

Exhibit No.:
Issues: Fuel Expense
Witness: Leon C. Bender
Sponsoring Party: MO PSC Staff
Type of Exhibit: True-Up Direct
Testimony
Case No.: ER-2006-0314
Date Testimony Prepared: November 7, 2006

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY OPERATIONS DIVISION

TRUE-UP DIRECT TESTIMONY

OF

LEON C. BENDER

KANSAS CITY POWER & LIGHT COMPANY

CASE NO. ER-2006-0314

Jefferson City, Missouri
November 2006

FILED²

NOV 17 2006

Missouri Public
Service Commission

Staff Exhibit No. 154
Case No(s) ER-2006-0314
Date 11/16/06 Rptr MV

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

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

Case No. ER-2006-0314

AFFIDAVIT OF LEON C. BENDER

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Leon C. Bender, of lawful age, on his oath states: that he has participated in the preparation of the following True-Up Direct Testimony in question and answer form, consisting of 2 pages of True-Up Direct Testimony to be presented in the above case, that the answers in the following True-Up Direct Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.

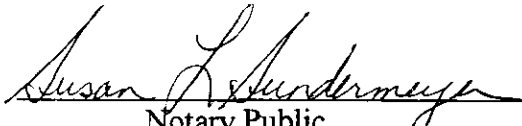


Leon C. Bender

Subscribed and sworn to before me this 3rd day of November, 2006.



SUSAN L. SUNDERMEYER
My Commission Expires
September 21, 2010
Callaway County
Commission #06942086



Notary Public

My commission expires 9-21-10

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TRUE-UP DIRECT TESTIMONY

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LEON C. BENDER

KANSAS CITY POWER & LIGHT COMPANY

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Q. Please state your name and business address.

A. Leon C. Bender, P.O. Box 360, Jefferson City, Missouri, 65102.

Q. Are you the same Leon C. Bender who filed direct testimony in this case?

A. Yes, I am.

Q. What is the purpose of your true-up direct testimony in this case?

A. The purpose of my testimony is to present the results of the Staff's electric production cost model simulations that were run in the true-up portion of this case to establish the amount of normalized fuel and purchased power cost for Kansas City Power & Light Company (KCPL) for the test year ending December 2005, updated through June 2006 and trued up to September 30, 2006.

Q. Briefly summarize the results of the production cost model true-up simulations.

A. The results of the production cost model simulations, as shown in Schedule 1, show that the estimated base amount of annual variable cost of fuel and net purchased power is \$195,740,550.

Q. Please describe the changes to the inputs to the production cost model for the true-up portion of this case.

True-Up Direct Testimony of
Leon C. Bender

1 A. The following changes were made to the inputs of the production cost
2 model for the true-up time period.

- 3 1. Updated new fuel prices were supplied by Staff witness Charles
- 4 Hyneman.
- 5 2. Updated new weather normalized hourly load was supplied by Staff
- 6 witness Shawn Lange.
- 7 3. Hourly wind energy generated by the Spearville Wind Farm was
- 8 input into the model.
- 9

10 Q. What hourly wind energy generated by the Spearville the Wind Farm did
11 Staff use?

12 A. I used the same Spearville wind energy amounts used by KCPL in its
13 production cost model. In response to Staff DR No. 540, KCPL submitted a study
14 performed by its consultant Ron Nierenberg, Consulting Meteorologist. The consultant
15 estimated anticipated average energy over the long term that could be generated by the
16 wind farm. Since no historical data yet exist for this unit, I used the same energy as
17 KCPL.

18 Q. What is the test year cost of fuel and net purchased power for KCPL, as
19 determined by the Staff's production model after adjustments have been made for true-up?

20 A. As noted earlier, the results of the production cost model simulation, as
21 shown in Schedule 1, show that the amount of annual variable cost of fuel and net
22 purchased power is \$195,740,550. These results were supplied to Staff witness Charles
23 Hyneman, who used this input in the annualization of fuel expense. For further discussion
24 of how Staff annualized the overall fuel expense in this case, please see Staff witness
25 Charles Hyneman's true-up direct testimony.

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

27 A. Yes, it does.

Schedule 1

Summary of Results of Staffs Production Cost Model

Totals		Fuel expenses (cost (\$))	\$158,645,510
Generation (energy (MWH))	17,024,223	Purchases (cost (\$))	\$37,095,040
Purchases (energy (MWH))	510,840	Total expense (cost (\$))	\$195,740,550
Total Normalized Load (MWH)	17,535,063	Average Cost (\$/MWH)	\$11.16