UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **March 31, 2005**

or

o TRANSITION REPORT PURSUANT SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _______ to _______

Commission File Number	Registrant, State of Incorporation, Address and Telephone Number	I.R.S. Employer Identification Number
0-33207	**GREAT PLAINS ENERGY INCORPORATED** (A Missouri Corporation) 1201 Walnut Street Kansas City, Missouri 64106 (816) 556-2200 www.greatplainsenergy.com	43-1916803
1-707	**KANSAS CITY POWER & LIGHT COMPANY** (A Missouri Corporation) 1201 Walnut Street Kansas City, Missouri 64106 (816) 556-2200 www.kcpl.com	44-0308720

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes _ No X

Indicated by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).
Great Plains Energy Incorporated Yes X No _ Kansas City Power & Light Company Yes _ No X

As of May 2, 2005, the number of shares outstanding of (i) Great Plains Energy's common stock was 74,577,521 and (ii) Kansas City Power & Light Company's common stock was one, which was held by Great Plains Energy Incorporated.

Great Plains Energy Incorporated and Kansas City Power & Light Company separately file this combined Quarterly Report on Form 10-Q. Information contained herein relating to an individual registrant and its subsidiaries is filed by such registrant on its own behalf. Each registrant makes representations only as to information relating to itself and its subsidiaries.

The terms "Great Plains Energy", "Company", "KCP&L" and "consolidated KCP&L" are used throughout this report. "Great Plains Energy" and the "Company" refer to Great Plains Energy Incorporated and its consolidated subsidiaries, unless otherwise indicated. "KCP&L" refers to Kansas City Power & Light Company, and "consolidated KCP&L" refers to KCP&L and its consolidated subsidiaries.

This report should be read in its entirety. No one section of the report deals with all aspects of the subject matter. It should be read in conjunction with the consolidated financial statements and related notes and with the management's discussion and analysis included in the companies' 2004 Form 10-K.

CAUTIONARY STATEMENTS REGARDING CERTAIN FORWARD-LOOKING INFORMATION

Statements made in this report that are not based on historical facts are forward-looking, may involve risks and uncertainties, and are intended to be as of the date when made. In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, the registrants are providing a number of important factors that could cause actual results to differ materially from the provided forward-looking information. These important factors include:

- *future economic conditions in the regional, national and international markets, including but not limited to regional and national wholesale electricity markets*
- *market perception of the energy industry and the Company*
- *changes in business strategy, operations or development plans*
- *effects of current or proposed state and federal legislative and regulatory actions or developments, including, but not limited to, deregulation, re-regulation and restructuring of the electric utility industry and constraints placed on the Company's actions by the Public Utility Holding Company Act of 1935*
- *adverse changes in applicable laws, regulations, rules, principles or practices governing tax, accounting and environmental matters including, but not limited to, air quality*
- *financial market conditions and performance including, but not limited to, changes in interest rates and in availability and cost of capital and the effects on the Company's pension plan assets and costs*
- *credit ratings*
- *inflation rates*
- *effectiveness of risk management policies and procedures and the ability of counterparties to satisfy their contractual commitments*
- *impact of terrorist acts*
- *increased competition including, but not limited to, retail choice in the electric utility industry and the entry of new competitors*
- *ability to carry out marketing and sales plans*
- *weather conditions including weather-related damage*
- *cost, availability, quality and deliverability of fuel*
- *ability to achieve generation planning goals and the occurrence of unplanned generation outages*
- *delays in the anticipated in-service dates of additional generating capacity*
- *nuclear operations*
- *ability to enter new markets successfully and capitalize on growth opportunities in non-regulated businesses*
- *performance of projects undertaken by the Company's non-regulated businesses and the success of efforts to invest in and develop new opportunities, and*
  other risks and uncertainties.

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This list of factors is not all-inclusive because it is not possible to predict all factors.

GLOSSARY OF TERMS

The following is a glossary of frequently used abbreviations or acronyms that are found throughout this report.

Abbreviation or Acronym	Definition
35 Act	Public Utility Holding Company Act of 1935, as amended
CAIR	Clean Air Interstate Rule
Clean Air Act	Clean Air Act Amendments of 1990
CO_2	Carbon Dioxide
Compact	Central Interstate Low-Level Radioactive Waste Compact
Company	Great Plains Energy Incorporated and its subsidiaries
Consolidated KCP&L	KCP&L and its wholly owned subsidiary, HSS
Digital Teleport	Digital Teleport, Inc.
DOE	Department of Energy
DTI	DTI Holdings, Inc. and its subsidiaries, Digital Teleport, Inc. and Digital Teleport of Virginia, Inc.
Duquesne	Duquesne Light Company
EBITDA	Earnings before interest, income taxes, depreciation and amortization
EEI	Edison Electric Institute
EIRR	Environmental Improvement Revenue Refunding
EPA	Environmental Protection Agency
EPS	Earnings per common share
FASB	Financial Accounting Standards Board
FELINE PRIDES[SM]	Flexible Equity Linked Preferred Increased Dividend Equity Securities, a service mark of Merrill Lynch & Co., Inc.
FERC	The Federal Energy Regulatory Commission
FIN	Financial Accounting Standards Board Interpretation
GPP	Great Plains Power Incorporated, a wholly owned subsidiary of Great Plains Energy
Great Plains Energy	Great Plains Energy Incorporated and its subsidiaries
Holdings	DTI Holdings, Inc.
HSS	Home Service Solutions Inc., a wholly owned subsidiary of KCP&L
IEC	Innovative Energy Consultants Inc., a wholly owned subsidiary of Great Plains Energy
IRS	Internal Revenue Service
KCBPU	Kansas City, Kansas Board of Public Utilities
KCC	The State Corporation Commission of the State of Kansas
KCP&L	Kansas City Power & Light Company, a wholly owned subsidiary of Great Plains Energy
KLT Energy Services	KLT Energy Services Inc., a wholly owned subsidiary of KLT Inc.
KLT Gas	KLT Gas Inc., a wholly owned subsidiary of KLT Inc.
KLT Gas portfolio	KLT Gas natural gas properties
KLT Inc.	KLT Inc., a wholly owned subsidiary of Great Plains Energy
KLT Investments	KLT Investments Inc., a wholly owned subsidiary of KLT Inc.
KLT Telecom	KLT Telecom Inc., a wholly owned subsidiary of KLT Inc.
KW	Kilowatt
kWh	Kilowatt hour
MAC	Material Adverse Change
MISO	Midwest Independent Systems Operator
MPSC	Missouri Public Service Commission

Abbreviation or Acronym	Definition
MW	Megawatt
MWh	Megawatt hour
NEIL	Nuclear Electric Insurance Limited
NO_x	Nitrogen Oxide
NRC	Nuclear Regulatory Commission
NSPS	New Source Performance Standards
OCI	Other Comprehensive Income
Receivables Company	Kansas City Power & Light Receivables Company, a wholly owned subsidiary of KCP&L
RTO	Regional Transmission Organization
SEC	Securities and Exchange Commission
SECA	Seams Elimination Charge Adjustment
SE Holdings	SE Holdings, L.L.C.
Services	Great Plains Energy Services Incorporated
SFAS	Statement of Financial Accounting Standards
SO_2	Sulfur Dioxide
SO_X	Sulfur Oxide
SPP	Southwest Power Pool, Inc.
Strategic Energy	Strategic Energy, L.L.C., a subsidiary of KLT Energy Services
WCNOC	Wolf Creek Nuclear Operating Corporation
Wolf Creek	Wolf Creek Generating Station
Worry Free	Worry Free Service, Inc., a wholly owned subsidiary of HSS

PART 1 - FINANCIAL INFORMATION
Item 1 - Consolidated Financial Statements

GREAT PLAINS ENERGY
Consolidated Balance Sheets
(Unaudited)

	March 31 2005	December 31 2004

ASSETS	(thousands)	
Current Assets		
Cash and cash equivalents	$ 84,671	$ 127,129
Restricted cash	10,050	7,700
Receivables, net	284,156	247,184
Fuel inventories, at average cost	24,908	21,121
Materials and supplies, at average cost	55,704	54,432
Deferred income taxes	6,736	13,065
Assets of discontinued operations	-	749
Derivative instruments	30,745	6,372
Other	18,570	14,485
Total	515,540	492,237
Nonutility Property and Investments		
Affordable housing limited partnerships	40,343	41,317
Nuclear decommissioning trust fund	85,112	84,148
Other	34,432	32,739
Total	159,887	158,204
Utility Plant, at Original Cost		
Electric	4,857,076	4,841,355
Less-accumulated depreciation	2,239,908	2,196,835
Net utility plant in service	2,617,168	2,644,520
Construction work in progress	67,327	53,821
Nuclear fuel, net of amortization of $130,908 and $127,631	33,635	36,109
Total	2,718,130	2,734,450
Deferred Charges		
Regulatory assets	144,901	144,345
Prepaid pension costs	111,673	119,811
Goodwill	86,767	86,767
Other deferred charges	70,035	63,087
Total	413,376	414,010
Total	$ 3,806,933	$ 3,798,901

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

GREAT PLAINS ENERGY
Consolidated Balance Sheets
(Unaudited)

	March 31 2005	December 31 2004
LIABILITIES AND CAPITALIZATION	(thousands)	
Current Liabilities		
Notes payable	$ 17,000	$ 20,000
Commercial paper	9,200	-
Current maturities of long-term debt	398,505	253,230
EIRR bonds classified as current	85,922	85,922
Accounts payable	198,378	199,952
Accrued taxes	42,877	46,993
Accrued interest	13,051	11,598
Accrued payroll and vacations	23,569	32,462
Accrued refueling outage costs	14,903	13,180
Supplier collateral	10,050	7,700
Liabilities of discontinued operations	-	2,129
Other	27,933	24,931
Total	841,388	698,097
Deferred Credits and Other Liabilities		
Deferred income taxes	640,151	632,160
Deferred investment tax credits	32,615	33,587
Asset retirement obligations	115,489	113,674
Pension liability	96,181	95,805
Other	89,577	88,524
Total	974,013	963,750
Capitalization		
Common shareholders' equity		
Common stock-150,000,000 shares authorized without par value 74,587,492 and 74,394,423 shares issued, stated value	771,181	765,482
Unearned compensation	(2,519)	(1,393)
Capital stock premium and expense	(32,060)	(32,112)
Retained earnings	440,378	451,491
Treasury stock-28,488 shares, at cost	(856)	(856)
Accumulated other comprehensive loss	(32,331)	(41,018)
Total	1,143,793	1,141,594
Cumulative preferred stock $100 par value		
3.80% - 100,000 shares issued	10,000	10,000
4.50% - 100,000 shares issued	10,000	10,000
4.20% - 70,000 shares issued	7,000	7,000
4.35% - 120,000 shares issued	12,000	12,000
Total	39,000	39,000
Long-term debt (Note 8)	808,739	956,460
Total	1,991,532	2,137,054

Commitments and Contingencies (Note 11)

Total	$3,806,933	$3,798,901

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

GREAT PLAINS ENERGY
Consolidated Statements of Income
(Unaudited)

Three Months Ended March 31	**2005**	**2004**
Operating Revenues	(thousands, except per share amounts)	
Electric revenues - KCP&L	$ 233,215	$ 246,535
Electric revenues - Strategic Energy	311,316	294,111
Other revenues	583	832
Total	545,114	541,478
Operating Expenses		
Fuel	41,490	40,600
Purchased power - KCP&L	11,490	12,467
Purchased power - Strategic Energy	277,866	264,354
Other	79,895	79,734
Maintenance	29,358	20,471
Depreciation and amortization	37,862	36,520
General taxes	25,856	24,721
Gain on property	(519)	(35)
Total	503,298	478,832
Operating income	41,816	62,646
Non-operating income	1,924	1,412
Non-operating expenses	(1,315)	(2,902)
Interest charges	(17,487)	(18,339)
Income from continuing operations before income taxes, minority interest in subsidiaries and loss from equity investments	24,938	42,817
Income taxes	(5,291)	(12,163)
Minority interest in subsidiaries	888	(845)
Loss from equity investments	(345)	(307)
Income from continuing operations	20,190	29,502
Discontinued operations, net of income taxes (Note 7)	-	(2,178)
Net income	20,190	27,324
Preferred stock dividend requirements	411	411
Earnings available for common shareholders	$ 19,779	$ 26,913
Average number of common shares outstanding	74,436	69,257
Basic and diluted earnings (loss) per common share		
Continuing operations	$ 0.27	$ 0.42
Discontinued operations	-	(0.03)
Basic and diluted earnings per common share	$ 0.27	$ 0.39
Cash dividends per common share	$ 0.415	$ 0.415

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

GREAT PLAINS ENERGY
Consolidated Statements of Cash Flows
(Unaudited)

Three Months Ended March 31	**2005**	**2004**
Cash Flows from Operating Activities	(thousands)	
Net income	$ 20,190	$ 27,324
Less: Discontinued operations, net of income taxes	-	(2,178)
Income from continuing operations	20,190	29,502
Adjustments to reconcile income to net cash from operating activities:		
Depreciation and amortization	37,862	36,520
Amortization of:		
Nuclear fuel	3,277	3,478
Other	2,659	2,490
Deferred income taxes, net	10,284	(1,471)
Investment tax credit amortization	(972)	(996)
Loss from equity investments	345	307
Gain on property	(519)	(35)
Minority interest in subsidiaries	(888)	845
Other operating activities (Note 4)	(64,809)	(1,291)
Net cash from operating activities	7,429	69,349
Cash Flows from Investing Activities		
Utility capital expenditures	(32,295)	(67,696)
Allowance for borrowed funds used during construction	(435)	(397)
Purchases of investments	(15,864)	(888)

Purchases of nonutility property	(1,601)	(682)
Proceeds from sale of assets and investments	15,064	1,664
Hawthorn No. 5 partial insurance recovery	10,000	-
Hawthorn No. 5 partial litigation settlements	-	813
Other investing activities	(2,216)	(3,894)
Net cash from investing activities	(27,347)	(71,080)
Cash Flows from Financing Activities		
Issuance of common stock	3,971	-
Net change in short-term borrowings	6,200	8,850
Dividends paid	(31,303)	(29,153)
Other financing activities	(1,408)	(895)
Net cash from financing activities	(22,540)	(21,198)
Net Change in Cash and Cash Equivalents	(42,458)	(22,929)
Cash and Cash Equivalents from Continuing Operations at Beginning of Year	127,129	114,227
Cash and Cash Equivalents from Continuing Operations at End of Year	$ 84,671	$ 91,298
Net Change in Cash and Cash Equivalents from Discontinued Operations	$ (626)	$ (106)
Cash and Cash Equivalents from Discontinued Operations at Beginning of Year	626	168
Cash and Cash Equivalents from Discontinued Operations at End of Period	$ -	$ 62

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

GREAT PLAINS ENERGY
Consolidated Statements of Common Shareholders' Equity
(Unaudited)

Three Months Ended March 31	**2005**		**2004**	
	Shares	**Amount**	**Shares**	**Amount**
Common Stock	(thousands, except share amounts)			
Beginning balance	74,394,423	$ 765,482	69,259,203	$ 611,424
Issuance of common stock	145,340	4,254	-	-
Issuance of restricted common stock	47,729	1,445	-	-
Ending balance	74,587,492	771,181	69,259,203	611,424
Unearned Compensation				
Beginning balance		(1,393)		(1,633)
Issuance of restricted common stock		(1,445)		-
Compensation expense recognized		319		53
Ending balance		(2,519)		(1,580)
Capital Stock Premium and Expense				
Beginning balance		(32,112)		(7,240)
Other		52		12
Ending balance		(32,060)		(7,228)
Retained Earnings				
Beginning balance		451,491		391,750
Net income		20,190		27,324
Loss on reissuance of treasury stock		-		(54)
Dividends:				
Common stock		(30,892)		(28,742)
Preferred stock - at required rates		(411)		(411)
Ending balance		440,378		389,867
Treasury Stock				
Beginning balance	(28,488)	(856)	(3,265)	(121)
Treasury shares acquired	-	-	(3,183)	(101)
Treasury shares reissued	-	-	6,000	207
Ending balance	(28,488)	(856)	(448)	(15)
Accumulated Other Comprehensive Loss				
Beginning balance		(41,018)		(36,886)
Derivative hedging activity, net of tax		8,724		3,539
Minimum pension obligation, net of tax		(37)		-
Ending balance		(32,331)		(33,347)
Total Common Shareholders' Equity		$ 1,143,793		$ 959,121

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

GREAT PLAINS ENERGY
Consolidated Statements of Comprehensive Income

(Unaudited)

Three Months Ended March 31	2005	2004
	(thousands)	
Net income	$ 20,190	$ 27,324
Other comprehensive income		
Gain on derivative hedging instruments	18,856	8,087
Income taxes	(8,047)	(3,538)
Net gain on derivative hedging instruments	10,809	4,549
Reclassification to expenses, net of tax	(2,085)	(1,010)
Derivative hedging activity, net of tax	8,724	3,539
Change in minimum pension obligation	(60)	-
Income taxes	23	-
Net change in minimum pension obligation	(37)	-
Comprehensive income	$ 28,877	$ 30,863

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

KANSAS CITY POWER & LIGHT COMPANY
Consolidated Balance Sheets
(Unaudited)

	March 31 2005	December 31 2004
ASSETS	(thousands)	
Current Assets		
Cash and cash equivalents	$ 751	$ 51,619
Receivables, net	117,276	63,366
Fuel inventories, at average cost	24,908	21,121
Materials and supplies, at average cost	55,704	54,432
Deferred income taxes	11,503	12,818
Prepaid expenses	12,021	12,511
Derivative instruments	1,920	363
Total	224,083	216,230
Nonutility Property and Investments		
Nuclear decommissioning trust fund	85,112	84,148
Other	21,309	20,576
Total	106,421	104,724
Utility Plant, at Original Cost		
Electric	4,857,076	4,841,355
Less-accumulated depreciation	2,239,908	2,196,835
Net utility plant in service	2,617,168	2,644,520
Construction work in progress	67,327	53,821
Nuclear fuel, net of amortization of $130,908 and $127,631	33,635	36,109
Total	2,718,130	2,734,450
Deferred Charges		
Regulatory assets	144,901	144,345
Prepaid pension costs	109,545	116,024
Other deferred charges	26,620	21,621
Total	281,066	281,990
Total	$ 3,329,700	$ 3,337,394

The disclosures regarding KCP&L included in the accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

KANSAS CITY POWER & LIGHT COMPANY
Consolidated Balance Sheets
(Unaudited)

	March 31 2005	December 31 2004
LIABILITIES AND CAPITALIZATION	(thousands)	
Current Liabilities		
Notes payable to Great Plains Energy	$ 349	$ 24
Commercial paper	9,200	-
Current maturities of long-term debt	395,275	250,000
EIRR bonds classified as current	85,922	85,922
Accounts payable	85,041	84,105
Accrued taxes	43,083	34,497
Accrued interest	11,014	9,800
Accrued payroll and vacations	18,696	22,870
Accrued refueling outage costs	14,903	13,180
Other	7,859	8,327
Total	671,342	508,725
Deferred Credits and Other Liabilities		
Deferred income taxes	647,597	654,055
Deferred investment tax credits	32,615	33,587
Asset retirement obligations	115,489	113,674
Pension liability	90,912	90,491
Other	49,321	46,933
Total	935,934	938,740
Capitalization		
Common shareholder's equity		
Common stock-1,000 shares authorized without par value 1 share issued, stated value	887,041	887,041
Retained earnings	232,346	252,893
Accumulated other comprehensive loss	(39,571)	(40,334)
Total	1,079,816	1,099,600
Long-term debt (Note 8)	642,608	790,329
Total	1,722,424	1,889,929
Commitments and Contingencies (Note 11)		
Total	$ 3,329,700	$ 3,337,394

The disclosures regarding KCP&L included in the accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

KANSAS CITY POWER & LIGHT COMPANY
Consolidated Statements of Income
(Unaudited)

Three Months Ended March 31	**2005**	**2004**
Operating Revenues	(thousands)	
Electric revenues	$ 233,215	$ 246,535
Other revenues	113	441
Total	233,328	246,976
Operating Expenses		
Fuel	41,490	40,600
Purchased power	11,490	12,467
Other	65,963	63,953
Maintenance	29,346	20,466
Depreciation and amortization	36,395	35,944
General taxes	24,555	23,915
Gain on property	(516)	(35)
Total	208,723	197,310
Operating income	24,605	49,666
Non-operating income	1,497	1,190
Non-operating expenses	(1,153)	(1,546)
Interest charges	(14,619)	(17,224)
Income before income taxes and minority interest in subsidiaries	10,330	32,086
Income taxes	(965)	(12,149)
Minority interest in subsidiaries	888	1,243
Net income	$ 10,253	$ 21,180

The disclosures regarding KCP&L included in the accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

KANSAS CITY POWER & LIGHT COMPANY
Consolidated Statements of Cash Flows
(Unaudited)

Three Months Ended March 31	2005	2004
Cash Flows from Operating Activities	(thousands)	
Net income	$ 10,253	$ 21,180
Adjustments to reconcile income to net cash from operating activities:		
Depreciation and amortization	36,395	35,944
Amortization of:		
Nuclear fuel	3,277	3,478
Other	1,956	1,921
Deferred income taxes, net	(3,201)	(591)
Investment tax credit amortization	(972)	(996)
Gain on property	(516)	(35)
Minority interest in subsidiaries	(888)	(1,243)
Other operating activities (Note 4)	(50,106)	13,543
Net cash from operating activities	(3,802)	73,201
Cash Flows from Investing Activities		
Utility capital expenditures	(32,295)	(67,696)
Allowance for borrowed funds used during construction	(435)	(397)
Purchases of investments	(888)	(888)
Purchases of nonutility property	(10)	(19)
Proceeds from sale of assets	63	164
Hawthorn No. 5 partial insurance recovery	10,000	-
Hawthorn No. 5 partial litigation settlements	-	813
Other investing activities	(2,218)	(3,898)
Net cash from investing activities	(25,783)	(71,921)
Cash Flows from Financing Activities		
Net change in short-term borrowings	9,525	1,507
Dividends paid to Great Plains Energy	(30,800)	(29,000)
Issuance costs	(8)	-
Net cash from financing activities	(21,283)	(27,493)
Net Change in Cash and Cash Equivalents	(50,868)	(26,213)
Cash and Cash Equivalents at Beginning of Year	51,619	26,520
Cash and Cash Equivalents at End of Period	$ 751	$ 307

The disclosures regarding KCP&L included in the accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

KANSAS CITY POWER & LIGHT COMPANY
Consolidated Statements of Common Shareholder's Equity
(Unaudited)

Three Months Ended March 31	**2005**		**2004**	
	Shares	**Amount**	**Shares**	**Amount**
	(thousands, except share amounts)			
Common Stock	1	$ 887,041	1	$ 662,041
Retained Earnings				
Beginning balance		252,893		228,761
Net income		10,253		21,180
Dividends:				
Common stock held by Great Plains Energy		(30,800)		(29,000)
Ending balance		232,346		220,941
Accumulated Other Comprehensive Loss				
Beginning balance		(40,334)		(35,244)
Derivative hedging activity, net of tax		800		247
Minimum pension obligation, net of tax		(37)		-
Ending balance		(39,571)		(34,997)
Total Common Shareholder's Equity		$ 1,079,816		$ 847,985

The disclosures regarding KCP&L included in the accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

KANSAS CITY POWER & LIGHT COMPANY
Consolidated Statements of Comprehensive Income
(Unaudited)

Three Months Ended March 31	**2005**	**2004**
	(thousands)	
Net income	$ 10,253	$ 21,180
Other comprehensive income		
Gain on derivative hedging instruments	1,298	404
Income taxes	(498)	(157)
Derivative hedging activity, net of tax	800	247
Change in minimum pension obligation	(60)	-
Income taxes	23	-
Net change in minimum pension obligation	(37)	-
Comprehensive income	$ 11,016	$ 21,427

The disclosures regarding KCP&L included in the accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

The notes to consolidated financial statements that follow are a combined presentation for Great Plains Energy Incorporated and Kansas City Power & Light Company, both registrants under this filing. The terms "Great Plains Energy," "Company," "KCP&L" and "consolidated KCP&L" are used throughout this report. "Great Plains Energy" and the "Company" refer to Great Plains Energy Incorporated and its consolidated subsidiaries, unless otherwise indicated. "KCP&L" refers to Kansas City Power & Light Company, and "consolidated KCP&L" refers to KCP&L and its consolidated subsidiaries.

1. ORGANIZATION

Great Plains Energy, a Missouri corporation incorporated in 2001, is a public utility holding company registered with and subject to the regulation of the Securities and Exchange Commission (SEC) under the Public Utility Holding Company Act of 1935, as amended (35 Act). Great Plains Energy does not own or operate any significant assets other than the stock of its subsidiaries.

Great Plains Energy has five direct subsidiaries:

- KCP&L is an integrated, regulated electric utility, which provides electricity to customers primarily in the states of Missouri and Kansas. KCP&L's wholly owned subsidiary, Home Service Solutions Inc. (HSS) sold its wholly owned subsidiary, Worry Free Service, Inc. (Worry Free) in February 2005.

- KLT Inc. is an intermediate holding company that primarily holds, directly or indirectly, interests in Strategic Energy, L.L.C. (Strategic Energy) and affordable housing limited partnerships. Strategic Energy provides competitive electricity supply services in several electricity markets offering retail choice. KLT Inc. wholly owns KLT Gas Inc. (KLT Gas). See Note 7 for additional information regarding KLT Gas 2004 discontinued operations.

- Great Plains Power Incorporated (GPP) focuses on the development of wholesale generation. Management decided during 2002 to limit the operations of GPP to the siting and permitting process that began in 2001 for potential new generation. GPP has made no significant investments to date.

- Innovative Energy Consultants Inc. (IEC) is an intermediate holding company that holds an indirect interest in Strategic Energy. IEC does not own or operate any assets other than its indirect interest in Strategic Energy. When combined with KLT Inc.'s indirect interest in Strategic Energy, the Company owns just under 100% of the indirect interest in Strategic Energy.

- Great Plains Energy Services Incorporated (Services) was formed to provide services at cost to Great Plains Energy and its subsidiaries, including consolidated KCP&L, as a service company under the 35 Act.

The operations of Great Plains Energy and its subsidiaries are divided into two reportable segments, KCP&L and Strategic Energy. Great Plains Energy's legal structure differs from the functional management and financial reporting of its reportable segments. Other activities not considered a reportable segment include the operations of HSS, GPP, Services, all KLT Inc. operations other than Strategic Energy, and holding company operations.

2. CASH

Cash and Cash Equivalents
Cash equivalents consist of highly liquid investments with original maturities of three months or less. For Great Plains Energy this includes Strategic Energy's cash held in trust of $23.7 million and $21.0 million at March 31, 2005, and December 31, 2004, respectively.

Strategic Energy has entered into collateral arrangements with selected electricity power suppliers that require selected customers to remit payment to lockboxes that are held in trust and managed by a Trustee. As part of the trust administration, the Trustee remits payment to the supplier of electricity purchased by Strategic Energy. On a monthly basis, any remittances into the lockboxes in excess of disbursements to the supplier are remitted back to Strategic Energy.

Restricted Cash
Strategic Energy has entered into Master Power Purchase and Sale Agreements with its power suppliers. Certain of these agreements contain provisions whereby, to the extent Strategic Energy has a net exposure to the purchased power supplier, collateral requirements are to be maintained. Collateral posted in the form of cash to Strategic Energy is restricted by agreement, but would become unrestricted in the event of a default by the purchased power supplier. Restricted cash collateral at March 31, 2005, and December 31, 2004, was $10.1 million and $7.7 million, respectively.

3. BASIC AND DILUTED EARNINGS PER COMMON SHARE CALCULATION

There was no significant dilutive effect on Great Plains Energy's EPS from other securities for the three months ended March 31, 2005 and 2004. To determine basic EPS, preferred stock dividend requirements are deducted from income from continuing operations and net income before dividing by average number of common shares outstanding. The loss per share impact of discontinued operations, net of income taxes, is determined by dividing discontinued operations, net of income taxes, by the average number of common shares outstanding. Diluted EPS assumes the issuance of common shares applicable to stock options, performance shares, restricted stock and FELINE PRIDES^{SM} calculated using the treasury stock method.

The following table reconciles Great Plains Energy's basic and diluted EPS from continuing operations.

Three Months Ended March 31	**2005**	**2004**
Income	(thousands, except per share amounts)	
Income from continuing operations	$ 20,190	$ 29,502
Less: preferred stock dividend requirements	411	411
Income available to common shareholders	$ 19,779	$ 29,091
Common Shares Outstanding		
Average number of common shares outstanding	74,436	69,257
Add: effect of dilutive securities	199	106
Diluted average number of common shares outstanding	74,635	69,363
Basic EPS from continuing operations	$ 0.27	$ 0.42

Diluted EPS from continuing operations	$ 0.27	$ 0.42

As of March 31, 2005 and 2004, there were no anti-dilutive shares applicable to stock options, performance shares or restricted stock. As of March 31, 2005, 6.5 million FELINE PRIDES had no dilutive effect because the number of common shares to be issued in accordance with the settlement rate, assuming applicable market value equal to the average price during the period, would be equal to the number of shares Great Plains Energy could re-purchase in the market at the average price during the period.

In May 2005, the Board of Directors declared a quarterly dividend of $0.415 per share on Great Plains Energy's common stock. The common dividend is payable June 20, 2005, to shareholders of record as of May 27, 2005. The Board of Directors also declared regular dividends on Great Plains Energy's preferred stock, payable September 1, 2005, to shareholders of record on August 11, 2005.

4. SUPPLEMENTAL CASH FLOW INFORMATION

Great Plains Energy Other Operating Activities

Three Months Ended March 31	**2005**	**2004**
Cash flows affected by changes in:	(thousands)	
Receivables	$ (35,784)	$ 6,430
Fuel inventories	(3,787)	2,773
Materials and supplies	(1,272)	1,412
Accounts payable	(1,623)	(3,473)
Accrued taxes	(17,804)	2,859
Accrued interest	1,446	97
Wolf Creek refueling outage accrual	1,723	2,640
Pension and postretirement benefit assets and obligations	9,224	3,757
Allowance for equity funds used during construction	(786)	(457)
Other	(16,146)	(17,329)
Total other operating activities	$ (64,809)	$ (1,291)
Cash paid during the period:		
Interest	$ 16,806	$ 17,747
Income taxes	$ 14,833	$ 21,512

Consolidated KCP&L Other Operating Activities

Three Months Ended March 31	**2005**	**2004**
Cash flows affected by changes in:	(thousands)	
Receivables	$ (54,752)	$ 4,864
Fuel inventories	(3,787)	2,773
Materials and supplies	(1,272)	1,412
Accounts payable	907	(7,257)
Accrued taxes	(1,591)	6,466
Accrued interest	1,214	19
Wolf Creek refueling outage accrual	1,723	2,640
Pension and postretirement benefit assets and obligations	7,610	2,690
Allowance for equity funds used during construction	(786)	(457)
Other	628	393
Total other operating activities	$ (50,106)	$ 13,543
Cash paid during the period:		
Interest	$ 12,756	$ 16,641
Income taxes	$ 20,240	$ 20,500

Significant Non-Cash Items
During the first quarter of 2005, HSS completed the sale of Worry Free. As part of the transaction, HSS received cash of $0.3 million and notes receivable totaling $5.2 million, net of a $3.0 million allowance. The notes receivable had no effect on Great Plains Energy's and consolidated KCP&L's cash flows.

5. RECEIVABLES

The Company's receivables are detailed in the following table.

	March 31 2005	**December 31 2004**
Consolidated KCP&L	(thousands)	
Customer accounts receivable [(a) (b)]	$ 77,221	$ 19,866
Other receivables	41,565	45,222
Allowance for doubtful accounts	(1,510)	(1,722)
Consolidated KCP&L receivables	117,276	63,366
Other Great Plains Energy		
Other receivables	171,420	188,499
Allowance for doubtful accounts	(4,540)	(4,681)
Great Plains Energy receivables	$ 284,156	$ 247,184

(a) At December 31, 2004, KCP&L's customer accounts receivable were sold to Receivables Company.

(b) Customer accounts receivable included unbilled receivables of $27.5 million and $31.2 million at March 31, 2005 and December 31, 2004, respectively.

KCP&L had a revolving agreement, which expired in January 2005, to sell all of its right, title and interest in the majority of its customer accounts receivable to Kansas City Power & Light Receivables Company (Receivables Company), which in turn sold most of the receivables to outside investors. KCP&L is currently evaluating alternatives to replace this agreement. The expired agreement was structured as a true sale under which the

creditors of Receivables Company were entitled to be satisfied out of the assets of Receivables Company prior to any value being returned to KCP&L or its creditors. Accounts receivable sold under the expired revolving agreement totaled $84.9 million at December 31, 2004. As a result of the sale to outside investors, Receivables Company received up to $70 million in cash, which was forwarded to KCP&L as consideration for its sale. At December 31, 2004, Receivables Company had received $65.0 million in cash.

Information regarding KCP&L's sale of accounts receivable under the expired agreement is reflected in the following table.

Three Months Ended March 31	2005	2004
	(thousands)	
Gross proceeds on sale of accounts receivable	$ 46,124	$ 200,438
Collections	44,287	209,197
Loss on sale of accounts receivable	34	412
Late fees	112	555

Consolidated KCP&L's other receivables at March 31, 2005 and December 31, 2004, consist primarily of receivables from partners in jointly owned electric utility plants and wholesale sales receivables. The December 31, 2004, amounts also included accounts receivable held by Worry Free. Great Plains Energy's other receivables at March 31, 2005 and December 31, 2004, were primarily the accounts receivable held by Strategic Energy including unbilled receivables of $78.2 million and $103.0 million, respectively.

6. ACQUIRED INTANGIBLE ASSETS

In 2004, Great Plains Energy, through IEC, completed its purchase of an additional 11.45% indirect interest in Strategic Energy bringing Great Plains Energy's indirect ownership interest in Strategic

Energy to just under 100%. The acquired share of intangible assets and related liabilities are detailed in the following table.

	March 31, 2005		December 31, 2004	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
		(millions)		
Amortized intangible assets				
Supply contracts	$ 26.5	$ (10.6)	$ 26.5	$ (7.7)
Customer relationships	17.0	(2.6)	17.0	(1.9)
Asset information systems	1.9	(0.5)	1.9	(0.3)
Total	45.4	(13.7)	45.4	(9.9)
Unamortized intangible assets				
Strategic Energy trade name	0.7		0.7	
Total intangible assets	$ 46.1	$ (13.7)	$ 46.1	$ (9.9)
Amortized related liabilities				
Retail contracts	$ 26.5	$ (10.6)	$ 26.5	$ (7.7)

Amortization expense for the acquired share of intangible assets and related liabilities is detailed in the following table.

	Three Months Ended	Estimated Amortization Expense				
	March 31, 2005	2005[(a)]	2006	2007	2008	2009
		(millions)				
Intangible assets	$ 3.8	$ 11.2	$ 10.5	$ 3.3	$ 2.8	$ 2.8
Related liabilities	(2.9)	(8.7)	(7.1)	-	-	-
Net amortization expense	$ 0.9	$ 2.5	$ 3.4	$ 3.3	$ 2.8	$ 2.8

[(a)] Amount represents the remaining estimated amortization expense for 2005.

7. KLT GAS DISCONTINUED OPERATIONS

In February 2004, the Board of Directors approved the sale of the KLT Gas natural gas properties (KLT Gas portfolio) and discontinuation of the gas business. Consequently, in 2004, the KLT Gas portfolio was reported as discontinued operations and KLT Gas' historical activities were reclassified in accordance with Statement of Financial Accounting Standards (SFAS) No. 144 "Accounting for the Impairment or Disposal of Long-lived Assets" for all periods presented. During 2004, KLT Gas completed sales of substantially all of the KLT Gas portfolio. At December 31, 2004, KLT Gas had $0.7 million of current assets and $2.1 million of current liabilities recorded in assets and liabilities from discontinued operations, respectively. The following table summarizes the discontinued operations for the three months ended March 31, 2004.

Three Months Ended March 31	2004
	(millions)
Revenues	$ 0.6
Loss from operations, including impairments, before income taxes	(3.7)
Income taxes	1.5
Discontinued operations, net of income taxes	$ (2.2)

8. CAPITALIZATION

Great Plains Energy and consolidated KCP&L's long-term debt is detailed in the following table.

	Year Due	March 31 2005	December 31 2004
Consolidated KCP&L		(thousands)	
General Mortgage Bonds			
7.95%*** Medium-Term Notes	2007	$ 500	$ 500
2.43%* and 2.26%** EIRR bonds	2012-2023	158,768	158,768
Senior Notes			
7.125%	2005	250,000	250,000
6.500%	2011	150,000	150,000
6.000%	2007	225,000	225,000
Unamortized discount		(410)	(465)
EIRR bonds			
2.29%*** Series A & B	2015	105,174	106,991
2.38%*** Series C	2017	50,000	50,000
2.29%*** Series D	2017	39,498	40,183
2.51%* and 2.10%** Combustion Turbine Synthetic Lease	2006	145,275	145,274
Current liabilities			
EIRR bonds classified as current		(85,922)	(85,922)
Current maturities		(395,275)	(250,000)
Total consolidated KCP&L excluding current liabilities		642,608	790,329
Other Great Plains Energy			
4.25% FELINE PRIDES Senior Notes	2009	163,600	163,600
7.64%*** Affordable Housing Notes	2005-2008	5,761	5,761
Current maturities		(3,230)	(3,230)
Total consolidated Great Plains Energy excluding current maturities		$ 808,739	$ 956,460

* Weighted-average rate as of March 31, 2005
** Weighted-average rate as of December 31, 2004
*** Weighted-average rate as of March 31, 2005 and December 31, 2004

KCP&L will exercise its early termination option in the Combustion Turbine Synthetic Lease and purchase the leased property in the second quarter of 2005. Accordingly, the $145.3 million of debt related to the lease has been reclassified to current maturities in the March 31, 2005, consolidated balance sheets. The purchase will be initially funded with the issuance of commercial paper.

Amortization of Debt Expense
Great Plains Energy's and consolidated KCP&L's amortization of debt expense is detailed in the following table.

Three Months Ended March 31	2005	2004
	(millions)	
Consolidated KCP&L	$ 0.6	$ 0.5
Other Great Plains Energy	0.1	0.3
Total Great Plains Energy	$ 0.7	$ 0.8

Short-Term Borrowings And Short-Term Bank Lines of Credit
Great Plains Energy has a $550 million, five-year revolving credit facility with a group of banks. A default by Great Plains Energy or any of its significant subsidiaries of other indebtedness totaling more

than $25.0 million is a default under the current facility. Under the terms of this agreement, Great Plains Energy is required to maintain a consolidated indebtedness to consolidated capitalization ratio, as defined in the agreement, not greater than 0.65 to 1.00 at all times. At March 31, 2005, the Company was in compliance with this covenant. At March 31, 2005, Great Plains Energy had $17.0 million of outstanding borrowings with an interest rate of 3.23% and had issued letters of credit totaling $6.5 million under the credit facility as credit support for Strategic Energy. At December 31, 2004, Great Plains Energy had $20.0 million of outstanding borrowings with an interest rate of 3.04% and had issued letters of credit totaling $8.0 million under the credit facility as credit support for Strategic Energy.

KCP&L has a $250 million, five-year revolving credit facility to provide support for its issuance of commercial paper and other general purposes. A default by KCP&L on other indebtedness totaling more than $25.0 million is a default under the current facility. Under the terms of the agreement, KCP&L is required to maintain a consolidated indebtedness to consolidated capitalization ratio, as defined in the agreement, not greater than 0.65 to 1.00 at all times. At March 31, 2005, KCP&L was in compliance with this covenant. At March 31, 2005, KCP&L had no borrowings and $9.2 million of commercial paper outstanding. The weighted-average interest rate of the commercial paper was 2.9%. At December 31, 2004, KCP&L had no short-term borrowings outstanding.

Strategic Energy has a $125 million, three-year revolving credit facility with a group of banks. Great Plains Energy has guaranteed $25.0 million of this facility. A default by Strategic Energy of other indebtedness, as defined in the facility, totaling more than $7.5 million is a default under the facility. Under the terms of this agreement, Strategic Energy is required to maintain a minimum net worth of $62.5 million, a maximum funded indebtedness to EBITDA ratio of 2.25 to 1.00, a minimum fixed charge coverage ratio of at least 1.05 to 1.00 and a minimum debt service coverage ratio of at least 4.00 to 1.00, as those terms are defined in the agreement. In the event of a breach of one or more of these four covenants, so long as no other default has occurred, Great Plains Energy may cure the breach through a cash infusion, a guarantee increase or a combination of the two. At March 31, 2005, Strategic Energy was in compliance with these covenants. At March 31, 2005, $63.9 million in letters of credit had been issued and there were no borrowings under the agreement. At December 31, 2004, $69.2 million in letters of credit had been issued and there were no borrowings under the agreement.

9. PENSION PLANS AND OTHER EMPLOYEE BENEFITS

Pension Plans and Other Employee Benefits
The Company maintains defined benefit pension plans for substantially all employees, including officers, of KCP&L, Services and Wolf Creek Nuclear Operating Corporation (WCNOC). Pension benefits under these plans reflect the employees' compensation, years of service and age at retirement.

In addition to providing pension benefits, the Company provides certain postretirement health care and life insurance benefits for substantially all retired employees of KCP&L, Services and WCNOC. The cost of postretirement benefits charged to KCP&L are accrued during an employee's years of service and recovered through rates.

The following pension benefits tables provide information relating to the funded status of all defined benefit pension plans on an aggregate basis. Net periodic benefit costs reflect total plan benefit costs prior to the effects of

capitalization and sharing with joint-owners of power plants.

Three Months Ended March 31	Pension Benefits 2005	2004	Other Benefits 2005	2004
Components of net periodic benefit cost	(thousands)			
Service cost	$ 4,309	$ 4,071	$ 235	$ 241
Interest cost	7,421	7,406	712	771
Expected return on plan assets	(8,081)	(7,825)	(160)	(167)
Amortization of prior service cost	1,066	1,070	58	59
Recognized net actuarial loss	4,635	1,905	124	185
Transition obligation	14	12	294	294
Net settlements	-	178	-	-
Net periodic benefit cost	$ 9,364	$ 6,817	$ 1,263	$ 1,383

Equity Compensation
The Company's Long-Term Incentive Plan is an equity compensation plan approved by its shareholders. The Long-Term Incentive Plan permits the grant of restricted stock, stock options, limited stock appreciation rights and performance shares to officers and other employees of the Company and its subsidiaries. In accordance with the provisions of SFAS No. 123, "Accounting for Stock-Based Compensation", compensation expense and accrued dividends related to equity compensation are recognized over the stated vesting period. Forfeitures of equity compensation are recognized when incurred and previously recorded compensation expense related to the forfeited shares is reversed. The maximum number of shares of Great Plains Energy common stock that can be issued under the plan is 3.0 million. At March 31, 2005, 2.0 million shares remained available for future issuance.

Performance Shares
The issuance of performance shares is contingent upon achievement of specific performance goals over a stated period of time as proposed by Company management and approved by the Compensation Committee of the Company's Board of Directors. The number of performance shares granted is variable depending on company performance over stated vesting periods. Performance shares have a value equal to the fair market value of the shares on the grant date with accruing dividends. During the first quarter of 2005, performance shares granted totaled 166,982; 6,840 of these shares were forfeited. Additionally, 3,543 of the 19,313 granted performance shares outstanding at December 31, 2004, were forfeited during the first quarter of 2005. Performance shares granted and outstanding totaled 175,912 at March 31, 2005. For the three months ended March 31, 2005, the Company recognized $0.3 million of compensation expense for performance shares and reversed an insignificant amount of previously recognized compensation expense related to forfeited shares.

Restricted Stock
Restricted stock cannot be sold or otherwise transferred by the recipient prior to vesting and has a value equal to the fair market value of the shares on the grant date. Restricted stock granted during the first quarter of 2005 totaled 47,729 shares. Restricted stock shares issued in 2005 vest on a graded schedule over a stated period of time with accruing reinvested dividends. For the three months ended March 31, 2005 and 2004, respectively, the Company recognized compensation expense of $0.3 million and $0.1 million for the restricted stock.

Cash-Based Long-Term Incentives
In 2005, Strategic Energy initiated long-term incentives designed to reward officers and key members of management with a cash performance payment for achieving specific performance goals over a

stated period of time, commencing January 1, 2005. For the three months ended March 31, 2005, compensation expense of $0.4 million was recognized for the cash-based incentives.

10. RELATED PARTY TRANSACTIONS AND RELATIONSHIPS

Pursuant to a service agreement approved by the SEC under the 35 Act, consolidated KCP&L began receiving various support and administrative services from Services. These services are billed to consolidated KCP&L at cost based on payroll and other expenses incurred by Services for the benefit of consolidated KCP&L. These costs totaled $15.4 million and $15.7 million for three months ended March 31, 2005 and 2004, respectively, and consisted primarily of employee compensation, benefits and fees associated with various professional services. At March 31, 2005, and December 31, 2004, consolidated KCP&L had a net intercompany payable to Services of $6.3 million and $9.2 million, respectively.

