

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Philip M. Burright
- Account No.: 190100 Def in Tx-Nuclear Fuel Resv.
- Business Unit: POWER
- Allocation Basis:

This account captures the deferred tax asset relating to establishing a nuclear fuel outage reserve. Establishing and adding to this reserve results in a book expense, whereas a tax expense occurs where cash is expended against the reserve. This timing difference between book and tax expense is captured in this account.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.:
  - 201100 Common Stock Issued
  - 204200-204600 Pfd Stock Issued
  - 207200-207500 Premium on Pfd Stock
  - 210100-210912 Gains on Common and Pfd Stock
  - 214830-214915 Capital Stock Expense
  - 216100-216110 Retained Earnings
  - 216400-216438 Ret Earn - Preferred and Common Div Decl
  - 217300 Reacquired 4% Preferred Stock
  - 238100-238600 Common and Preferred Dividends Declared
- Business Unit: HOLDING CO
- Basis for Business Unit Allocation from the source document:

These accounts relate to all common and preferred stock issued by the company and should be allocated among all the business units. The allocation to DELIVERY, POWER and HOLDING CO is based on the ratio of each operating division's Total Capitalization including Short-term Debt to the total company's Total Capitalization including Short-term Debt. The equities and liabilities are allocated from HOLDING CO to DELIVERY, POWER and SUBSIDIARY using the capital allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 221161 Med Tm – Series B - All
- Business Unit: HOLDING CO
- Allocation Basis:

These medium term notes should be allocated between all of the operating divisions. The allocation should be based on the ratio of each operating division's Total Debt including Short-term Debt less direct assigned debt for that operating division to the total company's Total Debt including Short-term Debt less total direct assigned debt. Each operating division's Total Debt including Short-term debt should be based on the ratio of each operating division's Total Capitalization including Short-term Debt to the total company's Total Capitalization including Short-term Debt. The liabilities are allocated from HOLDING CO to DELIVERY, POWER and SUBSIDIARY using the capital allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 221190 Med Tm – Series C - All
- Business Unit: HOLDING CO
- Allocation Basis:

These medium term notes should be allocated between all of the operating divisions. The allocation should be based on the ratio of each operating division's Total Debt including Short-term Debt less direct assigned debt for that operating division to the total company's Total Debt including Short-term Debt less total direct assigned debt. Each operating division's Total Debt including Short-term debt should be based on the ratio of each operating division's Total Capitalization including Short-term Debt to the total company's Total Capitalization including Short-term Debt. The liabilities are allocated from HOLDING CO to DELIVERY, POWER and SUBSIDIARY using the capital allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 221191 Med Tm – Series D - All
- Business Unit: HOLDING CO
- Allocation Basis:

These medium term notes should be allocated between all of the operating divisions. The allocation should be based on the ratio of each operating division's Total Debt including Short-term Debt less direct assigned debt for that operating division to the total company's Total Debt including Short-term Debt less total direct assigned debt. Each operating division's Total Debt including Short-term debt should be based on the ratio of each operating division's Total Capitalization including Short-term Debt to the total company's Total Capitalization including Short-term Debt. The liabilities are allocated from HOLDING CO to DELIVERY, POWER and SUBSIDIARY using the capital allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 221192 Med Tm – Series E - All
- Business Unit: HOLDING CO
- Allocation Basis:

These medium term notes should be allocated between all of the operating divisions. The allocation should be based on the ratio of each operating division's Total Debt including Short-term Debt less direct assigned debt for that operating division to the total company's Total Debt including Short-term Debt less total direct assigned debt. Each operating division's Total Debt including Short-term debt should be based on the ratio of each operating division's Total Capitalization including Short-term Debt to the total company's Total Capitalization including Short-term Debt. The liabilities are allocated from HOLDING CO to DELIVERY, POWER and SUBSIDIARY using the capital allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 221193 Medium Term Note – Series F - All
- Business Unit: HOLDING CO
- Basis for Business Unit Allocation from the source document:

