria that I believe we operate plus
9 or minus 5 percent, normally operate within that range, if
10 that's what you mean, if that's what you're asking.
11 Q. Under what conditions do you operate at plus or
12 minus 5 percent?
13 A. Under normal conditions, no contingencies.
14 Q. What about the contingency situation?
15 A. I believe at that point it's plus or minus
16 10 percent.
17 Q. What is St. Joseph Light & Power's voltage
18 criteria?
19 A. I believe it's the same.
20 Q. You believe it's the same.
21 On what do you base that belief?
22 A. Just the common knowledge and discussion with
23 St. Joe, but nothing in particular.
24 Q. So St. Joseph Light & Power does not have a
25 higher voltage criteria standard than UtiliCorp?

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1278

1 A. That's not what I said. I said I don't know.
2 Q. Well, let's assume that that's what -- the
3 situation where we have a 100-megawatt generator at one --
4 being run at one megawatt. If that situation was input
5 into a loadflow state, what would be the reactive power
6 output of that generator bus?
7 A. I'm sorry. I wouldn't know.
8 Q. Why is that?
9 Is that -- I'm not trying to be hard to get
10 along with either.
11 But does that go back to your unfamiliarity
12 with performing loadflows?
13 A. I'm just -- I don't -- under that scenario
14 where you have a 100-megawatt unit and the output is only
15 one megawatt, I'm not sure what that would do to the
16 system, if it would provide reactive power or not.
17 Q. Okay. Well, this may be a different spin on
18 the same thing. If it is, I apologize.
19 Would you agree that simulated voltages would
20 be higher than they would be if that generator were taken
21 out of service rather than assumed to be in service at one
22 megawatt?
23 A. Could you repeat that? I'm sorry.
24 Q. Okay. Do you agree that simulated voltages
25 will be higher in the situation we've been talking about

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1280

1 than they would be if that generator were completely taken
2 out of service instead of being assumed to be in service
3 at an unrealistically low loading like one megawatt?
4 A. Are the voltages higher with one-megawatt input
5 than they are without the one megawatt? Is that your
6 question?
7 Q. Basically, yeah.
8 A. I would think that's a reasonable assumption.
9 Q. Okay. Now, in the loadflow cases which
10 UtiliCorp provided to Springfield in response to data
11 requests, are you aware that some of the Empire District
12 generators are modeled at one megawatt?
13 A. I'm unaware -- unaware of that.
14 Q. Unaware of that.
15 Who performed that modeling for UtiliCorp?
16 A. Which modeling?
17 Q. Well, the loadflows that were provided in
18 response to the data requests.
19 A. Are you speaking about the SPP network -- the
20 loadflow study? SPP provided that.
21 Q. But UtiliCorp provides the inputs. Correct?
22 A. We provide data to SPP, yes.
23 Q. If I could have you turn over to page 12 of
24 your surrebuttal. Down there at the bottom of page 12 of
25 your surrebuttal you state that UCU is -- excuse me --

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551

1281

1 A. Each one would be different, different timing.
2 The St. Joe would be, I think, within a year.
3 Q. Within a year from?
4 A. From commencement of construction.
5 Q. Which would commence when?
6 A. I'm not sure when that would have happened.
7 Q. Has the equipment or supplies been ordered for
8 that?
9 A. Not that, no.
10 Q. Has it been budgeted?
11 A. Yes, it has.
12 Q. Mr. Kreul, this hasn't been premarked. I may
13 or may not offer it as an exhibit.
14 MR. KEEVIL: For reference purposes, Judge,
15 what would my next number be?
16 JUDGE WOODRUFF: It would be 305.
17 BY MR. KEEVIL:
18 Q. Okay. Mr. Kreul, I've handed you what may or
19 may not wind up as Exhibit No. 305. And can you identify
20 the -- what the material on that exhibit represents here?
21 A. No, I cannot.
22 Q. Are you familiar with the reference at the top
23 here, the PTI information, Mr. Kreul?
24 A. I've heard that, yes. It's a flow -- flow
25 model, yes.

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551

1283

1 this is beginning on line 18.
2 UCU is now committed to building the necessary
3 facilities to interconnect the merged company as described
4 in the UCU - SJLP Interconnection Study and the UMC -
5 Empire Connection Study. Correct, Mr. Kreul?
6 A. That's what I state, yes.
7 Q. Okay. Now, as I recall those interconnection
8 studies, there were various options talked about in that.
9 What lines exactly are you -- or facilities, I
10 should say, are you committing to build there at the
11 bottom of page 12?
12 A. The St. Joe interconnect study would be the
13 Nashua to Lake Road 161kV line, and what I recall, the
14 UCU - Empire interconnect study. It's the Nevada to
15 Asbury 161kV line.
16 Q. Now, in regard to the UCU - St. Joe facility,
17 are you talking about what shows up in your Schedule
18 RCK-10 as Option 2B or Option 2B modified?
19 A. I believe it would be 2B modified.
20 Q. And those really are the same facilities that
21 we spoke about earlier when you said -- when I asked you
22 when they would be completed. Is that correct?
23 A. That's correct.
24 Q. And to refresh my memory, when would the
25 in-service dates for those facilities be?

