

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

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY OPERATIONS DIVISION

TRUE-UP DIRECT TESTIMONY

OF

CURT WELLS

KANSAS CITY POWER & LIGHT COMPANY

CASE NO. ER-2006-0314

**Jefferson City, Missouri
November 2006**

Staff Exhibit No. 161
Case No(s). ER-2006-0314
Date 11/16/06 Rptr MW

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

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

Case No. ER-2006-0314

AFFIDAVIT OF CURT WELLS

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

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

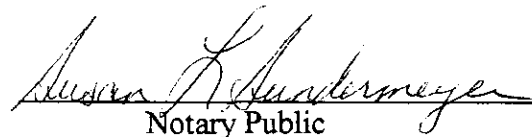


Curt Wells

Subscribed and sworn to before me this 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

OF

CURT WELLS

KANSAS CITY POWER & LIGHT COMPANY

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

Q. Please state your name and business address.

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

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

A. Yes, I am.

EXECUTIVE SUMMARY

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

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

REVISIONS/UPDATES

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

True-Up Direct Testimony of
Curt Wells

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

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

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

15 Q. What other changes did you make?

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

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

True-Up Direct Testimony of
Curt Wells

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

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

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

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

15 A. Yes, it does.

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

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