This account relates to all Series F medium term notes issued 3/20/00 by the company and should be allocated between all the operating divisions. The allocation should be based on the ratio of each operating division's Total Debt including Short-term Debt less direct assigned debt for that operating division to the total company's Total Debt including Short-term Debt less total direct assigned debt. Each operating division's Total Debt including Short-term debt should be based on the ratio of each operating division's Total Capitalization including Short-term Debt to the total company's Total Capitalization including Short-term Debt. The liabilities are allocated from HOLDING CO to DELIVERY, POWER and SUBSIDIARY using the capital allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 221308 Environmental Improvmnt A 2015  
221309 Environmental Improvmnt B 2015  
221310 Environmental Improvmnt C 2017  
221311 Environmental Improvmnt D 2017
- Business Unit: POWER
- Allocation Basis:

These Environmental Improvement Revenue Refunding Bonds issued through the City of Burlington, Kansas are for pollution control equipment at the Wolf Creek Nuclear Power facility and is assigned to the WCNOG operating division.



## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 221320 Pldg Im Bonds-Var 07-01-17
- Business Unit: POWER
- Allocation Basis:

These bonds pledged in support of pollution control bonds issued through the City of LaCygne, Kansas and the State of Missouri are for equipment at the LaCygne and Iatan plants. Since this relates to a Pollution Control Bond it should be assigned to the GENCO operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 221321 Poll Ctl Bond 01-2012
- Business Unit: POWER
- Allocation Basis:

These bonds pledged in support of pollution control bonds issued through the State of Missouri are for equipment at the Hawthorn power plant. Since this relates to a Pollution Control Bond it should be assigned to the GENCO operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 221322 Poll Ctl Bds Series A 2023  
221323 Poll Ctl Bds Series B 2023
- Business Unit: POWER
- Allocation Basis:

These bonds pledged in support of pollution control bonds issued through the City of Burlington, Kansas are for pollution control equipment at the Wolf Creek Nuclear Power facility and is assigned to the WCNOG operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 221324 Poll Ctl Bds Var 02-2015  
221325 Poll Ctl Bds Var 02-2018
- Business Unit: POWER
- Allocation Basis:

These bonds pledged in support of pollution control bonds issued through the City of LaCygne, Kansas are for pollution control equipment at the LaCygne power plant. Since this relates to a Pollution Control Bond it should be assigned to the GENCO operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 224105 Co Oblig Pref Sec of Sub Trust
- Business Unit: HOLDING CO
- Allocation Basis:

These are the Trust Originated Preferred Securities (TOPrs) that are due 3-31-37. The allocation should be based on the ratio of each operating division's Total Debt including Short-term Debt less direct assigned debt for that business unit to the total company's Total Debt including Short-term Debt less total direct assigned debt. Each operating division's Total Debt including Short-term debt should be based on the ratio of each operating division's Total Capitalization including Short-term Debt to the total company's Total Capitalization including Short-term Debt. The liabilities are allocated from HOLDING CO to DELIVERY, POWER and SUBSIDIARY using the capital allocator.

**COST ALLOCATION MANUAL  
FOR MPSC AND KCC**

- Prepared by: Rob Basinger
- Account No.: 227100 Capital Lse Obligations
- Business Unit: DELIVERY
- Allocation Basis:

This relate to the MINT Line (Transmission Line) and is assigned to the TRNCO operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Sandra Milton
- Account No: 228200-228206,228212 Injuries & Damages
- Business Unit: DELIVERY
- Allocation Basis:

Inj & Dmges-Bal Fwd,Workman's Comp Award ,Property Damage Pymts,CR Provision and Bal Fwd include provisions for damages as a result to personal or property injuries which relate to the DISCO operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gary D. Zimmerman
- Account No.: 228211 Injuries & Damages-Pymts Wolf Creek
- Business Unit: POWER
- Allocation Basis:

Wolf Creek injuries and damages payments. Charges incurred as a result of an employee's injury or damage on the job. This would include medical costs (doctor) and some Company labor costs and is assigned to the WCNOG operating division.



## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gary Zimmerman
- Account No: 228300 Post Retirement Health & Life-WCNOC
- Business Unit: POWER
- Allocation Basis:

Wolf Creek accumulated provisions for pensions and benefits. Postretirement Health and Life reserve and is assigned to the WCNOC operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Sandra Milton
- Account No: 228301 Suplmtl Exec Retirement Plan(SERP)
- Business Unit: POWER, HOLDING CO
- Allocation Basis:

Suplmtl Exec Retirement Plan(SERP) is the accumulated provision for retired KCPL & WCNOE executives. The portion for WCNOE executives is directly assigned to the POWER operating division. However, the share for KCPL executives is allocated from HOLDING CO to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Sandra Milton
- Account No: 228311 L-T Pension Liability
- Business Unit: HOLDING CO
- Allocation Basis:

L-T Pension Liability represents the pension benefits for KCPL employees. The liability is allocated from HOLDING CO to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Sandra Milton
- Account No: 228313 Pst Ret Hlth & Life-KCPL
- Business Unit: HOLDING CO
- Allocation Basis:

Pst Ret Hlth & Life-KCPL represents the post-retirement benefits for KCPL retired employees. The liability is allocated from HOLDING CO to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gary Zimmerman
- Account No: 228332 Pension-WCNOC
- Business Unit: POWER
- Allocation Basis:

Wolf Creek other deferred credits - Pensions is assigned to the WCNOG operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gary Zimmerman
- Account No: 228400 Decommissioning of Enrichment Facility
- Business Unit: POWER
- Allocation Basis:

Wolf Creek accumulated miscellaneous operating provision for decontamination and decommissioning of Enrichment Facilities and is assigned to the WCNOG operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 231300 Notes Payable – Unsecured Commercial Paper
- Business Unit: HOLDING CO
- Basis for Business Unit Allocation from the source document:

This account relates to all Series F medium term notes issued 3/20/00 by the company and should be allocated between all the operating divisions. The allocation should be based on the ratio of each operating division's Total Debt including Short-term Debt less direct assigned debt for that operating division to the total company's Total Debt including Short-term Debt less total direct assigned debt. Each operating division's Total Debt including Short-term debt should be based on the ratio of each operating division's Total Capitalization including Short-term Debt to the total company's Total Capitalization including Short-term Debt. The liabilities are allocated from HOLDING CO to DELIVERY, POWER and SUBSIDIARY using the capital allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Olen Gibson
- Account No.: 232001 Accounts Payable
- Business Unit: DELIVERY, POWER, SUBSIDIARY, HOLDING CO
- Allocation Basis:

Don Summers (Acctg) has provided a query that utilizes the department number and summarizes the invoices to the assigned operating division.

Percentages calculated on each of the above operating divisions, will then be used to allocate accounts 232002 and 999999.



## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Dennis Miller
- Account No.: 232002 Negative Cash Balance Reclass
- Business Unit: DELIVERY,POWER,SUBSIDIARY,HOLDING CO
- Allocation Basis:

This account is the offset to 131002 which is directly related to the accumulation of all cash bank accounts & temporary cash.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232003 A/P Accrued Payroll
- Business Unit: DELIVERY,POWER,HOLDING CO
- Allocation Basis:

Payroll amounts earned by employees but not paid at period's end. The liabilities in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Dennis Miller
- Account No.: 232004 Accrued Audit Expense
- Business Unit: HOLDING CO
- Allocation Basis:

This liability represents an accrual for the annual audit expense which will encompass all business units. There is currently not a direct relationship to any of the operating divisions---therefore this liability & amortization are classified as HOLDING CO. The liabilities are allocated from HOLDING CO to DELIVERY & POWER using the labor allocator.

**COST ALLOCATION MANUAL  
FOR MPSC AND KCC**

- Prepared by: Gary Zimmerman
- Account No: 232005 Accounts Payable
- Business Unit: DELIVERY
- Allocation Basis:

Accrual for 345 kv line lease for payment to Western Resources and is assigned to the TRNCO operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Phil Gornetzki
- Account No: 232006 Contractor Retention-Capitalized Work
- Business Unit: DELIVERY,POWER,HOLDING CO
- Allocation Basis:

Payments to Contractors are withheld (10%) until the job is completed and accepted by KCPL's contracting department. The liabilities are allocated from HOLDING CO to DELIVERY & POWER using the labor allocator.