11. COMMITMENTS AND CONTINGENCIES

Nuclear Liability and Insurance
The owners of Wolf Creek, a nuclear generating station, (Owners) maintain nuclear insurance for Wolf Creek in four areas: liability, worker radiation, property and accidental outage. These policies contain certain industry standard exclusions, including, but not limited to, ordinary wear and tear, and war. Both the nuclear liability and property insurance programs subscribed to by members of the nuclear power generating industry include industry aggregate limits for non-certified acts of, as defined by the Terrorism Risk Insurance Act, terrorism-related losses, including replacement power costs. An industry aggregate limit of $0.3 billion exists for liability claims, regardless of the number of non-certified acts affecting Wolf Creek or any other nuclear energy liability policy or the number of policies in place. An industry aggregate limit of $3.2 billion plus any reinsurance recoverable by Nuclear Electric Insurance Limited (NEIL), the Owners insurance provider, exists for property claims, including accidental outage power costs for acts of terrorism affecting Wolf Creek or any other nuclear energy facility property policy within twelve months from the date of the first act. These limits are the maximum amount to be paid to members who sustain losses or damages from these types of terrorist acts. For certified acts of terrorism, the individual policy limits apply. In addition, industry-wide retrospective assessment programs (discussed below) can apply once these insurance programs have been exhausted.

Liability Insurance
Pursuant to the Price-Anderson Act, the Owners are required to insure against public liability claims resulting from nuclear incidents to the full limit of public liability, which is currently $10.8 billion. This limit of liability consists of the maximum available commercial insurance of $0.3 billion, and the remaining $10.5 billion is provided through an industry-wide retrospective assessment program mandated by the Nuclear Regulatory Commission (NRC). Under this retrospective assessment program, the Owners can be assessed up to $100.6 million ($47.3 million, KCP&L's 47% share) per incident at any commercial reactor in the country, payable at no more than $10 million ($4.7 million, KCP&L's 47% share) per incident per year. This assessment is subject to an inflation adjustment based on the Consumer Price Index and applicable premium taxes. This assessment also applies in excess of our worker radiation claims insurance. In addition, the U.S. Congress could impose additional revenue-raising measures to pay claims. If the $10.8 billion liability limitation is insufficient, management believes the U.S. Congress will consider taking whatever action is necessary to compensate the public for valid claims.

The Price Anderson Act continues in effect for reactors, such as Wolf Creek, that commenced construction before December 31, 2003, until they are no longer in service. Provisions that would amend the Price-Anderson Act to increase the annual limit on retrospective assessments from $10 million to $15 million per reactor per incident and reauthorize the Price Anderson Act through 2028 to

include reactors commencing construction after December 31, 2003, are pending before Congress in a current version of a comprehensive energy bill.

Property, Decontamination, Premature Decommissioning and Extra Expense Insurance
The Owners carry decontamination liability, premature decommissioning liability and property damage insurance for Wolf Creek totaling approximately $2.8 billion ($1.3 billion, KCP&L's 47% share). NEIL provides this insurance.

In the event of an accident, insurance proceeds must first be used for reactor stabilization and site decontamination in accordance with a plan mandated by the NRC. KCP&L's share of any remaining proceeds can be used for further decontamination, property damage restoration and premature decommissioning costs. Premature decommissioning coverage applies only if an accident at Wolf Creek exceeds $500 million in property damage and decontamination expenses, and only after trust funds have been exhausted.

Accidental Nuclear Outage Insurance
The Owners also carry additional insurance from NEIL to cover costs of replacement power and other extra expenses incurred in the event of a prolonged outage resulting from accidental property damage at Wolf Creek.

Under all NEIL policies, the Owners are subject to retrospective assessments if NEIL losses, for each policy year, exceed the accumulated funds available to the insurer under that policy. The estimated maximum amount of retrospective assessments under the current policies could total about $26.0 million ($12.2 million, KCP&L's 47% share) per policy year.

In the event of a catastrophic loss at Wolf Creek, the insurance coverage may not be adequate to cover property damage and extra expenses incurred. Uninsured losses, to the extent not recovered through rates, would be assumed by KCP&L and the other owners and could have a material adverse effect on KCP&L's financial condition, results of operations and cash flows.

Low-Level Waste
The Low-Level Radioactive Waste Policy Amendments Act of 1985 mandated that the various states, individually or through interstate compacts, develop alternative low-level radioactive waste disposal facilities. The states of Kansas, Nebraska, Arkansas, Louisiana and Oklahoma formed the Central Interstate Low-Level Radioactive Waste Compact (Compact) and selected a site in northern Nebraska to locate a disposal facility. WCNOC and the owners of the other five nuclear units in the Compact provided most of the pre-construction financing for this project. KCP&L's net investment in the Compact was $7.4 million at March 31, 2005, and December 31, 2004.

On December 18, 1998, the application for a license to construct this project was denied. After the license denial, WCNOC, the Compact Commission (Commission) and others filed a lawsuit in federal court contending Nebraska officials acted in bad faith while handling the license application. In September 2002, the U.S. District Court Judge presiding over the lawsuit issued his decision in the case finding that the State of Nebraska acted in bad faith in processing the license application for a low-level radioactive waste disposal site in Nebraska and rendered a judgment on behalf of the Commission in the amount of $151.4 million against the state. After the U.S. Court of Appeals affirmed the decision, Nebraska and the Commission settled the case by Nebraska agreeing to pay the Commission either a one-time amount currently $145.8 million, including one year of interest to August 2005, or four annual installments of $38.5 million beginning on August 1, 2005. The Nebraska legislature is expected to decide in May 2005 whether to pay the settlement in a lump sum or in four annual installments. At the request of the Commission, WCNOC along with other members of the Compact, filed with the Commission their claims for refund. WCNOC's maximum claim is in excess of

$22 million, including pre-judgment interest and attorney's fees. The Commission will consider these claims at its annual meeting in June 2005. The Commission continues to explore alternative long-term waste disposal capability and may retain a portion of the settlement to fund the development of alternative disposal capability.

Wolf Creek continues to dispose of its low-level radioactive waste at the reopened disposal facility at Barnwell, South Carolina. South Carolina intends to gradually decrease the amount of waste it allows from outside its compact until around 2008 when it intends to no longer accept waste from generators outside its compact. Wolf Creek remains able to dispose of some of its radioactive waste at a facility in Utah. Although management is unable to predict when a permanent disposal facility for Wolf Creek low-level radioactive waste might become available, this issue is not expected to affect continued operation of Wolf Creek.

Environmental Matters
The Company is subject to regulation by federal, state and local authorities with regard to air and other environmental matters primarily through KCP&L's operations. The generation, transmission and distribution of electricity produces and requires disposal of certain hazardous products that are subject to these laws and regulations. In addition to imposing continuing compliance obligations, these laws and regulations authorize the imposition of substantial penalties for noncompliance, including fines, injunctive relief and other sanctions. Failure to comply with these laws and regulations could have a material adverse effect on consolidated KCP&L and Great Plains Energy.

KCP&L operates in an environmentally responsible manner and seeks to use current technology to avoid and treat contamination. KCP&L regularly conducts environmental audits designed to ensure compliance with governmental regulations and to detect contamination. Governmental bodies, however, may impose additional or more restrictive environmental regulations that could require substantial changes to operations or facilities at a significant cost. At March 31, 2005 and December 31, 2004, KCP&L had $0.3 million accrued for environmental remediation expenses. The accrual covers water monitoring at one site. The amounts accrued were established on an undiscounted basis and KCP&L does not currently have an estimated time frame over which the accrued amounts may be paid out.

Discussed below are issues that may require material expenditures to comply with environmental laws and regulations. Expenditure estimates provided below include the accelerated environmental upgrade expenditures contemplated in the MPSC and KCC agreements discussed in Note 12. KCP&L's expectation is that any such expenditures will be recovered through rates.

Clean Air Legislation
Congress is currently debating numerous bills that could make significant changes to the Clean Air Act Amendments of 1990 (Clean Air Act) including potential establishment of nationwide limits on power plant emissions for several specific pollutants. Some of these bills address oxides of sulfur and nitrogen (SO_x and NO_x), mercury and carbon dioxide (CO_2), while other bills address SO_x, NO_x and mercury, and some legislative bills address CO_2 by itself. There are various compliance dates and compliance limits stipulated in the numerous legislative bills being debated. These bills have the potential for a significant financial impact on KCP&L through the installation of new pollution control equipment to achieve compliance if new nationwide limits are enacted. The financial consequences to KCP&L cannot be accurately determined until the final legislation is passed. However, KCP&L would seek recovery of capital costs and expenses for such compliance through rates. KCP&L will continue to monitor the progress of these bills.

NO_x and SO_2 Regulations- Clean Air Interstate Rule
On March 10, 2005, the Environmental Protection Agency (EPA) Administrator signed the Clean Air Interstate Rule (CAIR), which requires reductions in SO_2 and NO_x emissions in 28 states including Missouri. The final regulation is expected to be effective the end of June 2005.

The reduction in both $SO_2$and NO_x emissions will be accomplished through establishment of permanent statewide caps for NO_x effective January 1, 2009, and SO_2 effective January 1, 2010. More restrictive caps will be effective on January 1, 2015. KCP&L's coal-fired plants located in Missouri are subject to CAIR, while its coal-fired plants in Kansas are not.

KCP&L will need to incur significant capital costs, purchase power or purchase emission allowances to implement the emission reductions required by CAIR at its Missouri plants. Analysis of the regulations indicates that selective catalytic reduction technology for NO_x control and scrubbers for SO_2 control will likely be required for some of the KCP&L Missouri based units. Currently, KCP&L estimates that additional capital expenditures to comply with these regulations on all existing Missouri plants could range from $470 million to $690 million. The timing of the installation of such control equipment is currently being developed. KCP&L continues to refine these preliminary estimates and explore alternatives. The ultimate cost of these regulations, if any, could be significantly different from the amounts estimated above. As discussed below, certain of the control technology for SO_2 and NO_x will also aid in the control of mercury.

KCP&L is currently allocated approximately 50,000 tons of SO_2 allowances per year to support its emissions of approximately 50,000 tons per year. KCP&L has accumulated over 190,000 tons of allocated SO_2 allowances; however, the disposition of such credits is subject to regulatory approvals from both Kansas and Missouri.

In the May 5, 2004, Federal Register, the EPA published proposed regulations on best available retrofit technology (BART) that would amend its July 1999 regional haze regulations regarding emission controls for industrial facilities emitting air pollutants that reduce visibility. The BART requirement would direct state air quality agencies to identify whether emissions from sources subject to BART are below limits set by the state, or whether retrofit measures are needed to reduce the emissions below those limits. The EPA is scheduled to adopt final regulations by June 15, 2005. If the proposed BART regulations are adopted, they will apply to KCP&L's coal-fired plants. Based on the results of the state air quality studies, it is anticipated that KCP&L could substantially achieve compliance at its Missouri plants by making capital expenditures to comply with CAIR. If adopted, BART would require additional capital expenditures to comply with the regulations at KCP&L's Kansas plants that could range from $220 million to $360 million.

Mercury Emissions
In July 2000, the National Research Council published its findings of a study under the Clean Air Act, which stated that power plants that burn fossil fuels, particularly coal, generate the greatest amount of mercury emissions from man-made sources. On March 15, 2005, the EPA reversed its earlier finding to regulate fossil fuel-fired power plants under section 112 of the Clean Air Act, concluding that the earlier finding lacked foundation and that recent information demonstrates that it is not appropriate or necessary to regulate fossil fuel-fired power plants under section 112. This final rule has been published in the Federal Register with an effective date of March 29, 2005.

On March 15, 2005, the EPA signed the Clean Air Mercury Rule, which regulates mercury emissions from coal-fired power plants located in 48 states including Kansas and Missouri under the New Source Performance Standards (NSPS) of the Clean Air Act. This final regulation is expected to be effective the end of June 2005. This final rule establishes a market-based cap-and-trade program that will reduce nationwide utility emissions of mercury in two phases. The first phase cap is effective

January 1, 2010, and establishes a permanent nationwide cap of 38 tons of mercury for coal-fired power plants. The first phase cap is anticipated to be met by KCP&L taking advantage of mercury reductions achieved through capital expenditures to comply with CAIR. The second phase is effective January 1, 2018, and establishes a permanent nationwide cap of 15 tons of mercury for coal-fired power plants. When fully implemented, this final rule will reduce utility emissions of mercury by nearly 70% from current emissions of 48 tons per year.

Facilities will demonstrate compliance with the standard by holding one allowance for each ounce of mercury emitted in any given year and allowances will be readily transferable among all regulated facilities nationwide. Under the cap and trade options, KCP&L will be able to purchase mercury allowances or elect to install pollution control equipment to achieve compliance. While it is expected that mercury allowances will be available in sufficient quantities for purchase in the 2010-2018 timeframe, the significant reduction in the nationwide cap in 2018 may hamper KCP&L's ability to obtain reasonably priced allowances beyond 2018. Therefore, capital expenditures may be required in the 2016-2018 timeframe to install additional mercury pollution control equipment. If KCP&L were required to install mercury control equipment on all of its coal-fired power plants, it is anticipated that chemical injection would provide the required control. The incremental projected cost to KCP&L, above the costs to comply with CAIR and BART, for mercury control ranges from $10 million to $20 million. KCP&L is a participant in the Department of Energy (DOE) project at the Sunflower Electric Holcomb plant to investigate control technology options for mercury removal from coal-fired plants burning sub bituminous coal.

The EPA's actions to de-list mercury under section 112 of the Clean Air Act and sign the Clean Air Mercury Rule remain controversial and subject to challenge.

Carbon Dioxide
At a December 1997 meeting in Kyoto, Japan, delegates from 167 nations, including the U.S., agreed to a treaty (Kyoto Protocol) that would require a 7% reduction in U.S. CO_2 emissions below 1990 levels, a nearly 30% cut from current levels. On March 28, 2001, the Bush administration announced it will not negotiate implementation of the Kyoto Protocol and it will not send the Kyoto Protocol to the U.S. Senate for ratification.

There are several bills being debated in the U.S. Congress that address the CO_2 issue, including establishing a nationwide cap on CO_2 levels. There are various compliance dates and nationwide caps stipulated in the numerous legislative bills being debated. These bills have the potential for a significant financial impact on KCP&L in conjunction with achieving compliance with the proposed new nationwide limits. However, the financial consequences to KCP&L cannot be determined until final legislation is passed. KCP&L will continue to monitor the progress of these bills.

On February 14, 2002, President Bush unveiled his Clear Skies Initiative, which included a climate change policy. The climate change policy is a voluntary program that relies heavily on incentives to encourage industry to voluntarily limit emissions. The strategy includes tax credits, energy conservation programs, funding for research into new technologies, and a plan to encourage companies to track and report their emissions so that companies could gain credits for use in any future emissions trading program. The greenhouse strategy links growth in emissions of greenhouse gases to economic output. The administration's strategy is intended to reduce the greenhouse gas intensity of the U.S. economy by 18% over the next 10 years. Greenhouse gas intensity measures the ratio of greenhouse gas emissions to economic output as measured by Gross Domestic Product (GDP). Under this plan, as the economy grows, greenhouse gases also would continue to grow, although at a slower rate than they would have without these policies in place. When viewed per unit of economic output, the rate of emissions would drop. The plan projects that the U.S. will lower its rate of greenhouse gas

emissions from an estimated 183 metric tons per $1 million of GDP in 2002 to 151 metric tons per $1 million of GDP by 2012.

On December 19, 2002, Great Plains Energy joined the Power Partners through Edison Electric Institute (EEI). Power Partners is a voluntary program with the DOE under which utilities commit to undertake measures to reduce, avoid or sequester CO_2 emissions. Eventually, industry sectors and individual companies are expected to enter into an umbrella memorandum of understanding (MOU) that will set forth programs for industries and individual companies to reduce greenhouse gas emissions.

On January 17, 2003, the EEI sent a letter to numerous Administration officials, in which the EEI committed to work with the government over the next decade to reduce the power sector's CO_2 emissions per kWh generated (carbon intensity) by the equivalent of 3% to 5% of the current level.

On December 13, 2004, Power Partners entered into a cooperative umbrella MOU with the DOE. This MOU contains supply and demand-side actions as well as offset projects that will be undertaken to reduce the power sector's CO_2 emissions per kWh generated over the next decade consistent with the EEI commitment of 3% to 5%. Individual companies, including KCP&L, will now begin entering into agreements with the DOE that set forth quantitative, concrete and specific activities to reduce, avoid or sequester greenhouse gases.

EPA New Source Review

The EPA is conducting an enforcement initiative under Section 114(a) of the Clean Air Act to determine whether modifications at selected coal-fired plants across the U.S. may have been subject to NSPS or New Source Review (NSR) requirements. After an operator has received a Section 114 letter, the EPA requests data and reviews all expenditures at the plants to determine if they were routine maintenance or whether the expenditures were for substantial modifications or resulted in improved operations. If a plant, subject to a Section 114 letter, is determined to have been subject to NSPS or NSR, the plant could be required to install best available control technology or lowest achievable emission rate technology. KCP&L has not received a Section 114 letter to date.

Air Particulate Matter and Ozone

In July 1997, the EPA revised ozone and particulate matter air quality standards creating a new eight-hour ozone standard and establishing a new standard for particulate matter less than 2.5 microns (PM-2.5) in diameter. These standards were challenged in Federal court. However, the courts ultimately denied all state, industry and environmental groups petitions for review and thus upheld as valid the EPA's new eight-hour ozone and PM-2.5 National Ambient Air Quality Standards (NAAQS). In so doing, the court held that the EPA acted consistently with the Clean Air Act in setting the standards at the levels it chose and the EPA's actions were reasonable and not arbitrary and capricious, and cited the deference given the EPA's decision-making authority. The court stated that the extensive records established for each rule supported the EPA's actions in both rulemakings. This removed the last major hurdle to the EPA's implementation of stricter ambient air quality standards for ozone and fine particles. On December 17, 2004, the EPA designated the Kansas City area as attainment with respect to the PM-2.5 NAAQS. Effective May 3, 2005, the EPA designated Jackson, Platte, Clay and Cass counties in Missouri and Johnson, Linn, Miami and Wyandotte counties in Kansas as attainment with respect to the eight-hour ozone NAAQS.

Water Use Regulations

On February 16, 2004, the EPA finalized the Phase II rule implementing Section 316(b) of the Clean Water Act establishing standards for cooling water intake structures at existing facilities. The final rule was published in the July 9, 2004, Federal Register with an effective date of September 7, 2004. This final regulation is applicable to certain existing power producing facilities that employ cooling water intake structures that withdraw 50 million gallons or more per day and use 25% or more of that water

for cooling purposes. KCP&L is required to complete a Section 316(b) comprehensive demonstration study on each of its generating facilities' intake structures by the end of 2007. KCP&L plans to complete the comprehensive demonstration studies by the end of 2006 at an expected cost of $0.3 million to $0.5 million per facility. Depending on the outcome of the comprehensive demonstration studies, facilities may be required to implement technological, operational or restoration measures to achieve compliance. Compliance with the final rule is expected to be achieved between 2011 and 2014. Until the Section 316(b) comprehensive demonstration studies are completed, the impact of this final rule cannot be quantified.

Pennsylvania Gross Receipts Tax Contingency

In January 2005, Strategic Energy was advised by the Pennsylvania Department of Revenue of a potential tax deficiency relating to state gross receipts tax on Strategic Energy's Provider of Last Resort (POLR) revenues from 2000 to 2002. During the first quarter of 2005, Strategic Energy reached a final settlement with the State of Pennsylvania for all three years with no deficiency related to the POLR revenues.

Income Tax Contingencies

Management evaluates and records contingent tax liabilities based on the probability of ultimately sustaining the tax deductions or income positions. Management assesses the probabilities of successfully defending the tax deductions or income positions based upon statutory, judicial or administrative authority.

At March 31, 2005, and December 31, 2004, the Company had $12.9 million and $13.4 million, respectively, of liabilities for contingencies related to tax deductions or income positions taken on the Company's tax returns. Consolidated KCP&L had liabilities of $3.0 million and $3.7 million at March 31, 2005, and December 31, 2004, respectively. Management believes the tax deductions or income positions are properly treated on such tax returns, but has recorded reserves based upon its assessment of the probabilities that certain deductions or income positions may not be sustained when the returns are audited. The tax returns containing these tax deductions or income positions are currently under audit or will likely be audited. The timing of the resolution of these audits is uncertain. If the positions are ultimately sustained, the Company will reverse these tax provisions to income. If the positions are not ultimately sustained, the Company may be required to make cash payments plus interest and/or utilize the Company's federal and state credit carryforwards.

12. REGULATORY MATTERS

Executing On Strategic Intent

In the first few months of 2005, the Company has initiated several important steps in executing on its Strategic Intent. Great Plains Energy and consolidated KCP&L took action to align the companies' organizations to execute the long-term strategic intent by solidifying their management teams through the appointment of new officers. The companies expect to continue working to ensure the right skills and talents are in place throughout the organization in the upcoming months.

Strategic Energy has continued to move forward with several initiatives to improve marketing and supply procurement. A few examples of initiatives for supply procurement include improving load aggregation strategies allowing power purchases in larger blocks, seeking partnering opportunities with regional generators and exploring additional hedging strategies. Marketing initiatives underway include exploring new channels for targeting new customers, product innovation focused on improving response time to changing customers' needs, and proactive communication with customers to help define strategies in the current high-priced electricity market.

KCP&L has continued to make progress in implementing its comprehensive energy plan early in 2005 and has filed agreements recommending the approval and implementation of its comprehensive energy plan with the Missouri Public Service Commission (MPSC) and The State Corporation Commission of the State of Kansas (KCC) and is awaiting final rulings. The agreements were reached between KCP&L, the Commission staffs and certain key parties in the respective jurisdictions. The KCC has scheduled hearings to be concluded by the end of June 2005. The MPSC is expected to hold hearings prior to issuing its ruling. The following are brief descriptions of the major provisions of the agreements.

- KCP&L will make energy infrastructure investments as summarized in the table below.

	Estimated

Project	Details	Capital Expenditures
		(millions)
Iatan No. 2	Building and owning up to 500 MW of an 800-900 MW coal fired plant with an estimated completion date of June 2010	$ 776
Wind Generation [(a)]	Installation of 100 MW of wind generation in 2006	131
Environmental	Retrofit of selected existing coal plants	272
Asset Management	Enhanced system performance and reliability	42
Customer Programs	Various demand management, distributed generation and efficiency programs	53
Total [(b)]		**$ 1,274**

[(a)] The agreements call for the possible addition of another 100 MW of wind generation in 2008 if supported by a detailed evaluation.
[(b)] Includes approximately $60 million of investments related to a railroad bridge, a substation and transmission lines. Wind generation includes approximately $2 million of transmission and distribution investment. A decision regarding recovery of costs in Kansas related to the railroad bridge is deferred to future rate cases, which reduces the total to $1,231 million in the Kansas agreement.

- KCP&L's current rates will remain in place until 2007, unless significant events impact KCP&L. The first rate case will be filed in 2006, with any rate adjustments going into effect in 2007. The last rate case defined in the agreements is expected to be filed in 2009, with rates effective near the time Iatan No. 2 is placed in service. Two additional rate cases could be filed in 2007 and 2008 at KCP&L's discretion.

- The Kansas agreement allows KCP&L to recover, on a dollar-for-dollar basis with no profit to the company, actual fuel and purchased power expense incurred through an energy cost adjustment that would take effect for Kansas in 2007. Similarly, an interim energy charge, based on forecasted costs and subject to customer refund, would take effect for Missouri customers in 2007.

- KCP&L may sell SO_2 emission allowances during the term of the agreements. The sales proceeds will be recorded as a regulatory liability for ratemaking purposes and will be amortized over time.

- KCP&L's pensions costs before amounts capitalized, for regulatory purposes, are established at $22 million until 2007 through the creation of a regulatory asset or liability, as appropriate.

- The depreciable life of Wolf Creek Generating Station for Missouri regulatory purposes will be increased from 40 to 60 years. The Missouri agreement calls for $10.3 million on an annual jurisdictional basis, of additional amortization expense to be recorded upon the effective date of

the agreement to offset the reduction in depreciation expense due to the change in depreciable life. The 60-year Missouri depreciable life will match the current Kansas regulatory depreciable life.

- The agreements give KCP&L regulatory mechanisms to be able to recover the prudent costs of its investments as they are placed in service and to maintain targeted credit ratios over the five-year term of the agreements.

If approved by the MPSC and the KCC, the agreements will provide regulatory clarity on certain items. However, normal regulatory risk will continue to exist as the commissions establish rates in the rate cases, including, but not limited to, the actual amount of costs to be recovered through rates, the return on equity, the capital structure utilized, and expenses to be recovered. KCP&L projects that, if the cost of the plan is included in rate base, the rate increases to support the five year plan and increasing operating expenses would average approximately 3-4% annually, over the same time period.

The comprehensive energy plan is currently expected to be funded through a mix of sources as detailed in the following table.

Funding Source	
Anticipated contribution from rate increases	25% - 35%
New equity financing	20% - 30%
Debt financing	20% - 30%
2007 equity from 2004 FELINE PRIDES	13%
Internal funds and other	5% - 10%

Actual funding sources may differ from this estimated mix and may be affected by various factors, including the results of the rate proceedings and market conditions.

Southwest Power Pool Regional Transmission Organization
Under the Federal Energy Regulatory Commission (FERC) Order 2000, KCP&L, as an investor-owned utility, is strongly encouraged to join a FERC approved Regional Transmission Organization (RTO). RTOs combine transmission operations of utility businesses into regional organizations that schedule transmission services and monitor the energy market to ensure regional transmission reliability and non-discriminatory access. The Southwest Power Pool (SPP), of which KCP&L is a member, obtained approval from FERC as an RTO in a January 24, 2005, order. KCP&L intends on participating in the SPP RTO; however, state regulatory approvals are required. KCP&L anticipates making the necessary applications to the Missouri Public Service Commission (MPSC) and The State Corporation Commission of the State of Kansas (KCC), during the second quarter of 2005 upon completion of the regional cost/benefit analysis currently being conducted for the SPP RTO. The cost/benefit analysis was conducted under the direction of the SPP Regional State Committee (composed of state commissions from the states where the SPP RTO operates) and the final report was issued April 25, 2005. The analysis indicates the implementation of an energy imbalance market within the SPP would provide benefits of approximately $373 million over a 10-year period to members of the SPP RTO; although there was no significant documented impact for KCP&L over the 10-year period.

FERC Market Power Inquiry
KCP&L is authorized by FERC to sell wholesale power at market-based rates. As a condition of that authority, KCP&L must submit to FERC an updated market power analysis every three years. KCP&L submitted its most recent update in 2004. In December 2004, FERC issued an order finding that KCP&L potentially has generation market power in its own control area and the control area of the Kansas City, Kansas Board of Public Utilities (KCBPU). With respect to those control areas, FERC

instructed KCP&L (i) to submit a delivered price test (DPT) analysis demonstrating that KCP&L does not possess generation market power; (ii) propose generation market power mitigation measures; or (iii) accept FERC's default cost-based rates for wholesale power sales or propose alternate cost-based rates (with cost support for such rates).

In February 2005, KCP&L submitted a DPT analysis demonstrating that, if KCP&L's native load obligations are considered, KCP&L does not possess market power in its control area or the control area of KCBPU. KCBPU subsequently submitted comments to FERC contesting KCP&L's DPT analysis to which KCP&L has responded to FERC with expert testimony refuting KCBPU's comments and reiterating that KCP&L's submitted DPT analysis demonstrates that KCP&L does not have generation market power in KCBPU's control area. It is likely FERC will issue its final determination in this proceeding in May 2005.

FERC explained in its December 2004 Order that all market-based, wholesale sales into KCP&L's control area and KCBPU's control area that occur between March 7, 2005, and the date FERC issues a final order concerning KCP&L's alleged market power are subject to refund if FERC ultimately concludes that KCP&L possesses market power. Any such refund would be based on the difference between KCP&L's market-based sales and sales at FERC-determined cost-based rates. In addition, any such FERC determination would require KCP&L to sell power at cost-based rates within those control areas in the future. This restriction with regard to future sales would continue until the SPP implements a fully functioning market that satisfies FERC's market power concerns, which is currently estimated to occur in late 2005 or early 2006.

KCP&L makes very few market-based, wholesale sales to customers with loads that sink within KCP&L's or KCBPU's control areas. Therefore, even if FERC determines that KCP&L has market power, and imposes the refund obligation and restriction on future sales described above, the financial impact on KCP&L would not be material. However, it is possible that FERC could define sales within KCP&L's control area more broadly to include sales to customers with loads that sink outside KCP&L's control area, but where such customers choose to take delivery of the energy at a bus within KCP&L's control area. Although KCP&L would vigorously contest such a definition, the estimated refunds to customers or loss of revenue to KCP&L in that instance, absent mitigation, could be as high as $14.7 million. Management does not consider this to be a probable outcome.

Duquesne Zone Seams Elimination Charge Adjustment

In March 2005, a compliance filing made to FERC by certain PJM transmission owners contained an allocation of seams elimination charge adjustment (SECA) charges for the Duquesne Light Company (Duquesne) zone within PJM. SECA is a transitional pricing mechanism intended to compensate transmission owners for the revenue lost as a result of FERC's elimination of regional through and out rates between PJM and the Midwest Independent Systems Operator (MISO). Each relevant PJM zone and the load-serving entities within that zone will be allocated a portion of the SECA based on transmission services provided to that zone during 2002 and 2003. There are several unresolved matters and legal challenges to the SECA that are pending before FERC on rehearing.

The compliance filing allocates approximately $1.5 million of charges to Strategic Energy, as a load-serving entity within PJM's Duquesne zone, for the months of January and February 2005, subject to refund and adjustment. The intended recovery period for the transitional SECA extends to March 2006. Accordingly, Strategic Energy's exposure to SECA charges may continue at an undetermined rate through March 2006. Management is unable to predict the transitional SECA that may be allocated to Strategic Energy in future compliance filings or the ultimate outcome of such filings, including the outcome of legal challenges to SECA that are pending before FERC on rehearing. However, based on the compliance filing allocating January and February 2005 SECA charges, management believes that the SECA allocated to Strategic Energy in future periods may be significant. If FERC accepts the

compliance filing for billing purposes, PJM may invoice Strategic Energy for these charges as early as May 2005, subject to refund and adjustment. Strategic Energy has filed a protest to the compliance filing and FERC is expected to issue an order on the compliance filing during the second quarter of 2005.

Management believes that a number of issues exist related to the Duquesne zone SECA allocation contemplated in the March 2005 compliance filing. In procedural Order issued on March 4, 2005, FERC established a schedule for resolution of certain SECA issues, including the issue of shifting SECA allocations to the shipper. The shipper in Strategic Energy's situation is the wholesale supplier, which through a contract with Strategic Energy, delivered power to various zones in which Strategic Energy was supplying retail customers. In most instances, the shipper was the purchaser of through-and-out transmission service and therefore included the cost of the through-and-out rate in its energy price. Management believes, but cannot assure, that Strategic Energy should not ultimately be responsible for the level of SECA charges for the Duquesne zone indicated in the compliance filing. However, if allocated and billed SECA charges, management is exploring alternatives under which Strategic Energy would be able to recover some to all of the SECA charges through billings to its retail customers or from wholesale suppliers.

13. LEGAL PROCEEDINGS

Strategic Energy

On March 23, 2004, Robert C. Haberstroh filed suit for breach of employment contract and violation of the Pennsylvania Wage Payment Collection Act against Strategic Energy Partners, Ltd. (Partners), SE Holdings, L.L.C. (SE Holdings) and Strategic Energy in the Court of Common Pleas of Allegheny County, Pennsylvania. Mr. Haberstroh claims that he acquired an equity interest in Partners under the terms of his employment agreement and that through a series of transactions, Mr. Haberstroh's equity interest became an equity interest in SE Holdings. In 2001, Mr. Haberstroh's employment was terminated and SE Holdings redeemed his equity interest. Mr. Haberstroh is seeking the loss of his non-equity compensation (including salary, bonus and benefits) and equity compensation and associated distributions (his equity interest in SE Holdings).

Strategic Energy has filed a counterclaim against Mr. Haberstroh for breach of contract. SE Holdings, and its direct and indirect owners, have agreed to indemnify Strategic Energy and IEC against any judgment or settlement of Mr. Haberstroh's claim that relates to his alleged equity interest in SE Holdings, up to approximately $8 million plus any dividends or interest received in relation to his alleged interest.

KLT Gas

On July 28, 2004, KLT Gas received a Notice and Demand for Arbitration Pursuant to Joint Operating Agreement from SWEPI LP doing business as Shell Western E&P and formerly known as Shell Western E&P Inc. (Shell). Prior to the October 2004 sale (with a July 1, 2004, effective date) of KLT Gas' working interests in certain oil and gas leases in Duval County, Texas to Shell, KLT Gas had a 50% working interest in the leases. Shell held the other 50% working interest and was the operator of the properties under a joint operating agreement, as amended (JOA). Three groups of current or past lessors filed suit against Shell in Duval County, Texas, alleging various claims against Shell. Additionally, Shell has been party to ongoing proceedings before the Texas Railroad Commission relating to a well drilled on acreage adjacent to the properties of Shell and KLT Gas mentioned above. Through arbitration, Shell is seeking recovery from KLT Gas of 50% of the fees and costs incurred in the three lawsuits and the Texas Railroad Commission proceedings and settlement proceeds paid with respect to the three lawsuits, which Shell asserts is a total amount of not less than $5.5 million for KLT Gas' share. Shell is also seeking a declaration that the fees and costs incurred and settlement proceeds paid, including any fees and costs incurred in the future, are reimbursable expenses under

the JOA. Shell is seeking a ruling compelling KLT Gas to pay Shell immediately all sums deemed to be due pursuant to the arbitration. On August 17, 2004, KLT Gas submitted its notice of defense generally asserting that

there is no contractual basis or implied duty for reimbursement or contribution regarding the settlements and there is no contractual basis for reimbursement or contribution regarding the Texas Railroad Commission proceedings. KLT Gas also asserted counterclaims based upon misrepresentations and promissory estoppel, gross negligence in imprudent operations, full accounting under the JOA and offset. The arbitration is currently scheduled to begin in May 2005. KLT Gas and its counsel continue to evaluate KLT Gas' rights and obligations under the JOA as well as other possible counterclaims that KLT Gas may have against Shell.

Hawthorn No. 5 Subrogation Litigation
KCP&L filed suit on April 3, 2001, in Jackson County, Missouri Circuit Court against multiple defendants who are alleged to have responsibility for the Hawthorn No. 5 boiler explosion. KCP&L and National Union Fire Insurance Company of Pittsburgh, Pennsylvania (National Union) have entered into a subrogation allocation agreement under which recoveries in this suit are generally allocated 55% to National Union and 45% to KCP&L. Certain defendants have been dismissed from the suit and various defendants have settled with KCP&L. Trial of this case with the one remaining defendant resulted in a March 2004 jury verdict finding KCP&L's damages as a result of the explosion were $452 million. After deduction of amounts received from pre-trial settlements with other defendants and an amount for KCP&L's comparative fault (as determined by the jury), the verdict would have resulted in an award against the defendant of approximately $97.6 million (of which KCP&L would have received $33 million pursuant to the subrogation allocation agreement after payment of attorney's fees). In response to post-trial pleadings filed by the defendant, in May 2004 the trial judge reduced the award against the defendant to $0.2 million. Both KCP&L and the defendant have appealed this case to the Court of Appeals for the Western District of Missouri.

KLT Telecom
On December 31, 2001, a subsidiary of KLT Telecom Inc. (KLT Telecom), DTI Holdings, Inc. (Holdings) and its subsidiaries Digital Teleport Inc. (Digital Teleport) and Digital Teleport of Virginia, Inc., filed separate voluntary petitions in the Bankruptcy Court for the Eastern District of Missouri for reorganization under Chapter 11 of the U.S. Bankruptcy Code. DTI Holdings and its two subsidiaries are collectively called "DTI." In 2003, the Bankruptcy Court confirmed the plan of reorganization for these three companies.

KLT Telecom originally acquired a 47% interest in DTI in 1997. On February 8, 2001, KLT Telecom acquired control of DTI by purchasing shares from another Holdings shareholder, Richard D. Weinstein (Weinstein), increasing its ownership to 83.6%. In connection with this purchase, KLT Telecom granted Weinstein a put option. The put option provided for the sale by Weinstein of his remaining shares in Holdings to KLT Telecom during a period beginning September 1, 2003, and ending August 31, 2005. The put option provides for an aggregate exercise price for these remaining shares equal to their fair market value with an aggregate floor amount of $15 million. The floor amount of the put option was fully reserved during 2001. On September 2, 2003, Weinstein delivered to KLT Telecom notice of the exercise of his put option. KLT Telecom declined to pay Weinstein any amount under the put option because, among other things, the stock of Holdings has been cancelled and extinguished pursuant to the joint Chapter 11 plan confirmed by the Bankruptcy Court. Weinstein has sued KLT Telecom for allegedly breaching the put option and seeks damages of at least $15 million plus statutory interest. In April 2005, summary judgment in the Weinstein litigation was granted in favor of KLT Telecom. The $15 million reserve has not been reversed because the judgment is subject to appeal.

14. ASSET RETIREMENT OBLIGATIONS

In March 2005, Financial Accounting Standards Board (FASB) issued FASB Interpretation (FIN) No. 47, "Accounting for Conditional Asset Retirement Obligations." FIN No. 47 clarifies that the term conditional asset retirement obligation as used in FASB Statement No. 143, "Accounting for Asset Retirement Obligation," refers to a legal obligation to perform an asset retirement activity in which the timing and/or method of settlement are conditional on a future event that may or may not be within the control of the entity. Accordingly, an entity is required to recognize a liability for the fair value of a conditional asset retirement obligation if the fair value of the liability can be reasonably estimated. Great Plains Energy and consolidated KCP&L are required to adopt the provisions of FIN No. 47 by December 31, 2005, although earlier adoption is permitted. Great Plains Energy and consolidated KCP&L are currently evaluating the impact of FIN No. 47, if any, on their consolidated financial statements.

15. SEGMENT AND RELATED INFORMATION

Great Plains Energy
Great Plains Energy has two reportable segments based on its method of internal reporting, which generally segregates the reportable segments based on products and services, management responsibility and regulation. The two reportable business segments are KCP&L, an integrated, regulated electric utility, which provides reliable, affordable electricity to customers; and Strategic Energy, a competitive electricity supplier, which operates in several electricity markets offering retail choice. Other includes the operations of HSS, GPP, Services, all KLT Inc. operations other than Strategic Energy, unallocated corporate charges and intercompany eliminations. Intercompany eliminations include insignificant amounts of intercompany financing related activities. The summary of significant accounting policies applies to all of the reportable segments. For segment reporting, each segment's income taxes include the effects of allocating holding company tax benefits. Segment performance is evaluated based on net income.

The tables below reflect summarized financial information concerning Great Plains Energy's reportable segments.

Three Months Ended March 31, 2005	KCP&L	Strategic Energy	Other	Great Plains Energy
		(millions)		
Operating revenues	$ 233.2	$ 311.8	$ 0.1	$ 545.1
Depreciation and amortization	(36.3)	(1.5)	(0.1)	(37.9)
Interest charges	(14.6)	(0.8)	(2.1)	(17.5)
Income taxes	(1.5)	(8.5)	4.7	(5.3)
Loss from equity investments	-	-	(0.3)	(0.3)
Net income (loss)	10.8	12.8	(3.4)	20.2

Three Months Ended March 31, 2004	KCP&L	Strategic Energy	Other	Great Plains Energy
		(millions)		
Operating revenues	$ 246.5	$ 294.5	$ 0.5	$ 541.5
Depreciation and amortization	(35.7)	(0.6)	(0.2)	(36.5)
Interest charges	(17.1)	0.5	(1.7)	(18.3)
Income taxes	(12.3)	(7.2)	7.3	(12.2)
Loss from equity investments	-	-	(0.3)	(0.3)
Discontinued operations	-	-	(2.2)	(2.2)
Net income (loss)	21.6	9.3	(3.6)	27.3

	KCP&L	Strategic Energy	Other	Great Plains Energy
		(millions)		
March 31, 2005				
Assets	$ 3,325.0	$ 429.7	$ 52.2	$ 3,806.9
Capital expenditures [(a)]	32.3	1.5	0.1	33.9
December 31, 2004				
Assets	$ 3,330.2	$ 407.7	$ 61.0	$ 3,798.9
Capital expenditures [(a)]	190.8	2.6	3.3	196.7

[(a)] Capital expenditures reflect year to date amounts for the periods presented.

Consolidated KCP&L

The following tables reflect summarized financial information concerning consolidated KCP&L's reportable segment. Other includes the operations of HSS and intercompany eliminations. Intercompany eliminations include insignificant amounts of intercompany financing related activities.

Three Months Ended March 31, 2005	KCP&L	Other	Consolidated KCP&L
		(millions)	
Operating revenues	$ 233.2	$ 0.1	$ 233.3
Depreciation and amortization	(36.3)	(0.1)	(36.4)
Interest charges	(14.6)	-	(14.6)
Income taxes	(1.5)	0.6	(0.9)
Net income (loss)	10.8	(0.5)	10.3

Three Months Ended March 31, 2004	KCP&L	Other	Consolidated KCP&L
		(millions)	
Operating revenues	$ 246.5	$ 0.5	$ 247.0
Depreciation and amortization	(35.7)	(0.2)	(35.9)
Interest charges	(17.1)	(0.1)	(17.2)
Income taxes	(12.3)	0.2	(12.1)
Net income (loss)	21.6	(0.4)	21.2

	KCP&L	Other	Consolidated KCP&L
		(millions)	
March 31, 2005			
Assets	$ 3,325.0	$ 4.7	$ 3,329.7
Capital expenditures [(a)]	32.3	-	32.3
December 31, 2004			
Assets	$ 3,330.2	$ 7.2	$ 3,337.4
Capital expenditures [(a)]	190.8	-	190.8

[(a)] Capital expenditures reflect year to date amounts for the periods presented.

16. DERIVATIVE INSTRUMENTS

The Company's activities expose it to a variety of market risks including interest rates and commodity prices. Management has established risk management policies and strategies to reduce the potentially adverse effects that the volatility of the markets may have on its operating results. The Company's risk management activities, including the use of derivatives, are subject to the management, direction and control of internal risk management committees. The Company's interest rate risk management

strategy uses derivative instruments to adjust the Company's liability portfolio to optimize the mix of fixed and floating rate debt within an established range. The Company maintains commodity-price risk management strategies that use derivative instruments to reduce the effects of fluctuations on purchased power expense caused by commodity price volatility. Counterparties on commodity derivatives and interest rate swap agreements expose the Company to credit loss in the event of nonperformance. This credit loss is limited to the cost of replacing these contracts at current market rates. Derivative instruments measured at fair value are recorded on the balance sheet as an asset or liability. Changes in the fair value are recognized currently in net income unless specific hedge accounting criteria are met.

Fair Value Hedges — Interest Rate Risk Management

In 2002, KCP&L remarketed its 1998 Series A, B, and D EIRR bonds totaling $146.5 million to a five-year fixed interest rate of 4.75% ending October 1, 2007. Simultaneously with the remarketing, KCP&L entered into an interest rate swap for the $146.5 million based on the London Interbank Offered Rate (LIBOR) to effectively create a floating interest rate obligation. The transaction is a fair value hedge with no ineffectiveness. Changes in the fair market value of the swap are recorded on the balance sheet as an asset or liability with an offsetting entry to the respective debt balances with no net impact on net income. The fair value of the swap was a liability of $1.8 million and an asset of $0.7 million at March 31, 2005 and December 31, 2004, respectively.

Cash Flow Hedges — Commodity Risk Management

KCP&L's risk management policy is to use derivative hedge instruments to mitigate its exposure to market price fluctuations on a portion of its projected natural gas purchases to meet generation requirements for retail and firm wholesale sales. As of March 31, 2005, KCP&L had approximately 65% of its 2005 projected natural gas usage for retail load and firm MWh sales hedged. These hedging instruments are designated as cash flow hedges. The fair values of these instruments are recorded as current assets or current liabilities with an offsetting entry to other comprehensive income (OCI) for the effective portion of the hedge. To the extent the hedges are not effective, the ineffective portion of the change in fair market value is recorded currently in fuel expense. KCP&L did not record any gains or losses due to ineffectiveness for the three months ended March 31, 2005 or 2004. When the natural gas is purchased, the amounts in OCI are reclassified to fuel expense in the consolidated income statement.

