1 STATE OF MISSOURI 2 PUBLIC SERVICE COMMISSION 2 3 TRANSCRIPT OF PROCEEDINGS 4 5 Early Prehearing Conference 6 7 March 14, 2006 Jefferson City, Missouri 8 Volume 1 9 10 In the Matter of the Application) Of Kansas City Power & Light) Company for Approval to Make 11) Certain Changes in its Charges for)Case No. ER-2006-0314 12 Electric Service to Begin the) Implementation of Its Regulatory) 13 Plan) Respondent.) 14 15 16 STEVEN REED, Presiding REGULATORY LAW JUDGE 17 18 REPORTED BY: Monnie S. VanZant, CCR, CSR, RPR 19 Midwest Litigation Services 714 W. High Street Jefferson City, MO 65102 20 (573) 636-7551 21 22 23 24 25

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1 PROCEEDINGS 2 JUDGE REED: Let's go on the record 3 and get started. Good morning, everybody. My name is Steve Reed. I'm sitting in this 4 5 morning for Judge Pridgin. I'm going to 6 preside over this portion of the case, at least 7 this prehearing conference. 8 On the phone, I have Curtis Blanc, who 9 represents Kansas City Power & Light. 10 Mr. Blanc, I know you can hear me. As we take entries of appearance, you'll have to let me 11 12 know if you can hear the other parties. This phone does not have a long cord, so I can't --13 14 I can't move the phone out any farther. 15 MR. BLANC: Okay. 16 JUDGE REED: This case is in the matter of the application of Kansas City Power 17 18 & Light Company for approval to make certain 19 changes in its charges for electric service to begin the implementation of its regulatory 20 21 plan, Case No. ER-2006-0314. 22 This is the prehearing conference. We'll 23 take entries of appearance of all the parties. 24 Let's begin with you, Mr. Blanc. 25 MR. BLANC: My name is Curtis Blanc,

1 B-l-a-n-c, representing Kansas City Power & Light. My address is 1201 Walnut, Kansas City, 2 Missouri, 64106. 3 JUDGE REED: You folks out there, can 4 5 you hear Mr. Blanc? I think they can hear you. 6 Okay. Let's continue entries. There are 7 quite a few parties here. How about Staff of 8 the Commission? 9 MR. DOTTHEIM: Steven Dottheim and Kevin Thompson, Post Office Box 360, Jefferson 10 City, Missouri, 65102, appearing on behalf of 11 the Staff of the Missouri Public Service 12 Commission. 13 JUDGE REED: Office of Public 14 15 Counsel? MR. MILLS: On behalf of Office of 16 Public Counsel, my name is Lewis Mills. My 17 address is Post Office Box 2230, Jefferson 18 City, Missouri, 65102. 19 20 JUDGE REED: Is there someone here from IBEW? Okay. Department of Natural 21 22 Resources? 23 MS. WOODS: On behalf of the 24 Department of Natural Resources, Shelly A. 25 Woods, Assistant Attorney General, Post Office

Box 899, Jefferson City, Missouri, 65102. 1 2 JUDGE REED: Praxair, Inc.? Anyone? 3 MR. CONRAD: Yes. Your Honor, Stuart W. Conrad and David Woodsmall from the law firm 4 5 of Finnegan, Conrad and Peterson, 3100 6 Broadway, Suite 1209, Kansas City, Missouri, 7 64111, on behalf of intervenor Praxair. 8 JUDGE REED: Okay. Thank you. 9 Missouri Industrial Energy Consumers? MS. VUYLSTEKE: Diana Vuylsteke of 10 the law firm Bryan Cave, 211 North Broadway, 11 Suite 3600, St. Louis, Missouri, 63102. 12 JUDGE REED: Ford Motor Company? 13 14 MS. VUYLSTEKE: Also, Diana Vuylsteke 15 of the law firm of Bryan Cave, 211 North 16 Broadway, Suite 3600, St. Louis, Missouri, 63102. 17 JUDGE REED: Aquila, Inc.? 18 MR. COOPER: Your Honor, I've got a 19 couple of appearances that I can put forth 20 21 here. 22 JUDGE REED: Go ahead. 23 MR. COOPER: First off, Dean L. 24 Cooper, P.O. Box 456, Jefferson City, Missouri. 65102, appearing on behalf of the Empire 25