**COST ALLOCATION MANUAL  
FOR MPSC AND KCC**

- Prepared by: Gary Zimmerman
- Account No: 232007 Accrued Payroll-WCNOC
- Business Unit: POWER
- Allocation Basis:

*Wolf Creek month end accrual amount for payroll and is assigned to the WCNOC operating division.*

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Phil Anthony
- Account No.: 232009 and 232010 Use Tax
- Business Unit: DELIVERY,POWER,HOLDING CO
- Allocation Basis:

These accounts are for recording the liability for Use Tax. All Business should have Use Tax liability. Costs relating to these accounts are the liability for Use Tax from invoices. KCPL accrues Use Tax on invoices that do not have the correct tax. The liabilities are allocated from HOLDING CO to DELIVERY & POWER using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Chris Stephens
- Account No.: 232013 Coal Premiums Payable
- Business Unit: POWER
- Allocation Basis:

AP – Coal Premiums Payable includes BTU quality adjustments related to coal received at KCPL Generation Stations. These items are directly related to the cost of coal burned in generation and need to be reported in the same operating division as coal inventories and burn, which is the GENCO operating division.



## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232020 A/P United Campaign
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from employee payroll for contributions to United Way not yet remitted. The liabilities in HOLDING CO are allocated to DELIVERY & POWER using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232021 A/P U S Savings Bonds
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from employee payroll for US Savings Bonds not yet forwarded to Federal Reserve. The liabilities in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232022 A/P IBEW #412 Dues
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from employee payroll for union dues not yet forwarded to IBEW Local. The expenses in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232023 A/P IBEW #1464 Dues
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from employee payroll for union dues not yet forwarded to IBEW Local. The liabilities in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232024 A/P IBEW #1613 Dues
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from employee payroll for union dues not yet forwarded to IBEW Local. The liabilities in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232025 A/P IBEW COPE
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from union employees payroll for COPE donations not yet forwarded to IBEW Local. The liabilities in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Chris Stephens
- Account No.: 232027 AP-MGE Gas Freight Payable
- Business Unit: POWER, HOLDING CO
- Allocation Basis:

AP-MGE Gas Freight Payable includes transportation costs from MGE pertaining to natural gas purchases for use by the company. For gas purchases used in generation, costs and billings are reported in the GENCO operating division.

AP-MGE Gas Freight Payable includes dollars in HOLDING CO because a portion of gas purchases are used for servicing administrative locations for the company. Those expenses and billings are reported in HOLDING CO. The liabilities are allocated from HOLDING CO to DELIVERY & POWER using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232028 A/P Death Benefit 1464
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts withheld from Local 1464 employees for death benefits to be paid to Local for Local for deceased member. The liabilities in HOLDING CO are allocated to the various operating divisions using the labor allocator.



## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232030 A/P Power Pac
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from management employees payroll for Power Pac donations not yet forwarded. The liabilities in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Chris Stephens
- Account No.: 232031 AP-Gas Suppliers Payable
- Business Unit: POWER, HOLDING CO
- Allocation Basis:

AP-Gas Suppliers Payable includes the costs pertaining to natural gas purchases for use by the company. For gas purchases used in generation, costs and billings are reported in the GENCO operating division.

AP-Gas Suppliers Payable includes dollars in HOLDING CO because a portion of gas purchases are used for servicing administrative locations for the company. Those expenses and billings are reported in HOLDING CO. The liabilities are allocated from HOLDING CO to DELIVERY & POWER using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Chris Stephens
- Account No.: 232032 AP-Natural Gas Supplier
- Business Unit: DELIVERY
- Allocation Basis:

AP-Natural Gas Supplier includes the cost of gas purchased by the Gas Commodities department for resale to gas commodities customers. The purchase and resale of this gas to customers is reported in the DISCO operating division as well as the gas purchased for resale.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Chris Stephens
- Account No.: 232033 Gas Freight
- Business Unit: POWER, HOLDING CO
- Allocation Basis:

Gas Freight includes natural gas transportation costs pertaining to natural gas purchases for use by the company. For gas purchases used in generation, costs and billings are reported in the GENCO operating division.