Strategic Energy maintains a commodity-price risk management strategy that uses forward physical energy purchases and other derivative instruments to reduce the effects of fluctuations on purchased power expense caused by commodity-price volatility. Derivative instruments are used to limit the unfavorable effect that price increases will have on electricity purchases, effectively fixing the future purchase price of electricity for the applicable forecasted usage and protecting Strategic Energy from significant price volatility. The maximum term

over which Strategic Energy is hedging its exposure and variability of future cash flows is 4.0 years and 3.1 years at March 31, 2005 and December 31, 2004, respectively.

Certain forward fixed price purchases and swap agreements are designated as cash flow hedges. The fair values of these instruments are recorded as assets or liabilities with an offsetting entry to OCI for the effective portion of the hedge. To the extent the hedges are not effective, the ineffective portion of the change in fair market value is recorded currently in purchased power. When the forecasted purchase is completed, the amounts in OCI are reclassified to purchased power. Purchased power for the three months ended March 31, 2005, includes a $2.1 million gain due to ineffectiveness of the cash flow hedges. Strategic Energy did not record any gains or losses due to ineffectiveness for the three months ended March 31, 2004.

Strategic Energy also enters into economic hedges (non-hedging derivatives) that do not qualify for hedge accounting. The changes in the fair value of these derivative instruments recorded into net income as a component of purchased power were a $2.9 million gain and a $0.3 million loss for the three months ended March 31, 2005 and 2004, respectively.

The notional and estimated fair values of the Company's derivative instruments are summarized in the following table. The fair values of these derivatives are recorded on the consolidated balance sheets.

	March 31 2005		**December 31 2004**	
	Notional Contract Amount	**Fair Value**	**Notional Contract Amount**	**Fair Value**
Great Plains Energy		(millions)		
Swap contracts				
Cash flow hedges	$ 70.3	$ 15.7	$ 92.4	$ 4.5
Non-hedging derivatives	1.7	1.1	2.3	0.7
Forward contracts				
Cash flow hedges	33.4	7.9	23.0	1.6
Non-hedging derivatives	10.5	0.3	5.5	(2.2)
Consolidated KCP&L				
Swap contracts				
Cash flow hedges	9.2	1.1	6.3	(0.3)

The amounts recorded in accumulated OCI related to the cash flow hedges are summarized in the following table.

	Great Plains Energy		**Consolidated KCP&L**	
	March 31 2005	**December 31 2004**	**March 31 2005**	**December 31 2004**
		(millions)		
Current assets	$ 14.3	$ 2.5	$ 1.1	$ (0.3)
Other deferred charges	2.4	0.9	-	-
Other current liabilities	1.3	(0.5)	-	-
Deferred income taxes	(7.4)	(0.8)	(0.4)	0.2
Other deferred credits	(0.6)	(0.9)	-	-
Total	$ 10.0	$ 1.2	$ 0.7	$ (0.1)

The amounts reclassified to expenses during the three months ended March 31, 2005 and 2004 are summarized in the following table.

Three Months Ended March 31	**Great Plains Energy 2005**	**2004**
	(millions)	
Purchased power expense	$ (3.6)	$ (2.0)
Minority interest	-	0.2
Income taxes	1.5	0.8
OCI	$ (2.1)	$ (1.0)

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The Management's Discussion and Analysis of Financial Condition and Results of Operations that follows is a combined presentation for Great Plains Energy and consolidated KCP&L, both registrants under this filing. The discussion and analysis by management focuses on those factors that had a material effect on the financial condition and results of operations of the registrants during the periods presented.

OVERVIEW

Great Plains Energy is a public utility holding company registered with and subject to the regulation of the SEC under the 35 Act. Great Plains Energy does not own or operate any significant assets other than the stock of its subsidiaries. Great Plains Energy's direct subsidiaries are KCP&L, KLT Inc., GPP, IEC and Services. As a diversified energy company, Great Plains Energy's reportable business segments include KCP&L and Strategic Energy.

Executing On Strategic Intent

In the first few months of 2005, the Company has initiated several important steps in executing on its Strategic Intent. Great Plains Energy and consolidated KCP&L took action to align the companies' organizations to execute the long-term strategic intent by solidifying their management teams through the appointment of new officers. The companies expect to continue working to ensure the right skills and talents are in place throughout the organization in the upcoming months.

Strategic Energy has continued to move forward with several initiatives to improve marketing and supply procurement. A few examples of initiatives for supply procurement include improving load aggregation strategies allowing power purchases in larger blocks, seeking partnering opportunities with regional generators and exploring additional hedging strategies. Marketing initiatives underway include exploring new channels for targeting new customers, product innovation focused on improving response time to changing customers' needs, and proactive communication with customers to help define strategies in the current high-priced electricity market.

KCP&L has continued to make progress in implementing its comprehensive energy plan early in 2005 and has filed agreements recommending the approval and implementation of its comprehensive energy plan with the Missouri Public Service Commission (MPSC) and The State Corporation Commission of the State of Kansas (KCC) and is awaiting final rulings. The agreements were reached between KCP&L, the Commission staffs and certain key parties in the respective jurisdictions. The KCC has scheduled hearings to be concluded by the end of June 2005. The MPSC is expected to hold hearings prior to issuing its ruling. The following are brief descriptions of the major provisions of the agreements.

- KCP&L will make energy infrastructure investments as summarized in the table below.

Project	Details	Estimated Capital Expenditures
		(millions)
Iatan No. 2	Building and owning up to 500 MW of an 800-900 MW coal fired plant with an estimated completion date of June 2010	$ 776
Wind Generation [(a)]	Installation of 100 MW of wind generation in 2006	131
Environmental	Retrofit of selected existing coal plants	272
Asset Management	Enhanced system performance and reliability	42
Customer Programs	Various demand management, distributed generation and efficiency programs	53
Total [(b)]		**$ 1,274**

[(a)] The agreements call for the possible addition of another 100 MW of wind generation in 2008 if supported by a detailed evaluation.

[(b)] Includes approximately $60 million of investments related to a railroad bridge, a substation and transmission lines. Wind generation includes approximately $2 million of transmission and distribution investment. A decision regarding recovery of costs in Kansas related to the railroad bridge is deferred to future rate cases, which reduces the total to $1,231 million in the Kansas agreement.

- KCP&L's current rates will remain in place until 2007, unless significant events impact KCP&L. The first rate case will be filed in 2006, with any rate adjustments going into effect in 2007. The last rate case defined in the agreements is expected to be filed in 2009, with rates effective near the time Iatan No. 2 is placed in service. Two additional rate cases could be filed in 2007 and 2008 at KCP&L's discretion.
- The Kansas agreement allows KCP&L to recover, on a dollar-for-dollar basis with no profit to the company, actual fuel and purchased power expense incurred through an energy cost adjustment that would take effect for Kansas in 2007. Similarly, an interim energy charge, based on forecasted costs and subject to customer refund, would take effect for Missouri customers in 2007.
- KCP&L may sell SO_2 emission allowances during the term of the agreements. The sales proceeds will be recorded as a regulatory liability for ratemaking purposes and will be amortized over time.
- KCP&L's pensions costs before amounts capitalized, for regulatory purposes, are established at $22 million until 2007 through the creation of a regulatory asset or liability, as appropriate.
- The depreciable life of Wolf Creek Generating Station for Missouri regulatory purposes will be increased from 40 to 60 years. The Missouri agreement calls for $10.3 million on an annual

jurisdictional basis, of additional amortization expense to be recorded upon the effective date of the agreement to offset the reduction in depreciation expense due to the change in depreciable life. The 60-year Missouri depreciable life will match the current Kansas regulatory depreciable life.

- The agreements give KCP&L regulatory mechanisms to be able to recover the prudent costs of its investments as they are placed in service and to maintain targeted credit ratios over the five-year term of the agreements.

If approved by the MPSC and the KCC, the agreements will provide regulatory clarity on certain items. However, normal regulatory risk will continue to exist as the commissions establish rates in the rate cases, including, but not limited to, the actual amount of costs to be recovered through rates, the return on equity, the capital structure utilized, and expenses to be recovered. KCP&L projects that, if the cost of the plan is included in rate base, the rate increases to support the five year plan and increasing operating expenses would average approximately 3-4% annually, over the same time period.

The comprehensive energy plan is currently expected to be funded through a mix of sources as detailed in the following table.

Funding Source	
Anticipated contribution from rate increases	25% - 35%
New equity financing	20% - 30%
Debt financing	20% - 30%
2007 equity from 2004 FELINE PRIDES	13%
Internal funds and other	5% - 10%

Actual funding sources may differ from this estimated mix and may be affected by various factors, including the results of the rate proceedings and market conditions.

KCP&L

KCP&L is an integrated, regulated electric utility that engages in the generation, transmission, distribution and sale of electricity. KCP&L has over 4,000 MWs of generating capacity and has transmission and distribution facilities that provide reliable affordable electricity to approximately 500,000 customers in the states of Missouri and Kansas. KCP&L has continued to experience modest load growth annually through increased customer usage and additional customers. Rates charged for electricity are below the national average.

KCP&L's wholly owned subsidiary, HSS, sold its wholly owned subsidiary, Worry Free, in February 2005.

FERC Market Power Inquiry

KCP&L is authorized by FERC to sell wholesale power at market-based rates. In December 2004, FERC issued an order finding that KCP&L potentially has generation market power in its own control area and the control area of the Kansas City, Kansas Board of Public Utilities. See Note 12 to the consolidated financial statements for further information regarding FERC market power inquiry.

Southwest Power Pool Regional Transmission Organization

Under the FERC Order 2000, KCP&L, as an investor-owned utility, is strongly encouraged to join a FERC approved RTO. See Note 12 to the consolidated financial statements for further information.

Strategic Energy
Great Plains Energy owns just under 100% of the indirect interest in Strategic Energy. Strategic Energy provides competitive electricity supply services by entering into contracts with its customers to supply electricity. Strategic Energy does not own any generation, transmission or distribution facilities. Of the states that offer retail choice, Strategic Energy operates in California, Maryland, Massachusetts, Michigan, New Jersey, New York, Ohio, Pennsylvania and Texas. Strategic Energy also provides strategic planning and consulting services in the natural gas and electricity markets.

Strategic Energy serves approximately 8,400 customers including numerous Fortune 500 companies, smaller companies and governmental entities. Strategic Energy provides competitive electricity supply to approximately 49,900 commercial, institutional and small manufacturing accounts. Strategic Energy had a 72% customer retention rate for the three months ended March 31, 2005, and projects MWhs delivered in 2005 to range from 17.5 to 21.0 million. Strategic Energy currently expects the gross margin per MWh (revenues less purchased power divided by MWhs delivered) on new customer contracts entered into in 2005 to average from $3.00 to $4.00 and gross margin per MWh delivered in 2005 to average $4.85 to $5.50.

Based solely on expected usage under current signed contracts, Strategic Energy has forecasted future MWh commitments (backlog) of 12.0 million for the remainder of 2005 and 5.0 million and 1.5 million for the years 2006 through 2007, respectively. In some markets, wholesale power prices in 2005 have continued to rise faster than host utility rates. In markets where this occurs, the savings competitive suppliers can offer to customers are reduced or in some markets are unavailable. Additionally, in those markets where wholesale power prices are lower than host utility rates, Strategic Energy continues to face strong competition from other competitive suppliers.

Duquesne Zone Seams Elimination Charge Adjustment
In March 2005, a compliance filing made to FERC by certain PJM transmission owners contained an allocation of SECA charges for the Duquesne zone within PJM. SECA is a transitional pricing mechanism intended to compensate transmission owners for the revenue lost as a result of FERC’s elimination of regional through and out rates between PJM and the MISO. See Note 12 to the consolidated financial statements for further information regarding SECA and the impact on Strategic Energy.

RELATED PARTY TRANSACTIONS

See Note 10 to the consolidated financial statements for information regarding related party transactions.

GREAT PLAINS ENERGY RESULTS OF OPERATIONS

The following table summarizes Great Plains Energy’s comparative results of operations.

Three Months Ended March 31	2005	2004
	(millions)	
Operating revenues	$ 545.1	$ 541.5
Fuel	(41.5)	(40.6)
Purchased power - KCP&L	(11.5)	(12.5)
Purchased power - Strategic Energy	(277.9)	(264.3)
Other operating expenses	(135.0)	(125.0)
Depreciation and amortization	(37.9)	(36.5)
Gain on property	0.5	-
Operating income	41.8	62.6
Non-operating income (expenses)	0.6	(1.5)
Interest charges	(17.5)	(18.3)
Income taxes	(5.3)	(12.2)
Minority interest in subsidiaries	0.9	(0.8)
Loss from equity investments	(0.3)	(0.3)
Income from continuing operations	20.2	29.5
Discontinued operations	-	(2.2)
Net income	20.2	27.3
Preferred dividends	(0.4)	(0.4)
Earnings available for common shareholders	$ 19.8	$ 26.9

Great Plains Energy’s earnings in the three months ended March 31, 2005, detailed in the table below, decreased to $19.8 million, or $0.27 per share, from $26.9 million, or $0.39 per share, compared to the same period of 2004.

	Earnings (loss)		Earnings (loss) per Great Plains Energy Share	
Three Months Ended March 31	2005	2004	2005	2004
	(millions)			
KCP&L	$ 10.8	$ 21.6	$ 0.15	$ 0.31
Subsidiary operations	(0.5)	(0.4)	(0.01)	-
Consolidated KCP&L	10.3	21.2	0.14	0.31
Strategic Energy	12.8	9.3	0.17	0.13
Other non-regulated operations	(2.9)	(1.0)	(0.04)	(0.01)
Discontinued operations (KLT Gas)	-	(2.2)	-	(0.03)
Preferred dividends	(0.4)	(0.4)	-	(0.01)
Total	$ 19.8	$ 26.9	$ 0.27	$ 0.39

The earnings per share of any segment does not represent a direct legal interest in the asset and liabilities allocated to any one segment but rather represents a direct equity interest in Great Plains Energy's assets and liabilities as a whole.

Scheduled plant maintenance in the three months ended March 31, 2005, combined with less than normal scheduled maintenance in the same period of 2004, was the primary driver of lower earnings at KCP&L. Total outages led to a 30% decrease in wholesale MWhs sold and a 27% decrease in wholesale revenues. KCP&L maintenance expenses also increased $8.9 million primarily due to the outages and the January ice storm restoration costs.

The May 2004 purchase of an additional indirect interest in Strategic Energy increased net income $1.0 million for the three months ended March 31, 2005, compared to the same period of 2004. A $5.3 million favorable net change in the fair value of energy related derivative instruments and $1.2 million related to the partial reversal of a tax reserve contributed to the increase in Strategic Energy's net income. The increases were partially offset by a decrease in gross margin on MWhs delivered despite a 5% increase in MWhs delivered.

Discontinued operations for the three months ended March 31, 2004, reflects a loss due to a write down of the KLT Gas portfolio to its estimated net realizable value, which reduced earnings by $1.2 million, and a loss of $1.0 million from the wind down operations.

CONSOLIDATED KCP&L RESULTS OF OPERATIONS

The following discussion of consolidated KCP&L results of operations includes KCP&L, an integrated, regulated electric utility and HSS, an unregulated subsidiary of KCP&L. References to KCP&L, in the discussion that follows, reflect only the operations of the utility. The following table summarizes consolidated KCP&L's comparative results of operations.

Three Months Ended March 31	**2005**	**2004**
	(millions)	
Operating revenues	$ 233.3	$ 247.0
Fuel	(41.5)	(40.6)
Purchased power	(11.5)	(12.5)
Other operating expenses	(119.8)	(108.3)
Depreciation and amortization	(36.4)	(35.9)
Gain on property	0.5	-
Operating income	24.6	49.7
Non-operating income (expenses)	0.3	(0.4)
Interest charges	(14.6)	(17.2)
Income taxes	(0.9)	(12.1)
Minority interest in subsidiaries	0.9	1.2
Net income	$ 10.3	$ 21.2

Consolidated KCP&L's net income for the three months ended March 31, 2005, compared to the same period of 2004, decreased $10.9 million. The primary driver for the decrease was significant scheduled plant maintenance in the three months ended March 31, 2005, combined with less than normal plant maintenance during the same period of 2004. Total outages led to a 30% decrease in wholesale MWhs sold, which decreased wholesale revenues 27%. KCP&L maintenance expenses also increased $8.9 million primarily due to the outages and the January ice storm restoration costs.

Nearly all of KCP&L's 2005 scheduled outages for its generating fleet were accomplished in the three months ended March 31, 2005. Only Wolf Creek's refueling outage and one other small coal-fired plant maintenance outage remain to be completed. LaCygne No. 1 maintenance was completed in mid-April and both remaining outages are expected to be completed in the second quarter of 2005. The maintenance efforts at LaCygne No. 1 and Iatan resulted in uprates of approximately 30 MW for KCP&L's rated capacity.

Consolidated KCP&L Sales Revenues and MWh Sales

Three Months Ended March 31	2005	2004	% Change
Retail revenues	(millions)		
Residential	$ 73.2	$ 74.1	(1)
Commercial	91.3	91.2	-
Industrial	22.8	21.8	5
Other retail revenues	2.2	2.1	1
Total retail	189.5	189.2	-
Wholesale revenues	39.1	53.6	(27)
Other revenues	4.6	3.7	25
KCP&L electric revenues	233.2	246.5	(5)
Subsidiary revenues	0.1	0.5	(74)
Consolidated KCP&L revenues	$ 233.3	$ 247.0	(6)

Three Months Ended March 31	2005	2004	% Change
Retail MWh sales	(thousands)		
Residential	1,180	1,195	(1)
Commercial	1,678	1,679	-
Industrial	510	492	4
Other retail MWh sales	21	21	2
Total retail	3,389	3,387	-
Wholesale MWh sales	1,210	1,717	(30)
KCP&L electric MWh sales	4,599	5,104	(10)

Bulk power sales, the major component of wholesale sales, vary with system requirements, generating unit and purchased power availability, fuel costs and requirements of other electric systems. Wholesale revenues decreased by $14.5 million for the three months ended March 31, 2005, compared to the same period of 2004, primarily due to a 30% decrease in wholesale MWhs sold driven by scheduled and forced plant outages. KCP&L's coal base load equivalent availability factor decreased to 78% for the three months ended March 31, 2005, from 83% for the same period of 2004. The effect on revenues of the decreased MWhs sold was slightly offset by a 7% increase in the average market price per MWh sold to $34.88 primarily due to higher gas prices.

Consolidated KCP&L Fuel and Purchased Power

The fuel cost per MWh generated and the purchased power cost per MWh has a significant impact on the results of operations for KCP&L. Generation fuel mix can change the fuel cost per MWh generated substantially. KCP&L experienced a lower coal base load capacity factor of 75% for the three months ended March 31, 2005, compared to 80% for the same period in 2004. Nuclear fuel costs per MWh generated remain substantially less than the cost of coal per MWh generated. Coal has a significantly lower cost per MWh generated than natural gas and oil. Fossil plants averaged over 75% of total generation and the nuclear plant the remainder over the last three years. Replacement power costs for planned Wolf Creek outages are accrued evenly over the unit's operating cycle. KCP&L expects its cost of nuclear fuel to remain relatively stable through the year 2009. The cost per MWh for purchased power is still significantly higher than the fuel cost per MWh of coal and nuclear generation. KCP&L continually evaluates its system requirements, the availability of generating units, availability and cost of fuel supply and purchased power, and the requirements of other electric systems to provide reliable power economically.

Fuel expense increased $0.9 million for the three months ended March 31, 2005, compared to the same period in 2004, despite an 8% decrease in MWhs generated driven primarily by scheduled plant maintenance outages. The increase in the cost per MWh generated was driven by a combination of fuel mix and the cost of coal and coal transportation. Purchased power expense decreased $1.0 million for the three months ended March 31, 2005, compared to the same period in 2004, primarily due to a 35% decrease in MWhs purchased. The favorable variance was partially offset by a 24% increase in the average price per MWh purchased primarily due to increased purchases during higher priced peak hours during the scheduled and forced plant maintenance outages.

Consolidated KCP&L Other Operating Expenses *(including other operating, maintenance and general taxes)*
Consolidated KCP&L's other operating expenses increased $11.5 million for the three months ended March 31, 2005, compared to the same period of 2004, primarily due to the following:

- increased expenses of $4.8 million due to the January ice storm restoration costs,
- increased pension expense of $1.9 million primarily due to the amortization of prior year investment losses and slightly lower discount rates and
- increased production maintenance expense of $4.0 million primarily due to scheduled plant maintenance in 2005, combined with less than normal plant maintenance during the same period of 2004.

Partial offsets to the increase in other operating expenses included:

- decreased transmission service expense of $2.0 million primarily due to lower wholesale MWhs sold.

Consolidated KCP&L Interest Charges
Consolidated KCP&L's interest charges decreased $2.6 million for the three months ended March 31, 2005, compared to the same period of 2004. The decrease was primarily due to the 2004 redemption of KCP&L's $154.6 million 8.3% Junior Subordinated Deferred Interest Bonds with proceeds from a Great Plains Energy equity contribution.

Consolidated KCP&L Income Taxes
Consolidated KCP&L's income taxes decreased $11.2 million for the three months ended March 31, 2005, compared to the same period of 2004, primarily due to lower income. The allocation of $1.5 million in tax benefits from holding company losses pursuant to the Company's intercompany tax allocation agreement also contributed to the decrease.

STRATEGIC ENERGY RESULTS OF OPERATIONS

The following table summarizes Strategic Energy's comparative results of operations.

Three Months Ended March 31	2005	2004
	(millions)	
Operating revenues	$ 311.8	$ 294.5
Purchased power	(277.9)	(264.3)
Other operating expenses	(10.7)	(11.7)
Depreciation and amortization	(1.5)	(0.6)
Operating income	21.7	17.9
Non-operating income (expenses)	0.4	0.1
Interest charges	(0.8)	0.5
Income taxes	(8.5)	(7.2)
Minority interest in subsidiaries	-	(2.0)
Net income	$ 12.8	$ 9.3

Strategic Energy's net income increased $3.5 million for the three months ended March 31, 2005, compared to the same period of 2004. The May 2004 purchase of an additional 11.45% indirect interest in Strategic Energy increased net income $1.0 million for the three months ended March 31, 2005. A favorable net change in the fair value of energy related derivative instruments of $5.3 million and a $1.2 million partial reversal of a tax reserve increased average gross margins $1.40 in the comparative period to $7.35 for the three months ended March 31, 2005, compared to $6.85 for the same period of 2004. The increase in net income was partially offset by a decrease in average gross margin on MWhs delivered despite a 5% increase in MWhs delivered for the three months ended March 31, 2005, compared to the same period of 2004. A continuing environment of higher energy prices and higher forward electricity prices continue to negatively impact average gross margins.

Strategic Energy Operating Revenues
Strategic Energy's operating revenues increased $17.3 million for the three months ended March 31, 2005, compared to the same period in 2004. Retail electric revenues increased $18.2 million primarily due to a 5% increase in retail MWhs delivered to 4.6 million for the three months ended March 31, 2005. The increase is primarily due to growth in MWhs delivered in Michigan and Texas for the three months ended March 31, 2005, compared to the same period in 2004.

Strategic Energy Purchased Power
Strategic Energy primarily purchases power under forward physical delivery contracts to supply electricity to its retail energy customers based on projected usage. Strategic Energy sells any retail electricity supply in excess of actual customer requirements back into the wholesale market. The proceeds from the sale of excess supply of electricity are recorded as a reduction of purchased power. The amount of excess retail supply sales that reduced purchased power was $106.9 million for the three months ended March 31, 2005, compared to $57.9 million for the same period in 2004.

As previously discussed, Strategic Energy operates in several retail choice electricity markets. The cost of supplying electricity to retail customers can vary widely by geographic market. This variability can be affected by many factors including, among other items, geographic differences in the cost per MWh of purchased power and capacity charges due to regional purchased power availability and requirements of other electricity providers and differences in transmission charges.

Purchased power expense increased $13.6 million for the three months ended March 31, 2005, compared to the same period in 2004, primarily due to increased MWhs purchased to support the 5% increase in MWhs delivered. Strategic Energy utilizes derivative instruments including forward physical delivery contracts in the procurement of electricity. The increase in purchased power expense was partially offset by a $5.3 million favorable net change in the fair value of energy related derivative instruments that do not qualify for hedge accounting and from hedge ineffectiveness; and by $1.2 million related to the partial reversal of a tax reserve.

OTHER NON REGULATED ACTIVITIES

Investment in Affordable Housing Limited Partnerships - KLT Investments
KLT Investments Inc.'s (KLT Investments) earnings for the three months ended March 31, 2005, totaled $3.0 million compared to earnings of $3.2 million for the three months ended March 31, 2004 (including an after tax reduction of $0.8 million in its affordable housing investment). KLT Investments' earnings include accrued tax credits of $3.9 million and $4.6 million for the three months ended March 31, 2005 and 2004, respectively.

At March 31, 2005, KLT Investments had $40.3 million in affordable housing limited partnerships. Approximately 66% of these investments were recorded at cost; the equity method was used for the remainder. Tax expense is reduced in the year tax credits are generated. The investments generate future cash flows from tax credits and tax losses of the partnerships. The investments also generate

cash flows from the sales of the properties. For most investments, tax credits are received over ten years. A change in accounting principle relating to investments made after May 19, 1995, requires the use of the equity method when a company owns more than 5% in a limited partnership investment. Of the investments recorded at cost, $26.0 million exceed this 5% level but were made before May 19, 1995. Management does not anticipate making additional investments in affordable housing limited partnerships at this time.

On a quarterly basis, KLT Investments compares the cost of properties accounted for by the cost method to the total of projected residual value of the properties and remaining tax credits to be received. Based on the latest comparison, KLT Investments recorded an insignificant reduction in its investments in affordable housing limited partnerships for the three months ended March 31, 2005, compared to a $1.3 million reduction in 2004. Pre-tax reductions in affordable housing investments are estimated to be $9 million, $1 million and $2 million for the remainder of 2005 through 2007, respectively. These projections are based on the latest information available but the ultimate amount and timing of actual reductions could be significantly different from the above estimates. The properties underlying the partnership investment are subject to certain risks inherent in real estate ownership and management. Even after these estimated reductions, earnings from the investments in affordable housing are expected to be positive for the years 2005 through 2007.

GREAT PLAINS ENERGY AND CONSOLIDATED KCP&L SIGNIFICANT BALANCE SHEET CHANGES (March 31, 2005 compared to December 31, 2004)

- Great Plains Energy’s and consolidated KCP&L’s receivables increased $37.0 million and $53.9 million, respectively, primarily due to the termination of KCP&L’s customer accounts receivables sales agreement, which increased receivables $65.0 million. This increase was partially offset by decreases in accounts receivable at Strategic Energy and KCP&L due to seasonal customer usage patterns, mild weather conditions and decreased wholesale sales.
- Great Plains Energy’s deferred income taxes – current assets decreased $6.3 million primarily due to the change in the fair value of Strategic Energy’s derivative instruments.
- Great Plains Energy’s derivative instruments – current assets increased $24.4 million primarily due to a $22.8 million increase in the fair value of Strategic Energy’s energy related derivative instruments mostly due to changes in forward market prices for power.
- Great Plains Energy’s other – current assets increased $4.1 million primarily due to a $5.0 million increase in Strategic Energy’s deposits with suppliers as a result of increased market prices for power.
- Great Plains Energy’s and consolidated KCP&L’s construction work in progress increased $13.5 million primarily due to a turbine and generator upgrade at LaCygne No. 1 and seasonal increases in distribution projects.
- Great Plains Energy’s and consolidated KCP&L’s other deferred charges increased $6.9 million and $5.0 million, respectively, primarily due to the reclass from accrued taxes of an $8.8 million income tax refund that management expects to be delayed until the related IRS audit cycle can be completed.
- Great Plains Energy’s and consolidated KCP&L’s commercial paper increased $9.2 million due to KCP&L’s issuance of commercial paper as expenditures exceeded cash receipts.
- Great Plains Energy’s and consolidated KCP&L’s current maturities of long-term debt increased $145.3 million to reflect KCP&L’s decision to exercise its early termination option in the Combustion Turbine Synthetic Lease and purchase the leased property in the second quarter of 2005.

- Great Plains Energy’s and consolidated KCP&L’s accrued payroll and vacations decreased $8.9 million and $4.2 million, respectively, primarily due to the 2005 payout of employee incentive compensation accrued at December 31, 2004.
- Great Plains Energy’s unearned compensation increased $1.1 million primarily due to the issuance of restricted stock. The increase was partially offset by the amortization of unearned compensation for all grants.
- Great Plains Energy’s accumulated other comprehensive loss decreased $8.7 million primarily due to the increase in the fair value of Strategic Energy’s energy related derivative instruments mostly due to changes in market prices for power.
- Great Plains Energy’s and consolidated KCP&L’s long-term debt decreased $147.7 million primarily to reflect KCP&L’s Combustion Turbine Synthetic Lease of $145.3 million as current as a result of KCP&L’s decision to exercise its early termination option in the Combustion Turbine Synthetic Lease and purchase the leased property in the second quarter of 2005.

CAPITAL REQUIREMENTS AND LIQUIDITY

Great Plains Energy operates through its subsidiaries and has no material assets other than the stock of its subsidiaries. Great Plains Energy’s ability to make payments on its debt securities and its ability to pay dividends is dependent on its receipt of dividends or other distributions from its subsidiaries and proceeds from the issuance of its securities.

Great Plains Energy’s capital requirements are principally comprised of KCP&L’s utility construction and other capital expenditures, debt maturities, pension benefit plan funding requirements discussed below and credit support provided to Strategic Energy. Additional cash and capital requirements for the companies are discussed below.

Great Plains Energy's liquid resources at March 31, 2005, consisted of $84.7 million of cash and cash equivalents on hand, including $0.8 million at consolidated KCP&L, and $790.7 million of unused bank lines of credit. The unused lines consisted of $240.8 million from KCP&L's revolving credit facility, $61.1 million from Strategic Energy’s revolving credit facility, and $488.8 million from Great Plains Energy's revolving credit facility. See the Debt Agreements section below for more information on these agreements.

KCP&L expects to meet day-to-day operating requirements including interest payments, construction requirements (excluding new generating capacity and environmental compliance on existing generating units) and dividends to Great Plains Energy with internally generated funds. However, it might not be able to meet these requirements with internally generated funds because of the effect of inflation on operating expenses, the level of MWh sales, regulatory actions, compliance with future environmental regulations and the availability of generating units. The funds Great Plains Energy and consolidated KCP&L need to retire maturing debt will be provided from operations, the issuance of long and short-term debt and/or the issuance of equity or equity-linked instruments. In addition, the Company may issue debt, equity and/or equity-linked instruments to finance growth or take advantage of new opportunities.

Strategic Energy expects to meet day-to-day operating requirements including interest payments, credit support fees, capital expenditures and dividends to its indirect interest holders with internally generated funds. However, it might not be able to meet these requirements with internally generated funds because of the effect of inflation on operating expenses, the level of MWh sales, commodity-price volatility and the effects of counterparty non-performance.

Cash Flows From Operations
Great Plains Energy generated positive cash flows from operating activities for the periods presented. The decrease in cash flows from operating activities for Great Plains Energy and consolidated KCP&L for the three months ended March 31, 2005, compared to the same period in 2004 was primarily due to KCP&L's $65.0 million increase in accounts receivable resulting from the termination of KCP&L's customer accounts receivables sales agreement. Consolidated KCP&L's cash flow from operations also decreased for the three months ended March 31, 2005, compared to the same period in 2004 due to a $10.9 million decrease in net income.

Investing Activities
Great Plains Energy's and consolidated KCP&L's cash used for investing activities varies with the timing of utility capital expenditures and purchases of investments and nonutility property. Investing activities are offset by the proceeds from the sale of properties and insurance recoveries. Great Plains Energy's and consolidated KCP&L's utility capital expenditures decreased $35.4 million for the three months ended March 31, 2005, compared to the same period in 2004 primarily due to the $28.5 million buyout of KCP&L's operating lease for vehicles and heavy equipment in 2004. In 2005, KCP&L received $10.0 million of insurance recoveries related to Hawthorn No. 5.

Financing Activities
As a registered public utility holding company, Great Plains Energy must receive authorization from the SEC under the 35 Act to issue securities. Great Plains Energy is currently authorized to issue up to $1.2 billion of debt and equity through December 31, 2005. Great Plains Energy has utilized $711.2 million of this amount at March 31, 2005, which is a $1.2 million increase from the $710.0 million at December 31, 2004, detailed in the Company's 2004 Form 10-K. This increase was due to common stock issuances of $3.4 million and $2.3 million under the Company's Long-Term Incentive Plan and Dividend Reinvestment and Direct Stock Purchase Plan, respectively, mostly offset by a $4.5 million decrease in the outstanding balance on Great Plains Energy's revolving credit facility.

KCP&L will exercise its early termination option in the Combustion Turbine Synthetic Lease and purchase the leased property in the second quarter of 2005. The purchase will be initially funded with the issuance of commercial paper.

KCP&L is planning to file a registration statement for up to $450 million in debt securities in 2005. This will preserve KCP&L's flexibility to access the capital markets for long-term debt if required.

KCP&L is currently evaluating alternatives to enter into a revolving agreement to sell all of its right, title and interest in the majority of its customer accounts receivable to Kansas City Power & Light Receivables Company, which in turn will sell most of the receivables to an outside investor. See Note 5 to the consolidated financial statements.

Under its current SEC authorization, Great Plains Energy cannot issue securities other than common stock unless (i) the security to be issued, if rated, is rated investment grade by one nationally recognized statistical rating organization, (ii) all of its outstanding securities that are rated (except for its preferred stock) are rated investment grade by one nationally recognized statistical rating organization, and (iii) it has maintained common equity as a percentage of consolidated capitalization (as reflected on its consolidated balance sheets as of the end of each quarter) of at least 30%. Great Plains Energy was in compliance with these conditions as of March 31, 2005.

KCP&L may issue equity and long-term debt only with the authorization of the MPSC. In June 2004, the MPSC authorized KCP&L to issue up to $600 million of long-term debt through March 31, 2006. The authorization contains the following conditions, among others: (i) no more than $150.0 million of the authorized debt can be used for purposes other than refinancing existing securities and (ii) the

proceeds of the authorized debt must be used exclusively for the benefit of KCP&L's regulated operations.

Issuances of short-term debt by KCP&L are subject to SEC authorization under the 35 Act. Under the current authorization, KCP&L may issue and have outstanding at any given time up to $500 million of short-term debt. Under this authorization, KCP&L cannot issue short-term debt (other than commercial paper or short-term bank facilities) unless (i) the short-term debt to be issued, if rated, is rated investment grade by one nationally recognized statistical rating organization, (ii) all of its outstanding securities that are rated are rated investment grade by one nationally recognized statistical rating organization, (iii) all of the outstanding rated securities of Great Plains Energy (except preferred stock) are rated investment grade and (iv) Great Plains Energy and KCP&L have maintained common equity as a percentage of consolidated capitalization (as reflected on their consolidated balance sheets as of the end of each quarter) of at least 30%. KCP&L was in compliance with these conditions as of March 31, 2005.

Debt Agreements

Great Plains Energy has a $550 million, five-year revolving credit facility with a group of banks. The facility contains a Material Adverse Change (MAC) clause that requires Great Plains Energy to represent, prior to receiving funding, that no MAC has occurred. The clause does, however, permit the Company to access the facility even in the event of a MAC in order to repay maturing commercial paper. Available liquidity under this facility is not impacted by a decline in credit ratings unless the downgrade results in a MAC or occurs in the context of a merger, consolidation or sale. A default by Great Plains Energy or any of its significant subsidiaries of other indebtedness totaling more than $25.0 million is a default under the current facility. Under the terms of this agreement, Great Plains Energy is required to maintain a consolidated indebtedness to consolidated capitalization ratio, as defined in the agreement, not greater than 0.65 to 1.00 at all times. At March 31, 2005, the Company was in compliance with this covenant. At March 31, 2005, Great Plains Energy had $17.0 million of outstanding borrowings with an interest rate of 3.23% and had issued letters of credit totaling $6.5 million under the credit facility as credit support for Strategic Energy. At March 31, 2005, Great Plains Energy had $488.8 million available under this facility due to limitations under its 35 Act authorization.

KCP&L has a $250 million five-year revolving credit facility to provide support for its issuance of commercial paper and other general purposes. The facility contains a MAC clause that requires KCP&L to represent, prior to receiving funding, that no MAC has occurred. The clause does, however, permit KCP&L to access the facility even in the event of a MAC in order to repay maturing commercial paper. Available liquidity under this facility is not impacted by a decline in credit ratings unless the downgrade results in a MAC or occurs in the context of a merger, consolidation or sale. A default by KCP&L on other indebtedness totaling more than $25.0 million is a default under the current facility. Under the terms of the agreement, KCP&L is required to maintain a consolidated indebtedness to consolidated capitalization ratio, as defined in the agreement, not greater than 0.65 to 1.00 at all times. At March 31, 2005, KCP&L was in compliance with this covenant. At March 31, 2005, KCP&L had $9.2 million of commercial paper outstanding with a weighted average interest rate of 2.9%.

Strategic Energy has a $125 million three-year revolving credit facility with a group of banks. Great Plains Energy has guaranteed $25.0 million of this facility. The facility contains a MAC clause that requires Strategic Energy to represent, prior to receiving funding, that no MAC has occurred. A default by Strategic Energy of other indebtedness, as defined in the facility, totaling more than $7.5 million is a default under the facility. Under the terms of this agreement, Strategic Energy is required to maintain a minimum net worth of $62.5 million, a maximum funded indebtedness to EBITDA ratio of 2.25 to 1.00, a minimum fixed charge coverage ratio of at least 1.05 to 1.00 and a minimum debt service coverage ratio of at least 4.00 to 1.00, as those terms are defined in the agreement. In the event of a breach of

one or more of these four covenants, so long as no other default has occurred, Great Plains Energy may cure the breach through a cash infusion, a guarantee increase or a combination of the two. At March 31, 2005, Strategic Energy was in compliance with these covenants. At March 31, 2005, $63.9 million in letters of credit had been issued and there were no borrowings under the agreement, leaving $61.1 million of capacity available for loans and additional letters of credit.

Great Plains Energy has agreements with KLT Investments associated with notes KLT Investments issued to acquire its affordable housing investments. Great Plains Energy has agreed not to take certain actions including, but not limited to, merging, dissolving or causing the dissolution of KLT Investments, or withdrawing amounts from KLT Investments if the withdrawals would result in KLT Investments not being in compliance with minimum net worth and cash balance requirements. The agreements also give KLT Investments' lenders the right to have KLT Investments repurchase the notes if Great Plains Energy's senior debt rating falls below investment grade or if Great Plains Energy ceases to own at least 80% of KCP&L's stock. At March 31, 2005, KLT Investments had $5.8 million in outstanding notes, including current maturities.

Under stipulations with the MPSC and the KCC, Great Plains Energy and KCP&L maintain common equity at not less than 30% and 35%, respectively, of total capitalization. Pursuant to an SEC order, Great Plains Energy's and KCP&L's authorization to issue securities is conditioned on maintaining a consolidated common equity capitalization of at least 30% and complying with other conditions described above.

Pensions

The Company maintains defined benefit plans for substantially all employees of KCP&L, Services and WCNOC and incurs significant costs in providing the plans, with the majority incurred by KCP&L. Plans are funded to meet the requirements of the Employee Retirement Income Security Act of 1974 (ERISA) with additional contributions made when financially appropriate.

During the first quarter, the Company contributed $1.0 million toward the 2005 expected ERISA funding requirement of $4.7 million, all of which was paid by KCP&L. Management believes the Company has adequate access to capital resources through cash flows from operations or through existing lines of credit to support the remaining funding requirement.

Participants in the plans may request a lump-sum cash payment upon termination of their employment. A change in payment assumptions could result in increased cash requirements from pension plan assets with the Company being required to accelerate future funding. Under the terms of the pension plans, the Company reserves the right to amend or terminate the plans, and from time to time benefits have changed.

Supplemental Capital Requirements and Liquidity Information

Great Plains Energy's and consolidated KCP&L's contractual obligations were relatively unchanged at March 31, 2005, compared to December 31, 2004.

Off-Balance Sheet Arrangements

In the normal course of business, Great Plains Energy and certain of its subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries. Such agreements include, for example, guarantees, stand-by letters of credit and surety bonds. These agreements are entered into primarily to support or enhance the creditworthiness otherwise attributed to a subsidiary on a stand-alone basis, thereby facilitating the extension of sufficient credit to accomplish the subsidiaries' intended business purposes.

As a registered public utility holding company system, Great Plains Energy must receive authorization from the SEC, under the 35 Act, to issue guarantees on behalf of its subsidiaries. Under its current

SEC authorization, guarantees cannot be issued unless (i) all of its outstanding securities that are rated (except for its preferred stock) are rated investment grade and (ii) it has maintained common equity as a percentage of consolidated capitalization (as reflected on its consolidated balance sheets as of the end of each quarter) of at least 30%. Great Plains Energy was in compliance with these conditions as of March 31, 2005. Great Plains Energy is currently authorized to issue up to $600 million of guarantees on behalf of its subsidiaries and the nonutility subsidiaries have $300 million of authorization for guarantees they can issue on behalf of other nonutility subsidiaries. The nonutility subsidiaries cannot issue guarantees unless Great Plains Energy is in compliance with its conditions to issue guarantees.

Great Plains Energy's and consolidated KCP&L's guarantees were relatively unchanged at March 31, 2005, compared to December 31, 2004.

RISK FACTORS

Actual results in future periods for Great Plains Energy and consolidated KCP&L could differ materially from historical results and the forward-looking statements contained in this report. Factors that might cause or contribute to such differences include, but are not limited to, those discussed below and in the Management's Discussion and Analysis, Risk Factors section included in the companies' 2004 Form 10-K. These and many other factors described in this report, including the factors listed in the "Cautionary Statements Regarding Certain Forward-Looking Information" and "Quantitative and Qualitative Disclosures About Market Risks" sections of this report, could adversely affect the results of operations and financial position of Great Plains Energy and consolidated KCP&L. Risk factors of consolidated KCP&L are also risk factors for Great Plains Energy.

Strategic Energy has Wholesale Electricity Supplier Concentration and Credit Risk
Credit risk represents the loss that Strategic Energy could incur if a counterparty failed to perform under its contractual obligations. To reduce its credit exposure, Strategic Energy enters into payment netting agreements with certain counterparties that permit Strategic Energy to offset receivables and payables with such counterparties. Strategic Energy further reduces credit risk with certain counterparties by entering into agreements that enable Strategic Energy to terminate the transaction or modify collateral thresholds upon the occurrence of credit-related events.

Based on guidelines set by Strategic Energy's Exposure Management Committee, counterparty credit risk is monitored by routinely evaluating the credit quality and performance of its suppliers. Among other things, Strategic Energy monitors counterparty credit ratings, liquidity and results of operations. As a result of these evaluations, Strategic Energy establishes counterparty credit limits and adjusts the amount of collateral required from its suppliers, among other measures.

Strategic Energy enters into forward contracts with multiple suppliers. At March 31, 2005, Strategic Energy's five largest suppliers under forward supply contracts represented 72% of the total future committed purchases. Four of Strategic Energy's five largest suppliers, or their guarantors, are rated investment grade; and the non-investment grade rated supplier collateralizes its position with Strategic Energy. In the event of supplier non-delivery or default, Strategic Energy's results of operations could be affected to the extent the cost of replacement power exceeded the combination of the contracted price with the supplier and the amount of collateral held by Strategic Energy to mitigate its credit risk with the supplier. In addition to the collateral, if any, that the supplier provides, Strategic Energy's risk is further mitigated by the obligation of the supplier to make a default payment equal to the shortfall and to pay liquidated damages in the event of a failure to deliver power. Strategic Energy's results of operations could also be affected, in a given period, if it was required to make a payment upon termination of a supplier contract to the extent that the contracted price with the supplier exceeded the market value of the contract at the time of termination.

The following table provides information on Strategic Energy's credit exposure to suppliers, net of collateral, as of March 31, 2005. It further delineates the exposure by the credit rating of counterparties and provides guidance on the concentration of credit risk and an indication of the maturity of the credit risk by credit rating of the counterparties.

