

November 30, 2009

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street NE
Washington, DC 20426

RE: *Southwest Power Pool, Inc.*, Docket No. ER10-_____
Submission of Network Integration Transmission Service Agreement

Dear Secretary Bose:

Pursuant to section 205 of the Federal Power Act, 16 U.S.C. § 824d, and section 35.13 of the Federal Energy Regulatory Commission's ("FERC" or "Commission") regulations, 18 C.F.R. § 35.13, Southwest Power Pool, Inc. ("SPP") submits: (1) an executed Service Agreement for Network Integration Transmission Service ("NITS") between SPP as Transmission Provider and Kansas City Power & Light Company ("KCP&L") as Network Customer ("Revised KCP&L NITS"); and (2) an executed Network Operating Agreement ("NOA") between SPP as Transmission Provider and KCP&L as both Network Customer and Host Transmission Owner ("Revised KCP&L NOA").¹ The Revised KCP&L Agreements submitted in this filing modify the currently effective NITS and NOA that were accepted for filing by the Commission on July 24, 2009 in Docket No. ER09-1223-000.² SPP is submitting the Revised KCP&L Agreements for filing because they include terms and conditions that do not conform to the *pro forma* NITS and NOA that are in SPP's Open Access Transmission Tariff ("SPP Tariff").³

¹ The Revised KCP&L NITS and NOA are collectively referred to as the "Revised KCP&L Agreements" and SPP and KCP&L are collectively referred to as "the Parties."

² See *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER09-1223-000 (July 24, 2009) ("July Letter Order").

³ See SPP Tariff at Attachment F ("*pro forma* NITS") and Attachment G ("*pro forma* NOA").

Background

On May 29, 2009, SPP submitted for filing a NITS between SPP as Transmission Provider and KCP&L as Network Customer and a NOA between SPP as Transmission Provider and KCP&L as both Network Customer and Host Transmission Owner (the NITS and NOA are collectively the “May KCP&L Agreements”). SPP submitted the May KCP&L Agreements because they contained terms and conditions that do not conform to the *pro forma* NITS and NOA. As stated in the transmittal letter for the May KCP&L Agreements, the non-conforming language is in Section 2.0 of Attachment 1 of the NITS and Section 3.3 of the NOA.⁴ The Commission accepted the May KCP&L Agreements without comment in the July Letter Order.

The Parties entered into the Revised KCP&L Agreements to reflect KCP&L’s decision to take network service from a new designated resource, Iatan 1, effective on November 1, 2009. This decision required the Parties to revise the May KCP&L Agreements, discussed in more detail below.

Description and Justification of Revisions to the Revised KCP&L Agreements

The Revised KCP&L Agreements, which are attached to this filing as Exhibit I, are identical in all material respects to the Commission-accepted May KCP&L Agreements except for the changes described below. These changes are necessary to facilitate KCP&L’s request for transmission service.⁵ As stated above, the changes were made to reflect KPP’s decision to add a new network resource to the Revised KCP&L Agreements.

Specifically, Section 8.9 of Attachment 1 of the Revised KCP&L NITS includes new language specifying that KCP&L has confirmed certain network resources requiring

⁴ In addition, there is non-conforming language throughout the May KCP&L Agreements pertaining to the Agreement for the Provision of Transmission Service to Missouri Bundled Retail Load (“Missouri Agreement”). This language was accepted by the Commission in a previous version of the agreements. *See Sw. Power Pool, Inc.*, Letter Order, Docket No. ER06-1318-000 (Sept. 27, 2006). This language and the non-conforming language in Section 2.0 of Attachment 1 of the NITS and Section 3.3 of the NOA is retained in the Revised KCP&L Agreements submitted in this filing.

⁵ A clean copy of the Revised KCP&L Agreements is provided as Exhibit I, with redlined pages illustrating the differences between the Revised KCP&L Agreements and the May KCP&L Agreements included as Exhibit II. There have been no changes to the Revised KCP&L NOA, which is identical to the NOA accepted by the Commission in the July Letter Order.

network upgrades. Additional language indicates that the transmission service requested by KCP&L from a new designated network resource⁶ depends on and is contingent upon completion of certain upgrades. Language also is included indicating that the cost of the upgrades is not assigned to KCP&L. These added provisions are conforming and consistent with Section 29.3 of the SPP Tariff, which provides that network transmission service may not commence until installation of all necessary equipment has been completed.⁷ The Commission previously has accepted similar additions of network resources to agreements submitted by SPP.⁸