1 District Electric Company. Also, from the same law firm, I'd like to offer the appearance of 2 3 Diana Carter on behalf of Aquila, Inc., and Missouri Gas Energy, a division of the Southern 4 5 Union Company. 6 JUDGE REED: All right. Thank you. 7 The Missouri Joint Municipal Electric Utility 8 Commission? 9 United States Department of Energy on 10 Behalf of the National Nuclear Security Commission? 11 MS. BOGART: On behalf of the United 12 States Department of Energy, Stephanie Bogart, 13 14 Kansas City site office, P.O. Box 410202, 15 Kansas City, Missouri, 64141. 16 JUDGE REED: Thank you. How about Trigen Kansas City Energy? 17 MR. STEWART: On behalf of Trigen 18 19 Kansas City Energy Corporation, Charles Brent Stewart and Jeffrey Allen Keevil, 4603 John 20 Garry Drive, Suite 11, Columbia, Missouri, 21 65203. 22 23 JUDGE REED: Jackson County, 24 Missouri? 25 MR. FINNEGAN: On behalf of Jackson

1 County, Missouri, Jeremiah Finnegan, Finnegan, 2 Conrad & Peterson, 3100 Broadway, Suite 1209, Kansas City, Missouri, 64111. 3 JUDGE REED: AARP? 4 5 MR. COFFMAN: John B. Coffman, 871 6 Tuxedo Boulevard, St. Louis, Missouri, 63119, 7 appearing on behalf of AARP. JUDGE REED: How about the City of 8 9 Kansas City, Missouri? Is Mr. Comley here? 10 Okay. He may be in agenda next door, as I 11 understand it. Have I missed anyone? 12 MR. FISCHER: Your Honor, I -- I 13 apologize for being late. James Fischer on 14 15 behalf of Kansas City Power & Light Company. Our law firm address is 101 Madison Street, 16 17 Jefferson City, 65101. JUDGE REED: Thank you, Mr. Fischer. 18 19 Anyone else? Okay. Mr. Blanc, you're still with us? 20 MR. BLANC: Yes, I am, sir. 21 22 JUDGE REED: And you can hear 23 everybody okay? MR. BLANC: With the exception of DOE 24 25 and Trigen. I had a hard time hearing them,

but everybody else came through. 1 2 JUDGE REED: All right. Okay. The 3 one pending motion that I'm aware of was a motion to intervene by IBEW, and there is 4 5 nobody here for them this morning. 6 Is there anything else before you all get 7 to work on the procedural schedule? Mr. 8 Dottheim? 9 MR. DOTTHEIM: Yes. Judge, I don't know if you might be able to indicate. If not, 10 I'll give you maybe a heads-up on -- on 11 12 something that we might be coming back to you 13 on. 14 And that is the -- the hearing dates, 15 which were originally set at the beginning of September and -- or subsequently moved to the 16 -- the last two weeks, just curious as to 17 whether there might be a possibility of those 18 hearing dates being moved back a little. 19 20 The problem that at least I think the Staff will want to raise with the -- the other 21 22 parties, and we've just had a passing 23 conversation with Kansas City Power & Light, is 24 that in the -- in the Kansas City Power & Light experimental regulatory plan, which the 25

Commission approved in July of last year and 1 which was the precursor to the presently 2 3 pending rate increase case, which KCPL filed on, on February 1, there was a test year 4 5 true-up and update period identified. 6 And the -- in particular, the -- the 7 true-up -- well, I should say the -- the update 8 for known and measurable changes through June 9 30, 2006, when we work on a procedural schedule with that -- with that date, that seems to be 10 11 causing some potential problems. 12 It's not a situation where the company filed a -- a case and there wasn't literally a 13 14 -- a test year true-up, an update period

15 already identified.