Rating	Exposure Before Credit Collateral	Credit Collateral	Net Exposure	Number Of Counterparties Greater Than 10% Of Net Exposure	Net Exposure Of Counterparties Greater Than 10% Of Net Exposure
External rating		(millions)			(millions)
Investment Grade	$ 195.1	$ 41.0	$ 154.1	3	$ 102.6
Non-Investment Grade	42.1	33.0	9.1	-	-
Internal rating					
Investment Grade	3.9	-	3.9	-	-
Non-Investment Grade	17.5	11.5	6.0	-	-
Total	$ 258.6	$ 85.5	$ 173.1	3	$ 102.6

Maturity Of Credit Risk Exposure Before Credit Collateral				
Rating	Less Than 2 Years	2 - 5 Years	Exposure Greater Than 5 Years	Total Exposure
External rating		(millions)		
Investment Grade	$ 184.6	$ 10.5	$ -	$ 195.1
Non-Investment Grade	35.6	5.6	0.9	42.1
Internal rating				
Investment Grade	4.1	-	-	4.1
Non-Investment Grade	15.3	1.7	0.3	17.3
Total	$ 239.6	$ 17.8	$ 1.2	$ 258.6

External ratings are determined by using publicly available credit ratings of the counterparty. If a counterparty has provided a guarantee by a higher rated entity, the determination has been based on the rating of its guarantor. Internal ratings are determined by, among other things, an analysis of the counterparty's financial statements and consideration of publicly available credit ratings of the counterparty's parent. Investment grade counterparties are those with a minimum senior unsecured debt rating of BBB- from Standard & Poor's or Baa3 from Moody's. Exposure before credit collateral has been calculated considering all netting agreements in place, netting accounts payable and receivable exposure with net mark-to-market exposure. Exposure before credit collateral, after consideration of all netting agreements, is impacted significantly by the power supply volume under contract with a given counterparty and the relationship between current market prices and contracted power supply prices. Credit collateral includes the amount of cash deposits and letters of credit received from counterparties. Net exposure has only been calculated for those counterparties to which Strategic Energy is exposed and excludes counterparties exposed to Strategic Energy.

At March 31, 2005, Strategic Energy had exposure before collateral to non-investment grade counterparties totaling $59.6 million, of which 85% is scheduled to mature in less than two years. In addition, Strategic Energy held collateral totaling $44.5 million limiting its exposure to these non-investment grade counterparties to $15.1 million.

Strategic Energy is continuing to pursue a strategy of contracting with national and regional counterparties that have direct supplies and assets in the region of demand. Strategic Energy is also

continuing to manage its counterparty portfolio through disciplined margining, collateral requirements and contract based netting of credit exposures against payable balances.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Great Plains Energy and consolidated KCP&L are exposed to market risks associated with commodity price and supply, interest rates and equity prices. Market risks are handled in accordance with established policies, which may include entering into various derivative transactions. In the normal course of business, Great Plains Energy and consolidated KCP&L also face risks that are either non-financial or non-quantifiable. Such risks principally include business, legal, operational and credit risks and are not represented in the following analysis.

Great Plains Energy and consolidated KCP&L interim period disclosures about market risk included in quarterly reports on Form 10-Q address material changes, if any, from the most recently filed annual report on Form 10-K. Therefore, these interim period disclosures should be read in connection with Item 7A. Quantitative and Qualitative Disclosures About Market Risk, included in our 2004 Form 10-K, incorporated herein by reference. There have been no material changes in Great Plains Energy's or consolidated KCP&L's market risk since December 31, 2004.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures
Great Plains Energy and KCP&L carried out evaluations of their disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the fiscal quarter ended March 31, 2005. These evaluations were conducted under the supervision, and with the participation, of each company's management, including the chief executive officer and chief financial officer, or person performing similar functions, of each company and the companies' disclosure committee.

Based upon these evaluations, the chief executive officer and chief financial officer of Great Plains Energy, and the chief executive officer of KCP&L and the chief financial officer of Great Plains Energy (who is performing functions similar to a chief financial officer of KCP&L), respectively, have concluded as of the end of the period covered by this report that the disclosure controls and procedures of Great Plains Energy and KCP&L are functioning effectively to provide reasonable assurance that: (i) the information required to be disclosed by the respective companies in the reports that they file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and (ii) the information required to be disclosed by the respective companies in the reports that they file or submit under the Securities Exchange Act of 1934, as amended, is accumulated and communicated to their respective management, including the principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting
There has been no change in Great Plains Energy's or KCP&L's internal control over financial reporting that occurred during the quarterly period ended March 31, 2005, that has materially affected, or is reasonably likely to materially affect, those companies' internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

KCP&L Stipulations and Agreements
On March 28, 2005, and April 27, 2005, KCP&L filed Stipulations and Agreements with the MPSC and KCC, respectively, containing a regulatory plan and other provisions. The Stipulations and Agreements are discussed in the Executing on Strategic Intent section of Item 2. Management's Discussion and

Analysis of Financial Condition and Results of Operations, which is incorporated herein by reference. Parties to the MPSC Stipulation and Agreement are KCP&L, the Staff of the MPSC, Office of Public Counsel, Praxair, Inc., Missouri Industrial Energy Consumers, Ford Motor Company, Aquila, Inc., The Empire District Electric Company, Missouri Joint Municipal Electric Utility Commission and the Missouri Department of Natural Resources. Parties to the KCC Stipulation and Agreement are KCP&L, the Staff of the KCC, Sprint, Inc. and the Kansas Hospital Association.

Weinstein v. KLT Telecom
Richard D. Weinstein (Weinstein) filed suit against KLT Telecom Inc. (KLT Telecom) in September 2003 in the St. Louis County, Missouri Circuit Court. KLT Telecom acquired a controlling interest in DTI Holdings, Inc. (Holdings) in February 2001 through the purchase of approximately two-thirds of the Holdings stock held by Weinstein. In connection with that purchase, KLT Telecom entered into a put option in favor of Weinstein, which granted Weinstein an option to sell to KLT Telecom his remaining shares of Holdings stock. The put option provided for an aggregate exercise price for the remaining shares equal to their fair market value with an aggregate floor amount of $15 million and was exercisable between September 1, 2003, and August 31, 2005. In June 2003, the stock of Holdings was cancelled and extinguished pursuant to the joint Chapter 11 plan confirmed by the Bankruptcy Court. In September 2003, Weinstein delivered a notice of exercise of his claimed rights under the put option. KLT Telecom rejected the notice of exercise. KLT Telecom denied that Weinstein has any remaining rights or claims pursuant to the put option and denied any obligation to pay Weinstein any amount under the put option. Subsequent to KLT Telecom's rejection of his notice of exercise, Weinstein filed suit alleging breach of contract. Weinstein sought damages of at least $15 million, plus statutory interest. In April 2005, summary judgment was granted in favor of KLT Telecom. The $15 million reserve has not been reversed because the judgment is subject to appeal.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

ITEM 5. OTHER INFORMATION

Report of Triggering Events in Lieu of Current Report on Form 8-K
Pursuant to the guidance provided by the SEC Division of Corporation Finance in the Current Report on Form 8-K Frequently Asked Questions dated November 23, 2004, the following information is provided pursuant to Item 1.01 Entry into a Material Definitive Agreement of Form 8-K.

At its May 3, 2005, meeting, the Board of Directors of Great Plains Energy increased, effective on that date, the retainers paid to the non-employee Directors serving as the Chairmen of the Audit Committee, the Compensation and Development Committee and the Governance Committee from $3,000 to $6,000, $5,000 and $5,000, respectively. Also at that meeting, the Board of Directors increased the annual retainer paid to non-employee Directors from $50,000 to $60,000, ($35,000 of which will be used to acquire shares of Great Plains Energy's common stock through Great Plains Energy's Dividend Reinvestment and Direct Stock Purchase Plan on behalf of each non-employee member of the Board) effective January 1, 2006.

On May 2, 2005, the Compensation and Development Committee of the Board of Directors approved the following compensation arrangements for John R. Marshall, who has been elected to the position of Senior Vice President – Delivery of KCP&L effective May 25, 2005. For 2005, Mr. Marshall will be paid an annual salary of $320,000 with a potential annual incentive bonus at target of 40% of salary (the amount of such incentive may be adjusted based on performance from 100-150% of target) under the Great Plains Energy Annual Incentive Plan 2005. Mr. Marshall will also receive a one-time cash payment of $150,000 upon commencement of his employment. A long-term grant of restricted stock at 200% of salary and a long-term grant of performance shares at 70% of salary (the amount of such performance shares incentive may be adjusted based on performance from 0-200% of target) will be made to him in May 2005 under the Great Plains Energy Long-Term Incentive Plan. Mr. Marshall will also be entitled to receive a lump sum equal to the target payment under the annual incentive plan plus twice his annual salary if his employment is terminated other than for cause. Regarding pension benefits, Mr. Marshall will receive two credited years of service for every one year of service earned. The additional year of service will be paid as a supplemental retirement benefit. In addition, Mr. Marshall will enter into an indemnification agreement and a change of control severance agreement with Great Plains Energy. He will also be eligible to participate in the Company's Non-Qualified Deferred Compensation Plan, Supplemental Executive Retirement Plan and other benefit plans. The Company will also pay Mr. Marshall's reasonable relocation costs.

Other Information

On January 31, 2005, the Compensation and Development Committee approved two sets of long term incentive awards for certain Strategic Energy officers. One set of awards is based on performance goals for the period 2005-2006, and the other set of awards is based on performance goals for the period 2005-2007. The awards are comprised of cash and restricted stock grants made under the Great Plains Energy Long Term Incentive Plan. The restricted stock grants were approved by the Board of Directors on February 1, 2005 and disclosed in a current report on Form 8-K dated February 4, 2005. Pursuant to the awards, the Strategic Energy officers will be eligible to receive up to 300% of a target award equal to the following percentages of their respective 2005 base salary: chief executive officer, 150%; and other eligible officers, 80% or 100%. The awards will be based on the weighted average achievement of the following performance goals : cumulative pre-tax net income; return on average book equity; cumulative increase in customer accounts under contract from 2004 baseline; cumulative reduction in general and administrative expenses from 2004 baseline; and reduction in supply cost to retail.

ITEM 6. EXHIBITS

EXHIBITS

Great Plains Energy Documents

Exhibit Number		Description of Document
10.1.a	+	Performance Share Agreement Pursuant to the Great Plains Energy Incorporated Long-Term Incentive Plan Effective May 7, 2002.
10.1.b	+	Performance Share Agreement Pursuant to the Great Plains Energy Incorporated Long-Term Incentive Plan Effective May 7, 2002.
10.1.c	+	Great Plains Energy Incorporated / Kansas City Power & Light Company Annual Incentive Plan 2005, Amended May 3, 2005.

10.1.d	+	Description of Compensation Arrangements with Directors and Certain Executive Officers, Updated May 3, 2005.
10.1.e	+	Strategic Energy, L.L.C. Annual Incentive Plan 2005, Amended May 3, 2005.
10.1.f	+	Strategic Energy, L.L.C. Long-Term Incentive Plan Grants 2005, Amended May 2, 2005.
10.1.g	+*	Agreement between Great Plains Energy Incorporated and Andrea F. Bielsker dated March 4, 2005 (Exhibit 10.1.jj to Annual Report on Form 10-K for the year ended December 31, 2004).
10.1.h	+*	Agreement between Great Plains Energy Incorporated and Jeanie Sell Latz dated April 5, 2005 (Exhibit 10.1 to Current Report on Form 8-K dated April 5, 2005).
12.1		Ratio of Earnings to Fixed Charges.
31.1.a		Rule 13a-14(a)/15d-14(a) Certifications of Michael J. Chesser.
31.1.b		Rule 13a-14(a)/15d-14(a) Certifications of Terry Bassham.
32.1		Section 1350 Certifications.

* Filed as an exhibit to a prior report and incorporated by reference and made a part hereof. The exhibit number and report reference of the documents so filed, and incorporated herein by reference, are stated in parentheses in the description of such exhibit.

+ Indicates management contract or compensatory plan or arrangement.

Copies of any of the exhibits filed with the Securities and Exchange Commission in connection with this document may be obtained from Great Plains Energy upon written request.

KCP&L Documents

Exhibit Number	Description of Document
10.2	Stipulation and Agreement dated March 28, 2005, among Kansas City Power & Light Company, Staff of the Missouri Public Service Commission, Office of the Public Counsel, Missouri Department of Natural Resources, Praxair, Inc., Missouri Industrial Energy Consumers, Ford Motor Company, Aquila, Inc., The Empire District Electric Company, and Missouri Joint Municipal Electric Utility Commission.
12.2	Ratio of Earnings to Fixed Charges.
31.2.a	Rule 13a-14(a)/15d-14(a) Certifications of William H. Downey.
31.2.b	Rule 13a-14(a)/15d-14(a) Certifications of Terry Bassham.
32.2	Section 1350 Certifications.

Copies of any of the exhibits filed with the Securities and Exchange Commission in connection with this document may be obtained from KCP&L upon written request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Great Plains Energy Incorporated and Kansas City Power & Light Company have duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GREAT PLAINS ENERGY INCORPORATED

Dated: May 6, 2005	By: /s/Michael J. Chesser (Michael J. Chesser) (Chief Executive Officer)
Dated: May 6, 2005	By: /s/Lori A. Wright (Lori A. Wright) (Principal Accounting Officer)

KANSAS CITY POWER & LIGHT COMPANY

Dated: May 6, 2005	By: /s/William H. Downey (William H. Downey) (Chief Executive Officer)
Dated: May 6, 2005	By: /s/Lori A. Wright (Lori A. Wright) (Principal Accounting Officer)

PERFORMANCE SHARE AGREEMENT

PURSUANT TO THE
GREAT PLAINS ENERGY INCORPORATED
LONG-TERM INCENTIVE PLAN
EFFECTIVE MAY 7, 2002 (THE PLAN)

THIS AGREEMENT dated as of __________, and entered into, in duplicate by and between GREAT PLAINS ENERGY INCORPORATED (the Company) and ______________ (the Grantee).

WHEREAS, all capitalized terms used herein shall have the respective meanings set forth in the Plan; and

WHEREAS, the Grantee is employed by the Company or one of its subsidiaries in a key capacity, and the Company desires to (i) encourage the Grantee to acquire a proprietary and vested long-term interest in the growth and performance of the Company, (ii) provide the Grantee with the incentive to enhance the value of the Company for the benefit of its customers and shareholders, and (iii) encourage the Grantee to remain in the employ of the Company as one of the key employees upon whom the Company's success depends;

NOW, THEREFORE, in consideration of the covenants and agreements herein contained, the parties hereto agree as follows:

1. **Performance Share Award.** The Company hereby grants to the Grantee ____________ Performance Shares for the three-year period ending 2007 (the Award Period). The Performance Shares may be earned based upon the Grantee's performance as set forth in Appendix A.

2. **Terms and Conditions.** The grant of Performance Shares is subject to the following terms and conditions:

   a. **Payment of Award**. As soon as practicable after the end of the Award Period, the Compensation and Development Committee of the Board of Directors (the Committee) shall for purposes of this Agreement determine the Grantee's performance as set forth in the Plan Goals.

   b. **Form of Payment.** The payment to which Grantee shall be entitled at the end of an Award Period will be equal to the Fair Market Value of the number of shares of the Company's Common Stock equal to the number of Performance Shares earned. Payment will be made in Common Stock unless the Committee deems otherwise. The number of shares of Common Stock to be paid to Grantee will be determined by dividing the portion of the payment not paid in cash by the Fair Market Value of the Common Stock on the date on which the date of Performance Share Award as set forth in Appendix B hereto.

   c. In the event the Grantee leaves the employment of the Company before the end of the Performance Period, the Performance Shares are subject to forfeiture as set forth in the Plan.

3. **Dividend Rights.** Dividends will accrue quarterly on the Performance Shares in a nominal account. The Grantee shall be entitled to receive at the end of the Award Period these quarterly dividends on the number of Performance Shares earned. The dividends on the Performance Shares will be paid in cash unless the Committee deems otherwise.

4. **Change in Control.** In the event of a Change in Control, as defined in the Plan, the Performance Shares and dividend shares accrued thereon shall be deemed to have been fully earned and payable as set forth in Section Eleven of the Agreement.

5. **Notices.** Any notice hereunder to the Company shall be addressed to the Offices of the Corporate Secretary.

GREAT PLAINS ENERGY INCORPORATED

BY: ____________________________________
William C. Nelson on behalf of the
Compensation and Development Committee

____

____
Grantee

APPENDIX A

Great Plains Energy Incorporated (Great Plains Energy)
Kansas City Power & Light Company (KCP&L)
Long-Term Incentive Plan 2005

Goals*

Great Plains Energy Incorporated

The performance goals for plan years 2005-2006

Percent of Total Goal	Goal	Indicative Measures 2005-2006
50%	Three Year Total Return**	
25%	EPS	
	80% Chance of Achieving	$___ (50% payout)
	50% Chance of Achieving	$___ (100% payout)
	20% Chance of Achieving	$___ (200% payout)
25%	Returns of Invested Capital	
	80% Chance of Achieving	___% (50% payout)
	50% Chance of Achieving	___% (100% payout)
	20% Chance of Achieving	___% (200% payout)

The performance goals for plan years 2005-2007 (reflects more robust 2007 than budget)

Percent of Total Goal	Goal	Indicative Measures 2005-2007
50%	Three Year Total Return*	
25%	EPS	
	80% Chance of Achieving	$___ (50% payout)
	50% Chance of Achieving	$___ (100% payout)
	20% Chance of Achieving	$___ (200% payout)
25%	Returns of Invested Capital	
	80% Chance of Achieving	___% (50% payout)
	50% Chance of Achieving	___% (100% payout)
	20% Chance of Achieving	___% (200% payout)

*Reflects additions in income to October business plan not yet identified in the amounts of $__ million for 2006 and $__ million for 2007.

**The Great Plains Energy total return will be the average of the term (two or three years) as compared to other Edison Electric Institute companies. The grant will vest at the target level if the Company performs at the 50th percentile of such group of companies. Should the company perform at the 100th percentile, the award will be two times target. Grantee will not be entitled to any award in the event the company performs below the 25% percentile or the total return in a negative number.

Note: Specific information regarding indicative measures is confidential and has been removed.

APPENDIX A (Continued)

Great Plains Energy Incorporated (Great Plains Energy)
Kansas City Power & Light Company (KCP&L)
Long-Term Incentive Plan 2005

Goals*

Kansas City Power & Light Company

The performance goals for plan years 2005-2006

Percent of Total Goal	Goal	Indicative Measures 2005-2006
25%	Earnings	
	80% Chance of Achieving	$___ million (50% payout)
	50% Chance of Achieving	$___ million (100% payout)
	20% Chance of Achieving	$___ million (200% payout)
25%	Returns of Invested Capital	
	80% Chance of Achieving	___% (50% payout)
	50% Chance of Achieving	___% (100% payout)
	20% Chance of Achieving	___% (200% payout)
25%	Regulatory/Build* Plan on Schedule and Budget	Behind Schedule/Over Budget (no payout) On Schedule/On Budget (100% payout) Ahead of Schedule/Under Budget (200% payout)
25%	Distributed Utility Goal (MW Connected)	___ MW (50% payout) ___ MW (100% payout) ___ MW (200% payout)

**Specific parameters to be defined.

The performance goals for plan years 2005-2007 (reflects more robust 2007 than budget)

Percent of Total Goal	Goal	Indicative Measures 2005-2007
25%	Earnings	
	80% Chance of Achieving	$___ million (50% payout)
	50% Chance of Achieving	$___ million (100% payout)
	20% Chance of Achieving	$___ million (200% payout)
25%	Returns of Invested Capital	
	80% Chance of Achieving	___% (50% payout)
	50% Chance of Achieving	___% (100% payout)
	20% Chance of Achieving	___% (200% payout)
25%	Regulatory/Build* Plan on Schedule and Budget	Behind Schedule/Over Budget (no payout) On Schedule/On Budget (100% payout) Ahead of Schedule/Under Budget (200% payout)
25%	Distributed Utility Goal (MW Connected)	___ MW (50% payout) ___ MW (100% payout) ___ MW (200% payout)

*Reflects additions in income to October business plan not yet identified in the amounts of $___ million for 2006 and $___ million for 2007.

**Specific parameters to be defined.

Note: Specific information regarding indicative measures is confidential and has been removed.

APPENDIX B

EXAMPLE:

Grant:	1,000 Performance Shares
Fair Market Value of common stock at time of grant:	$30
Fair Market Value of common stock at end of Award Period:	$40
The Total Shareholder Return is at the 50th percentile of the Edison Electric Companies:	All Performance Shares are earned

1,000 x $40 = $40,000

$40,000 (divided by) $30 = 1,333 shares of common stock

PERFORMANCE SHARE AGREEMENT

**PURSUANT TO THE
GREAT PLAINS ENERGY INCORPORATED
LONG-TERM INCENTIVE PLAN
EFFECTIVE MAY 7, 2002 (THE PLAN)**

THIS AGREEMENT dated as of _____________, and entered into, in duplicate by and between GREAT PLAINS ENERGY INCORPORATED (the Company) and ____________________ (the Grantee).

WHEREAS, all capitalized terms used herein shall have the respective meanings set forth in the Plan; and

WHEREAS, the Grantee is employed by the Company or one of its subsidiaries in a key capacity, and the Company desires to (i) encourage the Grantee to acquire a proprietary and vested long-term interest in the growth and performance of the Company, (ii) provide the Grantee with the incentive to enhance the value of the Company for the benefit of its customers and shareholders, and (iii) encourage the Grantee to remain in the employ of the Company as one of the key employees upon whom the Company's success depends;

NOW, THEREFORE, in consideration of the covenants and agreements herein contained, the parties hereto agree as follows:

1. **Performance Share Award.** The Company hereby grants to the Grantee ____________ Performance Shares for the two-year period ending 2006 (the Award Period). The Performance Shares may be earned based upon the Grantee's performance as set forth in Appendix A.

2. **Terms and Conditions.** The grant of Performance Shares is subject to the following terms and conditions:

    a. **Payment of Award**. As soon as practicable after the end of the Award Period, the Compensation and Development Committee of the Board of Directors (the Committee) shall for purposes of this Agreement determine the Grantee's performance as set forth in the Plan Goals.

    b. **Form of Payment.** The payment to which Grantee shall be entitled at the end of an Award Period will be equal to the Fair Market Value of the number of shares of the Company's Common Stock equal to the number of Performance Shares earned. Payment will be made in Common Stock unless the Committee deems otherwise. The number of shares of Common Stock to be paid to Grantee will be determined by dividing the portion of the payment not paid in cash by the Fair Market Value of the Common Stock on the date on which the date of Performance Share Award as set forth in Appendix B hereto.

    c. In the event the Grantee leaves the employment of the Company before the end of the Performance Period, the Performance Shares are subject to forfeiture as set forth in the Plan.

3. **Dividend Rights.** Dividends will accrue quarterly on the Performance Shares in a nominal account. The Grantee shall be entitled to receive at the end of the Award Period these quarterly dividends on the number of Performance Shares earned. The dividends on the Performance Shares will be paid in cash unless the Committee deems otherwise.

4. **Change in Control.** In the event of a Change in Control, as defined in the Plan, the Performance Shares and dividend shares accrued thereon shall be deemed to have been fully earned and payable as set forth in Section Eleven of the Agreement.

5. **Notices.** Any notice hereunder to the Company shall be addressed to the Offices of the Corporate Secretary.

GREAT PLAINS ENERGY INCORPORATED

BY: ________________________________

William C. Nelson on behalf of the
Compensation and Development Committee

____

____
Grantee

APPENDIX A

**Great Plains Energy Incorporated (Great Plains Energy)
Kansas City Power & Light Company (KCP&L)**

Long-Term Incentive Plan 2005

Goals*

Great Plains Energy Incorporated

The performance goals for plan years 2005-2006

Percent of Total Goal	Goal	Indicative Measures 2005-2006
50%	Three Year Total Return**	
25%	EPS	
	80% Chance of Achieving	$____ (50% payout)
	50% Chance of Achieving	$____ (100% payout)
	20% Chance of Achieving	$____ (200% payout)
25%	Returns of Invested Capital	
	80% Chance of Achieving	____% (50% payout)
	50% Chance of Achieving	____% (100% payout)
	20% Chance of Achieving	____% (200% payout)

The performance goals for plan years 2005-2007 (reflects more robust 2007 than budget)

Percent of Total Goal	Goal	Indicative Measures 2005-2007
50%	Three Year Total Return*	
25%	EPS	
	80% Chance of Achieving	$____ (50% payout)
	50% Chance of Achieving	$____ (100% payout)
	20% Chance of Achieving	$____ (200% payout)
25%	Returns of Invested Capital	
	80% Chance of Achieving	____% (50% payout)
	50% Chance of Achieving	____% (100% payout)
	20% Chance of Achieving	____% (200% payout)

*Reflects additions in income to October business plan not yet identified in the amounts of $___ million for 2006 and $___ million for 2007.

**The Great Plains Energy total return will be the average of the term (two or three years) as compared to other Edison Electric Institute companies. The grant will vest at the target level if the Company performs at the 50th percentile of such group of companies. Should the company perform at the 100th percentile, the award will be two times target. Grantee will not be entitled to any award in the event the company performs below the 25% percentile or the total return in a negative number.

Note: Specific information regarding indicative measures is confidential and has been removed.

APPENDIX A (Continued)

Great Plains Energy Incorporated (Great Plains Energy)
Kansas City Power & Light Company (KCP&L)
Long-Term Incentive Plan 2005

Goals*

Kansas City Power & Light Company

The performance goals for plan years 2005-2006

Percent of Total Goal	Goal	Indicative Measures 2005-2006
25%	Earnings	
	80% Chance of Achieving	$____ million (50% payout)
	50% Chance of Achieving	$____ million (100% payout)
	20% Chance of Achieving	$____ million (200% payout)
25%	Returns of Invested Capital	
	80% Chance of Achieving	____% (50% payout)
	50% Chance of Achieving	____% (100% payout)
	20% Chance of Achieving	____% (200% payout)
25%	Regulatory/Build*	Behind Schedule/Over Budget (no payout)
	Plan on Schedule and Budget	On Schedule/On Budget (100% payout)
		Ahead of Schedule/Under Budget (200% payout)
25%	Distributed Utility Goal (MW Connected)	____ MW (50% payout)
		____ MW (100% payout)
		____ MW (200% payout)

**Specific parameters to be defined.

The performance goals for plan years 2005-2007 (reflects more robust 2007 than budget)

Percent of Total Goal	Goal	Indicative Measures 2005-2007
25%	Earnings	
	80% Chance of Achieving	$____ million (50% payout)
	50% Chance of Achieving	$____ million (100% payout)
	20% Chance of Achieving	$____ million (200% payout)
25%	Returns of Invested Capital	
	80% Chance of Achieving	____% (50% payout)
	50% Chance of Achieving	____% (100% payout)
	20% Chance of Achieving	____% (200% payout)
25%	Regulatory/Build*	Behind Schedule/Over Budget (no payout)
	Plan on Schedule and Budget	On Schedule/On Budget (100% payout)
		Ahead of Schedule/Under Budget (200% payout)
25%	Distributed Utility Goal (MW Connected)	____ MW (50% payout)
		____ MW (100% payout)
		____ MW (200% payout)

*Reflects additions in income to October business plan not yet identified in the amounts of $___ million for 2006 and $___ million for 2007.

**Specific parameters to be defined.

Note: Specific information regarding indicative measures is confidential and has been removed.

APPENDIX B

EXAMPLE:

Grant:	1,000 Performance Shares
Fair Market Value of common stock at time of grant:	$30
Fair Market Value of common stock at end of Award Period:	$40
The Total Shareholder Return is at the 50th percentile of the Edison Electric Companies:	All Performance Shares are earned

1,000 x $40 = $40,000

$40,000 (divided by) $30 = 1,333 shares of common stock

Exhibit 10.1.c

Great Plains Energy Incorporated
Kansas City Power & Light Company
Annual Incentive Plan 2005

Amended May 3, 2005

Objective

The Great Plains Energy/Kansas City Power & Light Company (KCP&L) executive Annual Incentive Plan (Plan) is designed to reward value creation by providing competitive incentives for the achievement of annual financial performance goals. By providing market-competitive target awards, the Plan supports the attraction and retention of senior executive talent critical to achieving Great Plains Energy's strategic business objectives.

Eligible participants include executives and other key employees of Great Plains Energy and KCP&L, as approved by the Compensation and Development Committee (Committee) of the Board of Directors.

Target Awards

Target award levels are approved by the Committee and set as a percentage of the executive's base salary. The percentages vary based on organizational responsibilities and market-compilation bonus levels based on industry data. The annual target award percentages of base salary are set forth on Appendix I attached hereto.

EPS Performance Goal

The size of the entire award under the Plan will be determined by corporate Earnings Per Shares (EPS). The annual corporate EPS goal is set and approved by the Committee. The annual corporate EPS goal for the current annual incentive plan year is set forth in Appendix II attached hereto.

The corporate EPS goal is subject to an established threshold, target and maximum levels. The Plan will pay out at 100% at target. Fifty percent of the incentive is payable at the threshold level of performance and 150% of the incentive is payable at the maximum level of performance. If performance falls below target but is above threshold, the amount of the award payable will be below the target award level. Similarly, performance above target will result in an award higher than target level.

Individual Incentive Awards

Individual incentive awards reflect a mix of Great Plains Energy and business unit/department performance along with individual discretionary factors; the current actual mix for each executive will be determined based upon his/her role and contribution to the organization in accordance with the chart set forth on Appendix III attached hereto. Individual awards will not be paid for executives if the corporate EPS performance falls below the threshold level for the year.

Exceptions

The EPS targets established for the plan period are fixed for the duration period and will only be changed upon the approval of the Committee. Each year, the Committee will approve the annual targets.

APPENDIX I

Great Plains Energy Incorporated
Kansas City Power & Light Company
Annual Incentive Plan 2005

Proposed Target Incentive Award Levels
(expressed as a percent of base salary)

Executive	Annual Target Award Opportunity
GPE	
Chesser	60%
Downey	45%
Bassham	40%
Cline	30%
Deggendorf	30%
Kobayashi	30%
Wright	30%
DeStefano	30%
Curry	35%
English	30%
KCPL	
Cheatum	30%
Crawford	30%
Easley	40%
Giles	30%
Herdegen	35%
Moore	30%
Riggins	30%
Rollison	30%
Spring	30%
Marshall	40%

APPENDIX II

Great Plains Energy Incorporated
Kansas City Power & Light Company
Annual Incentive Plan 2005

EPS Target

Following is the proposed corporate target for the period January 1, 2005 through December 31, 2005:

Earnings Per Share

	GPE Reported Earnings
Threshold - 50%	
Target - 100%	
Max - 150%	

Note: Information regarding specific threshold, target and maximum earenings amounts is confidential and has been removed.

APPENDIX III

Annual Incentive Plan 2005

Weighting of Performance Goals

	Corporate Balanced Scorecard	KCPL Balanced Scorecard	Individual
Chairman & CEO	80%	0%	20%
President & COO	40%	40%	20%
Corporate Executives	80%	0%	20%
Operations Executives	20%	60%	20%

Exhibit 10.1.d

Compensation Arrangements of Directors and Certain Executive Officers

Updated May 3, 2005

Note: This document is an update to the document filed as Exhibit 10.1.n to the combined annual report on Form 10-K for the year ended December 31, 2004 separately filed by Great Plains Energy and Kansas City Power & Light Company (KCP&L). The update reflects, among other things, changes to director compensation and compensation of Ms. Bielsker and Latz, and the compensation arrangements of Ms. Curry and Messrs. Bassham and Marshall.

Directors

Compensation is paid to non-employee members of the Board. An annual retainer of $50,000 will be paid in 2005 ($25,000 of which will be used to acquire shares of Great Plains Energy common stock through Great Plains Energy's Dividend Reinvestment and Direct Stock Purchase Plan on behalf of each non-employee member of the Board). On May 3, 2005, the Board increased the annual retainer paid to non-employee Directors from $50,000 to $60,000 ($35,000 of which will be used to acquire shares of Great Plains Energy common stock through Great Plains Energy's Dividend Reinvestment and Direct Stock Purchase Plan on behalf of each non-employee member of the Board), effective January 1, 2006.

An additional retainer of $10,000 will be paid annually to the lead director. Also, a retainer of $6,000, $5,000 and $5,000 (increased from $3,000 each by the Board on May 3, 2005) will be paid to those non-employee directors serving as chair of the Audit Committee, the Compensation and Development Committee and the Governance Committee, respectively. Attendance fees of $1,000 for each Board meeting and $1,000 for each committee meeting attended will also be paid in 2005. Directors may defer the receipt of all or part of the cash retainers and meeting fees. Great Plains Energy also provides life and medical insurance coverage for each non-employee member of the Board.

Executive Officers

None of the executive officers of Great Plains Energy or KCPL&L have written Employment Agreements with the exception of Shahid Malik, President and Chief Executive Officer of Strategic Energy, L.L.C. (an indirect subsidiary of Great Plains Energy).

Salary and incentive compensation information for 2005 for certain executive officers of Great Plains Energy and KCP&L is given below.

Michael J. Chesser	Chairman of the Board and Chief Executive Officer of Great Plains Energy Chairman of the Board of KCP&L

Pursuant to an employment arrangement with Michael Chesser, Chairman of the Board and Chief Executive Officer of Great Plains Energy, Mr. Chesser is entitled to receive three times annual salary and bonus if he is terminated without cause prior to his reaching age 63. After age 63, any benefit for termination without cause will be one times annual salary and bonus until age 65. Regarding pension benefits, Mr. Chesser will receive two credited years of service for every one year of service earned. The additional year of service will be paid as a supplemental retirement benefit.

For 2005, Mr. Chesser will be paid an annual salary of $610,000 with a potential annual incentive bonus at target of 60% of salary (the amount of such incentive may be adjusted based on performance from 0-150% of target) under the Great Plains Energy Annual Incentive Plan 2005. Since no long-term grants were made in 2004, two individual long-term grants of performance shares, each at 150% of salary (the amount of such incentive may be adjusted based on performance from 0-200% of target) were made to him in February 2005 under the Great Plains Energy Long-Term Incentive Plan.

William H. Downey	President and Chief Operating Officer of Great Plains Energy President and Chief Executive Officer of KCP&L

For 2005, Mr. Downey will be paid an annual salary of $440,000 with a potential annual incentive bonus at target of 45% of salary (the amount of such incentive may be adjusted based on performance from 0-150% of target) under the Great Plains Energy Annual Incentive Plan 2005. Since no long-term grants were made in 2004, two individual long-term grants of performance shares, each at 115% of salary (the amount of such incentive may be adjusted based on performance from 0-200% of target) were made to him in February 2005 under the Great Plains Energy Long-Term Incentive Plan.

Terry Bassham	Executive Vice President - Finance & Strategic Development and Chief Financial Officer of Great Plains Energy

Terry Bassham was elected Executive Vice President - Finance & Strategic Development and Chief Financial Officer of Great Plains Energy effective March 28, 2005. For 2005, Mr. Bassham will be paid an annual salary of $275,000 with a potential annual incentive bonus at target of 40% (the amount of such incentive may be adjusted based on performance from 0-150% of target) under the Great Plains Energy Annual Incentive Plan 2005. A long-term grant of restricted stock at 100% of salary and a long-term grant of performance shares at 70% at salary (the amount of such performance shares incentive may be adjusted based on performance from 0-200% of target) were made to him in March 2005 under the Great Plains Energy Long-Term Incentive Plan. The Company will also pay Mr. Bassham's reasonable relocation costs.

Barbara Curry	Senior Vice President - Corporate Services and Corporate Secretary of Great Plains Energy

Barbara Curry was elected Senior Vice President - Corporate Services and Corporate Secretary of Great Plains Energy effective April 18, 2005. For 2005, Ms. Curry will be paid an annual salary of $230,000 with a potential annual incentive bonus at target of 35% of salary (the amount of such incentive may be adjusted based on performance from 0-150% of target) under the Great Plains Energy Annual Incentive Plan 2005. A long-term grant of performance shares at 50% of salary (the amount of such incentive may be adjusted based on performance from 0-200% of target) were made to her in April 2005 under the Great Plains Energy Long-Term Incentive Plan. In addition, Ms. Curry received on April 18, 2005, a grant of 7,741 shares of restricted stock under the Great Plains Energy Long-Term Incentive Plan. The Company will also pay Ms. Curry's reasonable relocation costs.

Stephen T. Easley	Senior Vice President - Supply of KCP&L

For 2005, Mr. Easley will be paid an annual salary of $250,000 with a potential annual incentive bonus at target of 40% of salary (the amount of such incentive may be adjusted based on performance from 0-150% of target) under the Great Plains Energy Annual Incentive Plan 2005. Since no long-term grants were made in 2004, two individual long-term grants of performance shares, each at 70% of salary (the amount of such incentive may be adjusted based on performance from 0-200% of target), were made to him in February 2005 under the Great Plains Energy Long-Term Incentive Plan. In addition, Mr. Easley received on February 1, 2005 a grant of 10,000 shares of restricted stock under the Great Plains Energy Long-Term Incentive Plan.

John R. Marshall	Senior Vice President - Delivery of KCP&L

John Marshall was elected Senior Vice President - Delivery of KCP&L effective May 25, 2005. For 2005, Mr. Marshall will be paid an annual salary of $320,000 with a potential annual incentive bonus at target of 40% of salary (the amount of such incentive may be adjusted based on performance from 100-150% of target) under the Great Plains Energy Annual Incentive Plan 2005. Mr. Marshall will also receive a one-time cash payment of $150,000 upon commencement of his employment. A long-term grant of restricted stock at 200% of salary and a long-term grant of performance shares at 70% of salary (the amount of such performance shares incentive may be adjusted based on performance from 0-200% of target) will be made to him in May 2005 under the Great Plains Energy Long-Term Incentive Plan.

Mr. Marshall will also be entitled to receive a lump sum equal to the target payment under the annual incentive plan plus twice his annual salary if his employment is terminated other than for cause. Regarding pension benefits, Mr. Marshall will receive two credited years of service for every one year of service earned. The additional year of service will be paid as a supplemental retirement benefit. The Company will also pay Mr. Marshall's reasonable relocation costs.

William P. Herdegen	Vice President - Customer Operations of KCP&L

For 2005, Mr. Herdegen will be paid an annual salary of $190,000 with a potential annual incentive bonus at target of 35% of salary (the amount of such incentive may be adjusted based on performance from 0-150% of target) under the Great Plains Energy Annual Incentive Plan 2005. Since no long-term grants were made in 2004, two individual long-term grants of performance shares, each at 55% of salary (the amount of such incentive may be adjusted based on performance from 0-200% of target), were made to him in February 2005 under the Great Plains Energy Long-Term Incentive Plan.

Shahid Malik	President and Chief Executive Officer of Strategic Energy, L.L.C.

Mr. Malik has an Employment Agreement and a Severance Agreement among Strategic Energy, L.L.C., Great Plains Energy Incorporated and Shahid J. Malik, dated as of November 10, 2004 (Exhibits 10.1.p and 10.1.q to the combined annual report on Form 10-K for the year ended December 31, 2004, filed by Great Plains Energy and KCP&L).

On November 10, 2004, Mr. Malik received a grant of 13,333 shares of restricted stock under the Long-Term Incentive Plan.

For 2005, Mr. Malik will be paid an annual salary of $400,000 with a potential annual incentive bonus at target of 60% of salary (the amount of such incentive may be adjusted based on performance from 0-150% of target) under the Strategic Energy, L.L.C. Annual Incentive Plan 2005. Mr. Malik is eligible for two sets of long term incentive awards. One set of awards is based on performance goals for the period 2005-2006, and the other set of awards is based on performance goals for the period 2005-2007. Mr. Malik will be eligible to receive up to 300% of a target award equal to 150% of 2005 base salary. The awards are comprised of cash and restricted stock grants made under the Great Plains Energy Long Term Incentive Plan. On February 1, 2005, Mr. Malik received two grants of 4,956 shares each of restricted stock under the Great Plains Energy Long-Term Incentive Plan

Andrea F. Bielsker	Former Senior Vice President - Finance, Chief Financial Officer and Treasurer of Great Plains Energy Former Senior Vice President - Finance, Chief Financial Officer and Treasurer of KCP&L

For 2005, Ms. Bielsker was paid an annual salary of $230,000 with a potential annual incentive bonus at target of 40% of salary (the amount of such incentive may be adjusted based on performance from 0-150% of target) under the Great Plains Energy Annual Incentive Plan 2005. Since no long-term grants were made in 2004, two individual long-term grants of performance shares, each at 45% of salary (the amount of such incentive may be adjusted based on performance from 0-200% of target), were made to her in February 2005 under the Great Plains Energy Long-Term Incentive Plan.

Ms. Bielsker resigned from the Company in March 2005. Pursuant to an Agreement between Ms. Bielsker and Great Plains Energy dated March 4, 2005 (Exhibit 10.1.jj to Form 10-K for the year ended December 31, 2004), Ms. Bielsker was paid a lump sum cash payment of $1,185,000. As provided in the Great Plains Energy Long-Term Incentive Plan, upon resignation Ms. Bielsker forfeited a stock option grant of 2,887 common stock shares and three performance share grants totaling 8,987 common stock shares at target.

Jeanie S. Latz	Former Executive Vice President - Corporate and Shared Services and Corporate Secretary of Great Plains Energy

For 2005, Ms. Latz was paid an annual salary of $220,000 with a potential annual incentive bonus at target of 40% of salary (the amount of such incentive may be adjusted based on performance from 0-150% of target) under the Great Plains Energy Annual Incentive Plan 2005. Since no long-term grants were made in 2004, two individual long-term grants of performance shares, each at 45% of salary (the amount of such incentive may be adjusted based on performance from 0-200% of target), were made to her in February 2005 under the Great Plains Energy Long-Term Incentive Plan.

Ms. Latz resigned in April 2005. Pursuant to an Agreement between Ms. Latz and Great Plains Energy dated April 5, 2005 (Exhibit 10.1 to Form 8-K dated April 5, 2005), Ms. Latz was paid a lump sum cash payment of $1,275,000. As provided in the Great Plains Energy Long-Term Incentive Plan, upon resignation Ms. Latz forfeited a stock option grant of 2,887 common stock shares and three performance share grants totaling 8,689 common stock shares at target.

Other arrangements

The Great Plains Energy directors and the listed Great Plains Energy and KCP&L officers have entered into indemnification agreements, and the listed officers have entered into change of control severance agreements, with Great Plains Energy, the forms of which have been previously disclosed.

The listed Great Plains Energy and KCP&L officers are eligible to participate in the Great Plains Energy Non-Qualified Deferred Compensation Plan, Supplemental Executive Retirement Plan, and other generally available benefit plans. They are also entitled to receive an annual car allowance, certain membership dues and tax/financial planning consultant services allowance.

Mr. Malik is eligible for benefits as set out in his Employment Agreement.

Exhibit 10.1.e

Strategic Energy, L.L.C.
Annual Incentive Plan 2005
Amended May 2, 2005

Objective
The Strategic Energy, L.L.C. (SE) Annual Incentive Plan (Bonus Plan) is designed to reward sustained value creation by providing competitive incentives for the achievement of annual financial goals. By providing market-competitive target awards, the plan supports the attraction and retention of talent critical to achieving SE's strategic business objectives.

Eligible participants include executives as approved by the Compensation and Development Committee (the Committee) of the Board of Directors of Great Plains Energy Incorporated.

Target Awards
Target award levels are set as a percentage of the employee's base salary. The percentage will vary based on organizational responsibilities and market-compilation bonus levels based on general industry data designed to meet market competitive compensation programs. The annual target award percentages of base salary are set forth on Appendix I attached hereto.

Pre-Tax Income Performance Goals
The size of the entire award under the Bonus Plan will be determined by SE's pre-tax income. The proposed goals for the 2005 annual incentive plan year are set forth in Appendix II attached hereto.

The pre-tax income is subject to an established threshold, target and maximum levels. The Bonus Plan will pay 100% at target. Fifty percent (50%) of the incentive is payable at the threshold level of performance and 150% of the incentive is payable at the maximum level of performance. If performance falls below target but is above threshold, the amount of the award payable will be below the target level. Similarly, performance above target will result in an award higher than target level.

Individual Incentive Awards
Individual incentive awards will reflect a mix of SE balanced scorecard measures and individual goals; the current actual mix for each employee will be determined based upon his/her role and contribution to the organization as reflected on Appendix III. Individual awards will not be paid for executives if the corporate EPS performance falls below the threshold level for the year.

Exceptions
The goals established for the plan period are fixed for the duration period and will only be changed.

APPENDIX I

Strategic Energy, L.L.C.
Annual Incentive Plan 2005

Annual Target Award Percentages of Base Salary

Executive	Annual Target Award Opportunity
Malik	60%
Purdy	50%
Lauer	50%
Washburn	50%
Sebben	40%
Fox	50%
Shaw	40%

APPENDIX II

Strategic Energy, L.L.C.
Annual Incentive Plan 2005

Goals

Size of award to be determined by SE's pre-tax income.

	Pre-Tax Earnings
Threshold - 50%	
Target - 100%	
Max - 150%	

Individual Awards will be weighted between Great Plains Energy goals; the following SE balanced scorecard goals and individual goals.

Note: Information regarding specific threshold, target and maximum pre-tax income amounts is confidential and has been removed.