Gas Freight includes dollars in HOLDING CO because a portion of gas purchases are used for serviceing administrative locations for the company. Those expenses and billings are reported in HOLDING CO. The liabilities are allocated from HOLDING CO to DELIVERY & POWER using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Chris Stephens
- Account No.: 232034 Natural Gas Freight
- Business Unit: DELIVERY
- Allocation Basis:

Natural Gas Freight includes the transportation cost of gas purchased by the Gas Commodities department for resale to gas commodities customers. The purchase and resale of this gas to customers is reported in the DISCO operating division as well as the gas purchased for resale.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Chris Stephens
- Account No.: 232036 Gas Freight-KCPL Regulated Sale
- Business Unit: POWER
- Allocation Basis:

Gas Freight-KCPL Regulated Sale includes natural gas transportation costs pertaining to natural gas sold or transferred to the nonregulated gas commodities area or other outside buyers of KCPL natural gas. These sales also result in a reduction in account 232031 Gas Suppliers Payable, and are reported in the GENCO operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gary Zimmerman
- Account No: 232039 Accounts Payable-Interchange
- Business Unit: DELIVERY, POWER
- Allocation Basis:

KCP&L's payable account for all Interchange activity to various vendors. Information is provided by "Transmission" and "Power Marketing".

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Chris Stephens
- Account No.: 232043,232046,232047,232050,232051,232053,232070  
Accruals-Fuel
- Business Unit: POWER
- Allocation Basis:

The above accounts contain dollars that represent fuel and transportation costs for which no vendor invoices have been received. These invoices must be accrued in order to accurately reflect fuels inventory at the generation stations. These items are directly related to generation fuel and are reported in the GENCO operating division.



**COST ALLOCATION MANUAL  
FOR MPSC AND KCC**

- Prepared by: Ray West
- Account No.: 232048 AP KGE Adv Opera LaCygne
- Business Unit: POWER
- Allocation Basis:

This account represents working fund deposits from LaCygne Generating Station joint ownership partner. Therefore, this account is directly related to generation activities and is included in the GENCO operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Dennis Miller
- Account No.: 232060-232061 Working Fund Deposit-latan
- Business Unit: POWER
- Allocation Basis:

These accounts represent working fund deposits from latan Generating Station joint ownership partners ; EDE & SJLP----therefore, these accounts are directly related to generation activities and are included in the GENCO operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232062 A/P Employee Community Fund
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from employees payroll for Community Fund donations not yet forwarded. The liabilities in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232063 A/P B/U Dental Insurance
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from union employee payroll for dental insurance not yet forwarded to insurance carrier. The liabilities in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232064 A/P B/U LTD Insurance
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from union employee payroll for LTD insurance not yet forwarded to insurance carrier. The liabilities in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Rob Basinger
- Account No.: 232066 AP-Unclaimed Cks Mo Escheat
- Business Unit: HOLDING CO
- Allocation Basis:

Escheat accounts are recorded in HOLDING CO. The amounts are immaterial.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Rob Basinger
- Account No.: 232071 AP-Unclaimed Cks Ks Escht
- Business Unit: HOLDING CO
- Allocation Basis:

Escheat accounts are recorded in HOLDING CO. The amounts are immaterial.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232075 A/P Dependent Life Insurance
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from management employee payroll for dependent insurance not yet forwarded to insurance carrier. The liabilities in HOLDING CO are allocated to the various operating divisions using the labor allocator.



## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232076 A/P Accidental Death
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from management employee payroll for AD&D insurance not yet forwarded to insurance carrier. The liabilities in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232077 A/P Life Insurance
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from management employee payroll for GTL insurance not yet forwarded to insurance carrier. The liabilities in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232078 A/P LTD Insurance
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from management employee payroll for LTD insurance not yet forwarded to insurance carrier. The liabilities in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232082 A/P Dental Insurance
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from management employee payroll for dental insurance not yet forwarded to insurance carrier. The amounts in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232086 A/P ESP – Gen & Home Loans
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from management employee payroll for ESP loans not yet forwarded to UMB bank. . The amount in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232088 Employee Payroll Deductions
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from union employee payroll for garnishments not yet forwarded to Court. The amounts in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232089 A/P Vision Insurance
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from union employee payroll for vision insurance not yet forwarded to insurance carrier. The amounts in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232092 A/P B/U Supplemental Life
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from union employee payroll for supplemental life insurance not yet forwarded to insurance carrier. The amounts in HOLDING CO are allocated to the various operating divisions using the labor allocator.



## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232093 A/P B/U Accidental Death
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from union employee payroll for AD &D insurance not yet forwarded to insurance carrier. The amounts in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232094 A/P B/U Dependent Life
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from union employee payroll for dependent insurance not yet forwarded to insurance carrier. The amounts in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 232095 A/P Internet Fee
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted from employee payroll for internet service not yet forwarded to internet service provider. The amounts in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gary Zimmerman
- Account No: 232202 Accounts Payable-POWER-Operations & Construction
- Business Unit: POWER
- Allocation Basis:

Wolf Creek accounts payable, current and accrued liabilities, for audited vouchers, DOE Spent fuel disposal, accrued payroll, meals and 401K .

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Phil Anthony
- Account No.: 232400 and 232401 Estimated and Environmental Accruals
- Business Unit: DELIVERY,POWER,HOLDING CO
- Allocation Basis:

These accounts are for recording the Estimated accruals. All operating divisions should have accruals.

Costs relating to these accounts are the liability for the expense and capital items that are accrued. The liabilities are allocated from HOLDING CO to DELIVERY & POWER using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Tom Boyd
- Account No.: 232420 Accrued inventory receipts
- Business Unit: DELIVERY, POWER, HOLDING CO
- Allocation Basis:

Accrued inventory receipts for company. The liabilities are allocated from HOLDING CO to DELIVERY & POWER using the labor allocator.

**COST ALLOCATION MANUAL  
FOR MPSC AND KCC**

- Prepared by: Beth Walther
- Account No: 235000 Customer Deposits
- Business Unit: DELIVERY
- Allocation Basis:

This account contains all of the deposits held from commercial, industrial and residential electric customers.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Beth Walther
- Account No: 235001 Customer Deposits Applied
- Business Unit: DELIVERY
- Allocation Basis:

This account is used for CIS system transfers. The balance should always be zero.



## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Rick Stephens
- Account No.: 236100 Property Tax Accrual
- Business Unit: DELIVERY,POWER,HOLDING CO
- Allocation Basis:

The operating division determination of balances in this account are reflective of the actual classifications for all ad valorem property tax accrual's as documented in accounts 708120, 708121, 151604, 808202, 933000, 107003, any tax payments, and any other accounts or journals as applicable. The amount remaining in HOLDING CO is allocated to the operating divisions using the labor allocator.

**COST ALLOCATION MANUAL  
FOR MPSC AND KCC**

- Prepared by: Julie Stroud
- Account No.: 236201 Accrued Gross Receipts Taxes
- Business Unit: DELIVERY
- Allocation Basis:

This account contains the accrued portion of the gross receipts taxes for commercial, industrial and residential electric customers in Kansas City, Missouri.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 236301 Accrued Taxes – SUI
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts deducted for employment taxes – State Unemployment Insurance. The liabilities in HOLDING CO are allocated to the various operating divisions using the labor allocator.

**COST ALLOCATION MANUAL  
FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 236304 Accrued Taxes – FUI
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts accrued for employment taxes – Federal Unemployment Insurance. The liabilities in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Bob Loft
- Account No: 236305 Accrued Taxes-FICA-Employer
- Business Unit: HOLDING CO
- Allocation Basis:

Amounts accrued for employment taxes – FICA Taxes, employer portion. The liabilities in HOLDING CO are allocated to the various operating divisions using the labor allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Philip M. Burrigh
- Account No.: 236307 Accrued Tax – Kansas City Earnings Tax
- Business Unit: HOLDING CO
- Allocation Basis:

This account is used to capture the current Kansas City earnings tax payable. Tax payments to the city of Kansas City, Missouri are posted here. The tax is computed on a separate company basis, and is based on earned income. Source documents are Excel based spreadsheets that estimate the company's liability.

Current tax accruals are allocated to each operating division based on their projected taxable income, and their contribution to the Kansas City earnings tax three-factor allocation formula of property, payroll, and sales.

