

Exhibit No.: 903  
Witness: James T. Selecky  
Type of Exhibit: Surrebuttal Testimony  
Issues: Cost of Service  
Sponsoring Parties: Wal-Mart Stores East, LP  
Case No.: ER-2006-0314

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

Surrebuttal Testimony of

James T. Selecky  
on Cost of Service

On Behalf of

Wal-Mart Stores East, LP

October 6, 2006



BRUBAKER & ASSOCIATES, INC.  
ST. LOUIS, MO 63141-2000

FILED<sup>3</sup>

OCT 6 2006

Missouri Public  
Service Commission

FILED

NOV 13 2006

Missouri Public  
Service Commission

*Wal-Mart*  
Exhibit No. 903  
Case No(s). ER-2006-0314  
Date 10-16-06 Rptr KF

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STATE OF MISSOURI

COUNTY OF ST. LOUIS

SS

Affidavit of James T. Selecky

James T Selecky, being first duly sworn, on his oath states:

1 My name is James T. Selecky. I am a consultant with Brubaker & Associates, Inc, having its principal place of business at 1215 Fern Ridge Parkway, Suite 208, St. Louis, Missouri 63141-2000 We have been retained by Wal-Mart Stores East, LP in this proceeding on their behalf

2 Attached hereto and made a part hereof for all purposes is my surrebuttal testimony on cost of service issues which was prepared in written form for introduction into evidence in Missouri Public Service Commission Case No. ER-2006-0314

3 I hereby swear and affirm that the testimony is true and correct and that it shows the matters and things it purports to show.

  
James T. Selecky

Subscribed and sworn to before this 6<sup>th</sup> day of October 2006

CAROL SCHULZ  
Notary Public - Notary Seal  
STATE OF MISSOURI  
St. Louis County  
My Commission Expires: Feb. 26, 2008

  
Notary Public

My Commission Expires February 26, 2008.

BRUBAKER & ASSOCIATES, INC.

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**Surrebuttal Testimony of James T. Selecky**

1    Q    PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

2    A    James T. Selecky; 1215 Fern Ridge Parkway, Suite 208; St. Louis, MO 63141-2000.

3    Q    ARE YOU THE SAME JAMES T. SELECKY WHO HAS PREVIOUSLY FILED  
4        DIRECT AND REBUTTAL TESTIMONY IN THIS PROCEEDING?

5    A    Yes. I have previously filed direct and rebuttal testimony on cost of service and  
6        revenue allocation issues.

7    Q    ARE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE OUTLINED IN  
8        THAT PRIOR TESTIMONY?

9    A    Yes. This information is included in Appendix A to my direct testimony on cost of  
10       service and revenue allocation issues.

11   Q    WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY IN THIS  
12        PROCEEDING?

13   A    The purpose of my surrebuttal testimony is to respond to the rebuttal testimony of  
14        Kansas City Power & Light Company witness Tim M. Rush.

**James T. Selecky  
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BRUBAKER & ASSOCIATES, INC.

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1 Q BASED ON YOUR REVIEW OF THE OTHER PARTIES' REBUTTAL TESTIMONY  
2 IN THIS PROCEEDING ON COST OF SERVICE, DO YOU HAVE ANY REVISIONS,  
3 ADJUSTMENTS OR ADDITIONS TO YOUR DIRECT AND REBUTTAL  
4 TESTIMONY?

5 A No. I continue to support the use of the cost of service study that allocates the fixed  
6 production cost either on the coincident peak method or the average and excess  
7 demand method.

8 Q DO YOU HAVE ANY COMMENTS TO MAKE REGARDING KCP&L WITNESS TIM  
9 M. RUSH'S REBUTTAL TESTIMONY ON CLASS COST OF SERVICE ISSUES?

10 A Yes. Mr. Rush states on Page 9, Lines 5-6, that Mr. Selecky's proposed class cost of  
11 service study has the same flaw as Mr. Brubaker's regarding the allocation of off-  
12 system sales. Since I did not take a position on the allocation of the off-system sales,  
13 I allocated the off-system sales using the same method that the Company employed.  
14 Therefore, Mr. Rush's statement is inaccurate.

15 Q HAS THE COMPANY CHANGED ITS POSITION REGARDING THE ALLOCATION  
16 OF ANY RATE INCREASE IT IS GRANTED?

17 A No. Mr. Rush states on Page 9 that the Company's position is that the rate increase  
18 be equally distributed to all classes, and that all additional changes recommended by  
19 the Company in its initial filing be implemented. I disagree with that position and  
20 continue to recommend that any reductions from the level of increase that the  
21 Company has requested be used to move rates closer to cost of service.

22 Q DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY AT THIS TIME?

23 A Yes, it does.

James T. Selecky  
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