APPENDIX III

Strategic Energy, L.L.C.
Annual Incentive Plan 2005

Weighting of Performance Goals

	GPE Balanced Scorecard	SE Balanced Scorecard	Business Unit/Department Balanced Scorecard	Individual
Malik	20%	60%	0%	20%
Purdy	0%	80%	0%	20%
Lauer	0%	20%	60%	20%
Washburn	0%	20%	60%	20%
Sebben	0%	20%	60%	20%

Fox	0%	20%	60%	20%
Shaw	0%	20%	60%	20%

Exhibit 10.1.f

Strategic Energy, L.L.C.
Long-Term Incentive Plan Grants
2005
Amended May 2, 2005

Objective

The Strategic Energy LLC (SE) Long Term Incentive Plan (Plan) is designed to reward sustained value creation by providing competitive incentives for the achievement of long-term financial and operational performance goals. By providing market-competitive target awards, the plan supports the attraction and retention of talent critical to achieving SE's strategic business objectives.

Eligible participants include executives as approved by the Compensation Committee (Committee) of the Board of Directors.

2005 Grants

For 2005, there will be two grants under the Plan. One will be a two-year grant for 2005-2006 performance (in lieu of 2004 grant) and the second will be a three-year grant for 2005-2007 performance.

Target Awards

Award levels will be approved by the Committee and set forth as a percentage of the executive's base salary at target. The percentage will vary based on organizational responsibilities and market-compilation based on industry data. Awards will be paid 25% in time vested restricted stock with the remaining 75% based on performance and payable in cash. The annual target award percentages of base salary are set forth on Appendix I attached hereto.

Performance Goals

The award payout under the Plan will be determined by the proposed goals in Appendix II attached hereto. Performance at target will produce 100% of award and the level of such award can be increased or decreased based on performance. The maximum award is 300% of target value.

Goals are fixed for the duration of the period and will only be changed upon the approval of the Committee.

APPENDIX I

Strategic Energy, L.L.C.
Long-Term Incentive Plan Grants
2005

Target Award Levels
(expressed as a percent of base salary)

Executive	Annual Target Award Opportunity	Amount of Restricted Shares*	Amount of Cash at Target*
Malik	150%	$150,000	$450,000
Purdy	100%	__________	__________
Lauer	100%	__________	__________
Washburn	100%	__________	__________
Sebben	80%	__________	__________
Fox	100%	__________	__________
Shaw	80%	__________	__________

*Dividends will accrue quarterly on the Restricted Shares and restricted in the same manner as the shares.

The number of shares to be determined at time of grant based on market. Amount of cash (remainder of award) to be determined based on 2005 salaries.

NOTE: Information regarding non-executive officers of Great Plains Energy has been removed.

APPENDIX II

Strategic Energy, L.L.C.
Long-Term Incentive Plan Grants
2005

Goals

The performance goals for plan years 2005 and 2006 are:

Percentage Allocation	Goals	Indicative Measures	
25%	Cumulative Pre-tax Net Income	80% chance of Achieving:	$___ million (50% payout)
		50% chance of Achieving:	$___ million (100% payout)
		20% chance of Achieving:	$___ million (200% payout)
		10% chance of Achieving:	$___ million (300% payout)
25%	Return on Average Book Equity*	80% chance of Achieving:	___% (50% payout)
		50% chance of Achieving:	___% (100% payout)
		20% chance of Achieving:	___% (200% payout)
		10% chance of Achieving:	___% (300% payout)

16.66%	Cumulative Increase in Customer Accounts Under Contract from 2004 Baseline Customer Accounts	80% chance of Achieving:	___% (50% payout)
		50% chance of Achieving:	___% (100% payout)
		20% chance of Achieving:	___% (200% payout)
		10% chance of Achieving:	___% (300% payout)
16.66%	Cumulative Reduction in General and Administrative Expenses from 2004 Baseline of $___/MWh**	80% chance of Achieving:	___% (50% payout)
		50% chance of Achieving:	___% (100% payout)
		20% chance of Achieving:	___% (200% payout)
		10% chance of Achieving:	___% (300% payout)
16.66%	Reduce Supply Cost to Retail from the 2004 Results After Adjusting for Market Changes (based on $__/MWH marker)	80% chance of Achieving:	___% (50% payout)
		50% chance of Achieving:	___% (100% payout)
		20% chance of Achieving:	___% (200% payout)
		10% chance of Achieving:	___% (300% payout)

* *Assumes no change in equity*

Note: Specific information regarding goals and indicative measures is confidential and has been removed.

The performance goals for plan years 2005, 2006 & 2007 are:

Percentage Allocation	Goals	Indicative Measures	
25%	Cumulative Pre-tax Net Income	80% chance of Achieving:	$___ million (50% payout)
		50% chance of Achieving:	$___ million (100% payout)
		20% chance of Achieving:	$___ million (200% payout)
		10% chance of Achieving:	$___ million (300% payout)
25%	Return on Average Book Equity*	80% chance of Achieving:	___% (50% payout)
		50% chance of Achieving:	___% (100% payout)
		20% chance of Achieving:	___% (200% payout)
		10% chance of Achieving:	___% (300% payout)
16.66%	Cumulative Increase in Customer Accounts Under Contract from 2004 Baseline Customer Accounts	80% chance of Achieving:	___% (50% payout)
		50% chance of Achieving:	___% (100% payout)
		20% chance of Achieving:	___% (200% payout)
		10% chance of Achieving:	___% (300% payout)
16.66%	Cumulative Reduction in General and Administrative Expenses from 2004 Baseline of $___/MWh**	80% chance of Achieving:	___% (50% payout)
		50% chance of Achieving:	___% (100% payout)
		20% chance of Achieving:	___% (200% payout)
		10% chance of Achieving:	___% (300% payout)
16.66%	Reduce Supply Cost to Retail from the 2004 Results After Adjusting for Market Changes (based on $__/MWH marker)	80% chance of Achieving:	___% (50% payout)
		50% chance of Achieving:	___% (100% payout)
		20% chance of Achieving:	___% (200% payout)
		10% chance of Achieving:	___% (300% payout)

* *Assumes no change in equity* ** *Excluding variable incentive costs*

Weighing of Goals

For the CEO, 80% of performance will be based on SE goals and 20% of performance will be based on Great Plains Energy goals.

For the other executives, 100% of performance will be based on SE goals.

Note: Specific information regarding goals and indicative measures is confidential and has been removed.

Exhibit 12.1

GREAT PLAINS ENERGY

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

	Three Months Ended March 31					
	2005	**2004**	**2003**	**2002**	**2001**	**2000**
			(thousands)			
Income (loss) from continuing operations	$ 20,190	$ 173,535	$ 189,702	$ 136,702	$ (28,428)	$ 53,014
Add						
Equity investment (income) loss	345	1,531	2,018	1,173	(23,641)	22,994
Minority interests in subsidiaries	(888)	(2,131)	(1,263)	-	(897)	-
Income subtotal	19,647	172,935	190,457	137,875	(52,966)	76,008
Add						
Taxes on income	5,291	54,451	78,565	51,348	(34,672)	7,926
Kansas City earnings tax	51	602	418	635	583	421
Total taxes on income	5,342	55,053	78,983	51,983	(34,089)	8,347
Interest on value of leased property	1,984	6,222	5,944	7,093	10,679	11,806
Interest on long-term debt	16,071	66,128	58,847	65,837	83,549	57,896
Interest on short-term debt	897	4,837	5,442	6,312	9,915	11,050
Mandatorily redeemable Preferred Securities	-	-	9,338	12,450	12,450	12,450
Other interest expense and amortization	954	13,563	3,912	3,760	5,188	2,927
Total fixed charges	19,906	90,750	83,483	95,452	121,781	96,129
Earnings before taxes on income and fixed charges	$ 44,895	$ 318,738	$ 352,923	$ 285,310	$ 34,726	$ 180,484
Ratio of earnings to fixed charges	2.26	3.51	4.23	2.99	(a)	1.88

(a) An $87.1 million deficiency in earnings caused the ratio of earnings to fixed charges to be less than a one-to-one coverage. A $195.8 million net write-off before income taxes related to the bankruptcy filing of DTI was recorded in 2001.

Exhibit 31.1.a

CERTIFICATIONS

I, Michael J. Chesser, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Great Plains Energy Incorporated;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report:

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2005

/s/ Michael J. Chesser

Michael J. Chesser
Chairman of the Board and Chief Executive Officer

Exhibit 31.1.b

CERTIFICATIONS

I, Terry Bassham, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Great Plains Energy Incorporated;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report:

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2005

/s/ Terry Bassham

Terry Bassham
Executive Vice President - Finance and Strategic Development and Chief Financial Officer

Exhibit 32.1

Certification of CEO and CFO Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Great Plains Energy Incorporated (the "Company") for the quarterly period ended March 31, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Michael J. Chesser, as Chairman of the Board and Chief Executive Officer of the Company, and Terry Bassham, as Executive Vice President - Finance and Strategic Development and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Michael J. Chesser

Name: Michael J. Chesser
Title: Chairman of the Board and Chief Executive Officer

Date: May 6, 2005

/s/ Terry Bassham

Name: Terry Bassham
Title: Executive Vice President - Finance and Strategic Development and Chief Financial Officer

Date: May 6, 2005

This certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document. This certification shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to liability under that section. This certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934 except to the extent this Exhibit 32.1 is expressly and specifically incorporated by reference in any such filing.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Great Plains Energy Incorporated and will be retained by Great Plains Energy Incorporated and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 10.2

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of a Proposed Experimental Regulatory Plan of Kansas City Power & Light Company	))	Case No. EO-2005-_

STIPULATION AND AGREEMENT

As a result of discussions among the Staff of the Missouri Public Service Commission ("Staff"), the Office of the Public Counsel ("Public Counsel"), Missouri Department of Natural Resources ("MDNR"), Praxair, Inc. ("Praxair"), Missouri Industrial Energy Consumers ("MIEC"), Ford Motor Company ("Ford"), Aquila, Inc., d/b/a Aquila Networks, Aquila Networks-MPS and Aquila Networks-L&P, ("Aquila"), The Empire District Electric Company ("Empire"), Missouri Joint Municipal Electric Utility Commission ("MJMEUC"), Jackson County, Missouri ("Jackson County"), City of Kansas City, Missouri ("Kansas City") and Kansas City Power & Light Company ("KCPL") (collectively "Signatory Parties"), the Signatory Parties hereby submit to the Missouri Public Service Commission ("Commission") for its consideration and approval this Stipulation and Agreement ("Agreement"). The Signatory Parties state as follows:

I. KANSAS CITY POWER & LIGHT COMPANY'S APPLICATION

KCPL is an electric corporation under the jurisdiction of the Commission. On May 6, 2004, KCPL filed an Application in Case No. EO-2004-0577 requesting that the Commission open a docket to investigate emerging issues expected to affect the supply, delivery and pricing of the electric service provided by KCPL in the future. The issues discussed by KCPL, Staff, Public Counsel and other participants in Case No. EW-2004-0596 included the following:

A. The need for additional generating capacity in the KCPL service territory into the future;

B. The mix of new generation that would result in a reliable and cost effective service for Missouri customers;

C. The desirability of proactively addressing environmental concerns relating to new generation and existing generating facilities;

D. Investment into a highly reliable transmission and distribution infrastructure;

E. Establishment of customer efficiency and affordability programs and development of new technologies and applications for demand response programs; and

F. Agreement regarding a regulatory plan that will adequately address the comprehensive undertakings being considered by KCPL, including the timeliness of the recovery of the costs and the financial considerations of such significant investments.

Throughout 2004, KCPL conducted numerous workshops, public forums, and strategic planning seminars, involving employees, customers, energy experts, financial experts, the general public, consumer groups, manufacturers, industrial and trade groups, environmental organizations, and other utility companies, as well as government and community leaders to solicit comment regarding its planning process. Meetings with the Staff, Public Counsel, and other participants to Case No. EW-2004-0596 were also conducted at which KCPL made presentations and answered questions. Requests for information were issued by Staff and other participants in Case No. EW-2004-0596 and responses have been provided by KCPL.

During the course of these proceedings, KCPL has provided to the Staff, Public Counsel, and the other participants the following information, among other things: (a) a description of KCPL's proposed efficiency, affordability and demand response programs; (b) KCPL's ten-year generation and load forecasts; (c) a description of KCPL's proposed distribution and transmission infrastructure programs; (d) a description of all of the power supply alternatives considered by KCPL to meet its load requirements; and (e) a description of environmental investments considered by KCPL to be necessary for the future.

II. Procedural History

1. On May 6, 2004, KCPL filed in Case No. EO-2004-0577 its Application To Establish Investigatory Docket And Workshop Process Regarding Kansas City Power & Light Company. In its Application, KCPL requested that the Commission issue an Order (a) opening an investigatory docket regarding the future supply and pricing of the electric service provided by KCPL; and (b) authorizing the use of the Commission's workshop process to address certain issues related to the future supply and pricing of electricity for KCPL and its customers, and any other issues impacting KCPL that may arise from discussion among the interested participants.

2. On May 25, 2004, the Commission issued an Order Directing Notice And Setting Intervention Deadline in Case No. EO-2004-0577.

3. Participants, including MDNR, Aquila, Empire, Kansas City, Concerned Citizens of Platte County ("Citizens"), Praxair, MIEC and MJMEUC filed applications to intervene in Case No. EO-2004-0577. Subsequently, the Missouri Energy Group ("MEG"), the Sierra Club ("Sierra Club"), Union Electric Company, d/b/a AmerenUE ("AmerenUE"), and Jackson County participated in the workshops conducted in Case No. EW-2004-0596.

4. On June 3, 2004, the Commission issued an Order Establishing Case which granted KCPL's Application to Establish Investigatory Docket and Workshop Process Regarding Kansas City Power & Light Company, filed by KCPL on May 6, 2004, and established an informal, investigatory case designated as Case No. EW-2004-0596. In the June 3, 2004, Order Establishing Case, the parties which filed to intervene in Case No. EO-2004-0577 were also made participants in Case No. EW-2004-0596. On July 1, 2004, the Commission issued its Notice Closing Case in Case No. EO-2004-0577 which formally closed that proceeding.

5. A prehearing conference was held in Case No. EW-2004-0596 on June 30, 2004. A series of presentations and workshops were held on June 21, June 30, July 21, July 30, August 10-11, August 19, August 24-26, September 7, September 15, September 29, and October 29, 2004. During this period KCPL conducted numerous informal meetings with a variety of interested groups and individuals to discuss the many issues raised by this proceeding. The workshop was organized into two teams. Team A reviewed Integrated Resource Planning related issues, including load forecasting, generation planning, demand side management, environmental issues, and distribution and transmission technologies. A subteam within Team A reviewed affordability, efficiency, and demand response programs. Team B reviewed the financial issues associated with KCPL's various plans, including maintaining KCPL 's current investment grade rating on its securities. These Teams were led jointly by KCPL and Staff representatives. Meetings also occurred on dates subsequent to October 29, 2004. On January 18, 2005, the Commission held an on the record conference. On February 18, 2005, the Commission issued its Order Closing Case in Case No. EW-2004-0596.

III. STIPULATION AND AGREEMENT OF THE PARTIES

Having considered the Application that KCPL submitted in Case No. EW-2004-0596, and having participated in workshops, discovery and settlement negotiations, the Signatory Parties agree on certain premises, fundamental concepts, and factual conclusions, as set forth hereafter, and recommend that the Commission adopt as its Order Approving Stipulation and Agreement in this Case No. EO-2005-_____ these agreements and an Experimental Regulatory Plan ("Regulatory Plan") for KCPL as set forth in detail below. For purposes of this Agreement, all obligations and conditions agreed and assumed by KCPL shall become, pursuant to the terms of this Agreement, obligations and conditions of any KCPL affiliate, successor, or assignee, which shall be bound in the same manner and to the same ex tent as KCPL.

A. Definitions

Significant change - a change in the related facts and circumstances that would call into question whether the current course of action is still appropriate.

Regulatory Plan - all the terms and conditions contained in this Agreement.

Resource Plan - the capital investments and customer programs contained in this Agreement, as more fully described in Paragraph III.B.4 "Timely Infrastructure Investments" and Paragraph III.B.5 "Demand, Response, Efficiency, and Affordability Programs."

Regulatory Plan Term/Duration - approximate five (5) year period beginning with the effective date of the Commission Order Approving Stipulation and Agreement.

Iatan 2 - coal fired, base load generating unit to be located at the Iatan generating station site near Weston, Missouri

LIST OF APPENDICES

APPENDIX A - SO_2 Emission Allowance Management Policy

APPENDIX B - Anticipated Five Year Budget Financing Plan Summary

APPENDIX C - Affordability, Efficiency and Demand Response Programs

APPENDIX D - Strategic Initiative Projects - Projected In-Service Dates, Regulatory Initiatives, Capital/Amortization Projects, Asset Management Plan

APPENDIX E - Credit Ratio Ranges and Definitions

APPENDIX F - Adjustment of Amortization Amounts

APPENDIX G - Depreciation and Amortization Rates - Missouri Jurisdictional

APPENDIX H - In-Service Criteria

APPENDIX I - Missouri Class Cost of Service Study - Requirements - Rate Filing Number 1

B. Stipulations and Agreements

The Signatory Parties submit to the Commission this Agreement:

1. An Experimental Regulatory Plan ("Regulatory Plan")

a. Capital Investments and Programs

KCPL agrees to make the capital investments and initiate the customer programs contained in this Agreement, as more fully described in Paragraph III.B.4 "Timely Infrastructure Investments" and Paragraph III.B.5 "Demand, Response, Efficiency, and Affordability Programs" below (collectively the "Resource Plan"). The Signatory Parties agree that under the unique circumstances respecting KCPL, the capital investment package described in Paragraph III.B.4 and the customer programs described in Paragraph III.B.5 constitute major elements of a reasonable and adequate resource plan at the time the Signatory Parties entered into this Agreement.

b. Current Rate Levels

KCPL, Staff, Public Counsel and the other Signatory Parties have agreed that, based upon the agreements and commitments contained herein, KCPL's current rates should be maintained at current levels through December 31, 2006, as specified in Paragraph III.B.2 "Rate Moratorium" below.

c. Single-Issue Rate Mechanisms

KCPL agrees that, prior to June 1, 2015, it will not seek to utilize any mechanism authorized in current legislation known as "SB 179" or other change in state law that would allow riders or surcharges or changes in rates outside of a general rate case based upon a consideration of less than all relevant factors. In exchange for this commitment, the Signatory Parties agree that if KCPL proposes an Interim Energy Charge ("IEC") in a general rate case filed before June 1, 2015 in accordance with the following parameters, they will not assert that such proposal constitutes retroactive ratemaking or fails to consider all relevant factors:

(i) The rates and terms for such an IEC shall be established in a rate case along with a determination of the amount of fuel and purchased power costs to be included in the calculation of base rates.

(ii) The rate or terms for such an IEC shall not be subject to change outside of a general rate case where all relevant factors are considered.

(iii) The IEC rate "ceiling" may be based on both historical data and forecast data for fuel and purchased power costs, forecasted retail sales, mix of generating units, purchased power, and other factors including plant availability, anticipated outages, both planned and unplanned, and other factors affecting the costs of providing energy to retail customers.

(iv) The duration of any such IEC shall be established for a specified period of time, not to exceed two years.

(v) A refund mechanism shall be established which will allow any over-collections of fuel and purchased power amounts to be returned to ratepayers with interest following a review and true-up of variable fuel and purchased power costs at the conclusion of each IEC. Any uncontested amount of over-collection shall be refunded to ratepayers no later than 60 days following the filing of the IEC true-up recommendation of the Staff.

(vi) During any IEC period, KCPL shall provide to the Staff, Public Counsel and other interested Signatory Parties monthly reports that include any requested energy and fuel and purchase power cost data.

d. SO_2 Emission Allowances

KCPL is authorized to manage its SO_2 emission allowance inventory, including the sales of such allowances, under the Stipulation and Agreement in Case No. EO-2000-357. Under such Stipulation and Agreement, KCPL must record all SO_2 emission allowance sales proceeds as a regulatory liability in Account 254, Other Regulatory Liabilities, for ratemaking purposes. The following, including the attached SO_2 Emission Allowance Management Policy ("SEAMP") contained in Appendix A, supersedes the plan approved in the Stipulation and Agreement in Case No. EO-2000-357. The Signatory Parties agree upon the SEAMP contained in Appendix A. The proceeds and costs of all transactions identified in the SEAMP will be recorded in Account 254 for ratemaking purposes.

The regulatory liability will be amortized over the same time period used to depreciate environmental assets (emission control equipment and other emission control investments). This provision recognizes that the sales of SO_2 emission allowances to fund investments in new environmental control equipment, in order to meet emissions standards required now or in the future by legislation, MDNR or the United States Environmental Protection Agency ("EPA") regulations, are like-kind exchanges of assets. KCPL agrees to provide all correspondence between KCPL and the United States Internal Revenue Service ("IRS") with respect to SO_2 emission allowances to the Signatory Parties, within fourteen (14) days of such correspondence. KCPL shall be obligated to define the correspondence as "Proprietary" or "Highly Confidential" if it so deems the material.

In the event the IRS fails to certify SO_2 emission allowance sales as like-kind exchanges, the Signatory Parties agree that the above agreement on the amortization period for the regulatory liability is no longer binding on, or prejudicial to, KCPL or the other Signatory Parties, and that KCPL and the Signatory Parties are free to, and may, recommend the appropriate amortization period for such regulatory liability to be included in Rate Filing #4 (Iatan 2 case) revenue requirement required herein and to commence on the effective date of tariffs from Rate Filing #4.

KCPL currently purchases coal from vendors under contracts that indicate nominal sulfur content. To the extent that coal supplied has a lower sulfur content than specified in the contract, KCPL may pay a premium over the contract price. The opportunity to burn coal with lower sulfur content is both advantageous to the environment and reduces the number of SO_2 emission allowances that must be used. To the extent that KCPL pays premiums for lower sulfur coal up until January 1, 2007, it will determine the portion of such premiums that apply to retail sales and will record the proportionate cost of such premiums in Account 254. But in no event will the charges to the Missouri jurisdictional portion of Account 254 for these premiums exceed $400,000 annually. The portion of premiums applicable to retail will be determined monthly based on the system-wide percentage of MWh's from coal generation used for retail sales versus w holesale sales as computed by the hourly energy costing model. This system-wide percentage will be applied to premiums invoiced during the same period.

e. Pension Expense

The intent of this pension expense agreement is to:

A. Ensure that KCPL recovers the amount of the net prepaid pension asset representing the recognition of a negative Statement of Financial Accounting Standards No. 87 (FAS 87) result used in setting rates in prior years;

B. Ensure that the amount collected in rates is based on the FAS 87 cost using the methodology described below in item 2;

C. Ensure that once the amount in item A above has been collected in rates by KCPL, all pension cost collected in rates is contributed to the pension trust;

D. Ensure that all amounts contributed by KCPL to the pension trust per items 3 and 5 below are recoverable in rates; and

E. Ensure that KCPL will receive no more or less than the amount in item 3 below before KCPL is required to fund the plan.

With the exception of item 1 below, this Agreement is consistent with the recent settlement agreement on pension expense in The Empire District Electric Company rate case, Case No. ER- 2004-0570.

To accomplish these goals in items A through E above, the following matters are agreed upon as part of this Agreement, to be applied as of the first day of the calendar year in which the settlement is approved:

1. KCPL's FAS 87 cost, for financial reporting purposes, will differ from the method used for ratemaking purposes described in item 2 below. KCPL made a voluntary decision (not required for compliance with a Commission order) in January 2000, to amortize gains and losses under FAS 87 over a five (5) year period. A five (5) year average of the unrecognized gain/loss balance has been amortized over five (5) years since January 2000. It is KCPL's belief that any method, which recognizes gains and losses over a shorter time frame, is considered a "more preferable" method under Generally Accepted Accounting Principles ("GAAP"). Therefore, KCPL believes that, pursuant to GAAP, it is precluded from changing the method of pension accounting to another method unless the change is to a more preferable method. It is KCPL's contention that, in the case of FAS 87, a more prefera ble method is a method that amortizes gains and losses more rapidly. The method described in item 2 below does not amortize gains and losses more rapidly and is not considered a more preferable method under KCPL's belief. Therefore, under KCPL's understanding of this matter, it cannot switch to that method for financial reporting.

Public Counsel and the Staff do not concur in KCPL's belief. Thus, KCPL will establish a regulatory asset or liability for the annual difference in the FAS 87 result from the two different methods. KCPL's outside actuary will maintain actuarial reports under each method on an annual basis. Any difference between the two methods is merely a timing difference which will eventually be recovered, or refunded, through rates under the method used in setting rates over the life of the pension plan. No rate base recognition will be required for any regulatory asset or liability calculated in accordance with this Paragraph.

2. FAS 87 cost, used for ratemaking purposes, will be calculated based on the following methodology:

a. Market Related Value ("MRV") for asset determination, smoothing all asset gains and losses that occur on and after January 1, 2005 over five (5) years;

b. No 10% Corridor; and

c. Amortization period of ten (10) years for unrecognized gains and losses. (With a five (5) year MRV amortization - all gains/losses are reflected in fifteen (15) years.)

3. Any FAS 87 amount (as calculated in item 2 above), which exceeds the minimum Employee Retirement Income Security Act of 1974 ("ERISA") contribution, will reduce the prior net prepaid asset currently recognized in rate base of $63,658,444 ($34,694,918 Missouri jurisdictional). When the prior net prepaid pension asset currently recognized in rate base is reduced to zero (0), any amount of FAS 87 (as calculated in item 2 above), which exceeds the minimum ERISA funding level, must be funded. The Missouri jurisdictional net prepaid pension amount to be included in rate base may be increased as provided in item 5 below. Furthermore, any FAS 87 amount that exceeds the minimum ERSIA funding level that is not funded because it exceeds the amount of funding that is tax deductible will be tracked, as a regulatory liability, to ensure it is funded in the future when it becomes tax deductible. The non-funded amount (regulatory liability) will be allowed, as a rate base offset, for the excess collected in rates but not contributed to the trust fund, until such time as the contribution occurs.

4. In the case that FAS 87 expense becomes negative, the Signatory Parties agree that KCPL shall set up a regulatory liability to offset the negative expense. In future years, when FAS 87 expense becomes positive again, rates will remain zero (0) until the prepaid pension asset that was created by negative expense is reduced to zero (0). The regulatory liability will be reduced at the same rate as the prepaid pension asset is reduced until the regulatory liability becomes zero (0). This regulatory liability is a non-cash item and should be excluded from rate base in future years.

5. The Signatory Parties agree to allow KCPL rate recovery for contributions made to the pension trust in excess of the FAS 87 expense, calculated pursuant to item 2 above for the following reasons: the minimum required contribution is greater than the FAS 87 expense level, avoidance of Pension Benefit Guarantee Corporation ("PBGC") variable premiums, and avoidance of the recognition of a minimum pension liability (i.e., with associated charge to Other Comprehensive Income ("OCI")). A regulatory asset will be established and will be allowed rate base treatment for the excess of any contribution (as defined above) over the annual FAS 87 amount calculated in accordance with item 2 above.

6. The Signatory Parties agree that a regulatory asset or liability will be established on KCPL's books to track the difference between the level of FAS 87 expense calculated, pursuant to item 2 above, during the rate period, and the level of pension expense built into rates for that period, after consideration for pension costs capitalized. The level of FAS 87 current period costs, before capitalization, built into rates for the initial period, is established as $22,000,000. If the FAS 87 expense during the period is more than the expense built into rates for the period, KCPL will establish a regulatory asset. If the FAS 87 expense during the period is less than the expense built into rates for the period, KCPL will establish a regulatory liability. If the FAS 87 expense becomes negative, a regulatory liability equal to the difference between the level of pension e xpense built into rates for that period and $0 will be established. Since this is a cash item, the regulatory asset or liability will be included in rate base and amortized over five (5) years at the next rate case.

7. Any FAS 87 net prepaid pension asset, other than the amount identified in item 3 above, will not earn a return in future regulatory proceedings. The regulatory assets/liabilities identified in items 5 and 6 above address the inclusion of any additional rate base amounts.

The Signatory Parties agree that KCPL should follow the accounting treatment prescribed by the Federal Energy Regulatory Commission ("FERC") in General Instruction No. 23 regarding pension-related OCI and transfer existing and future pension OCI amounts to a regulatory asset. This regulatory asset will not be included in Rate Base.

f. Financing Plan To be Subsequently Filed By KCPL For Commission Authorization

The Signatory Parties understand that making the capital investments and initiating the customer programs described in Paragraph III.B.4 and Paragraph III.B.5 of this Agreement will require KCPL to issue debt securities. The Signatory Parties also understand that KCPL will be required to refinance all or a portion of debt securities currently scheduled to mature during the Regulatory Plan. Further, KCPL has advised the Signatory Parties that the time that would be required for it to prefile with the Commission for approval of each offering of debt securities during the term of the Regulatory Plan could unduly restrict its ability to access the capital markets under the most advantageous terms and conditions.

In the course of the workshop and subsequent discussions, KCPL has provided the Signatory Parties with a long-term financing plan outlining the anticipated issuance of new debt securities and refinancing of existing debt securities. Thus, related to KCPL's Regulatory Plan, is KCPL's issuance of debt securities at future dates for both new expenditures and refinancing purposes. KCPL will soon make a filing with the Commission seeking Commission authorization to engage in these issuances of new debt securities and refinancing of existing debt securities. This future filing of KCPL will apply to debt securities to be issued in the aggregate by KCPL during the Regulatory Plan.

The debt securities that subsequently would be issued under the Commission authorization that will be sought in the near term by KCPL will have maturities of from one (1) year to 40 years and will be issued by KCPL or through agents or underwriters for KCPL in multiple offerings of differing amounts at different times with different interest rates (including variable interest rates) and other negotiated terms and conditions. Interest rates on the debt securities will not exceed ten percent (10%) on (i) fixed rate debt securities or (ii) the initial rate on any variable or remarketed debt securities. The net proceeds from the issuance of these securities will be used for general corporate purposes, including the repayment of short-term debt.

The debt securities may be senior or subordinated and may be issued as unsecured or secured under KCPL's existing general mortgage debt indentures, depending on cost differentials and market conditions at the time of issuance. The debt securities may take the form of "fall-away" mortgage debt in which it is initially secured debt but converts to unsecured debt based on certain conditions. Finally, the debt securities may include subordinated debt securities to be sold to one or more special purpose financing entities, such as trusts, established by KCPL that, in turn, would issue preferred securities. KCPL will seek Commission authorization to guarantee the distributions, redemption price and liquidation payments respecting such preferred securities.

KCPL will also request Commission authorization to enter into interest rate hedging instruments in conjunction with the debt securities to be issued as a result of the Regulatory Plan. KCPL will continue to maintain separate Commission-granted authority to enter into interest rate hedging instruments to manage the portfolio of variable rate debt, particularly pollution control bonds, that KCPL currently has outstanding separate from the Regulatory Plan.

Attached to this Agreement, as Appendix B, is the long-term "Financial Plan" that has been provided by KCPL to the Signatory Parties. Also attached to this Agreement, as Appendix D, is the KCPL "Strategic Initiative Projects Projected In-Service Dates" listing the specific generation, environmental and distribution projects included in KCPL's Regulatory Plan and their projected in-service dates as provided by KCPL's response to Staff Data Request No. 3025.

g. Allowance For Funds Used During Construction ("AFUDC")

KCPL agrees to a 1.25% or 125 basis point reduction in the equity portion of the AFUDC rate applicable to Iatan 2. KCPL shall use this 125 basis point reduction in the AFUDC rate from the effective date of the Order Approving Stipulation and Agreement in this proceeding, and in all subsequent calculations of AFUDC on Iatan 2 until the in-service date of Iatan 2.

h. Current Amortizations

KCPL will continue to include as a component of cost of service $3.5 million in Missouri jurisdictional amortization expense, from the effective date of this Agreement until the effective date of the tariffs resulting from Rate Filing #1, per Paragraph III.B.3.a of this Agreement, to be filed in 2006, for rates effective in 2007**.** KCPL shall maintain adequate records that identify the $3.5 million of annual amortization expense originally authorized in *Re Customer Class Cost of Service and Comprehensive Rate Design Investigation of Kansas City Power & Light Company*, Order Approving Stipulation and Agreement, Case No. EO-94-199, 5 Mo.P.S.C.3d 76 (1996) on a state specific basis, by vintage year so that Missouri customers will receive recognition, of the amortization funds they have provided, in the determination of rate base for the Missouri jurisdiction, in future rate proceedings.

KCPL shall record additional amortization expense in the amount of $10.3 million on an annual Missouri jurisdictional basis beginning with the effective date of this Agreement until the effective date of the tariffs resulting from Rate Filing #1, per Paragraph III.B.3.a of this Agreement. This amount is equal to the change in depreciation expense reflecting a change in service life span of the Wolf Creek Nuclear Generating Station from 40 to 60 years provided for in Paragraph III.A.3.n of this Agreement.

KCPL, Staff, Public Counsel and other Signatory Parties may propose that these amortizations be directed toward specific plant accounts: Provided, however, that the Wolf Creek amortizations will be assigned only to the nuclear generation plant accounts. Any such accumulated amortizations will be used as an offset to rate base, in future rate proceedings of KCPL or its successors.

i. Additional Amortizations to Maintain Financial Ratios

In Re Application of Kansas City Power & Light Company For An Order Authorizing Its Plan to Reorganize Itself Into a Holding Company Structure, Case No. EM-2001-0464, 10 Mo.P.S.C.3d 394 (2001), KCPL agreed to maintain its debt at investment grade. The Signatory Parties agree that it is desirable to maintain KCPL's debt at investment grade rating during the period of the construction expenditures contained in this Agreement. KCPL understands it has the responsibility to take prudent and reasonable actions in an effort to achieve the goal of maintaining its debt at investment grade levels. KCPL understands that it is incumbent upon it to take prudent and reasonable actions that do not place its investment grade debt rating at risk. KCPL further agrees that any negative impact from its failure to be adequately insulated from the Great Plains Energy, Inc. ("GPE") business risks as perceived by the debt rating agencies w ill not be supported by its Missouri jurisdictional customers. KCPL recognizes its obligation to continue to prudently manage costs, continuously improve productivity, and maintain service quality during the Regulatory Plan. KCPL further recognizes that any finding by the Commission that KCPL has failed to prudently manage its costs, continuously improve productivity, and maintain service quality during the Regulatory Plan will negate the obligation of the Signatory Parties contained in this section.

The non-KCPL Signatory Parties commit to work with KCPL to ensure that based on prudent and reasonable actions, KCPL has a reasonable opportunity to maintain its bonds at an investment grade rating during the construction period ending June 1, 2010. As part of this commitment, the non-KCPL Signatory Parties agree to support the "Additional Amortizations to Maintain Financial Ratios", as defined in this section and related appendices, in KCPL general rate cases filed prior to June 1, 2010. The "Additional Amortization to Maintain Financial Ratios" will only be an element in any KCPL rate case when the Missouri jurisdictional revenue requirement in that case fails to satisfy the financial ratios shown in Appendix E through the application of the process illustrated in Appendix F.

The "Additional Amortizations to Maintain Financial Ratios", is designed to satisfy two of three financial ratios shown in Appendix E "Credit Ratio Ranges & Definitions." The three selected financial ratios are: Total Debt to Total Capitalization, Funds from Operations Interest Coverage and Funds from Operations as a Percentage of Average Total Debt. The Total Debt to Total Capitalization ratio will be addressed in the KCPL financing application that will be filed in the near future. The values for these ratios were selected to meet the lower end of the top third of the three financial ratios under the BBB columns as shown in Appendix E "Credit Ratio Ranges & Definitions." If these ratio guidelines or ranges are changed or modified before June 1, 2010, the Signatory Parties will work together to determine the appropriate values for these ratios, including consideration of the use of the last published ranges for these ratios.

The Signatory Parties agree to support an additional amortization amount added to KCPL's cost of service in a rate case when the projected cash flows resulting from KCPL's Missouri jurisdictional operations, as determined by the Commission, fail to meet or exceed the Missouri jurisdictional portion of the lower end of the top third of the BBB range shown in Appendix E, for the Funds from Operations Interest Coverage ratio and the Funds from Operations as a Percentage of Average Total Debt ratio. The Signatory Parties agree to adopt an amortization level necessary to meet the Missouri jurisdictional portion of these financial ratios.

Appendix F "Illustration: Adjustment of Amortization Amounts" illustrates the adjustment process that the Signatory Parties agree to use to determine the Missouri jurisdictional amortization levels discussed herein. The additional amortization shown in Appendix F will exclude any consideration of amounts related to imprudent actions as determined by the Commission. The Missouri jurisdictional portion and amounts of the additional amortization will be determined by the Commission in each relevant rate case. The prudence of the "Capitalized Lease Obligations" and "Off-Balance Sheet Obligations" will be determined in the first general rate case that affords the Commission the opportunity to review the matter, if the matter has not been approved by the Commission in a prior proceeding. Additional taxes will be added to the amortization to the extent that the Commission finds such taxes to be appropriate. The additional amortization wi ll not reflect any negative cash flow impacts related to special contracts. For purposes of calculating additional

amortization pursuant to this section, these special contract customers will be treated as if they were paying the full generally applicable tariff rate. In addition, any other provisions and special contracts will not affect rate base for regulatory purposes.

The Signatory Parties recognize that credit rating agencies review other financial indicators and that these three ratios are not definitive in and of themselves. Credit rating agencies acknowledge that other factors, some subjective, do impact their financial ratings. The Signatory Parties recognize the fact that KCPL may not earn an investment grade rating even if it meets the BBB+ ratio guidelines. Conversely, the Signatory Parties recognize the fact that KCPL may earn a BBB+ credit rating without meeting the values set out for a BBB+ credit rating. If KCPL meets the BBB+ credit rating values but does not receive an investment grade credit rating, KCPL agrees that the Signatory Parties are under no obligation to recommend any further cash flow or rate relief to satisfy the obligations under this section. KCPL also recognizes and agrees that its Missouri operations are only responsible for and will only provide cash flow for its Missouri operating share of the necessary cash flows as set out in this Paragraph III.B.1.i. Therefore, if KCPL is unable to meet the BBB+ credit ratio values in Appendix E because of (1) inadequate cash flows from its regulated Kansas or other non-Missouri retail regulated operations, (2) inadequate cash flows from any wholesale operations, (3) inadequate cash flows from the non-regulated subsidiaries of GPE, (4) any risk associated with GPE that is unrelated to KCPL's Missouri regulated operations, or (5) any KCPL or GPE imprudent costs, KCPL will not argue for or receive increased cash flows from its Missouri regulated operations in order to meet the BBB+ credit ratio values.

The Signatory Parties will not be precluded from suggesting other amortizations or other relief to address cash flow concerns resulting from a significant event such as those identified in Paragraphs III.B.2.b.i-iv. No Signatory Party is precluded from supporting an amortization amount that exceeds the requirements of this Paragraph III.B.1.i.

j. Off-System Sales

KCPL agrees that off-system energy and capacity sales revenues and related costs will continue to be treated above the line for ratemaking purposes. KCPL specifically agrees not to propose any adjustment that would remove any portion of its off-system sales from its revenue requirement determination in any rate case, and KCPL agrees that it will not argue that these revenues and associated expenses should be excluded from the ratemaking process.

k. Transmission Related Revenues

KCPL agrees that transmission related revenues and related costs will continue to be treated above the line for ratemaking purposes. KCPL specifically agrees not to propose any adjustment that would remove any portion of its transmission related revenues from its revenue requirement determination in any rate case, and KCPL agrees that it will not argue that these revenues and associated expenses should be excluded from the ratemaking process.

k. Depreciation on Wind

Wind assets, when included in rate base, will be depreciated over a 20 year life, as contained in Appendix G "Depreciation & Amortization Rates, Missouri Jurisdictional."

l. In-Service Criteria

KCPL, Staff and Public Counsel have agreed to the in-service criteria in Appendix H for the below list of existing generating units, the future Iatan 2 coal unit, and the future wind units in accordance with the requirements specified under Section 393.135 RSMo 2000. KCPL agrees that all units will meet these in-service criteria before being included in rate base:

(1) Hawthorn Unit 6/9. Combined cycle.
(2) Hawthorn 7. Simple cycle combustion turbine.
(3) Hawthorn 8. Simple cycle combustion turbine.
(4) Hawthorn Boiler Number 5. Coal fired.
(5) Hawthorn Turbine Number 5. Steam turbine.
(6) West Gardner Unit 1. Simple cycle combustion turbine.
(7) West Gardner Unit 2. Simple cycle combustion turbine.
(8) West Gardner Unit 3. Simple cycle combustion turbine.
(9) West Gardner Unit 4. Simple cycle combustion turbine.
(10) Osawatomie Unit 1. Simple cycle combustion turbine.

KCPL, Staff and Public Counsel agree that in-service criteria will be developed for the emissions equipment that is to be installed on KCPL coal fired units prior to the equipment installation, and the equipment will meet the criteria before the costs for the equipment will be included in rate base.

m. Wolf Creek Depreciation Reserve

KCPL agrees to determine the effect on the depreciation reserve related to the difference in depreciation rates for the Wolf Creek Nuclear Generating Station resulting from the depreciation rates approved in Missouri and Kansas prior to this Agreement. KCPL further agrees to include this information in its filing related to Rate Filing #1 required in this Agreement for review by the Signatory Parties and Commission approval. The identified amount of depreciation reserve resulting for Missouri operations shall be identified and be assigned specifically to Missouri jurisdictional operations in Rate Filing #1 and all subsequent cases involving KCPL or its successors. It is the intent of this requirement to ensure Missouri ratepayers receive credit (via the rate base deduction afforded depreciation reserve funds) for providing additional depreciation expense to KCPL and eliminating the possibility of these funds being allocated in future cases to the Kansas jurisdiction or other jurisdictions that did not provide the funds.

n. Wolf Creek Depreciation

Upon the effective date of this Agreement, KCPL will begin recording depreciation expense for the Wolf Creek Nuclear Generating Station based on a 60-year life span. The Signatory Parties agree the Commission should authorize KCPL to use depreciation rates for the various nuclear plant accounts, as contained in Appendix G "Depreciation & Amortization Rates, Missouri Jurisdictional".

o. Resource Plan Monitoring

KCPL agrees to actively monitor the major factors and circumstances which influence the need for and economics of all elements of its Resource Plan (the term "Resource Plan" is defined for purposes of this Agreement in Paragraph III.B.1.a.) until the capital investments described in Paragraph III.B.5 below are completed. Such factors and circumstances would include, but not be limited to:

(i) terrorist activity or an act of God;

(ii) a significant change in federal or state tax laws;

(iii) a significant change in federal utility laws or regulations or a significant change in GAAP;

(iv) an unexpected, extended outage or shutdown of a major generating unit(s), other than any major generating unit(s) shut down due to an extended outage at the time of the filing of this Agreement (these units are the major coal burning facilities identified as Hawthorn 5, Iatan, LaCygne 1 & 2 and Montrose 1, 2 & 3, and the nuclear unit Wolf Creek);

(v) a significant change in the cost and/or reliability of power generation technologies;

(vi) a significant change in fuel prices and wholesale electric market conditions;

(vii) a significant change in the cost and/or effectiveness of emission control technologies;

(viii) a significant change in the price of emission allowances;

(ix) significant change in KCPL's load forecast;

(x) a significant change in capital market conditions;

(xi) a significant change in the construction costs of elements of the resource plan;

(xii) a significant change in the scope or effective dates of environmental regulations; or

(xiii) a significant change in federal or state environmental laws.

If KCPL determines that its Resource Plan should be modified because changed factors or circumstances have impacted the reasonableness and adequacy of the resource plan, then it shall notify all Signatory Parties in writing within forty-five (45) days of any such determination. In its notification, KCPL shall: (1) explain the reason(s) (e.g., changed circumstances) for the proposed change in the Resource Plan; (2) specify the new proposed Resource Plan; (3) provide a description of the alternatives that it evaluated and the process that it went through in choosing the new proposed Resource Plan; and (4) provide detailed workpapers that support the evaluation and the process whereby a new proposed Resource Plan was chosen.

If any Signatory Party has concerns regarding KCPL's new proposed Resource Plan, it shall notify KCPL and all Signatory Parties in writing within thirty (30) days of KCPL's written notification to the Signatory Parties. Upon receipt of any such written notification from a Signatory Party, KCPL shall promptly schedule a meeting (KCPL must provide reasonable advance notice of the meeting to all Signatory Parties) where the participants will make good faith efforts to reach consensus regarding how the Resource Plan should be modified in order to create a modified plan that is reasonable and adequate in light of changed factors or circumstances. Any disputes about the need to modify the Resource Plan and the manner in which it should be modified will be discussed among the interested Signatory Parties and these Signatory Parties will cooperate to resolve the dispute in good faith. If the Signatory Parties cannot resolve the dispute wi thin ninety (90) days of KCPL's written notification, the matter will be brought to the Commission for its determination.

If any Signatory Party believes that there have been significant changes in factors or circumstances that have not been acknowledged by KCPL, any Signatory Party may notify KCPL and all other Signatory Parties and request a meeting of all Signatory Parties to discuss the specific changes in factors or circumstances that give rise to the concern of the Signatory Party giving such notice. If the interested Signatory Parties cannot resolve the dispute within ninety (90) days of a Signatory Party's written notification, the matter will be brought to the Commission for its determination. The burden of proof to demonstrate the continued reasonableness and prudence of the new resource plan shall remain with KCPL in any dispute regarding changed factors or circumstances.