In addition, Section 8.9 of Attachment 1 of the Revised KCP&L NITS specifies that, upon completion of the construction of the upgrades required for the designated network resources listed in the Revised KCP&L NITS, the funding of the costs of the upgrades will be reconciled and trued-up against actual construction costs and any additional funding or refunds shall be made between SPP and KCP&L. Finally, Section 8.9 of Attachment 1 provides that, notwithstanding Section 4.0 of the Revised KCP&L NITS, KCP&L will be responsible for paying all charges specified in Section 8.9 of Attachment 1 as its obligation for the specified term for each assigned upgrade. The Commission previously has accepted similar language in agreements submitted by SPP.⁹

The modifications and the non-conforming provisions in the Revised KCP&L NITS clarify how SPP will provide network service to KCP&L,¹⁰ and are necessary because of KCP&L's service request. As such, this filing is consistent with the public interest and warrants acceptance by the Commission. SPP is serving a copy of this filing on the representatives for KCP&L listed in the Revised KCP&L Agreements.

⁶ This new designated network resource, Iatan 1, has also been added to the list of network resources in Appendix 1 of the Revised KCP&L NITS.

⁷ See SPP tariff at Section 29.3; see also *Sw. Power Pool, Inc.*, 118 FERC ¶ 61,148, at P 40 (2007) (describing how SPP Tariff Section 29.3 "states that network service 'shall not commence until the [transmission provider has] completed installation of all equipment.'").

⁸ See *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER09-790-000 (Apr. 14, 2009); *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER09-441-000 (Feb. 11, 2009).

⁹ See *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER09-1380-000 (Aug. 17, 2009) (accepting NITS with identical provisions); see also *Sw. Power Pool, Inc.*, Letter Order, Docket No. ER09-790-000 (Apr. 14, 2009) (accepting NITS with almost identical provisions).

¹⁰ The Revised KCP&L Agreements also contained minor revisions throughout updating the Revised KCP&L NITS to the most current version of the *pro forma* NITS.

Effective Date and Waiver

SPP requests an effective date of November 1, 2009 for the Revised KCP&L Agreements. Pursuant to section 35.11 of the Commission's rules and regulations, 18 C.F.R. § 35.11, SPP requests a waiver of the Commission's 60-day notice requirement set forth at 18 C.F.R. § 35.3. Waiver is appropriate because the Revised KCP&L Agreements are being filed no later than 30 days after the commencement of service.¹¹

Additional Information

A. Information Required by Section 35.13 of the Commission's Regulations, 18 C.F.R. § 35.13:

(1) Documents submitted with this filing:

In addition to this transmittal letter, SPP is submitting the following:

- (a) Exhibit I: Clean copy of the Revised KCP&L Agreements; and
- (b) Exhibit II: Redlined copy of the Revised KCP&L Agreements versus the May KCP&L Agreements accepted by the Commission in the July Letter Order.

(2) Effective Date:

As discussed herein, SPP respectfully requests that the Commission accept the Revised KCP&L Agreements with an effective date of November 1, 2009.

(3) Service:

SPP is serving a copy of this filing on the representatives for KCP&L listed in the Revised KCP&L Agreements.

(4) Basis of Rate:

All charges will be determined in accordance with SPP's Tariff.

¹¹ See *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, at 61,983-84, *order on reh'g*, 65 FERC ¶ 61,081 (1993) (the Commission will grant waiver of the 60-day prior notice requirement "if service agreements are filed within 30 days after service commences.").

B. Communications:

Copies of this filing have been served upon all Parties to the Revised KCP&L Agreements. Any correspondence regarding this matter should be directed to:

Heather Starnes, J.D.
Manager – Regulatory Policy
Southwest Power Pool, Inc.
415 North McKinley, #140 Plaza West
Little Rock, AR 72205
Telephone: (501) 614-3380
Fax: (501) 664-9553
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Wendy N. Reed
Matthew K. Segers
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1200 G Street, NW, Suite 600
Washington, DC 20005-3802
Telephone: (202) 393-1200
Fax: (202) 393-1240
reed@wrightlaw.com
segers@wrightlaw.com
brown@wrightlaw.com

Conclusion

For all the foregoing reasons, SPP respectfully requests that the Commission accept the Revised KCP&L Agreements with an effective date of November 1, 2009.

Respectfully submitted,



Wendy N. Reed
Matthew K. Segers
Tyler R. Brown

**Attorneys for Southwest Power
Pool, Inc.**

EXHIBIT I

ATTACHMENT F

Service Agreement For Network Integration Transmission Service

This Network Integration Service Agreement ("Service Agreement") is entered into this 1st day of November, 2009, by and between Kansas City Power & Light Company ("Network Customer"), and Southwest Power Pool, Inc. ("Transmission Provider"). The Network Customer and Transmission Provider shall be referred to individually as "Party" and collectively as "Parties."