**COST ALLOCATION MANUAL  
FOR MPSC AND KCC**

- Prepared by: Gary Zimmerman
- Account No: 236308 Accrued Taxes-WCNOC
- Business Unit: POWER
- Allocation Basis:

Wolf Creek accrued taxes for FICA, Federal and State Unemployment and State compensating Use tax.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Philip M. Burright
- Account No.: 236400 Accrued Taxes – Federal Income
- Business Unit: HOLDING CO
- Allocation Basis:

This account is used to capture the current federal income taxes payable. Tax payments to the IRS are posted here. Tax benefit payments made to wholly owned subsidiaries under Tax Sharing Agreements are posted against this account. Source documents are Excel based spreadsheets that estimate the company's tax liability.

Allocation to operating divisions will be based upon Tax Sharing Agreements between the Holding Company and the operating divisions. Current allocations are made upon asset based factors which closely represent the deferred tax asset or deferred tax liability. Current tax expense will be allocated based upon the projected taxable income of each operating division.



## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Philip M. Burright
- Account No.: 236500 Accrued Tax – State Income
- Business Unit: HOLDING CO
- Allocation Basis:

This account is used to capture the current state and local income taxes payable. Tax payments to the taxing jurisdiction are posted here. Tax benefit payments made to wholly owned subsidiaries pursuant to Tax Sharing Agreement are posted against this account. Source documents are Excel based spreadsheets that estimate the company's liability.

Allocation to operating divisions will be based upon Tax Sharing Agreements between the Holding Company and the operating divisions. Current allocations are made upon asset based factors which closely represent the deferred tax asset or deferred tax liability. Current tax expense will be allocated based upon the projected taxable income of each operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 237161 Accr Int-Series B-Md Trm Nt
- Business Unit: HOLDING CO
- Allocation Basis:

Accr Int-Series B-Md Term Nt is accrued interest that relates to Series B medium term notes. The interest is allocated from HOLDING CO to DELIVERY, POWER and SUBSIDIARY using the capital allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 237163 Accr Int-Series C-Md Trm Nt
- Business Unit: HOLDING CO
- Allocation Basis:

Accr Int-Series C-Md Term Nt is accrued interest that relates to Series C medium term notes. The interest is allocated from HOLDING CO to DELIVERY, POWER and SUBSIDIARY using the capital allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 237164 Accr Int-Med Tm Nt – Series D
- Business Unit: HOLDING CO
- Allocation Basis:

Accr Int-Series D-Md Term Nt is accrued interest that relates to Series D medium term notes. The interest is allocated from HOLDING CO to DELIVERY, POWER and SUBSIDIARY using the capital allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 237165 Accr Int-Series E-Md Trm Nt
- Business Unit: HOLDING CO
- Allocation Basis:

Accr Int-Series E-Md Term Nt is accrued interest that relates to Series E medium term notes. The interest is allocated from HOLDING CO to DELIVERY, POWER and SUBSIDIARY using the capital allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Sandra Milton
- Account No.: 237166 Accr Int-Series F-Md Term Nt
- Business Unit: HOLDING CO
- Allocation Basis:

Accr Int-Series F-Md Term Nt is accrued interest that relates to Series F medium term notes. The interest is allocated from HOLDING CO to DELIVERY, POWER and SUBSIDIARY using the capital allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 237308 Accr Int Series A 2015  
237309 Accr Int Series B 2015  
237310 Accr Int Series C 2017  
237311 Accr Int Series D 2017

- Business Unit: POWER

- Allocation Basis:

Accrued interest on Environmental Improvement Revenue Refunding Bonds issued through the City of Burlington, Kansas for pollution control equipment at the Wolf Creek Nuclear Power facility.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 237320 Accr Int - Pldg Bond Var - 2017
- Business Unit: POWER
- Allocation Basis:

Accrued interest on bonds pledged in support of pollution control bonds issued through the City of LaCygne, Kansas and the State of Missouri for equipment at the LaCygne and latan power plants. Since this relates to a Pollution Control Bond it should be assigned to the GENCO operating division.



## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 237321 Accr Int Poll 01-2012
- Business Unit: POWER
- Allocation Basis:

Accrued interest on bonds pledged in support of pollution control bonds issued through the State of Missouri for equipment at the Hawthorn power plant. Since this relates to a Pollution Control Bond it should be specifically assigned to the GENCO operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 237322 Accr Int Pol Ct Series A  
237323 Accr Int Pol Ct Series B
- Business Unit: POWER
- Allocation Basis:

Accrued interest on bonds pledged in support of pollution control bonds issued through the City of Burlington, Kansas for pollution control equipment at the Wolf Creek Nuclear Power facility and should be specifically assigned to the WCNOO operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 237324 Accr Int Poll Ctl 02-2015  
237325 Accr Int Poll Ctl 02-2018
- Business Unit: POWER
- Allocation Basis:

Accrued interest on bonds pledged in support of pollution control bonds issued through the City of LaCygne, Kansas for pollution control equipment at the LaCygne power plant. Since this relates to a Pollution Control Bond it should be specifically assigned to the GENCO operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Gregg Clizer
- Account No.: 237405 Ac Int – Prf Sec – Sub Trust TOPrs
- Business Unit: HOLDING CO
- Allocation Basis:

This accrued interest expense relates to the Trust Originated Preferred Securities (TOPrs) that are due 3-31-37. The allocation for each operating division should be equal to the ratio of the average balance in account 224105 – Co Oblig Pref Sec of Sub Trust for that operating division to the total company's average balance in account 224105.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Sandra Milton
- Account No.: 237601-237614,237630,237633-237634 Accr Int & Comtmt
- Business Unit: HOLDING CO
- Allocation Basis:

Accr Int & Comtmt is accrued interest that relates to the remarketing fee for short term loans. The interest is allocated from HOLDING CO to DELIVERY, POWER and SUBSIDIARY using the capital allocator.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Sandra Milton
- Account No.: 237624-237625 Accr Int &Loc-Deutsche Bk
- Business Unit: POWER
- Allocation Basis:

Accr Int &Loc-Deutsche Bk is accrued interest that relates to the remarketing and line of credit fees for the pollution control bonds issued through the City of LaCygne which are in the GENCO operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Sandra Milton
- Account No.: 237626 Accr Int&Comtm-Deutsche Bk
- Business Unit: POWER
- Allocation Basis:

Accr Int&Comtm-Deutsche Bk is accrued interest that relates to the remarketing and line of credit fees for the pollution control bonds issued for equipment at Hawthorn power plant which are in the GENCO operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Sandra Milton
- Account No.: 237629 Accr Int&Comtm-Bk of New York
- Business Unit: POWER
- Allocation Basis:

Accr Int&Comtm-Bk of New York is accrued interest that relates to the remarketing and line of credit fees for the pollution control bonds issued through the City of LaCygne and latan plants which are in the GENCO operating division.



## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Sandra Milton
- Account No.: 237632 Accr Int&LOC-1<sup>st</sup> Chicago Nat'l
- Business Unit: POWER
- Allocation Basis:

Accr Int&LOC-1<sup>st</sup> Chicago Nat'l is accrued interest that relates to the remarketing fee for the Environmental Improvement Revenue Refunding Bonds which are in the WCNOO operating division.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Philip M. Burrigh
- Account No.: 237800 Accrued Interest-IRS Settlement
- Business Unit: HOLDING CO
- Allocation Basis:

This account captures any interest receivable relating to an IRS settlement or tax refund claim.

Allocation to operating divisions will be based upon Tax Sharing Agreements between the Holding Company and the operating divisions. Current allocations are made upon asset based factors which closely represent the deferred tax asset or deferred tax liability. Tax refunds & related interest income will be allocated based upon the refund of each operating division.

**COST ALLOCATION MANUAL  
FOR MPSC AND KCC**

- Prepared by: Beth Walther
- Account No: 237901 Accrued Interest-Customer Deposit
- Business Unit: DELIVERY
- Allocation Basis:

This account is for the accrual of interest on electric customer's deposits held in account 235000.

## **COST ALLOCATION MANUAL FOR MPSC AND KCC**

- Prepared by: Beth Walther
- Account No: 237903 Deposit Interest Applied
- Business Unit: DELIVERY
- Allocation Basis:

This account is used for CIS system transfers. The balance should always be zero.