Signatory Parties by signing this Agreement do not waive any rights to contest, in any proceeding, that KCPL did not properly monitor significant factors or circumstances and as a result did not properly execute its Resource Plan.

Nothing in this section shall be construed to interfere with KCPL's ability to meet its obligations to provide safe and adequate service by obtaining the resources necessary to meet the short-term reserve margin requirements of KCPL's regional reliability organization (KCPL's current regional reliability organization is the Southwest Power Pool, Inc.).

p. Amortizations: Ten (10) Year Recognition of Future Benefits

In order to ensure that the benefits of offsetting the rate base related to the amortizations contained in this Agreement accrue to KCPL's customers in future rate proceedings, KCPL agrees that any such benefits shall be reflected in its rates, notwithstanding any future changes in the statutory provisions contained in Chapters 386 and 393 RSMo, for at least ten (10) years following the effective date of the Order Approving Stipulation and Agreement in this proceeding.

q. Cost Control Process for Construction Expenditures

KCPL must develop and have a cost control system in place that identifies and explains any cost overruns above the definitive estimate during the construction period of the Iatan 2 project, the wind generation projects and the environmental investments.

2. Rate Moratorium

a. The Signatory Parties to this Agreement (excluding the Office of the Attorney General) agree not to request, or encourage or assist in any request for, (i) a general increase or decrease in KCPL's Missouri retail electric rates, or (ii) rate credits or rate refunds respecting KCPL's Missouri retail electric rates, that would become effective for service rendered prior to January 1, 2007.

b. The Signatory Parties agree that KCPL's rates should remain at their current levels through December 31, 2006, unless a significant event that has a major impact on KCPL occurs, including, but not limited to:

(i) terrorist activity or an act of God;

(ii) a significant change in federal or state tax laws;

(iii) a significant change in federal utility laws or regulations or a significant change in GAAP;

(iv) an unexpected, extended outage or shutdown of a major generating unit(s), other than any major generating unit(s) shut down due to an extended outage at the time of the filing of this Agreement (these units are the major coal burning facilities identified as Hawthorn 5, Iatan, LaCygne 1 & 2 and Montrose 1, 2 & 3, and the nuclear unit Wolf Creek); or

(v) KCPL does not fulfill its commitments to make the investments described in the Resource Plan, Paragraphs III.B.4 and III.B.5 in this Agreement.

3. Expected Rate Cases during Regulatory Plan

During the period beginning with the effective date of the Commission's Order Approving Stipulation and Agreement, and ending on June 1, 2010, KCPL may file rate schedules incorporating increases at the times and under the conditions detailed below. KCPL is not required to file Rate Filing #2 and Rate Filing #3. However, KCPL agrees to file Rate Filing #1, and a rate case to include the investments related to the completion of Iatan 2. KCPL will not seek any additional rate increases during the Regulatory Plan, other than as specified below as Rate Filing ##1, 2, 3, and 4 unless at least one of the contingencies specified in Paragraph III.B.2.b applies.

If one or more of the investments specified in Paragraphs III.B.3.b-e is not included in a rate case filing, as specified herein, KCPL may include the investments in a later rate case filing. In such an instance, the Signatory Parties' commitment not to take the position that the investments should be excluded from KCPL's rate base will extend to the filing that includes such investments consistent with the "Infrastructure" subparagraph of each "Rate Filing" section immediately below. KCPL further commits to work to develop mutually agreeable procedures in these rates cases to streamline the rate case process.

Because of the magnitude of these investments and the length of time in the Regulatory Plan, KCPL may need to adjust the timing of the rate filings to reflect additional information regarding the construction and timing of investments and other factors. KCPL and the Signatory Parties agree to work together to adjust the rate filing schedules to reflect these needs.

a. Rate Filing # 1 (2006 Rate Case)

(i) Schedule. Rate schedules with an effective date of January 1, 2007 will be filed with the Commission on February 1, 2006. The test year will be based upon a historic test year ending December 31, 2005, (initially filed with nine (9) months actual and three (3) months budget data), with updates for known and measurable changes, as of June 30, 2006, and with a true-up through September 30, 2006. On or about October 21, 2006, KCPL will file in a true-up proceeding a reconciliation as of September 30, 2006. The specific list of items to be included in the true-up proceeding shall be mutually agreed upon between KCPL and the Signatory Parties, or ordered by the Commission during the course of the rate case. However, the Signatory Parties anticipate that the true-up items will include, but not necessarily be limited to, revenues including off-system sales, fuel p rices and purchased power costs, payroll and payroll related benefits, plant-in-service, property taxes, depreciation and other items typically included in true-up proceedings before the Commission.

(ii) Interventions. Each of the Signatory Parties shall be considered as having sought intervenor status in the 2006 Rate Filing without the necessity of filing an application to intervene and KCPL consents in advance to such interventions. The Signatory Parties expect that the Commission's standard procedures and rules will be applicable to this rate filing including public notice, local public hearings and evidentiary hearings at appropriate times and places, and an opportunity for interested parties other than the Signatory Parties to seek to intervene.

(iii) Infrastructure. The 2006 Rate Case will include prudent expenditures made related to 100 megawatts of wind generation, and the additions to transmission and distribution infrastructure identified in Appendix D that are in service prior to the agreed upon true-up date of the rates approved in this case. The Signatory Parties agree that they will not take the position that these investments should be excluded from KCPL's rate base on the ground that the projects were not necessary or timely, or that alternative technologies or fuels should have been used by KCPL, so long as KCPL proceeds to implement the Resource Plan described herein (or a modified version of the Resource Plan where the modified plan has been approved by the Commission) and KCPL is in compliance with Paragraph III.B.1(o) "Resource Plan Monitoring." Nothing in this Agreement shall be construed to limit any of the Signatory Parties' ability to inquire regarding the prudence of KCPL's expenditures, or to assert that the appropriate amount to include in KCPL's rate base or its cost of service for these investments is a different amount (e.g., due to imprudent project management) than that proposed by KCPL.

(iv) Amortization Expense. The 2006 Rate Case will include an amortization expense anticipated to be $17 million on a Missouri jurisdictional basis and as this amount may be adjusted to address the requirements as set out in Paragraph III.B.1.i. Conditioned upon KCPL's continued performance pursuant to the Regulatory Plan, the Signatory Parties agree that they will not contest this amortization in the 2006 Rate Case. After the 2006 Rate Case, KCPL will continue to book this amortization annually, which shall continue until the Commission approves a change either upon agreement of the Signatory Parties made with due regard to KCPL's then existing situation, or in the course of a general rate proceeding as further set out in Paragraph III.B.1.i.

Paragraph III.B.1.i does not preclude KCPL, or any other party from requesting that this amortization be directed toward specific plant accounts or from requesting additional changes in depreciation rates that may result from depreciation studies. Any such accumulated amortization balance booked pursuant to this Agreement will be used as an offset to rate base in future rate proceedings of KCPL. KCPL shall maintain adequate records that identify the amortizations on a state specific basis by vintage year so that Missouri customers will receive recognition of the amortization funds they have provided, in the determination of rate base in future rate proceedings.

The Signatory Parties agree that the portion of the amortization expense as provided for in Paragraph III.B.1.i. allocated to Missouri shall reflect the cash flow effect of any difference in depreciation expense due to different service lives (currently 40 years for Missouri and 60 years for Kansas) between Missouri and Kansas with respect to the Wolf Creek Nuclear Generating Station. The Signatory Parties recognize that the failure to recognize this difference will result in Missouri retail customers providing cash flows in excess of the equitable level provided via the special amortization and depreciation expense for Wolf Creek.

(v) Demand Response, Efficiency and Affordability Programs. The 2006 Rate Case will also include an amortization related to the Demand Response, Efficiency and Affordability Programs, as more fully described in Paragraph III.B.5 below. The Signatory Parties agree not to contest this amortization on any basis other than KCPL's failure to prudently implement the Demand Response, Efficiency and Affordability Programs described in Paragraph III.B.5 below.

(vi) Revenue Computation Inputs. KCPL will provide to Staff monthly billed kWh sales, revenues, customer and billing units aggregated by jurisdiction, by rate class (Small General Service, Medium General Service, Large General Service, Large Power Service, etc.), and by voltage level (primary, secondary, sub-transmission, etc.) for all rate classes. In addition, this data would be provided by usage period (read cycle) for the weather-sensitive groupings. This data would be provided for the nine (9) months of test year actual data that is available when KCPL files the case and for the other three (3) months of the test year as soon as the data is available.

(vii) Class Cost of Service Study. KCPL agrees that the 2006 Rate Case will also include the filing of a Class Cost of Service Study by KCPL. No later than February 1, 2006, KCPL will submit to the Signatory Parties a Missouri jurisdictional revenue requirement cost of service study and a Missouri jurisdictional customer class cost of service study covering the twelve months ending December 31, 2005. KCPL agrees that the Missouri customer class cost of service study will include the requirements shown in Appendix I, and all underlying workpapers associated with these studies, including but not limited to what is shown in Appendix I, will be provided to all Signatory Parties and any additional intervenors in the 2006 Rate Filing at that time.

(viii) Special Contracts. KCPL agrees that for ratemaking determinations, Praxair, Ford and other special contracts will be treated as if they were paying the full generally applicable tariff rate for service from KCPL and other provisions in special contracts will not affect rate base for regulatory purposes.

b. Rate Filing # 2 (2007 Rate Case)

(i) Schedule. Rate schedules with an effective date of January 1, 2008 may be filed with the Commission on February 1, 2007. The test year will be based upon a historic test year ending December 31, 2006, (initially filed with nine (9) months actual and three (3) months budget data), with updates for known and measurable changes, as of June 30, 2007, and with a true-up through September 30, 2007. On or about October 21, 2007, KCPL will file in a true-up proceeding a reconciliation as of September 30, 2007. The specific list of items to be included in the true-up proceeding shall be mutually agreed upon between KCPL and the Signatory Parties, or ordered by the Commission during the course of the rate case. However, the Signatory Parties anticipate that the true-up items will include, but not necessarily be limited to, revenues including off-system sales, fuel prices and purchased power costs, payroll and payroll benefits, plant-in-service, depreciation and other items typically included in true-up proceedings before the Commission.

(ii) Interventions. Each of the Signatory Parties shall be considered as having sought intervenor status in the 2007 Rate Filing without the necessity of filing an application to intervene and KCPL consents in advance to such interventions. The Signatory Parties expect that the Commission's standard procedures and rules will be applicable to this rate filing including public notice, local public hearings and evidentiary hearings at appropriate times and places, and an opportunity for interested parties other than the Signatory Parties to seek to intervene.

(iii) Revenue Computation Inputs. KCPL will provide to Staff monthly billed kWh sales, revenues, customer and billing units aggregated by jurisdiction, by rate class (Small General Service, Medium General Service, Large General Service, Large Power Service, etc.), and by voltage level (primary, secondary, sub-transmission, etc.) for all rate classes. In addition, this data would be provided by usage period (read cycle) for the weather-sensitive groupings. This data would be provided for the nine (9) months of test year actual data that is available when KCPL files the case and for the other three (3) months of the test year as soon as the data is available.

(iv) Rate Design. The Signatory Parties agree not to file new or updated class cost of service studies or to propose changes to rate structures in Rate Filing #2.

(v) Infrastructure. The 2007 Rate Case will include prudent expenditures for the installation of a Selective Catalytic Reduction (SCR) facility at La Cygne 1, and the additions to transmission and distribution infrastructure identified in Appendix D that are in service prior to the agreed upon true-up date. The Signatory Parties agree that they will not take the position that these investments should be excluded from KCPL's rate base on the ground that the projects were not necessary or timely, or that alternative technologies or fuels should have been used by KCPL, so long as KCPL proceeds to implement the Resource Plan described herein (or a modified version of the Resource Plan where the modified plan has been approved by the Commission) and KCPL is in compliance with Paragraph III.B.1(o) "Resource Plan Monitoring." Nothing in this Agreement shall be construed to limit any of the Signatory Parties' ability to inquire regarding the prudence of KCPL's expenditures, or to assert that the appropriate amount to include in KCPL's rate base or its cost of service for these investments is a different amount (e.g., due to imprudent project management) than that proposed by KCPL.

(vi) Amortization Expense. The 2007 Rate Case will include an amortization expense of $17 million on a Missouri jurisdictional basis, as may be adjusted upward or downward as set out in Paragraph III.B.1.i. Conditioned upon KCPL's continued performance pursuant to the Regulatory Plan, the Signatory Parties

agree that they will not contest this amortization in the 2007 Rate Case. After the 2007 Rate Case, KCPL will continue to book this amortization annually, which shall continue until the Commission approves a change either upon agreement of the Signatory Parties made with due regard to KCPL's then existing situation, or in the course of a general rate proceeding as further set out in Paragraph III.B.1.i. Paragraph III.B.1.i does not preclude KCPL, or any other party from requesting that this amortization b e directed toward specific plant accounts or from requesting additional changes in depreciation rates that may result from depreciation studies. Any such accumulated amortization balance booked pursuant to this Agreement will be used as an offset to rate base in future rate proceedings of KCPL.

(vii) Demand Response, Efficiency And Affordability Programs. The 2007 Rate Case will also include the amortization related to the Demand Response, Efficiency and Affordability Programs, as more fully described in Paragraph III.B.5 below. The Signatory Parties agree not to contest the continuation of this amortization in the 2007 Rate Case on any basis other than KCPL's failure to prudently implement the Demand Response, Efficiency and Affordability Programs described in Paragraph III.B.5 below.

(viii) Special Contracts. KCPL agrees that for ratemaking determinations, Praxair, Ford and other special contracts will be treated as if they were paying the full generally applicable tariff rate for service from KCPL and other provisions in special contracts will not affect rate base for regulatory purposes.

c. Rate Filing #3 (2008 Rate Case)

(i) Schedule. Rate schedules with an effective date of January 1, 2009 may be filed with the Commission on February 1, 2008. The test year will be based upon a historic test year ending December 31, 2007, (initially filed with nine (9) months actual and three (3) months budget data), with updates for known and measurable changes, as of June 30, 2008, and with a true-up through September 30, 2008. On or about October 21, 2008, KCPL will file in a true-up proceeding a reconciliation as of September 30, 2008. The specific list of items to be included in the true-up proceeding shall be mutually agreed upon between KCPL and the Signatory Parties, or ordered by the Commission during the course of the rate case. However, the Signatory Parties anticipate that the true-up items will include, but not necessarily be limited to, revenues including off-system sales, fuel prices and purchased power costs, payroll and payroll related expenses, plant-in-service, depreciation and other items typically included in true-up proceedings before the Commission.

(ii) Interventions. Each of the Signatory Parties shall be considered as having sought intervenor status in the 2008 Rate Filing without the necessity of filing an application to intervene and KCPL consents in advance to such interventions. The Signatory Parties expect that the Commission's standard procedures and rules will be applicable to this rate filing including public notice, local public hearings and evidentiary hearings at appropriate times and places, and an opportunity for interested parties other than the Signatory Parties to seek to intervene.

(iii) Revenue Computation Inputs. KCPL will provide to Staff monthly billed kWh sales, revenues, customer and billing units aggregated by jurisdiction, by rate class (Small General Service, Medium General Service, Large General Service, Large Power Service, etc.), and by voltage level (primary, secondary, sub-transmission, etc.) for all rate classes. In addition, this data would be provided by usage period (read cycle) for the weather-sensitive groupings. This data would be provided for the nine (9) months of test year actual data that is available when KCPL files the case and for the other three (3) months of the test year as soon as the data is available.

(iv) The Signatory Parties agree not to file new or updated class cost of service studies or to propose changes to rate structures in Rate Filing #3.

(v) Infrastructure. The 2008 Rate Case will include prudent expenditures for the installation of an SCR facility, a Flue Gas Desulphurization ("FGD") unit and a Baghouse at Iatan 1; 100 MWs of wind generation; and the additions to transmission and distribution infrastructure identified in Appendix D that are in service prior to the agreed upon true-up date. The Signatory Parties agree that they will not take the position that these investments should be excluded from KCPL's rate base on the ground that the projects were not necessary or timely, or that alternative technologies should have been used by KCPL, so long as KCPL proceeds to implement the Resource Plan described herein (or a modified version of the Resource Plan where the modified plan has been approved by the Commission) and KCPL is in compliance with Paragraph III.B.1(o) "Resource Plan Monitoring." Noth ing in this Agreement shall be construed to limit any of the Signatory Parties' ability to inquire regarding the prudence of KCPL's expenditures, or to assert that the appropriate amount to include in KCPL's rate base or its cost of service for these investments is a different amount (e.g., due to imprudent project management) than that proposed by KCPL.

(vi) Amortization Expense. The 2008 Rate Case will include an amortization expense of $17 million on a Missouri jurisdiction basis, as may be adjusted upward or downward as set out in Paragraph III.B.1.i. Conditioned upon KCPL's continued performance pursuant to the Regulatory Plan, the Signatory Parties agree that they will not contest this amortization in the 2008 Rate Case. After the 2008 Rate Case, KCPL will continue to book this amortization annually, which shall continue until the Commission approves a change either upon agreement of the Signatory Parties made with due regard to KCPL's then existing situation, or in the course of a general rate proceeding as further set out in Paragraph III.B.1.i. Paragraph III.B.1.i does not preclude KCPL, the Staff, Public Counsel, or any other party from requesting that this amortization be directed toward specific plant accounts or from requesting additional changes in depreciation rates that may result from depreciation studies. Any such accumulated amortization balance booked pursuant to this Agreement will be used as an offset to rate base in future rate proceedings of KCPL.

(vii) Demand Response, Efficiency and Affordability Programs. The 2008 Rate Case will also include the amortization related to the Demand Response, Efficiency and Affordability Programs, as more fully described in Paragraph III.B.5 below. The Signatory Parties agree not to contest the continuation of this amortization in the 2008 Rate Case on any basis other than KCPL's failure to prudently implement the Demand Response, Efficiency and Affordability Programs described in Paragraph III.B.5 below.

(viii) Special Contracts. KCPL agrees that for ratemaking determinations, Praxair, Ford and other special contracts will be treated as if they were paying the full generally applicable tariff rate for service from KCPL and other provisions in special contracts will not affect rate base for regulatory purposes.

d. Rate Filing # 4 (2009 Rate Case)

(i) Schedule. Rate schedules with an effective date of September 1, 2010, will be filed with the Commission on October 1, 2009, or eight (8) months prior to the commercial in service operation date of Iatan 2. The test year will be based upon a historic test year ending December 31, 2009, (initially filed with nine (9) months actual and three (3) months budget data), with updates for known and measurable changes, as of March 31, 2010, and with a true-up through May 31, 2010. On or about July 1, 2010, KCPL will file in a true-up proceeding a reconciliation as of May 31, 2010. The specific list of items to be included in the true-up proceeding shall be mutually agreed upon between KCPL and the Signatory Parties, or ordered by the Commission during the course of the rate case. However, the Signatory Parties anticipate that the true-up items will include, but not necessarily be limited to, revenues including off-system sales, fuel prices and purchased power costs, payroll and payroll related benefits, plant-in-service, depreciation and other items typically included in true-up proceedings before the Commission.

(ii) Interventions. Each of the Signatory Parties shall be considered as having sought intervenor status in the 2009 Rate Filing without the necessity of filing an application to intervene and KCPL consents in advance to such interventions. The Signatory Parties expect that the Commission's standard procedures and rules will be applicable to this rate filing including public notice, local public hearings and evidentiary hearings at appropriate times and places, and an opportunity for interested parties other than the Signatory Parties to seek to intervene.

(iii) Revenue Computation Inputs. KCPL will provide to Staff monthly billed kWh sales, revenues, customer and billing units aggregated by jurisdiction, by rate class (Small General Service, Medium General Service, Large General Service, Large Power Service, etc.), and by voltage level (primary, secondary, sub-transmission, etc.) for all rate classes. In addition, this data would be provided by usage period (read cycle) for the weather-sensitive groupings. This data would be provided for the nine (9) months of test year actual data that is available when KCPL files the case and for the other three (3) months of the test year as soon as the data is available.

(iv) Infrastructure. The 2009 Rate Case will include prudent expenditures for Iatan 2; the FGD unit and the Baghouse at La Cygne 1; and the additions to transmission and distribution infrastructure identified in Appendix D that are in service prior to the agreed upon true-up date. The Signatory Parties agree that they will not take the position that these investments should be excluded from KCPL's rate base on the ground that the projects were not necessary or timely, or that alternative technologies should have been used by KCPL, so long as KCPL proceeds to implement the Resource Plan described herein (or a modified version of the Resource Plan where the modified plan has been approved by the Commission) and KCPL is in compliance with Paragraph III.B.1(o) "Resource Plan Monitoring." Nothing in this Agreement shall be construed to limit any of the Signatory Partie s' ability to inquire regarding the prudence of KCPL's expenditures, or to assert that the appropriate amount to include in KCPL's rate base or its cost of service for these investments is a different amount (e.g., due to imprudent project management) than that proposed by KCPL.

(v) Demand Response, Efficiency and Affordability Programs. The 2009 Rate Case will also include the amortization related to the Demand Response, Efficiency and Affordability Programs, as more fully described in Paragraph III.B.5 below. The Signatory Parties agree not to contest the continuation of this

amortization in the 2009 Rate Case on any basis other than KCPL's failure to prudently implement the Demand Response, Efficiency and Affordability Programs described in Paragraph III.B.5 below.

(vi) Special Contracts. KCPL agrees that for ratemaking determinations, Praxair, Ford and other special contracts will be treated as if they were paying the full generally applicable tariff rate for service from KCPL and other provisions in special contracts will not affect rate base for regulatory purposes.

(vii) Construction Accounting. The Signatory Parties agree that KCPL should be allowed to treat the Iatan 2 project under "Construction Accounting" to the effective date of new rates in the 2009 Rate Case. Construction Accounting will be the same treatment for expenditures and credits consistent with the treatment for Iatan 2 prior to Iatan 2's commercial in service operation date. Construction Accounting will include treatment for test power and its valuation consistent with the treatment of such power prior to Iatan 2's commercial in service operation date with the exception that such power valuation will include off-system sales. The AFUDC rate that will be used during this period will be consistent with the AFUDC rate calculation in Paragraph III.B.1.g. The amortization of the amounts deferred under this Construction Accounting method will be determined by the Commission in the 2009 Rate Case. The non-KCPL Signatory Parties reserve the right to challenge amounts deferred under this Paragraph in the event that they contend that the Iatan 2 commercial in service operation date was delayed due to imprudence relating to its construction.

e. Post Iatan 2 Rates

KCPL may file rate requests and any Signatory Party with standing may file a rate decrease request at any time subsequent to the effective dates of the tariffs approved in Rate Filing #4 described above.

4. Timely Infrastructure Investments

KCPL agrees to undertake commercially reasonable efforts to make energy infrastructure investments as specified in Appendix D from January 1, 2005 through December 31, 2009 and as generally identified in Paragraph III.B.3.a.(iii), III.B.3.b.(iv), III.B.3.c.(iv) and III.B.3.d.(iv), described above. This commitment includes the completion or substantial progress being made on the following construction projects:

* 800-900 MW of new generation capacity, Iatan 2, to be regulated capacity excepting that interest that may be owned by a municipality or joint municipal utility commission, located at the Iatan site near Weston, Missouri, of which KCPL will own approximately 500 MWs;

* Environmental investments related to Iatan 1 and LaCygne 1 for accelerated compliance with environmental regulations; the Iatan 1 and LaCygne 1 environmental equipment will provide significant reductions in site emissions of SO_2, NOx, Particulate and Mercury and will position the units to meet compliance requirements in the EPA's Clean Air Interstate Rule. With the addition of Iatan 2 at this site, compliance on Iatan 1 will ensure that total site emissions after completion of Iatan 2 will be less than the current site emissions from Iatan 1 and will help address the environmental concerns of citizens living in the area around the Iatan site. In addition, the early installation of the LaCygne 1 SCR is designed to help maintain attainment of the 8-Hour Ozone standard within the metropolitan Kansas City region. Installation of this SCR before the 2007 Ozone season is considered a significant component of the region's proposed Ozone mitigation plan by Mid-America Regional Council, regional EPA officials, Kansas Department of Health & Environment and MDNR. With respect to any of the expenditures anticipated for environmental compliance, KCPL will continue to assess the environmental laws to ensure that its expenditures will comply with existing or expected environmental regulations.

* 100 MW of new wind generation facilities to be installed in 2006. An additional 100 MW of new wind generation facilities will be installed in 2008 if a detailed evaluation (made with input from interested Signatory Parties) supports such an action to proceed with its construction. KCPL's detailed evaluation shall include information obtained from a tall tower wind assessment performed for KCPL at two sites in Missouri. The detailed evaluation will utilize the KCPL tall tower wind assessment information (and other Missouri-specific information, if available) to analyze the cost effectiveness of wind generation in Missouri before installing the second 100 MW of wind generation in any state other than Missouri. The Signatory Parties agree that KCPL will perform an assessment of wind energy resources at Missouri sites determined in concert with MDNR and other interested Signatory Parties. KCPL will obtain access to two (2) Missouri wind assessment locations and will contract to install wind me asuring equipment and evaluate data collected at levels between 50 meters up to and including 100 meters above ground level for the ultimate purpose of producing site-specific measurements that can be used to quantify the wind resources in Missouri. The two (2) Missouri tall tower installations will be in place and operating by December 31, 2005. The initial report analyzing the first 12 months of tall tower data will be completed by March 31, 2007. The final report analyzing the first 18 to 21 months of data will be completed by December 31, 2007.

KCPL shall provide status updates on these infrastructure commitments to the Staff, Public Counsel, MDNR and all other interested Signatory Parties on a quarterly basis. Such reports will explain why these investment decisions are in the public interest. In addition, KCPL will continue to work with the Staff, Public Counsel and all other interested Signatory Parties in its long-term resource planning efforts to ensure that its current plans and commitments are consistent with the future needs of its customers and the energy needs of the State of Missouri.

5. Demand Response, Efficiency and Affordability Programs

KCPL and the many participants in the subteam of Team A workshop process have developed or recommended a number of Demand Response, Efficiency and Affordability Programs ("Customer Programs"). The current estimated cost associated with Demand Response, Efficiency and Affordability Programs for the five (5) year period is $52.8 million split between Missouri ($29 million) and Kansas ($23.8 million) as detailed on Appendix C. The initially budgeted expenditures for the five (5) year period for Missouri shall be $13.8 million for Demand Response Programs, $2.5 million for Affordability Programs, and $12.7 million for Efficiency Programs.

The Staff, Public Counsel, MDNR and any other interested Signatory Party will serve as an advisory group ("Customer Programs Advisory Group" or "CPAG") to KCPL in the development, implementation, monitoring and evaluation of the Demand Response, Efficiency and Affordability Programs. KCPL agrees to meet with and provide updates to the CPAG at least once every six months on the following subjects: (1) the status of program implementation including the amount of expenditures for each program and the level of customer participation, (2) the status of program evaluations including evaluation consultants chosen, evaluation budgets, evaluation expenditures and copies of completed evaluations, and (3) the status of new program selection and design efforts, including copies of program screening results.

KCPL commits to implement the Demand Response, Efficiency and Affordability Programs detailed in Appendix C, beginning in 2005. Further evaluation needs to be made on the Efficiency Programs detailed in Appendix C prior to implementation to determine the impact of the Efficiency Programs on KCPL and the anticipated cost-effectiveness of the Efficiency Programs presented. KCPL will work with the CPAG to complete the necessary pre-implementation evaluations to determine the initial implementation plan for the Efficiency Programs within four (4) months of the effective date of an Order Approving Stipulation and Agreement. The initial implementation plan for Efficiency Programs may be

modified (such modifications may include deleting currently proposed programs or adding new programs, as well as increases in the overall funding level for Efficiency Programs) based on results from the pre-implementation evaluations and input from the C PAG.

KCPL shall complete a detailed post-implementation review of the initial two (2) years of each program within six (6) months of the end of each program's second year. This review will include both process evaluations and cost effectiveness evaluations. These evaluations will then be used in the selection and design of future programs. KCPL shall consider input from the CPAG regarding the post-implementation evaluation process as well as the selection and design of future programs. Input from the CPAG regarding post-implementation cost effectiveness evaluations may include recommendations about the appropriate screening tests (e.g., the Total Resource Cost Test) to calculate and/or utilize in selecting and designing future programs.

For both the pre-implementation and post-implementation analysis described above, KCPL shall, at a minimum, use the Total Resource Cost Test and MIDAS present value of revenue requirements analysis in its decision-making process for selecting future Efficiency and Demand Response Programs. KCPL's documentation of its decision-making process for selecting future Efficiency and Demand Response Programs shall identify and explain considerations, if any, other than the minimization of the present value of revenue requirements (e.g., rate impact or risk mitigation considerations) that were used in its decision-making process.

Any Signatory Party's participation in the CPAG shall not be construed as a waiver of that Signatory Party's rights to make arguments in general rate proceedings regarding (1) the appropriate design, selection or expenditure level, for Customer Programs or (2) the appropriate methodology for allocating the costs of Customer Programs to customer classes.

KCPL will accumulate the Demand Response, Efficiency and Affordability Program costs in regulatory asset accounts as the costs are incurred. Beginning with the 2006 Rate Filing, KCPL will begin amortizing the accumulated costs over a ten (10) year period. KCPL will continue to place the Demand Response, Efficiency and Affordability Program costs in the regulatory asset account, and costs for each vintage subsequent to the 2006 Rate Filing will be amortized over a ten (10) year period. Signatory Parties reserve the right to establish a fixed amortization amount in any KCPL rate case prior to June 1, 2011. The amounts accumulated in these regulatory asset accounts shall be allowed to earn a return not greater than KCPL's AFUDC rate. The class allocation of the costs will be determined when the amortizations are approved.

6. Agreement Conditioned On Regulatory Plan Approval By Kansas Corporation Commission

From the beginning of these proceedings, KCPL has represented that the viability of the Regulatory Plan is dependent upon approval by both the Kansas Corporation Commission ("KCC") and this Commission. The Signatory Parties other than KCPL concur. The Signatory Parties other than KCPL understand that KCPL expects to file with the KCC a Regulatory Plan agreed upon by entities in Kansas for approval by the KCC. KCPL understands and agrees that in addition to the other Signatory Parties' approval of the instant Regulatory Plan being conditioned upon the approval of a Regulatory Plan by the KCC, the other Signatory Parties' approval of the instant Regulatory Plan is conditioned upon the terms of the Regulatory Plan approved by the KCC being substantially similar to the terms of the Regulatory Plan agreed to and approved in Missouri.

KCPL agrees that it will timely file with this Commission the Regulatory Plan approved by the KCC and that the other Signatory Parties in Missouri will have seven (7) days from that filing with this Commission to indicate whether they still support approval of the Regulatory Plan agreed upon herein and required by this Commission. If the terms of the Regulatory Plan agreed upon in Kansas and/or required by the KCC are not comparable to the terms agreed to in Missouri and required by this Commission, KCPL agrees that it will offer to the other Signatory Parties in Missouri and accept comparable terms to those terms agreed upon in Kansas and/or required by the KCC. Specifically, the agreement to the level of funding of the Demand Response, Efficiency and Affordability Programs contained herein is contingent upon the indicated level of funding in Kansas of these programs.

7. Surveillance Reports

KCPL shall continue to submit to the Staff, Public Counsel and all other Signatory Parties who request them its annual surveillance report in the same format previously provided by KCPL.

8. Customer Service Standards

KCPL agrees to provide the Staff and the Office of Public Counsel monthly data submitted quarterly (within forty-five (45) days of end of the period) on the following quality of service measures:

Call Center Data

Total Calls Offered to the Call Center
Call Center Staffing including Call Center Management Personnel
Average Speed of Answer
Abandoned Call Rate

Reliability Indicators

Customer Average Interruption Duration Index ("CAIDI")
System Average Interruption Duration Index ("SAIDI")
System Average Interruption Frequency Index ("SAIFI")
Momentary Average Interruption Frequency Index ("MAIFI")

CAIDI, SAIDI, and SAIFI will be reported on both a weather adjusted and unadjusted basis.

9. Partnership Issues Involving the Iatan 2 Plant

a) Empire and Aquila are partners in the Iatan 1 plant, with a combined share of 30% of Iatan 1, and desire to participate in the Iatan 2 plant. KCPL will consider these entities as preferred potential partners in the Iatan 2 generating plant project of at least a 30% combined share of Iatan 2, if these entities can demonstrate that they have a commercially feasible financing plan for meeting their financial commitments to participate in the ownership of the Iatan 2 plant by the later of August 1, 2005, or such date that KCPL shall issue its request(s) for proposal(s) related to Iatan 2. Such a financing plan must not adversely affect KCPL's ability to finance its share of the Iatan 2 plant or complete construction on a time frame connected with this Agreement. This Agreement shall not be deemed to change or modify any contractual rights or responsibilities that Aquila and/or Empire may have, or may not have, under existing agreements.

b) MJMEUC has a desire to participate in the Iatan 2 plant. KCPL will consider MJMEUC as a preferred potential partner in the Iatan 2 plant of at least 100 MW of Iatan 2, if it can demonstrate that it has a commercially feasible financing plan for meeting its financial commitment to participate in the ownership of the Iatan 2 plant by August 1, 2005, or such date that KCPL shall issue its request(s) for proposal(s) related to Iatan 2. Such a financing plan must not adversely affect KCPL's ability to finance its share of the Iatan 2 plant or complete construction on a time frame connected with this Agreement.

c) In addition, KCPL specifically reserves the right to continue to discuss with other entities, including other entities not regulated by the Commission, the potential participation of those entities in the Iatan 2 plant, notwithstanding the specific provisions of this Paragraph.

10. Effect of This Negotiated Settlement

a. None of the Signatory Parties shall be deemed to have approved or acquiesced in any question of Commission authority, accounting authority order principle, cost of capital methodology, capital structure, decommissioning methodology, ratemaking principle, valuation methodology, cost of service methodology or determination, depreciation principle or method, rate design methodology, cost allocation, cost recovery, or prudence that may underlie this Agreement, or for which provision is made in this Agreement. This Agreement shall not be construed as fulfilling any requirements for environmental permits necessary for construction or operation of the infrastructure investments delineated in this Agreement. Participation by MDNR in this Agreement shall not be construed as an indication that MDNR has taken any position on any KCPL application for construction of new generation facilities.

b. This Agreement is based on the unique circumstances presented by KCPL to the Signatory Parties. This Agreement shall not be construed to have precedential impact in any other Commission proceeding.

c. The Signatory Parties enter into this Agreement in reliance upon information provided to them by KCPL. In the event that the Commission finds that KCPL failed to provide the Signatory Parties with material and relevant information in its possession, or which should have been available to KCPL through reasonable investigation, or in the event that the Commission finds that KCPL misrepresented facts relevant to this Agreement, this Agreement shall be terminated.

d. This Agreement represents a negotiated settlement. Except as specified herein, the Signatory Parties to this Agreement shall not be prejudiced, bound by, or in any way affected by the terms of this Agreement: (a) in any future proceeding; (b) in any proceeding currently pending under a separate docket; and/or (c) in this proceeding should the Commission decide not to approve this Agreement in the instant proceeding, or in any way condition its approval of same.

e. The provisions of this Agreement have resulted from negotiations among the Signatory Parties and are interdependent. In the event that the Commission does not approve and adopt the terms of this Agreement in total, it shall be void and no party hereto shall be bound, prejudiced, or in any way affected by any of the agreements or provisions hereof.

f. When approved and adopted by the Commission, this Agreement shall constitute a binding agreement among the Signatory Parties hereto. The Signatory Parties shall cooperate in defending the validity and enforceability of this Agreement and the operation of this Agreement according to its terms.

g. This Agreement does not constitute a contract with the Commission. Acceptance of this Agreement by the Commission shall not be deemed as constituting an agreement on the part of the Commission to forego, during the Regulatory Plan, the use of any discovery, investigative or other power which the Commission presently has. For example, non-signatories to this Agreement may request or file for an earnings/revenues investigation of KCPL, and in response the Commission may direct the Staff to conduct an earnings/revenues investigation of KCPL. Thus, nothing in this Agreement is intended to impinge or restrict in any manner the exercise by the Commission of any statutory right, including the right to access information, or any statutory obligation. Nothing in this Agreement is intended to impinge, restrict or limit in any way Public Counsel's discovery powers, including the r ight to access information and investigate matters related to KCPL. Nothing in this Agreement is intended to impinge, restrict or limit in any way the Office of the Attorney General's discovery powers, including the right to access information and investigate matters related to KCPL. Nothing in this Agreement or participation in this case by MJMEUC shall be deemed to establish or enlarge the jurisdiction of the Commission beyond that provided in existing law with respect to the MJMEUC or any ownership or interest that it may acquire in the Iatan 2 plant or related facilities and assets.

h. This Agreement contains the entire generally-applicable agreements or arrangements of the Signatory Parties. There are no other generally-applicable agreements or arrangements that pertain to these matters. Silence in this Agreement on a particular topic or issue indicates that the Signatory Parties reached no agreement on the handling of that topic or issue.

11. Commission Approval of the Stipulation and Agreement

a. KCPL will and any other Signatory Party may file testimony and/or schedules in support of this Agreement no later than April 11, 2005.

b. Public Counsel reserves the right to request local hearings in the KCPL service area in this case. Notwithstanding any other provision of this Agreement, Public Counsel also specifically reserves the right to assert a position on any new issue raised at local hearings which Public Counsel believes has not been adequately addressed in this Agreement.

c. The Staff shall file suggestions or a memorandum in support of this Agreement and the other Signatory Parties shall have the right to file responsive suggestions or prepared testimony.

d. If requested by the Commission, the Staff shall have the right to submit to the Commission an additional memorandum addressing the matter requested by the Commission. Each party of record shall be served with a copy of any memorandum and shall be entitled to submit to the Commission, within five (5) days of receipt of the Staff's memorandum, a responsive memorandum, which shall also be served on all parties. The contents of any memorandum provided by any Signatory Party are its own and are not acquiesced in or otherwise adopted by the other Signatory Parties to this Agreement, whether or not the Commission approves and adopts this Agreement.

e. The Staff shall also have the right to provide, at any agenda meeting at which this Agreement is noticed to be considered by the Commission, whatever oral explanation the Commission requests, provided that the Staff shall, to the extent reasonably practicable, provide the other Signatory Parties with advance notice of when the Staff shall respond to the Commission's request for such explanation once such explanation is requested from the Staff. The Staff's oral explanation shall be subject to public disclosure, except to the extent it refers to matters that are privileged or protected from disclosure pursuant to any Protective Order issued in this case.

f. If the Commission does not unconditionally approve this Agreement without modification, and notwithstanding its provision that it shall become void thereon, neither this Agreement, nor any matters associated with its consideration by the Commission, shall be considered or argued to be a waiver of the rights that any party has to a hearing on the issues presented by the Agreement, for cross-examination, or for a decision in accordance with Section 536.080 RSMo 2000 or Article V, Section 18 of the Missouri Constitution, and the parties shall retain all procedural and due process rights as fully as though this Agreement had not been presented for approval, and any suggestions, memoranda, testimony or exhibits that have been offered or received in support of this Agreement shall thereupon become privileged as reflecting the substantive content of settlement discussio ns and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any further purpose whatsoever.

g. In the event the Commission accepts the specific terms of the Agreement, the Signatory Parties waive their respective rights to cross-examine witnesses; their respective rights to present oral argument and written briefs pursuant to Section 536.080.1 RSMo 2000; their respective rights to the reading of the transcript by the Commission pursuant to Section 536.080.2 RSMo 2000; and their respective rights to judicial review pursuant to Section 386.510 RSMo 2000. This waiver applies only to a Commission Order Approving Stipulation and Agreement or other Report And Order approving this Agreement issued in this proceeding, and does not apply to any matters raised in any subsequent Commission proceeding, or any matters not explicitly addressed by this Agreement.

12. The Terms of this Agreement.

The terms of this Agreement (once approved by the Commission) will be deemed to have become effective as of the date the Order of the Commission approving this Agreement becomes final, and will expire June 1, 2010, except where otherwise specified in this Agreement.

WHEREFORE, the Signatory Parties respectfully request that the Commission approve this Agreement to be effective by May 15, 2005, if possible.

Respectfully submitted,

STAFF OF THE MISSOURI PUBLIC SERVICE COMMISSION

By: /s/Dana K. Joyce
Dana K. Joyce, MBE #28533
Steven Dottheim, MBE #29149

KANSAS CITY POWER & LIGHT COMPANY

By: /s/William G. Riggins
William G. Riggins, MBE #42501
James M. Fischer, MBE #27543
Karl Zobrist, MBE #28325

OFFICE OF THE PUBLIC COUNSEL

By: /s/John B. Coffman
John B. Coffman, MBE #36591

MISSOURI DEPARTMENT OF NATURAL RESOURCES

By: /s/Michael Warrick
Michael Warrick, MBE #50520

PRAXAIR, INC.

By: /s/Stuart W. Conrad by SD
Stuart W. Conrad, MBE #23966

MISSOURI INDUSTRIAL ENERGY CONSUMERS

By: /s/Diana M. Vuylsteke
by James M. Fischer
Diana M. Vuylsteke, MBE #42419

THE EMPIRE DISTRICT ELECTRIC COMPANY

By: /s/Dean L. Cooper
by James M. Fischer
Dean L. Cooper, MBE #36592

AQUILA, INC.

By: /s/Dean L. Cooper
by James M. Fischer
Dean L. Cooper, MBE #36592

CITY OF KANSAS CITY, MISSOURI

By: ________________________
Mark W. Comley, MBE #28847

JACKSON COUNTY, MISSOURI

By: ________________________
Jeremiah Finnegan, MBE #18416

CONCERNED CITIZENS OF PLATTE COUNTY AND THE SIERRA CLUB

By: ________________________
Kathleen G. Henry, MBE #39504

MISSOURI JOINT MUNICIPAL ELECTRIC UTILITY COMMISSION

By: /s/Duncan Kincheloe
by James M. Fischer
Duncan Kincheloe, MBE #25497

FORD MOTOR COMPANY

By: /s/Diana M. Vuylsteke
by James M. Fischer
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Kansas City Power & Light Company

SO_2 Emission Allowance Management Policy

** **<u>Denotes Highly Confidential Information</u>** **

Introduction

The purpose of the SO_2 Emission Allowance Management Policy (SEAMP) is to set out the approach, guidelines, trading parameters, and reporting requirements that Kansas City Power & Light Company (KCPL) will utilize to manage its SO_2 emission allowance inventory. Specifically, this policy is structured to achieve the following three objectives:

Objective 1: Manage "banked" (past vintage), current and future SO_2 emission allowances in a manner that, based on the Company's resource plan and subject to any identified risk or other considerations, will minimize the expected present value of long-run utility revenue requirements while fulfilling obligations to provide adequate service at reasonable rates through transactions of allowances. Allowance transaction decisions impacting the expected present value of long-run utility revenue requirements shall use as a basis the Company's resource plan which shall take into consideration: the market price of SO_2 emission allowances needed for compliance with environmental regulations, the cost of investments in emission control equipment, additional operating and maintenance costs associated with new installations of emission control equipment, and other changes in power production costs (e.g. due to declines in the efficiency (heat rates) of generating units and changes in merit order of unit dispatch) associated with new installations of emission control equipment.

Objective 2: Provide structure and procedure for the Staff of the Missouri Public Service Commission (Staff) and the Office of the Public Counsel (OPC) review of SO_2 emission allowance transactions.

Objective 3: Provide structure and procedure for the authorization of SO_2 emission allowance transactions taking place subsequent to the effective date of a final order in Case No. EO-2005-xxx and authorization of the initial SO_2 Plan.

History

Following are excerpts from the Environmental Protection Agency's (EPA's) website (http://www.epa.gov/airmarkets/arp/overview.html#phases) describing the SO_2 emission allowance trading program:

> *Title IV of the Clean Air Act* [(CAA)] *sets a goal of reducing annual SO_2 emissions by 10 million tons below 1980 levels. To achieve these reductions,* [a program, deemed the Acid Rain Program, was implemented].
>
> *The Acid Rain Program represents a dramatic departure from traditional command and control regulatory methods which establish specific,*

> *inflexible emissions limitations with which all affected sources must comply. Instead, the Acid Rain Program introduces an allowance trading system that harnesses the incentives of the free market to reduce pollution.*
>
> *Under this system, affected utility units are allocated allowances based on their historic fuel consumption and a specific emissions rate. Each allowance permits a unit to emit 1 ton of SO_2 during or after a specified year. For each ton of SO_2 emitted in a given year, one allowance is retired, that is, it can no longer be used.*
>
> *Allowances may be bought, sold, or banked. Anyone may acquire allowances and participate in the trading system. However, regardless of the number of allowances a source holds, it may not emit at levels that would violate federal or state limits set under Title I of the Clean Air Act to protect public health.*
>
> *During Phase II of the program (now in effect), the Act set a permanent ceiling (or cap) of 8.95 million allowances for total annual allowance allocations to utilities. This cap firmly restricts emissions and ensures that environmental benefits will be achieved and maintained.*

Procedures

KCPL finds itself in a position where it has an inventory of past, current and future vintage SO_2 emission allowances. The following presents procedures that KCPL will follow to manage its allowance inventory in order to benefit KCPL and its customers and to provide the Staff and OPC with information relevant to the Missouri Public Service Commission's (Commission's) oversight of such activities.