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551

1282

1 Q. And is that the flow model that UtiliCorp uses
2 or has the ability to run in?
3 A. Yes.
4 Q. Okay. Can you tell from looking at this if
5 this is the UtiliCorp material -- input data which was
6 provided to Springfield in response to data request?
7 A. No, I cannot tell what -- if that was provided
8 to SPP or not by UtiliCorp. It appears to be -- just with
9 handmarkings at the top of the page, it says Empire
10 machines. So I'm not sure if you believe that for what it
11 means. It's not UtiliCorp generators. It would be Empire
12 generators.
13 Q. Empire generators.
14 But in the studies that were done at the
15 request of UtiliCorp, the Empire machines were included,
16 were they not?
17 A. They were part of the study, yes. I'm not
18 sure -- and this information could have been -- it's just
19 from the database that SPP would have. I don't -- I don't
20 know where it came from.
21 Q. So, Mr. Kreul, if I understood you correctly on
22 that last item we were just talking about, you are not
23 aware that some of the Empire generators in the loadflow
24 cases which UtiliCorp provided to Springfield are modeled
25 at one megawatt when they're a 100-megawatt generator?

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551

1284

1 A. No. I think what you're getting to, we didn't
2 provide that information to SPP. SPP ran models with
3 certain assumptions.
4 And one of the assumptions it appears that they
5 made would, one, a particular generator would be one
6 megawatt.
7 I think what SPP did is what they call worst-
8 flow modeling, where they crank up the generator on one
9 end and crank it down on the other end and see what that
10 does to the system. I think that's where you're getting
11 the -- where the one megawatt is coming from. That is
12 where they take a generator and crank it down to almost
13 zero.
14 Q. So you think that is SPP information rather
15 than your -- modeling rather than UtiliCorp?
16 A. Yeah. Those are assumptions SPP -- SPP was
17 making in the flow modeling that was requested.
18 MR. KEEVIL: Judge, if I could have just a
19 moment here.
20 JUDGE WOODRUFF: Yes, you may.
21 MR. KEEVIL: Judge, do you show Exhibits 301
22 through 304 as having been received?
23 JUDGE WOODRUFF: Yes.
24 Okay. And you referred to a previous document
25 as 305 but it was not offered.

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1285

1 from KCP&L and upgrade it to fit our needs.
2 Option 2B would be to build a line parallel to
3 KCP&L, assuming that KCP&L would not be interested in
4 selling that line to us.
5 The benefits of them selling it to us would be
6 we would not have to go out and acquire additional
7 right-of-way. But clearly that line is a weak link in --
8 in the region and needs to be upgraded.
9 So Option 2B would be for us to build parallel
10 to us, and 2B is assuming KCP&L's line is intact and our
11 new line is intact, so there is two lines parallel.
12 Option 2B modified would be taking out the
13 KCP&L line. It would no longer be parallel. The only
14 line between Lake Road and Nashua would be our new line,
15 upgraded line.
16 Q. What role would KCP&L play in the construction,
17 if any, of those lines?
18 A. In that particular -- in 2B they would not have
19 a role. 2C is where that -- that comes into play, I
20 think.
21 2C was to have KCP&L -- actually 2C came up
22 after having conversations with KCP&L and their interest
23 in building the line -- or selling the line to us and we
24 rebuilding it.
25 They expressed to us that they were not

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1287

1 MR. KEEVIL: Right.
2 I have no further questions, Judge.
3 JUDGE WOODRUFF: Any other cross-examination?
4 Okay. There are no questions from the bench,
5 so no recross.
6 Any redirect?
7 MR. DUFFY: Yes.
8 REDIRECT EXAMINATION BY MR. DUFFY:
9 Q. Let's talk briefly, Mr. Kreul, about what was
10 referred to recently as, I guess, option 2B modified. Do
11 you remember that question?
12 A. Yes.
13 Q. Just so the record is clear, I think you refer
14 in your testimony to something called 2C, and is 2C the
15 same thing as 2B modified or can you just explain what you
16 mean by 2B modified in layman's terms so we know what 2B
17 modified means.
18 A. Well, in the St. Joe/UtiliCorp interconnection
19 study, we made a number of -- we looked at different ways
20 of interconnecting the two systems.
21 One way was to build a line from Nashua --
22 that's a substation within the UtiliCorp area -- to
23 St. Joe Lake Road power plant.
24 KCP&L has a line there already in place.
25 Option 2A would have been to purchase that line

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1286

1 interested in selling the line, but they were willing to
2 work with us because they knew that was a weak link in the
3 system and were very interested in getting that line
4 upgraded.
5 So we discussed the option of them actually
6 upgrading the line to fit our needs and then turn around
7 and leasing a line back to us for our use as if it were
8 our own line for a period of time.
9 Q. Earlier there was a lot of reference to
10 Exhibit 304, and particularly the last page of that
11 document where the number 102 has a square drawn around
12 it.
13 Do you remember that discussion?
14 A. Yes.
15 Q. And that refers, I think, to a Sibley to Duncan
16 transmission line. Is that correct?
17 A. That's what this document indicates, yes.
18 Q. All right. Please look at your surrebuttal
19 testimony on page 3 at lines 14 through 17.
20 A. Yeah, I can see that.
21 Q. Is the Sibley to Duncan line that you're
22 talking about there the same as the Sibley to Duncan line
23 that shows up on Exhibit 304?
24 A. Yes, it is.
25 Q. And you talk about -- on lines 15, 16 and 17,

ASSOCIATED COURT REPORTERS, INC.
JEFFERSON CITY * COLUMBIA * ROLLA
TOLL FREE - (888) 636-7551 1288