So I don't know if -- if you can give some 16 indication if you -- whether the -- the 17 Commission has specifically stated that it 18 needs the maximum amount of time assuming the 19 20 -- the case goes, the -- the full two weeks in September. It needs the maximum amount of time 21 22 that is presently provided in order to decide 23 the case.

24The Staff, when we look at some more25recent procedure schedules, we don't see quite

1as much time built into the period between the2ending of the hearings and the operation of law3date as we do with -- with the -- the hearing4dates that the Commission set -- set in -- in5this proceeding or -- or actually also in the6-- the -- the Empire District Electric7proceeding.

8 So I don't know if you can respond to that 9 in any manner. But before we literally file a 10 procedural schedule, we may be coming to you 11 and asking you the question whether it might be 12 possible to -- to push those hearing dates 13 back.

14 JUDGE REED: Mr. Dottheim, as you 15 work through the procedural schedule and look at those dates for hearing, what I suggest you 16 do is -- is bring something to Judge Pridgin 17 about that because he's been involved since the 18 beginning, and I'm sitting in this morning. 19 20 So I appreciate you letting us know and 21 putting that on the record. 22 Mr. Fischer, did you have something? 23 MR. FISCHER: Yes, your Honor. From 24 Kansas City Power & Light's perspective, we

25 certainly want to work with Staff and the

1 Commission and all the parties to come up with a mutually agreeable procedural schedule. 2 3 I would note though, for -- since Mr. Dottheim brought up the possibility of moving 4 5 the schedule and the hearings that -- that the 6 Kansas Corporation Commission has issued an 7 order setting our Kansas companion case for the 8 following two weeks after the Missouri case. 9 That may complicate our discussions a little 10 bit. But, certainly, we, from our perspective, 11 12 would like to ensure that we have as much possibility for discussion of settlement and 13 14 collaborative issues in this process as 15 possible, and we'd like to work with everyone 16 to -- to ensure we can do that, recognizing that if there are tried issues that the 17 Commission is going to need time to resolve 18 19 those. 20 JUDGE REED: Yes. Thank you, Mr. Fischer. 21 22 Is there anything else on that issue? I 23 can't give you an answer right now is the 24 bottom line. Anything else? Okay. Anything else that 25

1 needs to be on the record this morning? Mr. Dottheim? 2 MR. DOTTHEIM: Yes. Judge Reed, I 3 assume you will alert Judge Pridgin as to this 4 5 scheduling matter --6 JUDGE REED: Yes, I will. 7 MR. DOTTHEIM: -- so that -- so that he will be aware of it? 8 9 JUDGE REED: Yes, I certainly will. 10 MR. DOTTHEIM: Thank you. 11 JUDGE REED: And Judge Pridgin should be available today, at least I think up until 12 four. Generally, he is, so should something --13 14 should you need to talk to him today, he should 15 be upstairs on nine. 16 MR. CONRAD: Judge Reed? 17 JUDGE REED: Yes. MR. CONRAD: Could your -- could you 18 19 clarify one thing for me based on your records? I did not think or did not hear that the -- I'm 20 not sure how the Sierra Club Group -- have they 21 22 -- did they not intervene here? 23 JUDGE REED: I don't have any --24 MR. CONRAD: Okay. 25 JUDGE REED: I don't have any

indication of that at --1 2 MR. CONRAD: Okay. Your records 3 don't indicate that? JUDGE REED: No. 4 5 MR. CONRAD: Because sometimes we 6 don't get copied with all of the -- the 7 materials. 8 JUDGE REED: I -- as much as I can 9 say, Mr. Conrad, is that I'm not aware. 10 MR. CONRAD: Okay. Thank you. 11 JUDGE REED: But the EFIS record may belie my statements. So we'll have to check 12 that. Okay? 13 Well, if there's nothing else, then we're 14 15 going to go off the record, and you all can get 16 to work on procedural schedule. 17 I think it was -- Judge Pridgin told me that -- I think it's due the 21st, next week. 18 MR. DOTTHEIM: Yes. I believe that 19 is correct. 20 JUDGE REED: All right. Thank you 21 22 very much. 23 24 25