SO_2 Plans

As stated above, KCPL is allocated a certain number of SO_2 emission allowances as provided by law and/or regulation. Each year, allowances are issued for the year 30 years following. KCPL, as part of this agreement, will provide to Staff and OPC annually its SO_2 Plan (SO_2 Plan). As part of the annual SO_2 Plan, KCPL will provide: (1) the number of allowances it currently has banked, (2) the number of allowances it projects to need on a yearly basis (including the separate identification of the expected quantity of allowances (or value thereof) used to offset sulfur premiums paid under coal contracts), (3) the number of additional allowances it projects to receive in future years, (4) KCPL's proposed range of intended transactions for the upcoming plan year, and (5) a summary of the previous plan year's transactions to date. The proposed range of intended transactions may include contingencies for (1) market opportunities, (2) unexpected extend ed outages or shutdown of a major KCPL generating unit, or (3) other factors identified by KCPL. The annual SO_2 Plan will also consider any scheduled commitments in place prior to the effective date of the final order in Case No. EO-2005-xxx.

The annual SO_2 Plan will consider the types of coals that will be burned in generating units, the sulfur content of those coals, expected regulations that may affect the SO_2 allowance management program, and expected installed air quality pollution control equipment that will affect emission rates of generating units.

In addition to the trading parameters and authority set forth in this SEAMP, KCPL will submit its annual SO_2 Plan to Staff and OPC by December 31 of each calendar year to be effective for the period commencing April 1 of the following year and ending March 31 of the next subsequent year. Concurrently, KCPL will notify the Commission stating that the SO_2 Plan has been provided to designated personnel from Staff and OPC. If no response, disagreement, or concerns in regards to the annual SO_2 Plan are received from Staff and/or OPC within thirty (30) days of the submittal date, the annual SO_2 Plan will apply for future transactions for the SO_2 Plan year. [Note: Written correspondence (email, fax, or letter) will be considered as an official response. Any response must specifically dispute or question an aspect of the Plan and cannot merely be correspondence used to extend the period of review.]

The annual SO_2 Plan may need to be updated throughout the Plan year. Changes in circumstances which may require interim updates would include, but not be limited to, market opportunities and substantial changes in (1) the price of allowances, (2) the cost and/or effectiveness of emission control technologies, (3) environmental regulations or proposed environmental regulations, or (4) other energy market conditions. KCPL will provide any such updated annual SO_2 Plan to Staff and OPC and allow time for them to notify KCPL of any concerns, prior to exceeding the level of planned transactions contained in its most recent effective annual SO_2 Plan. Concurrently, KCPL will notify the Commission stating that the updated SO_2 Plan has been provided to designated personnel from Staff and OPC. If no response, disagreement, or concerns in regards to the updated SO_2 Plan are received from Staff and OPC within thirty (30) days of the submittal, the updated annual SO_2 Plan will automatically be considered to be the current basis for future transactions for the Plan year. [Note: Written correspondence (email, fax, or letter) will be considered as an official response. Any response must specifically dispute or question an aspect of the updated Plan and cannot merely be correspondence used to extend the period of review.]

Any disputes about an SO_2 Plan or any mid-year updates to a Plan will be discussed among the parties and the parties will cooperate to resolve the dispute in good faith. If the parties cannot resolve the dispute within thirty (30) days of the date of the response outlining the objection to the Plan, the matter will be brought to the Commission for its determination.

Contents of SO_2 Plans

The initial SO_2 Plan (based on analysis submitted to Staff and OPC on January 23, 2005) provided an assessment of the short-term to long-term allowance cost risk for compliance with current and future environmental regulations at various KCPL generating facilities. This assessment considered KCPL's option to install air quality control equipment that would lower SO_2 emission rates.

Using the Company's current resource plan as a base, annual SO_2 Plans will include at least three different scenarios of projections. A baseline projection will be made based on projected fuel types (sulfur content), projected emission rates, and best estimate of future regulations. A second projection will be made that looks at a high emissions scenario. The final projection will look at a low emissions scenario. These scenarios will be used to project a range of future allowance bank surpluses or deficits for each year of a planning horizon. The planning horizon will consist of at least ten (10) years.

If not already provided in the Company's resource plan, the annual SO_2 Plan shall also provide an estimate of the cost to "produce" additional allowances at one or more of KCPL's generating facilities if KCPL were to install air quality control equipment that would lower SO_2 emission rates. As part of the documentation of the cost to "produce" additional allowances, KCPL will include a description of its rationale for choosing the specific generating facility upon which the cost estimate is based. The cost estimate may be based on cost data available in the industry and will not require a unit-specific engineering study.

SO_2 Plans will set out KCPL's range of allowances and proposed intended transactions during the upcoming plan year. This range of allowances and the proposed intended transactions will be based on a methodology that will minimize, subject to any identified risk or other considerations, the expected present value of long-run utility revenue requirements, while fulfilling obligations to provide adequate service at reasonable rates and ensuring that the operation of KCPL generators will not be restricted due to a deficiency of available SO_2 emission allowances. Risk considerations will, at a minimum, include: (1) changes in the price of allowances, (2) substantial changes in the cost and/or effectiveness of emission control technologies, (3) substantial changes in environmental regulations or proposed environmental regulations, (4) substantial changes in other energy market conditions, and (5) market opportunities.

By way of example, KCPL's initial SO_2 Plan was influenced by the following:

- Baselines for each unit were established for the initial allocation of SO_2 emission allowances based on historical averages for fossil fuel consumed from 1985 through 1987.
- While KCPL net generation has been greater than the generation levels established in the baseline, significant reductions in SO_2 emissions have resulted because of conversions to Power River Basin coal.
- KCPL has accumulated past vintage allowances in its SO_2 allowance "bank".
- The Clean Air Interstate Rule (CAIR) will impact future SO_2 emission allowance requirements.
- The respective State Implementation Plans set forth by Missouri and Kansas to address implementation of CAIR will impact future SO_2 emission allowance requirements.
- New SO_2 emission regulations are anticipated to have the impact of requiring two allowances for each ton of SO_2 emitted beginning with vintage 2010, and three allowances for each ton emitted beginning with vintage 2015.
- KCPL's strategic initiative for implementing environmental upgrades aligns timing of such upgrades with changes in allowance requirements noted in the preceding bullet point.

- If no sales strategy is implemented as part of the Missouri Regulatory Plan, KCPL will maintain an inventory of SO_2 emission allowances well in excess of requirements given implementation of comprehensive environmental retrofits as scheduled in the Regulatory Plan.

SO_2 Plans will include a summary of the previous year's transactions as of the time of submittal including for each transaction the type of transaction, the quantity of allowances involved in the transaction, the quantity and vintage of any allowances received as a result of the transaction, any monetary value received as a result of the transaction, and any expenses (such as brokerage fees) related to the transaction. SO_2 Plans will also include the quantity of allowances issued to KCPL in the past year by the EPA, the quantity of

allowances used to offset emissions in the past year, the quantity of allowances (or value thereof) used to offset sulfur premiums paid under coal contracts, and the quantity of unused allowances allocated to partners.

In addition to the summary report included with the SO_2 Plan submittals, KCPL will create a report that tracks SO_2 allowances by serial number for each transaction. This report will be made available to Staff and OPC upon their request.

Because public knowledge of KCPL's plans could jeopardize its ability to manage its SO_2 emission allowances, KCPL's submitted SO_2 Plans and any updates to those Plans and all transaction documentation will be considered "highly confidential." Certain public information included in the Plans will continue to be available on the Internet on the EPA's website.

Types of Transactions

For the purposes of KCPL's SEAMP the following transactions will be allowed and defined as follows.

SO_2 Emission Allowance Outright Cash Purchases - SO_2 emission allowances purchased to meet expected requirements of KCPL's units.

SO_2 Emission Allowance Outright Cash Sales - SO_2 emission allowances sold from KCPL's share of general or unit account holdings.

SO_2 Emission Allowance Exchanges - The exchange of SO_2 emission allowances either as a "like-kind" exchange or from one vintage to another.

SO_2 Emission Allowance Call Sales - The sale of an option that gives the buyer (holder) the right to buy SO_2 emission allowances for a specified price within a specified time period in exchange for a premium payment. It obligates the seller (writer) of the option to sell SO_2 emission allowances at the designated price should the buyer exercise the option.

SO_2 Emission Allowance Put Purchases - The purchase of an option that gives the buyer (holder) the right but not the obligation to sell SO_2 emission allowances for a specified price within a specified time period in exchange for a premium payment. It obligates the seller (writer) of the option to buy SO_2 emission allowances at the designated price should the buyer exercise the option.

Trading Parameters and Authorization

All transactions will be consistent with the Annual SO_2 Plan (or interim updates thereto) provided to Staff and OPC, terms of this SEAMP, and other KCPL internal policies. If the Staff or OPC have any disputes regarding KCPL's Annual SO_2 Plan (or interim updates thereto) (1) that the parties are attempting to resolve or (2) that are pending resolution by the Commission, then KCPL's SO_2 emission allowance transactions must be consistent with the previously effective Annual SO_2 Plan to the extent that following such Plan would not interfere with KCPL's ability to meet its obligations to provide safe and adequate service to its retail customers. Proceeds and costs related to transactions completed under the Annual SO_2 Plans will be accounted for in accordance with the Stipulation and Agreement in Case No. EO-2005-xxx.

Initial SO_2 Plan Effective Through March 31, 2007

****[Highly Confidential Information filed under seal] ****

Internal Controls

Details of the (1) internal controls, (2) internal management reports, and (3) duties and workflow of personnel involved in implementing and overseeing the SEAMP are included in separate documentation; however, this paragraph sets forth the fundamental controls for the SEAMP

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program. SO_2 allowance trading may only be authorized by the Company's Designated Representative (DR), Authorized Account Representative (AAR), or Alternate Authorized Account Representative (AAAR) as defined by the CAA. Approval requirements for transactions will be consistent with other similar transaction approval requirements within the Company.

Special Allowance Reserve

Because the availability of **SO_2 emission** allowances is crucial to ensure both the economic efficiency of the emissions limitation program and the addition of new electric-generating capacity, Title IV of the CAA mandates that the EPA hold or sponsor yearly auctions of allowances for a small portion of the total allowances allocated each year. The auctions help ensure that new units have a public source of allowances beyond those allocated initially to existing units. In order to supply this auction, the EPA withholds a portion of the Company's annual allowance allocation. The EPA sells these allowances at auction and provides the proceeds to KCPL. KCPL has no control over such EPA withholding or the amount of proceeds received for these auctioned allowances; however, any such proceeds will be accounted for in the same manner as a transaction completed under the SEAMP.

Anticipated Five-Year Budget Financing Plan Summary

Kansas City Power & Light

Anticipated 5-Year Budget Financing Plan Summary

($ in millions)

	Projected					
	2005	**2006**	**2007**	**2008**	**2009**	**TOTAL**
ISSUANCES						
KCP&L Debt						
Refinancings						
Existing Senior Notes	160.0	0.0	225.0	0.0	0.0	385.0
New Financings						

Commercial Paper	101.0	0.0	22.3	0.0	67.0	190.4
New Capital Expenditure Funding	0.0	0.0	0.0	250.0	0.0	250.0
KCP&L Equity (Contributed From GPE)						
New Capital Expenditure Funding	0.0	150.0	213.6	100.0	100.0	563.6
TOTAL ISSUANCES	**$261.0**	**$150.0**	**$460.9**	**$350.0**	**$167.0**	**$1,389.0**

AFFORDABILITY, EFFICIENCY AND DEMAND

RESPONSE PROGRAMS

1. AFFORDABILTY PROGRAMS

LOW-INCOME AFFORDABLE NEW HOMES PROGRAM

PROGRAM DESCRIPTION

The Low-Income Affordable New Homes Program will be a partnership between KCP&L and non-profit organizations, including Habitat for Humanity and local government community development organizations, to achieve energy-efficient affordable new housing for the low-income community. Incentives will be available for high efficiency CAC, heat pumps and refrigerators. Financial incentives will be set at the full incremental cost for CAC and heat pumps. A $200 incentive will be available towards the purchase of an ENERGY STAR (registered trademark) rated refrigerator. Finally, up to $100 will be available towards the purchase of ENERGY STAR (registered trademark) rated lighting fixtures.

The customer incentive budget is based upon 100% homes receiving refrigerator and lighting incentives and 25% of the homes will receiving high efficiency air conditioners, and 25% receiving high efficiency heat pumps.

EVALUATION

Impacts associated with this program will be estimated based upon engineering analysis. If a control group can be identified, a billing analysis may be conducted after homes that have participated in the program has been occupied for at least 1 full year.

LOW INCOME WEATHERIZATION AND HIGH EFFICIENCY PROGRAM

PROGRAM DESCRIPTION

Qualifying lower income customers can get help managing their energy use and bills through KCP&L's low income weatherization and high efficiency program. The program will work directly with local CAP agencies that already provide weatherization services to low income customers through the DOE and other state agencies. KCP&L will provide supplemental funds to the CAPs to cover the cost of weatherization measures. This program will be administered by the CAP agencies and follows the protocol under current federal and state guidelines. Participants can be a KCP&L owner-occupied residential customer in a one to four-unit structure and have an income that is up to 185% of the federal poverty guidelines. Renters will also be allowed to participate if the landlord pays 50% of

the weatherization cost and agrees not to raise the rent for pre-agreed period of time. CAP agencies will be allowed an average of $1,500 per participant for weatherization and other electric savings measures.

This program helps low income customers reduce their energy costs at no cost to the customer. CAP agencies offer a cost effective implementation capability, which allows most of the funds allocated to this program to go directly to the purchase and installation of energy efficiency measures.

EVALUATION

Weatherization impacts for the first two years of the program will be based upon borrowed analysis from other utility programs. In the third year of the program, a billing analysis will be conducted to estimate impacts for all measures.

1. EFFICIENCY PROGRAMS

ONLINE ENERGY INFORMATION AND ANALYSIS PROGRAM

USING NEXUS (registered agent) RESIDENTIAL SUITE

PROGRAM DESCRIPTION

The online energy information and analysis program allows all residential customers with computers to access their billing information and comparisons of their usage on a daily, weekly, monthly or annual basis. This tool will analyze what end uses make up what percent of their usage, and provide information on ways to save energy by end use through a searchable resource center. This tool also allows the user to analyze why their bill may have changed from one month to another. A home comparison also displays a comparison of the customer's home versus an average similar home via an Energy guide label concept.

EVALUATION

Since this is an informational program and any potential savings will be difficult, if not impossible, to accurately measure, KCP&L does not propose to evaluate the program for energy savings. KCP&L will provide reports on usage.

HOME PERFORMANCE WITH ENERGY STAR(registered trademark) PROGRAM - TRAINING

PROGRAM DESCRIPTION

Home Performance with ENERGY STAR (registered trademark) is a unique program which enhances the traditional existing home energy audit service. This program uses the ENERGY STAR (registered trademark) brand to help encourage and facilitate whole-house energy improvements to existing housing. This program focuses on the private-sector contractors and service professionals who currently work on existing homes - replacing HVAC systems, adding insulation, installing new windows, etc.

The Missouri Home Performance with ENERGY STAR (registered trademark) Initiative requires contractors to be accredited under Building Performance Institute (BPI) standards. Technicians must possess appropriate skills and are field-tested to obtain certification, further lending credibility to services offered.

The program strives to provide homeowners with consumer education, value and a whole-house approach. Contractors are trained to provide "one-stop" problem solving that identifies multiple improvements that, as a package, will increase the home's energy efficiency. While the program goal is saving energy, its market-based approach and message focus on addressing a variety of customer needs - comfort, energy savings, durability and health and safety. It also encourages the development of a skilled and available contractor/provider infrastructure that has an economic self-interest in providing and promoting comprehensive, building science-based, retrofit services.

EVALUATION

KCP&L will track whole-house evaluations that are performed by certified contractors in their service territory. In year 3, a billing analysis will be conducted between participants and a control group.

CHANGE A LIGHT- SAVE THE WORLD

PROGRAM DESCRIPTION

Changing the world starts with simple actions. When you replace a light bulb or fixture in your home with one that has earned the U.S. government's ENERGY STAR rating, you contribute to a cleaner environment while saving yourself energy, money and time buying and changing lights in your home. Lighting that has earned the ENERGY STAR (registered trademark) rating prevents greenhouse gas emissions by meeting strict energy efficiency guidelines set by the US Environmental Protection Agency and US Department of Energy. ENERGY STAR (registered trademark) encourages every American to change out the 5 fixtures they use most at home (or the light bulbs in them) to ENERGY STAR (registered trademark) qualified lighting, to save themselves more than $60 every year in energy costs.

Every fall, ENERGY STAR (registered trademark) partner retailers, manufacturers, utilities, and state organizations come together to make this change even easier. These partners are working to bring more energy-efficient lighting choices to store shelves than ever before. ENERGY STAR (registered trademark) qualified lighting uses two thirds less energy and lasts 6 to 10 times longer than traditional lighting. When you save energy, you not only save money on your utility bills, you also help to protect our environment. KCP&L will contribute funds annually to the state agencies that are working with the EPA and Energy Star to promote this program in the KCP&L service territory. KCP&L expects most of the funds to be used for point of purchase rebates for CFLs.

EVALUATION

KCP&L will rely on evaluations conducted by the EPA and ENERGY STAR (registered trademark).

COOL HOMES PROGRAM

PROGRAM DESCRIPTION

The Cool Homes Program will encourage residential customers to purchase and install energy-efficient central air conditioning and heat pumps by providing financial incentives to offset a portion of the equipment's higher initial cost. The program's long-range goal is to encourage contractors/distributors to use energy efficiency as a marketing tool, thereby stocking and selling more efficient units and moving the entire CAC and heat pump market toward greater energy efficiency. Incentives will be set at approximately 50% of incremental cost. SEER 13.0 and higher efficiency equipment will be rebated in 2005. Since federal standards are set to be increased from 10 SEER to 13 SEER in 2006, KCP&L will modify the 2006 incentives to only rebate SEER levels at 15.0 and above.

One important feature of the program that will begin immediately is to offer training in Manual J calculations and System Charging and Airflow for HVAC contractors. Manual J is the industry standard residential load calculation method. The training offers step-by-step examples of properly sizing equipment and also addresses principles of heat transfer. The training teaches HVAC contractors to accurately perform and document cooling load calculations and reduces over-sizing. The System Charging and Airflow course addresses airflow and charging procedures and standards and includes hands-on training in the use of testing equipment. Once enough contractors have undergone this training, KCP&L may mandate that these calculations take place in order to qualify for the incentive.

EVALUATION

Evaluation will include random on-site inspections and engineering analysis. Spot metering and runtime data will also be collected to verify the connected load and full load hour estimates used in the engineering analysis.

ENERGY STAR (registered trademark) HOMES - NEW CONSTRUCTION

PROGRAM DESCRIPTION

This program will require that new homes be constructed to a standard at least 30 percent more energy efficient than the 1993 national Model Energy Code. These savings are based on heating, cooling, and hot water energy use and are typically achieved through a combination of building envelope upgrades, high performance windows, controlled air infiltration, upgraded heating and air, conditioning systems, tight duct systems, and upgraded water-heating equipment.

Homes are qualified as an ENERGY STAR (registered trademark) with use of the Builder Option Packages (BOP). BOPs represent a set of construction specifications for a specific climate zone. BOPs specify performance levels for the thermal envelope, insulation, windows, orientation, HVAC system and water heating efficiency for a specific climate zone that meet the standard. The ENERGY STAR (registered trademark) Homes program will offer technical services and financial incentives to builders while marketing the homes' benefits to buyers. Scaled incentives will be provided to homes that are qualified as ENERGY STAR (registered trademark).

EVALUATION

Evaluation will include random on-site inspections and engineering analysis. Billing analysis will be conducted in year 3 between participant and control groups.

ONLINE ENERGY INFORMATION AND ANALYSIS PROGRAM

USING NEXUS (registered trademark) COMMERCIAL SUITE

PROGRAM DESCRIPTION

The online energy information and analysis program allows all business and non-profit customers with computers to access their billing information and compare their usage on a daily, weekly, monthly or annual basis, analyze what end uses make up what percent of their usage, and access ways to save energy by end use through a searchable resource center. Targeted case studies provide ideas relevant to the customer's industry. This tool also allows the user to analyze why their bill may have changed from one month to another. A business comparison also displays usage benchmarking data versus similar types of businesses.

EVALUATION

Since this is an informational program and any potential savings will be difficult, if not impossible, to accurately measure, KCP&L does not propose to evaluate the program for energy savings. KCP&L will provide reports on usage.

C&I ENERGY AUDIT

PROGRAM DESCRIPTION

KCP&L will offer rebates to customers to cover 50% of the cost of an energy audit. In order to receive the rebate, the customer must implement at least one of the audit recommendations that qualify for a KCP&L C&I custom rebate. The energy audit rebate will be set at 50% of the audit cost up to $300 for customers with facilities less than 25,000 square feet and up to $500 for customers with facilities over 25,000 square feet. Energy audits must be performed by certified commercial energy auditors. Customers may choose their own auditor or KCP&L can recommend one. Customers with multiple buildings will be eligible for multiple audit rebates.

EVALUATION

KCP&L will track the effectiveness of this program through the evaluations done for the C&I Custom Rebate Program.

C&I CUSTOM REBATE - RETROFIT

PROGRAM DESCRIPTION

The C&I Custom Rebate Retrofit program will provide rebates to C&I customers that install, replace or retrofit qualifying electric savings measures including HVAC systems, motors, lighting, pumps, etc. All custom rebates will be individually determined and analyzed to ensure that they pass the Societal Benefit/Cost Test. Any measure that is pre-qualified (evaluated prior to being installed) must produce a Societal Benefit/Cost test result of 1.0 or higher.

Custom rebates are calculated as the lesser of the following:

* A buydown to a two year payback
* 50% of the incremental cost

One customer may submit multiple rebate applications for different measures. Each individual measure will be evaluated on its own merits. Similar measures that are proposed in different facilities or buildings will be evaluated separately.

However, no customer, including those with multiple facilities or buildings, may receive more then $40,000 in incentives for any program year.

As noted in the C&I Energy Audit program description, that program is designed to encourage customers to implement audit recommendations that would qualify for rebates under the C&I Custom Rebate Program.

EVALUATION

By design, the custom rebate program is self-evaluating. Impacts are based upon detailed engineering analysis.

C&I CUSTOM REBATE - NEW CONSTRUCTION

PROGRAM DESCRIPTION

The C&I Custom Rebate New Construction will provide rebates to C&I customers that install qualifying electric savings measures including HVAC systems, motors, lighting, pumps, etc. All custom rebates will be individually determined and analyzed to ensure that they pass the Societal Benefit/Cost Test. Any measure that is pre-qualified (evaluated prior to being installed) must produce a Societal Benefit/Cost test result of 1.0 or higher.

Custom rebates are calculated as the lesser of the following:

* A buydown to a two year payback
* 50% of the incremental cost

One customer may submit multiple rebate applications for different measures. Each individual measure will be evaluated on its own merits. Similar measures that are proposed in different facilities or buildings will be evaluated separately. However, no customer, including those with multiple facilities or buildings, may receive more then $40,000 in incentives for any program year.

Another component of this program is an online new construction guide that will provide information to commercial builders and developers on energy efficiency in new construction. It first allows the builder or developer to identify the type of new construction building that is being planned, i.e. office building, community center, fire station. It then lists a variety of environmental and energy efficiency options and guides the builder or developer in prioritizing investments for the best results. A sample of this software is available for viewing at http://seattle.bnim.com/. KCP&L proposes to build a similar site for the Kansas City metropolitan area but enhance it with features that tie into our rates and will allow developers and builders to plan buildings that can maximize our rates.

EVALUATION

By design, the custom rebate program is self-evaluating. Impacts are based upon detailed engineering analysis.

BUILDING OPERATOR CERTIFICATION PROGRAM

PROGRAM DESCRIPTION

The Building Operator Certification (BOC) Program is a market transformation effort to train facility operators in efficient building operations and management (O&M), establish recognition of and value for certified operators, support the adoption of resource-efficient O&M as the standard in building operations, and create a self-sustaining entity for administering and marketing the training. This program requires a lot of effort and manpower. KCP&L cannot accomplish the program objectives alone. In year one of this program, KCP&L will work with the Missouri Department of Natural Resources to build a partnership with other Missouri stakeholders (sponsors). Once this has been accomplished, the program will begin to offer customers the Building Operator Training and Certification (BOC) program. The program will use a portion of its sponsor's funds (including the funds provided by KCP&L) to license the BOC curriculum from the Northwest Energy Efficiency Council (NEEC), its developer. Building operators that attend the training course will be expected to pay the cost of the course, less a $100 rebate that will be issued upon successful completion of all course requirements. The program is expected to attract customers with large facilities (over 250,000 sq. ft.) that employ full time building operators.

EVALUATION

KCP&L will track the effectiveness of this program through the evaluations done by the Missouri Department of Natural Resources.

MARKET RESEARCH

PROGRAM DESCRIPTION

The market research component of this program will concentrate on specific opportunities to expand program offerings. Of particular interest will be expanding rebates to other ENERGY STAR (registered trademark) rated appliances such as washing machines; investigating the potential for a 2nd refrigerator pickup program and offering incentives to small commercial customers for ENERGY STAR (registered trademark) rated office equipment.

3. DEMAND RESPONSE PROGRAMS

AIR CONDITIONING CYCLING

PROGRAM DESCRIPTION

The Air Conditioning Cycling (ACC) is a program by which KCP&L can reduce residential and small commercial air conditioning load during peak summer days. The company achieves this load reduction by sending a paging signal to a control device attached to the customer's air conditioner. The control device then turns the air conditioner off and on over a period of time depending on the control and load reduction strategy establish by the company.

EVALUATION

This evaluation will contribute significantly to the decision to extend the program.

* Collect customer hourly usage data for the first three summers.
* Evaluate capacity and energy impacts at the end of the third summer season.

THE ALLIANCE, AN ENERGY PARTNERSHIP PROGRAM

PROGRAM DESCRIPTION

The Alliance, an energy partnership program, is a curtailment and distributed generation program designed to be a partnership with commercial and industrial customers. It is comprised of three coordinated programs. These are MPower, Distributed Generation and Commercial Lighting Curtailment. The program provides incentives to customers to reduce their load or add customer generation to the grid to offset the higher costs KCPL would incur without the reduced load or added customer generation.

MPower is a contracted load curtailment program for large commercial and industrial customers that provide a capacity and energy payment to participating customers to curtail their usage during summer months when high electric demand occurs. Customers are eligible for participation in the program by providing a minimum load reduction of 200 kW during KCP&L's high usage/high cost periods. The Missouri Public Service Commission and the Kansas Commerce Commission have approved the program tariff, currently known as Peak Load Curtailment Credit (PLCC). A new tariff will be filed as this two-part incentive program becomes finalized. The customer contract could extend over several years.

Distributed Generation is a program in which KCP&L contracts with a customer that has on-site generation to use their generator when needed. This program captures additional value from the customer's generator and provides support to the utility grid. The customer contract is expected to be over several years.

Commercial Lighting Curtailment is a program in which KCP&L contracts with commercial customers to reduce their lighting load when requested. This is accomplished by permanently installing control devices that either reduce the voltage to the lights or turn off perimeter lighting in office buildings. In either case new equipment will be installed to achieve this load reduction. The load curtailment contract will extend over several years.

EVALUATION

This evaluation will contribute significantly to the decision to extend the program.

* Customer research
  - Focus groups - Sept '05 and Sept '06
  - Telephone surveys - Oct '05 and Oct '06
* Process evaluation - Dec '05 and Dec '06
* Impact evaluation - Nov '05 and Nov '06

Rev 2/3/05 to separate

AA from EE

				Allocation						**Year 1 Estimates**					
Program	Type	Seg-ment	NC/Ret	Allocation Comments	MO	KS	$ Total	$ MO	$ KS	kW Total	kW MO	kW KS	kWh Total	kWh MO	kWh KS
ANNUAL TOTAL							$6,441,583	$3,520,340	$2,921,240	53,743	30,363	23,379	9,476,868	5,360,226	4,116,637
CUMMULATIVE TOTAL							$6,441,583	$3,520,340	$2,921,240	53,743	30,363	23,379	9,476,868	5,360,226	4,116,637
Annual DR Totals							$3,366,733	$1,718,466	$1,648,267	49,977	28,320	21,656	1,964,327	1,137,555	826,772
Cumulative DR Totals							$3,366,733	$1,718,466	$1,648,267	49,977	28,320	21,656	1,964,327	1,137,555	826,772
Annual EE Totals							$2,591,750	$1,414,561	$1,177,189	3,665	1,958	1,707	7,096,000	3,873,193	3,222,807
Cumulative EE Totals							$2,591,750	$1,414,561	$1,177,189	3,665	1,958	1,707	7,096,000	3,873,193	3,222,807
Annual AFF Total							$483,100	$387,312	$95,784	101	85	16	416,541	349,478	67,058
Cumulative AFF Totals							$483,100	$387,312	$95,784	101	85	16	416,541	349,478	67,058
Affordability															
Affordable New Homes	Dir Imp	R-Aff	NC	Currently allocated by % of low income in each state. Incentives to be by actual.	83.9%	16.1%	$16,000	$13,424	$2,573	15	13	2	25,360	21,277	4,078
Low Income Weatherization (non-KCMO)	Dir Imp	R-Aff	Ret	By est. low income population without KCMO	20.4%	79.6%	$117,100	$23,888	$93,212	86	72	14	391,181	328,201	62,980
Low Income WX-KCMO					100%	0%	$350,000	$350,000	$0						
Allocation for total				By est. low income population	83.9%	16.1%									
Energy Efficiency															
Online EE information/analysis (Nexus)	Educ	R	Ret	Set up/software/monthly maintenance by %. User fee to be by actual. Can be made available by state only.	51.5%	48.5%	$281,750	$144,989	$136,761	0	0	0	0	0	0
Home Performance-Training	Dir Imp	R	Ret	Can be limited by state but with great difficulty. Crews work both states.	51.5%	48.5%	$177,500	$91,342	$86,159	0	0	0	0	0	0
				Promotion by %											

Program	Type	Seg-ment	NC/Ret	Allocation Comments	MO	KS	$ Total	$ MO	$ KS	kW Total	kW MO	kW KS	kWh Total	KWh MO	kWh KS
Change a Light-Save the World	Dir Imp	R	Ret	Promotion by %. Incentives to be by actual. Can be by state.	51.5%	48.5%	$152,500	$78,477	$74,024	1,125	579	546	2,475,000	1,273,635	1,201,365
Cool Homes Program	Dir Imp	R	Ret	Promotion by %. Incentives to be by actual. Can be by state.	51.5%	48.5%	$955,000	$491,443	$463,557	1,668	858	810	1,948,000	1,002,441	945,559
Energy Star Homes	Dir Imp	R	NC	Promotion by %. Incentives to be by actual. Can be by state.	51.5%	48.5%	$80,000	$41,168	$38,832	0	0	0	0	0	0
PAYS-type Concept	Dir Imp	R	Ret	MO only	100%	0%	$25,000	$25,000	$0	0	0	0	0	0	0
Online EE information/analysis (Nexus)	Educ	C	Ret	Set up/software/monthly maintenance by %. User fee to be by actual. Can be made available by state only.	59.8%	40.3%	$0	$0	$0	0	0	0	0	0	0
C&I Energy Audits	Educ	Comm	Ret	Promotion by %. Incentives to be by actual. Can be by state.	59.8%	40.3%	$0	$0	$0	0	0	0	0	0	0
Custom Rebates	Dir Imp	M&L C&I	Ret	Promotion by %. Incentives to be by actual. Can be by state.	59.8%	40.3%	$30,000	$17,925	$12,075	0	0	0	0	0	0
Custom Rebates	Dir Imp	M&L C&I	NC	Promotion by %. Incentives to be by actual. Can be by state.	59.8%	40.3%	$707,500	$422,731	$284,769	872	521	351	2,673,000	1,597,118	1,075,883
Building Operator Certification	Dir Imp	M&L C&I	Ret	Can be by state.	59.8%	40.3%	$105,000	$62,738	$42,263	0	0	0	0	0	0
Market Research	0	All	0	By % only; cannot be separated	50.0%	50.0%	$77,500	$38,750	$38,750	0	0	0	0	0	0
Demand Response															
Residential A/C Cycling					42.3%	57.7%	$1,503,834	$636,122	$867,712	4,532	1,917	2,615	23,537	9,956	13,581
Commercial Curtailment					58.1%	41.9%	$1,862,899	$1,082,344	$780,555	45,445	26,404	19,041	1,940,790	1,127,599	813,191

Budget includes capital & O&M

Appendix C

Rev 2/3/05 to separate

AA from EE

Program	Type	Seg-ment	NC/Ret	Allocation Comments	MO (Allocation)	KS	$ Total	$ MO	$ KS	kW Total	kW MO	kW KS	kWh Total (Year 2 Estimates)	KWh MO	kWh KS
ANNUAL TOTAL							$8,935,244	$4,952,111	$3,983,127	25,985	14,076	11,909	15,072,964	8,553,823	6,519,131
CUMMULATIVE TOTAL							$15,376,827	$8,472,451	$6,904,367	79,728	44,439	35,289	24,549,832	13,914,049	10,635,768
Annual DR Totals							$3,948,794	$2,006,589	$1,942,205	19,281	10,378	8,903	523,584	297,215	226,370
Cumulative DR Totals							$7,315,527	$3,725,055	$3,590,472	69,258	38,699	30,559	2,487,911	1,434,770	1,053,141
Annual EE Totals							$4,437,350	$2,494,785	$1,942,565	6,579	3,593	2,986	14,062,500	7,848,116	6,214,384
Cumulative EE Totals							$7,029,100	$3,909,347	$3,119,753	10,244	5,551	4,693	21,158,500	11,721,309	9,437,191
Annual AFF Total							$549,100	$450,736	$98,357	125	105	20	486,880	408,492	78,378
Cumulative AFF Totals							$1,032,200	$838,049	$194,142	226	190	36	903,421	757,970	145,436
Affordability															
Affordable New Homes	Dir Imp	R-Aff	NC	Currently allocated by % of low income in each state. Incentives to be by actual.	83.9%	16.1%	$32,000	$26,848	$5,146	29	24	5	50,720	42,554	8,156
Low Income Weatherization (non-KCMO)	Dir Imp	R-Aff	Ret	By est. low income population without KCMO	20.4%	79.6%	$117,100	$23,888	$93,212	96	81	15	436,160	365,938	70,222
Low Income WX-KCMO					100%	0%	$400,000	$400,000	$0						
Allocation for total				By est. low income population	83.9%	16.1%									
Energy Efficiency															
Online EE information/analysis (Nexus)	Educ	R	Ret	Set up/software/monthly maintenance by %. User fee to be by actual. Can be made available by state only.	51.5%	48.5%	$223,950	$115,245	$108,705	0	0	0	0	0	0
Home Performance-Training	Dir Imp	R	Ret	Can be limited by state but with great difficulty. Crews work both states.	51.5%	48.5%	$127,500	$65,612	$61,889	0	0	0	0	0	0
Change a Light-Save the World	Dir Imp	R	Ret	Promotion by %. Incentives to be by actual. Can be by state.	51.5%	48.5%	$152,500	$78,477	$74,024	1,125	579	546	2,475,000	1,273,635	1,201,365
Cool Homes Program	Dir Imp	R	Ret	Promotion by %. Incentives to be by actual. Can be by state.	51.5%	48.5%	$1,355,000	$697,283	$657,717	2,490	1,281	1,209	2,907,000	1,495,942	1,411,058
Energy Star Homes	Dir Imp	R	NC	Promotion by %. Incentives to be by actual. Can be by state.	51.5%	48.5%	$545,000	$280,457	$264,543	466	240	226	1,303,500	670,781	632,719
PAYS-type Concept	Dir Imp	R	Ret	MO only	100%	0%									

Program	Type	Seg- ment	NC/Ret	Allocation Comments	MO	KS	$ Total	$ MO	$ KS	kW Total	kW MO	kW KS	kWh Total	kWh MO	kWh KS
PAYS-type Concept	Dir Imp	R	Ret	MO only	100%	0%	$125,000	$125,000	$0	0	0	0	0	0	0
Online EE information/analysis (Nexus)	Educ	C	Ret	Set up/software/monthly maintenance by %. User fee to be by actual. Can be made available by state only.	59.8%	40.3%	$240,900	$143,938	$96,962	0	0	0	0	0	0
C&I Energy Audits	Educ	Comm	Ret	Promotion by %. Incentives to be by actual. Can be by state.	59.8%	40.3%	$60,000	$35,850	$24,150	0	0	0	0	0	0
Custom Rebates	Dir Imp	M&L C&I	Ret	Promotion by %. Incentives to be by actual. Can be by state.	59.8%	40.3%	$502,500	$300,244	$202,256	697	416	281	2,138,000	1,277,455	860,545
Custom Rebates	Dir Imp	M&L C&I	NC	Promotion by %. Incentives to be by actual. Can be by state.	59.8%	40.3%	$922,500	$551,194	$371,306	1,301	777	524	3,989,000	2,383,428	1,605,573
Building Operator Certification	Dir Imp	M&L C&I	Ret	Can be by state.	59.8%	40.3%	$105,000	$62,738	$42,263	500	299	201	1,250,000	746,875	503,125
Market Research	0	All	0	By % only; cannot be separated	50.0%	50.0%	$77,500	$38,750	$38,750	0	0	0	0	0	0
Demand Response															
Residential A/C Cycling					42.3%	57.7%	$1,820,634	$770,128	$1,050,506	5,215	2,206	3,009	44,226	18,708	25,519
Commercial Curtailment					58.1%	41.9%	$2,128,160	$1,236,461	$891,699	14,066	8,172	5,894	479,358	278,507	200,851

Budget includes capital & O&M

Appendix C

Rev 2/3/05 to separate

AA from EE — Allocation — **Year 3 Estimates**

Program	Type	Seg- ment	NC/Ret	Allocation Comments	MO	KS	$ Total	$ MO	$ KS	kW Total	kW MO	kW KS	kWh Total	kWh MO	kWh KS
ANNUAL TOTAL							$10,132,247	$5,675,353	$4,456,886	22,500	12,138	10,362	17,544,272	9,930,465	7,613,797
CUMMULATIVE TOTAL							$25,509,074	$14,147,804	$11,361,253	102,228	56,578	45,650	42,094,104	23,844,514	18,249,565
Annual DR Totals							$4,285,047	$2,197,458	$2,087,589	14,975	7,987	6,988	592,050	335,027	257,023
Cumulative DR Totals							$11,600,574	$5,922,513	$5,678,060	84,233	46,686	37,547	3,079,961	1,769,797	1,310,164
Annual EE Totals							$5,205,600	$2,963,726	$2,241,874	7,390	4,038	3,352	16,419,000	9,148,064	7,270,936
Cumulative EE Totals							$12,234,700	$6,873,073	$5,361,627	17,634	9,589	8,045	37,577,500	20,869,374	16,708,127
Annual AFF Total							$641,600	$514,169	$127,423	135	113	22	533,222	447,373	85,839
Cumulative AFF Totals							$1,673,800	$1,352,218	$321,565	361	303	58	1,436,643	1,205,343	231,274
Affordability															
Affordable New Homes	Dir Imp	R-Aff	NC	Currently allocated by % of low income in each state. Incentives to be by actual.	83.9%	16.1%	$39,500	$33,141	$6,352	29	24	5	50,720	42,554	8,156
Low Income Weatherization (non-KCMO)	Dir Imp	R-Aff	Ret	By est. low income population without KCMO	20.4%	79.6%	$152,100	$31,028	$121,072	106	89	17	485,502	404,819	77,683
Low Income WX-KCMO					100%	0%	$450,000	$450,000	$0						
Allocation for total				By est. low income population	83.9%	16.1%									
Energy Efficiency															
Online EE information/analysis (Nexus)	Educ	R	Ret	Set up/software/monthly maintenance by %. User fee to be by actual. Can be made available by state only.	51.5%	48.5%	$201,300	$103,589	$97,711	0	0	0	0	0	0
Home Performance-Training	Dir Imp	R	Ret	Can be limited by state but with great difficulty. Crews work both states.	51.5%	48.5%	$147,500	$75,904	$71,597	0	0	0	0	0	0
Change a Light-Save the World	Dir Imp	R	Ret	Promotion by %. Incentives to be by actual. Can be by state.	51.5%	48.5%	$152,500	$78,477	$74,024	1,125	579	546	2,475,000	1,273,635	1,201,365
Cool Homes Program	Dir Imp	R	Ret	Promotion by %. Incentives to be by actual. Can be by state.	51.5%	48.5%	$1,405,000	$723,013	$681,987	2,490	1,281	1,209	2,907,000	1,495,942	1,411,058
Energy Star Homes	Dir Imp	R	NC	Promotion by %. Incentives to be by actual. Can be by state.	51.5%	48.5%	$985,000	$506,881	$478,119	933	480	453	2,607,000	1,341,562	1,265,438
PAYS-type Concept	Dir Imp	R	Ret	MO only	100%	0%	$250,000	$250,000	$0	0	0	0	0	0	0
Online EE information/analysis (Nexus)	Educ	C	Ret	Set up/software/monthly maintenance by %. User fee to be by actual. Can be made available by state only.	59.8%	40.3%	$171,800	$102,651	$69,150	0	0	0	0	0	0

Program	Type	Seg- ment	NC/Ret	Allocation Comments	MO	KS	$ Total	$ MO	$ KS	kW Total	kW MO	kW KS	kWh Total	kWh MO	kWh KS
C&I Energy Audits	Educ	Comm	Ret	Promotion by %. Incentives to be by actual. Can be by state.	59.8%	40.3%	$60,000	$35,850	$24,150	0	0	0	0	0	0
Custom Rebates	Dir Imp	M&L C&I	Ret	Promotion by %. Incentives to be by actual. Can be by state.	59.8%	40.3%	$727,500	$434,681	$292,819	1,041	622	419	3,191,000	1,906,623	1,284,378
Custom Rebates	Dir Imp	M&L C&I	NC	Promotion by %. Incentives to be by actual. Can be by state.	59.8%	40.3%	$922,500	$551,194	$371,306	1,301	777	524	3,989,000	2,383,428	1,605,573
Building Operator Certification	Dir Imp	M&L C&I	Ret	Can be by state.	59.8%	40.3%	$105,000	$62,738	$42,263	500	299	201	1,250,000	746,875	503,125
Market Research	0	All	0	By % only; cannot be separated	50.0%	50.0%	$77,500	$38,750	$38,750	0	0	0	0	0	0
Demand Response															
Residential A/C Cycling					42.3%	57.7%	$1,849,076	$782,159	$1,066,917	4,518	1,911	2,607	56,669	23,971	32,698
Commercial Curtailment					58.1%	41.9%	$2,435,971	$1,415,299	$1,020,672	10,457	6,076	4,382	535,381	311,056	224,325

Budget includes capital & O&M

Appendix C

Rev 2/3/05 to separate

AA from EE

Program	Type	Seg- ment	NC/Ret	Allocation Comments	MO	KS	$ Total	$ MO	$ KS	kW Total	kW MO	kW KS	kWh Total	kWh MO	kWh KS
					Allocation						**Year 4 Estimates**				
ANNUAL TOTAL							$11,863,239	$6,545,076	$5,318,157	39,634	21,658	17,976	18,289,046	10,369,124	7,919,912
CUMMULATIVE TOTAL							$37,372,313	$20,692,880	$16,679,410	141,862	78,236	63,626	60,383,150	34,213,638	26,169,476
Annual DR Totals							$6,113,589	$3,083,769	$3,029,821	32,099	17,498	14,601	1,291,845	735,949	555,896
Cumulative DR Totals							$17,714,163	$9,006,282	$8,707,881	116,332	64,183	52,149	4,371,806	2,505,746	1,866,060
Annual EE Totals							$5,100,550	$2,910,571	$2,189,979	7,390	4,038	3,352	16,419,000	9,148,064	7,270,936
Cumulative EE Totals							$17,335,250	$9,783,644	$7,551,606	25,024	13,628	11,396	53,996,500	30,017,438	23,979,062
Annual AFF Total							$649,100	$550,736	$98,357	145	122	23	578,201	485,111	93,080
Cumulative AFF Totals							$2,322,900	$1,902,954	$419,922	506	425	81	2,014,844	1,690,454	324,354
Affordability															
Affordable New Homes	Dir Imp	R-Aff	NC	Currently allocated by % of low income in each state. Incentives to be by actual.	83.9%	16.1%	$32,000	$26,848	$5,146	29	24	5	50,720	42,554	8,156
Low Income Weatherization (non-KCMO)	Dir Imp	R-Aff	Ret	By est. low income population without KCMO	20.4%	79.6%	$117,100	$23,888	$93,212	116	97	19	527,481	442,557	84,924
Low Income WX-KCMO					100%	0%	$500,000	$500,000	$0						
Allocation for total				By est. low income population	83.9%	16.1%									
Energy Efficiency															
Online EE information/analysis (Nexus)	Educ	R	Ret	Set up/software/monthly maintenance by %. User fee to be by actual. Can be made available by state only.	51.5%	48.5%	$205,350	$105,673	$99,677	0	0	0	0	0	0
Home Performance-Training	Dir Imp	R	Ret	Can be limited by state but with great difficulty. Crews work both states.	51.5%	48.5%	$127,500	$65,612	$61,889	0	0	0	0	0	0
Change a Light-Save the World	Dir Imp	R	Ret	Promotion by %. Incentives to be by actual. Can be by state.	51.5%	48.5%	$152,500	$78,477	$74,024	1,125	579	546	2,475,000	1,273,635	1,201,365
Cool Homes Program	Dir Imp	R	Ret	Promotion by %. Incentives to be by actual. Can be by state.	51.5%	48.5%	$1,355,000	$697,283	$657,717	2,490	1,281	1,209	2,907,000	1,495,942	1,411,058
Energy Star Homes	Dir Imp	R	NC	Promotion by %. Incentives to be by actual. Can be by state.	51.5%	48.5%	$935,000	$481,151	$453,849	933	480	453	2,607,000	1,341,562	1,265,438
PAYS-type Concept	Dir Imp	R	Ret	MO only	100%	0%	$250,000	$250,000	$0	0	0	0	0	0	0
Online EE information/analysis (Nexus)	Educ	C	Ret	Set up/software/monthly maintenance by %. User fee to be by actual. Can be made available by state only.	59.8%	40.3%	$172,700	$103,188	$69,512	0	0	0	0	0	0
C&I Energy Audits	Educ	Comm	Ret	Promotion by %. Incentives to be by actual. Can be by state.	59.8%	40.3%	$60,000	$35,850	$24,150	0	0	0	0	0	0
Custom Rebates	Dir Imp	M&L C&I	Ret	Promotion by %. Incentives to be by actual. Can be by state.	59.8%	40.3%	$737,500	$440,656	$296,844	1,041	622	419	3,191,000	1,906,623	1,284,378
Custom Rebates	Dir Imp	M&L C&I	NC	Promotion by %. Incentives to be by actual. Can be by state.	59.8%	40.3%	$922,500	$551,194	$371,306	1,301	777	524	3,989,000	2,383,428	1,605,573
Building Operator Certification	Dir Imp	M&L C&I	Ret	Can be by state.	59.8%	40.3%	$105,000	$62,738	$42,263	500	299	201	1,250,000	746,875	503,125
Market Research	0	All	0	By % only; cannot be separated	50.0%	50.0%	$77,500	$38,750	$38,750	0	0	0	0	0	0
Demand Response															
Residential A/C Cycling					42.3%	57.7%	$2,963,461	$1,253,544	$1,709,917	7,290	3,084	4,206	92,486	39,122	53,364
Commercial Curtailment					58.1%	41.9%	$3,150,128	$1,830,225	$1,319,904	24,809	14,414	10,395	1,199,359	696,827	502,531

Budget includes capital & O&M | Appendix C

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AA from EE

Program	Type	Seg- ment	NC/Ret	Allocation Comments	Allocation		**Year 5 Estimates**								
					MO	KS	$ Total	$ MO	$ KS	kW Total	kW MO	kW KS	kWh Total	kWh MO	kWh KS
ANNUAL TOTAL							$15,409,699	$8,301,495	$7,108,199	61,531	33,600	27,931	19,466,069	11,059,733	8,406,326
CUMMULATIVE TOTAL							$52,782,013	$28,994,374	$23,787,608	203,393	111,836	91,557	79,849,220	45,273,372	34,575,802
Annual DR Totals							$9,605,249	$4,787,667	$4,817,582	53,986	29,431	24,554	2,423,889	1,388,821	1,035,068
Cumulative DR Totals							$27,319,413	$13,793,949	$13,525,463	170,318	93,615	76,703	6,795,696	3,894,567	2,901,128
Annual EE Totals							$5,105,350	$2,913,091	$2,192,259	7,390	4,038	3,352	16,419,000	9,148,064	7,270,936
Cumulative EE Totals							$22,440,600	$12,696,734	$9,743,866	32,414	17,666	14,748	70,415,500	39,165,502	31,249,998
Annual AFF Total							$699,100	$600,736	$98,357	155	130	25	623,180	522,848	100,322
Cumulative AFF Totals							$3,022,000	$2,503,691	$518,279	661	555	106	2,638,024	2,213,302	424,676
Affordability															
Affordable New Homes	Dir Imp	R-Aff	NC	Currently allocated by % of low income in each state. Incentives to be by actual.	83.9%	16.1%	$32,000	$26,848	$5,146	29	24	5	50,720	42,554	8,156
Low Income Weatherization (non-KCMO)	Dir Imp	R-Aff	Ret	By est. low income population without KCMO	20.4%	79.6%	$117,100	$23,888	$93,212						
Low Income WX-KCMO					100%	0%	$550,000	$550,000	$0	126	106	20	572,460	480,294	92,166
Allocation for total				By est. low income population	83.9%	16.1%									
Energy Efficiency															
Online EE information/analysis (Nexus)	Educ	R	Ret	Set up/software/monthly maintenance by %. User fee to be by actual. Can be made available by state only.	51.5%	48.5%	$209,550	$107,834	$101,716	0	0	0	0	0	0
Home Performance-Training	Dir Imp	R	Ret	Can be limited by state but with great difficulty. Crews work both states.	51.5%	48.5%	$127,500	$65,612	$61,889	0	0	0	0	0	0
Change a Light-Save the World	Dir Imp	R	Ret	Promotion by %. Incentives to be by actual. Can be by state.	51.5%	48.5%	$152,500	$78,477	$74,024	1,125	579	546	2,475,000	1,273,635	1,201,365
Cool Homes Program	Dir Imp	R	Ret	Promotion by %. Incentives to be by actual. Can be by state.	51.5%	48.5%	$1,355,000	$697,283	$657,717	2,490	1,281	1,209	2,907,000	1,495,942	1,411,058
Energy Star Homes	Dir Imp	R	NC	Promotion by %. Incentives to be by actual. Can be by state.	51.5%	48.5%	$935,000	$481,151	$453,849	933	480	453	2,607,000	1,341,562	1,265,438
PAYS-type Concept	Dir Imp	R	Ret	MO only	100%	0%	$250,000	$250,000	$0	0	0	0	0	0	0
Online EE information/analysis (Nexus)	Educ	C	Ret	Set up/software/monthly maintenance by %. User fee to be by actual. Can be made available by state only.	59.8%	40.3%	$173,300	$103,547	$69,753	0	0	0	0	0	0
C&I Energy Audits	Educ	Comm	Ret	Promotion by %. Incentives to be by actual. Can be by state.	59.8%	40.3%	$60,000	$35,850	$24,150	0	0	0	0	0	0
Custom Rebates	Dir Imp	M&L C&I	Ret	Promotion by %. Incentives to be by actual. Can be by state.	59.8%	40.3%	$737,500	$440,656	$296,844	1,041	622	419	3,191,000	1,906,623	1,284,378
Custom Rebates	Dir Imp	M&L C&I	NC	Promotion by %. Incentives to be by actual. Can be by state.	59.8%	40.3%	$922,500	$551,194	$371,306	1,301	777	524	3,989,000	2,383,428	1,605,573
Building Operator Certification	Dir Imp	M&L C&I	Ret	Can be by state.	59.8%	40.3%	$105,000	$62,738	$42,263	500	299	201	1,250,000	746,875	503,125
Market Research	0	All	0	By % only; cannot be separated	50.0%	50.0%	$77,500	$38,750	$38,750	0	0	0	0	0	0
Demand Response															
Residential A/C Cycling					42.3%	57.7%	$5,018,876	$2,122,985	$2,895,892	12,242	5,179	7,064	123,156	52,095	71,061
Commercial Curtailment					58.1%	41.9%	$4,586,373	$2,664,683	$1,921,690	41,743	24,253	17,491	2,300,733	1,336,726	964,007

Budget includes capital & O&M | Appendix C

Kansas City Power & Light

Strategic Initiative Projects

Projected In-Service Dates

		In-Service
AA22	Iatan 2 500MW Unit	6/01/2010
AA23	Wind Generation 100MW 2006	12/1/2006
AT01	Iatan Railroad Bridge	12/31/2009
AF42	L1 FGD Scrubber Repl	12/31/2009
AF43	L1 Baghouse	5/31/2009
AF64	LAC #1 SCR	4/30/2007
AG61	Iatan 1 SCR	11/30/2008

AG62	Iat 1 FGD Scrubber	11/30/2008
AG69	Iatan 1 Baghouse	11/30/2008
BC19	345KV Iatan-Nashua Line	12/31/2009
BD05	Upgrade Xfrmr at W. Gardner	7/1/2008
BD23	Nashua Sub-345KV Ring Bus	12/1/2009
BD44	Iatan Sub Expansion	12/31/2008
BE27	Wind Generation Sub 1	6/30/2006
BP01	Trans Asset Mgmt System	Multiple
KA50	Asset Mgmt Strategic Init	Multiple
KA51	Distributed Utility	Multiple
KA52	Accelarated Dist Automation	Multiple

REGULATORY INITIATIVES
CAPITAL/AMORTIZATIONS PROJECTS
($000's)

PROJECT	2005	2006	2007	2008	2009*	TOTAL
IATAN 2	13,027	30,912	138,421	246,136	347,761	776,257
WIND GENERATION	19,215	111,623	0	0	0	130,838
ENVIRONMENTAL	8,387	44,949	107,900	101,2225	9,352	271,813
ASSET MANAGEMENT	4,000	5,696	8,501	11,309	12,820	42,326
DSM PROGRAMS	6,442	8,935	10,132	11,863	15,410	52,782
TOTAL	51,071	202,115	264,954	370,533	385,343	1,274,016

*Iatan 2 numbers includes $148,680(000) of expenditures in 2010

Asset Management Plan

The following is KCPL's description of the Asset Management activities at Kansas City Power & Light Co. (KCP&L). Asset Management at KCP&L is the structured and disciplined process to develop the program of work for system expansion, system improvements, and maintenance; both corrective and preventive. Figure 1 illustrates the process to develop and execute the scope of work. Our objective is to provide a scope of work to achieve the following three key corporate strategic goals for the least overall cost:

* Mitigate risks of major outage events to our customers - an example may be the refurbishment or replacement of substation circuit breakers.
* Minimize SAIDI as it is related to duration and number of outages to our customers - examples of this may be employing distribution automation and/or focused asset replacement programs.
* Minimize number of customers with multiple interruptions - examples of this may be employing distribution automation, poor performing circuit programs, and equipping substation breakers with auto fuse saving control.

KCP&L is currently working to enhance and develop tools and processes, improve our internal communications for feedback, and heighten our industry participation in automation, reliability and asset management related activities. We are using these methods to make use of technology to get the most out of our existing system and to modify existing programs and initiatives to focus on the greatest contributing factors to outages and system failures. KCP&L has already been making strides in utilizing the 2004 implementation of our Outage Management System to develop customer focused reliability programs.

KCP&L has developed a budget to manage identified risks, maintain our system capacity levels to meet forecasted growth and repair facilities as they reach their end of life. We have also included in this budget the implementation of technologies like Distribution Automation to help control costs and improve performance. This budget has inherent risk in that the system is aging and we have known pockets of poor performing facilities. We expect from experiences of other utilities that failure rates of certain components will increase over time. The current budget does not address this issue therefore the following impacts on operations will eventually be realized:

* Aging infrastructure results in more frequent component failures
* Higher O&M costs
* Higher unplanned Capital costs
* Reduced customer reliability (i.e., higher SAIDI, SAIFI, MAIFI and number of customers with multiple interruptions)

We have developed plans to address this issue that require additional funds. This plan allocates resources to address known issues on the system that either present the highest risk of a major system outage or impact customers through multiple outages over relatively short spans of time. To do this we intend to implement projects to address the identified system risks and allocate renewal programs where asset and performance data indicate the need. We will also apply technologies such as distribution automation to improve system performance. Another benefit of automation is to isolate failing system components, thereby mitigating the customer impact and focusing the replacement needs.

This plan includes the following elements:

* Conduct a system wide condition assessment and inventory of the overhead distribution system
* Implement projects to address components which are nearing their end of life
* Utilize customer outage data to develop programs that minimize the number of outages customers experience
* Utilize industry experience with our inventory and performance data to conduct studies to develop targeted renewal programs
* Refine our maintenance practices to optimize costs and extend the life of existing facilities
* Implement distribution automation programs.

By implementing this plan, we can expect to:

* Manage asset replacement schedules and our aging infrastructure
* Define future capital requirements
* Optimize system maintenance
* Improve system design for better long term performance
* Maintain Tier 1 reliability performance
* Identify the best opportunities for strategic capital and O&M investments

The capital requirements for our plan are shown below. This plan request assumes a certain level of maintenance expenditures including a project to conduct a system wide condition assessment and inventory of the overhead distribution system. This project is predominately a maintenance expenditure that provides substantial return by improving our ability to target capital renewal programs towards facilities that are nearing end of life. Our plan is to implement this project in 2005 and complete it in 2008. We intend to manage our capital spend through this period of higher overall cash requirements using our improved Outage Management System, enhanced processes and more complete asset data.

Appendix D-4

Proposed Capital Expenditure Level Increases (excluding demand response programs)

(in millions)	**2005**	**2006**	**2007**	**2008**	**2009**	**Total**
Plan Request *	$4.0	$5.7	$8.5	$11.3	$12.8	$42.3

* These multi-year expenditures are increases above the normal capital expenditures for the years stated.

This plan provides adequate capital to address known system issues and maintain Tier 1 reliability performance. We feel that we can manage the system through this period with these funds.

Appendix D-5

Credit Ratio Ranges & Definitions

	AA		A		BBB			BB	
	Min.	Max.	Min.	Max.	Min.	Top 1/3	Max.	Min.	Max.
Total Debt to Total Capitalization (1)	32%	40%	40%	48%	48%	51%	58%	58%	62%
Funds From Operations Interest Coverage (2)	5.2x	6.0x	4.2x	5.2x	3.0x	3.8x	4.2x	2.0x	3.0x
Funds From Operations as a % of Average Total Debt (3)	35%	45%	28%	35%	18%	25%	28%	12%	18%

Ratio Definitions:

(1) "Total Debt to Total Capitalization" is calculated as Total Debt divided by Total Capitalization where Total Debt and Total Capitalization are defined as below:

- Total Debt is calculated as:

  * Notes Payable + Current Maturities of Long-Term Debt + Current Capitalized Lease Obligations + Long-Term Debt + Capitalized Lease Obligations + Total Off-Balance Sheet Debt

    - "Total Off-Balance Sheet Debt" includes off-balance sheet financings such as:

      * Operating and synthetic leases, accounts receivable securitizations, contingent liabilities and other potential off-balance sheet obligations

- Total Capitalization includes:

  * Total Debt + Minority Interest + Total Preferred and Preference Stock + Common Stock Equity

(2) "Funds From Operations Interest Coverage" is calculated as (Funds From Operations + Gross Interest Expense) divided by Gross Interest Expense where Funds From Operations and Gross Interest Expense are defined as below:

- Funds From Operations is calculated as:

  * Cash From Operations - Working Capital

- Gross Interest Expense is calculated as:

  * Interest Expense (net) + Allowance For Borrowed Funds Used During Construction + Interest on Off-Balance Sheet Debt

(3) "Funds From Operations as a % of Average Total Debt" is calculated as Funds From Operations divided by Average Total Debt where Funds From Operations and Average Total Debt are defined as below:

- Funds From Operations

  * As defined above

- Average Total Debt is calculated as:

  * The average total debt over the period subject to analysis

Adjustment of Amortization Amounts
Illustration

Illustration of the Method Used to Determine the Adjustment to Amortization Amounts Required for KCPL to Meet Investment Grade Credit Guidelines.

Method:

For the purpose of this example, the base financial information, provided by KCPL in its 2003 surveillance report and other KCPL financial statements, was used. KCPL made adjustments to this base financial information to include certain off balance sheet items. These adjustments were to conform with rating agency methods for balance sheet statement. KCPL identified these accounting adjustments, such as the equivalent debt treatment of operating leases and capacity contracts. The equivalent debt treatment of these off balance sheet items was determined by calculating the net present value of the future stream of lease or contract payments. The base 2003 financial information was then adjusted by the equivalent debt balances and the interest expense associated with the equivalent debt balances. From this adjusted information, KCPL then calculated the three guideline ratios defined in Appendix E allocated to the Missouri jurisdiction. If any of the operational guideline metrics fell below the required criteria, then KCPL would determine the amount of additional funds from operations that would be required for KCPL to meet the operational guideline.

Current guidelines for top third of BBB category for a business profile 6 (equivalent business profile to KCPL) company:

a. 51% Total debt to total capital
b. 3.8x Funds from operations interest coverage (an operational guideline)
c. 25% Funds from operations as a percentage of average total debt(an operational guideline)

Explanation of Attachment 1 to Appendix F: Additional Amortization Required

This illustration is based on KCPL financial information consisting of information from its 2003 surveillance report and other KCPL financial statements. This illustration assumes that the Commission has found all expenditures to be prudent and reasonable. For this illustration, KCPL statements were placed on a jurisdictional basis by applying an allocation factor to the KCPL balances. This illustration assumes that the Commission has accepted the jurisdictional amounts used in these calculations. The base jurisdictional information was used to calculate the three (3) rating agency guidelines. In this illustration, the Missouri jurisdictional funds from operations (FFO) as a percent of average debt was found to be 23.3%, which is below the guideline criteria of 25%. In order for the guideline to be achieved, $12,006,000 of additional FFO would be needed from Missouri. The additional FFO was then studied to determine if there would be any additional tax impacts on cash flow resulting fr om the additional FFO. This illustration assumes that the entire additional FFO would have negative tax cash flow impacts, thereby resulting in an additional amortization of $19,569,000 needed in order to meet

the guideline level. The Signatory Parties have not agreed to a methodology to determine the tax impacts related to additional FFO. In this illustration, the revenue requirement amount equals the amortization amount. The overall impact on Missouri customers would be a 4.2% increase in revenue requirement.

Explanation of Additional Financial Information Shown on Lines 43 and 50 through 52 of Attachment 1 to Appendix F.

Line 43 - Capital Lease Obligations - Costs recorded as a capital lease for KCPL's obligations related to the 345 KV Missouri-Iowa-Nebraska Transmission line under a coordination agreement with seven regional utilities.

Line 50 - Operating Lease Debt Equivalent - Present value of future lease payments for various operating leases including railcars, the 345 KV line from Wolf Creek to LaCygne and facilities for 1201 Walnut and 801 Charlotte.

Line 51 - Purchase Power Debt Equivalent - Present value of purchased power capacity obligation.

Line 52 - Accounts Receivable Sale - Maximum amount of borrowing under a receivables securitization agreement.

Transactions included in the amounts above are subject to review by the Commission for prudence. Amounts determined to be not prudent will not be included in the calculation of the financial ratios for purposes of adjusting the amortization amount. The prudence and reasonableness of these transactions will be determined in KCPL's next general rate case.

The illustration does not include the effect of SO2 sales on cash flow because currently these sales have not occurred. To the extent actual SO2 sales occur, these sales will be included as cash flow for purposes of Appendix F and whether the resulting projected cash flow meets the ratio values.

Attachment 1 to Appendix F

Line			Total Company	Jurisdictional Allocation	Jurisdictional Adjustments	Jurisdictional Proforma
		Information from the Company's annual Surveillance Report				
7	Rate Base	Surveillance Report Schedule 1, Column 603 & 604, Line 0260	2,214,826	1,182,007		
8	Jusrisdictional Allocator for Capital	Jurisdictional Rate Base / Total Company Rate Base		53.4%		
9						
10	Total Capital	Surveillance Report Capitalization Worksheet	2,237,339	1,194,021	-	1,194,021
11	Equity	Surveillance Report Capitalization Worksheet	1,109,125	591,917	-	591,917
12	Preferred	Surveillance Report Capitalization Worksheet	0	0		0
13	Long-term Debt	Surveillance Report Capitalization Worksheet	1,128,214	602,104		602,104
14	Cost of Debt	Surveillance Report Capitalization Worksheet	5.68%	5.68%		5.68%
15	Interest Expense	Line 13 * Line 14	64,056	34,185	-	34,185
16						
17	Retail Sales Revenue	Surveillance Report Schedule 2, Line 0040	882,766	470,668	19,569	490,237

Line	Description	Source				
18	Other Revenue	Line 19 - Line 17	172,134	91,212		91,212
19	Operating Revenue	Surveillance Report Schedule 1, Line 0010	1,054,900	561,880	19,569	581,449
20						
21	Operating & Maintenance Expenses	Surveillance Report Schedule 1, Line 0040	537,391	312,380		312,380
22	Depreciation	Surveillance Report Schedule 1, Line 0050	134,792	75,744		75,744
23	Amortization	Surveillance Report Schedule 1, Line 0060	11,533	6,340	19,569	25,909
24	Interest on Customer Deposits	Surveillance Report Schedule 1, Line 0065	0	379		379
25	Taxes other than income taxes	Surveillance Report Schedule 1, Line 0070	95,495	31,009		31,009
26	Federal and State income taxes	Surveillance Report Schedule 1, Line 0080	86,605	38,669	0	38,669
27	Gains on disposition of plant	Surveillance Report Schedule 1, Line 0085	34	0		0
28	Total Electric Operating Expenses	Sum of Lines 21 to 27	865,851	464,520	19,569	484,089
29						
30	Operating Income	Surveillance Report Schedule 1, Line 0120	189,049	97,360	0	97,360
31	less Interest Expense	- Line 15	(64,056)	(34,185)	-	(34,185)
32	Depreciation	Surveillance Report Schedule 1, Line 0050	134,792	75,744	-	75,744
33	Amortization	Surveillance Report Schedule 1, Line 0060	11,533	6,340	19,569	25,909
34	Deferred Taxes	Surveillance Report Schedule 7, Column 601, Line 0550	30,923	16,503	(7,562)	8,941
35	Funds from Operations (FFO)	Sum of Lines 30 to 34	302,241	161,762	12,006	173,768
36						
37	Net Income	Line 30 + Line 31	124,993	63,175	-	63,175
38	Return on Equity	Line 37 / Line 11	11.3%	10.7%	0.0%	10.7%
39	Unadjusted Equity Ratio	Line 11 / Line 10	49.6%	49.6%	0.0%	49.6%
	Additional financial information needed for the calculation of ratios					
43	Capitalized Lease Obligations	KCPL Trial Balance accts 227100 & 243100	2,402	1,282		1,282
44	Short-term Debt Balance	KCPL Trial Balance accts 231xxx	-	-		-
45	Short-term Debt Interest	KCPL T.B. accts 831014, 831015, 831016	560	299		299
	Adjustments made by Rating Agencies for Off-Balance Sheet Obligations					
49	Debt Adjustments for Off-Balance Sheet Obligations					
50	Operating Lease Debt Equivalent	Present Value of Operating Lease Obligations discounted @ 10%	76,800	40,987		40,987
51	Purchase Power Debt Equivalent	Present Value of Purchase Power Obligations discounted @ 10%	25,000	13,342		13,342
52	Accounts Receivable Sale	KCPL Trial Balance account 142011	70,000	37,358		37,358
53	Total OBS Debt Adjustment	Sum of Lines 50 to 52	171,800	91,686	-	91,686
54						
55	Interest Adjustments for Off-Balance Sheet Obligations					
56	Present Value of Operating Leases	Line 50 * 10%	7,680	4,099	-	4,099
57	Purchase Power Debt Equivalent	Line 51 * 10%	2,500	1,334	-	1,334
58	Accounts Receivable Sale	Line 52 * 5%	3,500	1,868	-	1,868
59	Total OBS Interest Adjustment	Sum of Lines 56 to 58	13,680	7,301	-	7,301
	Ratio Calculations					
63	Adjusted Interest Expense	Line 15 + Line 45 + Line 59	78,296	41,785	-	41,785
64	Adjusted Total Debt	Line13 + Line 43 + Line 44 + Line 53	1,302,416	695,072	-	695,072
65	Adjusted Total Capital	Line 10 + Line 43 + Line 44 + Line 53	2,411,541	1,286,989	-	1,286,989
66						
67	FFO Interest Coverage	(Line 35 + Line 63) / Line 63	4.86	4.87	0.29	5.16
68	FFO as a % of Average Total Debt	Line 35 / Line 64	23.2%	23.3%	1.7%	25.0%
69	Total Debt to Total Capital	Line 64 / Line 65	54.0%	54.0%	0.0%	54.0%
	Changes required to meet ratio targets					
73	FFO Interest Coverage Target		3.80	3.80	0.00	3.80
74	FFO adjustment to meet target	(Line 73 - Line 67) * Line 63	(83,012)	(44,764)	(12,006)	(56,770)
75	Interest adjustment to meet target	Line 35 * (1 / (Line 73 - 1) - 1 / (Line 67 - 1))	29,647	15,987	4,288	20,275
76						
77	FFO as a % of Average Total Debt Target		25%	25%	0%	25%
78	FFO adjustment to meet target	(Line 77 - Line 68) * Line 64	23,363	12,006	(12,006)	(0)
79	Debt adjustment to meet target	Line 35 * (1 / Line 77 - 1 / Line 68)	(93,452)	(48,026)	48,026	0
80						
81	Total Debt to Total Capital Target		51%	51%	0%	51%
82	Debt adjustment to meet target	(Line 81 - Line 69) * Line 65	(72,530)	(38,708)	-	(38,708)
83	Total Capital adjustment to meet target	Line 64 / Line 81 - Line 65	142,216	75,898	-	75,898
	Amortization and Revenue needed to meet targeted ratios					
87	FFO adjustment needed to meet target ratios	Maximum of Line 74 , Line 78 , or Zero	23,363	12,006	(12,006)	-
88	Effective income tax rate	Surveillance Report Schedule 7, Line 0370 / Line 0160	38.57%	38.64%	38.64%	38.64%
89	Deferred income taxes *	- Line 87 * Line 88 / (1 - Line 88)	(14,670)	(7,562)	7,562	-
90	Total amortization required for the FFO adjustment	Line 87 - Line 89	38,033	19,569	(19,569)	-
91						
92	Retail Sales Revenue Adjustment	Adj=Sum(Line 21 to Line 25)+Line 27-Line 18-Line 31+ (Line 11*Line 38)/(1-Line 88)		470,668	19,569	490,237
93	Percent increase in retail sales revenue	Line 92 Jurisdictional Adjustments / Line 92 Jurisdictional			4.2%	

* Adjusted for known and measurable changes including changes related to new plant in-service

Appendix F-3

Kansas City Power & Light Company

Depreciation & Amortization Rates

Missouri Jurisdictional

Account	Acct. No.	Avg. Service Life	Net Salvage	Deprec. Rate
Total Steam Production (Note)				
Structures & Improvements	311	30.5	-1.0%	3.31%
Structures & Improv - Haw 5 Rebuild	311			0.82%
Boiler Plant Equipment (incl trains)	312	28.6	-4.0%	3.63%
Boiler Plant Equip - Haw 5 Rebuild	312			0.90%
Turbogenerator Units	314	32.3	-1.0%	3.13%
Accessory Electric Equipment	315	31.3	-1.0%	3.23%
Accessory Electric Equip - Haw 5 Rebuild	315			0.80%
Acc Electric Equip - Computers (like 391)	315	18.4	1.0%	5.40%
Miscellaneous Power Plant Equipment	316	28.0	2.0%	3.50%
Misc Power Plant Equip - Haw 5 Rebuild	316			0.87%
Total Nuclear Production (Note)				
Structures & Improvements	321			1.55%
Reactor Plant Equipment	322			1.73%
Turbogenerator Unites	323			1.96%
Accessory Electric Equipment	324			1.73%
Miscellaneous Power Plant Equipment	325			2.36%
Nuclear Plant Write-Off	328			1.73%
Total Combustion Turbines				
Structures & Improvements	341	24.3	0.0%	4.12%
Fuel Holders, Producers, & Acc. Equip.	342	24.3	0.0%	4.12%
Generators	344	24.3	0.0%	4.12%
Accessory Electric Equipment	345	24.3	0.0%	4.12%
Total Wind Generation				
Structures & Improvements	341	20.0		5.00%
Generators	344	20.0		5.00%
Accessory Electric Equipment	345	20.0		5.00%
Total Transmission Plant				
Structures & Improvements	352	73.5	0.0%	1.36%
Station Equipment	353	42.0	6.0%	2.24%
Station Equip-Communication Equip (like 397)	353	38.8	3.0%	2.50%
Towers & Fixtures	354	50.0	0.0%	2.00%
Poles & Fixtures	355	39.0	-40.0%	3.59%
Overhead Conductors & Devices	356	48.0	-49.0%	3.10%

Account	Acct. No.	Avg. Service Life	Net Salvage	Deprec. Rate
Underground conduit	357	75.5	0.0%	1.32%
Underground Conductors & Devices	358	39.2	0.0%	2.55%
Total Distribution Plant				
Structures & Improvements	361	33.8	0.0%	2.96%
Station Equipment	362	45.0	10.0%	2.00%
Station Equip-Communication Equip (like 397)	362	38.8	3.0%	2.50%
Poles, Towers, & Fixtures	364	32.0	-31.0%	4.09%
Overhead Conductors & Devices	365	41.0	17.0%	2.02%
Underground Conduit	366	75.3	0.0%	1.33%
Underground Conductors & Dev	367	65.0	20.0%	1.23%
Line Transformers	368	30.0	7.0%	3.10%
Services	369	33.8	-6.0%	3.14%
Meters	370	23.6	-2.0%	4.31%
Install on Customers' Premises	371	10.9	-4.0%	9.51%
Street Lighting & Signal Systems	373	24.4	10.0%	3.69%
Total General Plant				
Structures & Improvements	390	39.4	0.0%	2.54%
Office Furniture & Equipment	391	18.4	1.0%	5.40%
Transportation Equipment	392	13.3	28.0%	5.43%
Stores Equipment	393	27.1	3.0%	3.58%
Tools, Shop & Garage Equipment	394	37.5	2.0%	2.61%
Laboratory Equipment	395	29.4	1.0%	3.37%
Power Operated Equipment	396	16.2	10.0%	5.55%
Communication Equipment	397	38.8	3.0%	2.50%
Miscellaneous Equipment	398	31.3	1.0%	3.16%

Notes: Nuclear Production rates are based on a lifespan under a 60-year license using remaining life rates. Rates are identical to Kansas jurisdictional rates.
Rates for Steam Production Plant related to Hawthorn Unit 5 Rebuild plant reflect Missouri jurisdictional rates after consideration of insurance and subrogation recoveries recorded in Account 108, Accumulated Provision for Depreciation. Future depreciation studies will use remaining life rates.

Amortization of Limited Term & Other Electric Plant

Account	Acct. No.	Avg. Service Life	Net Salvage	Deprec. Rate
Intangible - Five Year Software	303	5.0	0.0%	20.0%
Intangible - Ten Year Software	303	10.0	0.0%	10.0%
Intangible - Communication Equip (like 397)	303	38.8	3.0%	2.50%
Intangible - Accessory Equip (like 345)	303	24.3	0.0%	4.12%
Steam Prod-Structures & Impr-Leasehold Impr	311	Lease		
Combustion Turbine Plant - Land Rights	340			1.19%
Transmission Plant - Land Rights	350			1.19%
Distribution Plant - Land Rights	360			2.17%
General -Structures & Impr-Leasehold Impr	390	Lease		

In-Service Test Criteria

Coal Plant In-Service Test Criteria

1. Unit must demonstrate that it can operate at its design minimum load or above.

Hours at or above design minimum load / 400 hours >= 0.80

2. Unit must be able to operate at or above its design capacity factor for a reasonable period of time. If the design capacity factor is not specified it will be assumed to be 0.60 unless the utility can offer evidence justifying a lower value.

Design capacity factor <= energy generated for a continuous period of 168 hours / (design full load x 168 hours)

3. Unit must operate at an average capacity equal to 98% of its design maximum continuous rating for four (4) hours.

4. Unit must be operated so as to show a clear and obvious trend toward the predominate use of coal as its primary fuel. Test period will be thirty (30) days. The following items will be used as an indication of the trend for coal operation:

a) Boiler control tuning completed such that the unit can operate safely with all control systems in auto.

b) Ash build up in the furnace and backpass areas shall be monitored and be within expected levels.

c) All boiler/turbine interlocks shall be proven to work as designed.

d) Sootblowing timing and sequences shall be set properly to clean the tube areas.

e) All critical alarms brought into the control room shall be operational and functioning properly.

f) At the end of the test period, oil burn levels, if applicable, will be at or near design levels while burning coal.

g) Oil ignitors are functioning in accordance with specifications.

5. Unit must have successfully completed all major equipment startup test procedures.

6. Sufficient transmission interconnection facilities shall exist for the total plant design net electrical capacity at the time the newest unit is declared fully operational and used for service.

7. Sufficient transmission facilities shall exist for KCPL's share of the total plant design net electrical capacity from the generating station into the KCPL service territory at the time the newest unit is declared fully operational and used for service.

8. Equipment installed to comply with emission requirements shall be operational and demonstrate the ability to remove 93% or more of the NOX, SO_2, particulate, and mercury emissions they were installed to remove over a continuous four (4) hour period while operating at or above 95% of its design load. This equipment shall also be required to demonstrate that it is able to remove 88% or more of these same emissions it was installed to remove over a continuous 120 hour period while operating at or above 80% of its design load.

Wind Turbine In-Service Test Criteria

1. All major construction for each of the units to be considered for inclusion in rate base shall be completed.

2. All preoperational tests for each of the units to be considered for inclusion in rate base shall be completed.

3. Unit has operated at several different wind speeds and delivered power output near or in excess of anticipated output based on guaranteed power curve while vibrations are within design

limits. The analysis necessary to meet this requirement will involve: 1) taking the guaranteed power curve for each of the unit types and dividing the range of design wind speeds into three (3) equal ranges of wind speeds, 2) reviewing wind speed data vs power output for each of the units being evaluated, 3) confirming that each of the units being evaluated had a power output of 95% or more of guaranteed output for the wind speed observed in at least two (2) of the three (3) wind speed ranges noted above with at least one point at or above the 50% design wind speed, and 4) confirming that each of the units being evaluated did not exhibit any unusual vibration outside of design specification requirements.

4. The operational testing required in item 3 above shall be conducted on the first five (5) units constructed and if all five (5) operate in an acceptable manner as described in item 3 above, testing will only be required on every other unit built thereafter at each particular wind generation site utilizing these exact unit types. If any of the units tested during the period where every other unit is being tested fails to operate in an acceptable manner as described in item 3 above, the next five (5) units installed will be required to be tested and operate in an acceptable manner as described in item 3 above before testing can resume on an every other unit basis again.

5. Unit rotor lock or break has been checked and confirmed to be installed correctly for each of the units to be considered for inclusion in rate base.

6. Sufficient transmission interconnection facilities shall exist to carry the total net electrical capacity from the completed number of generating units into the distribution/transmission system.

7. Only units that have been constructed and are operating in an acceptable manner as described in item 3 above shall be considered for inclusion in rate base. Units under construction

or that have been constructed but have not met these in-service criteria will not be considered for inclusion in rate base, until such time units have met in-service criteria.

Combustion Turbine Unit In-Service Test Criteria (Nameplate Capacity of 95 MW or Less)

1. All major construction is completed.

2. All pre-operational tests have been successfully completed.

3. Unit will successfully demonstrate its ability to initiate the proper start sequence resulting in the unit operating from zero (0) rpm (or turning gear) to base load when prompted at a location (or locations) from which it will be normally operated.

4. If unit has fast start capability, unit will demonstrate the ability to meet fast start criteria.

5. Unit will successfully demonstrate the ability to initiate the proper shutdown sequence from full load resulting in zero (0) rpm (or turning gear) when prompted at a location (or locations) from which it will be normally operated.

6. Unit will successfully demonstrate the ability to operate at minimum load for one (1) hour.

7. Unit will successfully demonstrate the ability to operate at or above 98% of peak load for one (1) hour, after adjusting for ambient conditions.

8. Unit will successfully demonstrate its ability to operate at or above 98% of base load for four (4) continuous hours, after adjusting for ambient conditions.

9. Unit will successfully meet all operational guarantees.

10. Sufficient transmission interconnection facilities shall exist for the total plant design net electrical capacity at the time the newest unit is declared fully operational and used for service.

11. Sufficient transmission facilities shall exist for KCPL's share of the total plant design net electrical capacity from the generating station into the KCPL service territory at the time the newest unit is declared fully operational and used for service.

Combined Cycle Unit In-Service Test Criteria

1. Major construction work, and pre-operational tests have been successfully completed such that the combined cycle unit may be operated and successfully complete criteria items 2 through 7.

2. All contract performance guarantee testing will be successfully performed in accordance with the contracts for the combustion turbine, the steam turbine, and the heat recovery steam generators.

3. The combined cycle unit will demonstrate its ability to startup from turning gear operation to nominal capacity on natural gas fuel when prompted by the operator.

4. The combined cycle unit will demonstrate its ability to shut down from minimum load resulting in turning gear operation when prompted by the operator.

5. The combined cycle unit will demonstrate its ability to operate at minimum load for one (1) hour on natural gas fuel.

6. The combined cycle unit will demonstrate its ability to operate at or above 95% of nominal capacity for four (4) continuous hours on natural gas fuel, after adjusting for ambient conditions. During this test the unit will demonstrate its ability to operate at or above 98% of its nominal capacity for one (1) hour, after adjusting for ambient conditions.

7. The combined cycle unit must be able to operate at or above its design capacity factor for a reasonable period of time. If the design capacity factor is not specified it will be assumed to be 0.60 unless the utility can offer evidence justifying a lower value.

Design capacity factor <= energy generated for a continuous period of 168 hours / (design full load x 168 hours)

8. Sufficient transmission facilities shall exist to carry the total design net electrical capacity of the combined cycle unit to KCPL's distribution/transmission system.

9. Combustion turbine unit which is equipped to operate in any of the following modes will demonstrate its ability to operate in the applicable modes before the equipment costs associated with these operation modes will be considered for inclusion in rate base.

a) Generator operating as a synchronous condenser at rated speed and turbine operating at turning gear speed.

b) Startup of gas turbine driven by the generator and frequency converter.

c) Shutdown of gas turbine alone without the generator.

In-Service Criteria for Unit Which is Operational

1. Unit must have adequate recent operational history (January 2003 through December 2005). Unit shall be considered for this review if the unit has been operational for at least six (6) months and has at least 500 hours of operation.

2. Staff will review all unit operational data available to determine if a specific in-service test criterion can be met without operating the unit.

3. If data is inadequate, the unit will be run to meet the specific deficient in-service test criterion.

Requirements of the Missouri Class Cost of Service Study
to Be Provided With Rate Filing #1

I. Rate Classes to be Used in Missouri Class Cost of Service Study
Residential
Small General Service
Medium General Service
Large General Service
Large Power Service
Lighting & other customers to which known costs are assigned and other costs are allocated

II. Work Products

1. Functionalized Costs
KCPL will provide a summary of actual costs by functional category and FERC account* for the 12 months ending September 2005. Each functional category is defined by the allocation factor that is applied to the costs in that category; thus, there is a one-to-one correspondence between the functional cost categories and the allocation factors used in a class cost-of-service study.

*This includes all plant accounts, depreciation expense, depreciation reserve, all expenses, and revenues.

2. Hourly Class Load Data
KCPL will provide hourly rate class load data for summer 2004 through September 2005.

3. Monthly Rate Class Load Characteristics
KCPL will provide each of the following work-products in three versions
Version #1: 12 months actual ending September 2005; Version #2: weather-normalized (at meter voltage); and Version #3: weather-normalized (at each voltage level from meter to generator):

a) coincident peak demands
b) non-coincident (class peak) demands by delivery voltage*
c) customer maximum demands by delivery voltage*, also the annual customer maximum demand
d) monthly kWh sales by billing month and by delivery voltage level*

*delivery voltage relates to ownership of facilities (e. g., "secondary" refers to KCPL ownership of the transformation equipment required to transform electricity from a primary voltage to a secondary voltage ; "primary" refers to customer ownership of said transformation equipment)

4. Revenue and Billing Units
KCPL will provide each of the following work products in two versions:

Version #1: 12 months ending September 2005; Version #2: weather-normalized (at meter voltage):

a) billing units by billing month and by the voltage groupings shown on KCPL's current rate schedules
b) rate revenues by rate class

5. Allocation Factors
KCPL will provide the allocation factors based on 12 months ending September 2005, and the derivation of such factors that correspond to each of the functional cost categories used in a class cost-of-service study.

6. Special Cost Studies
KCPL will provide the following special studies:

a) Primary/secondary split of distribution investment contained in FERC accounts #364-#367
b) Customer/demand split of distribution investment contained in FERC accounts #364-#368
c) Meter cost study (typical installed meter and associated replacement cost)
d) Service Line cost study (typical installed service line and associated replacement cost)
e) Meter reading
f) Billing
g) Losses (load and no-load)

7. Individual Customer Billing Data
KCPL will provide all monthly billing data for individual accounts that were served under either the Large Power or Special Contract rate schedules at any time during the 12 months ending September 2005.

8. Work Papers
KCPL will provide Staff and OPC complete copies of the work papers relating to all of the above items. KCPL will also make copies of any or all of these workpapers available upon request to other parties to this agreement. Work papers should include both the input data and the computations in sufficient detail that the Company's results are replicable by technical experts from the signatory parties. The work papers should be in an electronic, preferably EXCEL spreadsheet, format with all formulas intact.

Exhibit 12.2

KANSAS CITY POWER & LIGHT COMPANY

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

	Three Months Ended March 31					
	2005	**2004**	**2003**	**2002**	**2001**	**2000**
			(thousands)			
Income from continuing operations	$ 10,253	$ 143,292	$ 125,845	$ 102,666	$ 116,065	$ 53,014
Add						
Equity investment (income) loss	-	-	-	-	(23,516)	22,994
Minority interests in subsidiaries	(888)	(5,087)	(1,263)	-	(897)	-
Income subtotal	9,365	138,205	124,582	102,666	91,652	76,008
Add						
Taxes on income	965	52,763	83,572	62,857	31,935	7,926
Kansas City earnings tax	51	602	418	635	583	421
Total taxes on income	1,016	53,365	83,990	63,492	32,518	8,347
Interest on value of leased property	1,984	6,222	5,944	7,093	10,679	11,806
Interest on long-term debt	14,022	61,237	57,697	63,845	78,915	57,896
Interest on short-term debt	125	480	560	1,218	8,883	11,050
Mandatorily redeemable Preferred Securities	-	-	9,338	12,450	12,450	12,450
Other interest expense and amortization	880	13,951	4,067	3,772	5,188	2,927
Total fixed charges	17,011	81,890	77,606	88,378	116,115	96,129
Earnings before taxes on income and fixed charges	$ 27,392	$ 273,460	$ 286,178	$ 254,536	$ 240,285	$ 180,484
Ratio of earnings to fixed charges	1.61	3.34	3.69	2.88	2.07	1.88

CERTIFICATIONS

I, William H. Downey, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kansas City Power & Light Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report:

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2005

/s/ William H. Downey

William H. Downey
President and Chief Executive Officer

CERTIFICATIONS

I, Terry Bassham, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kansas City Power & Light Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report:

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2005

/s/ Terry Bassham

Terry Bassham

Executive Vice President - Finance and Strategic Development and Chief Financial Officer

Great Plains Energy Incorporated

Exhibit 32.2

Certification of CEO and CFO Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Kansas City Power & Light Company (the "Company") for the quarterly period ended March 31, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), William H. Downey, as President and Chief Executive Officer of the Company, and Terry Bassham, as Executive Vice President - Finance and Strategic Development and Chief Financial Officer of Great Plains Energy Incorporated, the parent company of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ William H. Downey

Name: William H. Downey
Title: President and Chief Executive Officer

Kansas City Power & Light Company

Date: May 6, 2005

/s/ Terry Bassham

Name: Terry Bassham
Title: Executive Vice President - Finance and Strategic Development and Chief Financial Officer

Great Plains Energy Incorporated

Date: May 6, 2005

This certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document. This certification shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to liability under that section. This certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934 except to the extent this Exhibit 32.2 is expressly and specifically incorporated by reference in any such filing.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Kansas City Power & Light Company and will be retained by Kansas City Power & Light Company and furnished to the Securities and Exchange Commission or its staff upon request.