WHEREAS, the Transmission Provider has determined that the Network Customer has made a valid request for Network Integration Transmission Service in accordance with the Transmission Provider's Open Access Transmission Tariff ("Tariff") filed with the Federal Energy Regulatory Commission ("Commission") as it may from time to time be amended;

WHEREAS, the Transmission Provider administers Network Integration Transmission Service for Transmission Owners within the Southwest Power Pool and acts as agent for the Transmission Owners in providing service under the Tariff; and

WHEREAS, the Network Customer has represented that it is an Eligible Customer under the Tariff;

Whereas, the Parties intend that capitalized terms used herein shall have the same meaning as in the Tariff.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein, the Parties agree as follows:

Issued By: Heather H. Starnes, Manager, Regulatory Policy Effective: Novemeber 1, 2009

Issued: November 30, 2009

- 1.0 The Transmission Provider agrees during the term of this Service Agreement, as it may be amended from time to time, to provide Network Integration Transmission Service in accordance with the Tariff to enable delivery of power and energy from the Network Customer's Network Resources that the Network Customer has committed to meet its load.

- 2.0 The Network Customer agrees to take and pay for Network Integration Transmission Service in accordance with the provisions of Parts I, III and V of the Tariff and this Service Agreement with attached Specifications and subject to the provisions of the Agreement for the Provision of Transmission Service to Missouri Bundled Retail Load ("Missouri Agreement").

- 3.0 The terms and conditions of such Network Integration Transmission Service shall be governed by the Tariff, as in effect at the time this Service Agreement is executed by the Network Customer, or as the Tariff is thereafter amended or by its successor tariff, if any. The Tariff as it currently exists, or as it is hereafter amended is incorporated in this Service Agreement by reference. In the case of any conflict between this Service Agreement and the Tariff, the Tariff shall control except as provided in the Missouri Agreement. The Network Customer has been determined by the Transmission Provider to have a Completed Application for Network Integration Transmission Service under the Tariff. The completed specifications are based on the information provided in the Completed Application and are incorporated herein and made a part hereof as Attachment 1.

- 4.0 Service under this Service Agreement shall commence on such date as it is permitted to become effective by the Commission. This Service Agreement shall be effective through August 1, 2012. Thereafter, it will continue from year to year unless terminated by the Network Customer or the Transmission Provider by giving the other one-year advance

written notice or by the mutual written consent of the Transmission Provider and Network Customer. Upon termination, the Network Customer remains responsible for any outstanding charges including all costs incurred and apportioned or assigned to the Network Customer under this Service Agreement.

- 5.0 The Transmission Provider and Network Customer have executed a Network Operating Service Agreement as required by the Tariff.
- 6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below. Such representative and address for notices or requests may be changed from time to time by notice by one Party or the other.

Southwest Power Pool:

Carl A. Monroe
Executive Vice President and Chief Operating Officer
415 N. McKinley, 140 Plaza West
Little Rock, AR 72205

Network customer:

Scott Heidtbrink
Kansas City Power & Light Company
Senior Vice President - Supply
P.O. Box 418679
Kansas City, MO 64141-9679

- 7.0 This Service Agreement shall not be assigned by either Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld. However, either Party may, without the need for consent from the other, transfer or assign this Service Agreement to any person succeeding to all or substantially all of the assets of

such Party. However, the assignee shall be bound by the terms and conditions of this Service Agreement.

8.0 Nothing contained herein shall be construed as affecting in any way the Transmission Provider's or a Transmission Owner's right to unilaterally make application to the Federal Energy Regulatory Commission, or other regulatory agency having jurisdiction, for any change in the Tariff or this Service Agreement under Section 205 of the Federal Power Act, or other applicable statute, and any rules and regulations promulgated thereunder; or the Network Customer's rights under the Federal Power Act and rules and regulations promulgated thereunder.

9.0 By signing below, the Network Customer verifies that all information submitted to the Transmission Provider to provide service under the Tariff is complete, valid and accurate, and the Transmission Provider may rely upon such information to fulfill its responsibilities under the Tariff.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

APPROVED
TK
BY

TRANSMISSION PROVIDER



Carl A. Monroe
Executive Vice President and Chief Operating Officer
Southwest Power Pool, Inc.

10/29/09
Date

NETWORK CUSTOMER



Scott Heidtbrink
Senior Vice President - Supply
Kansas City Power & Light
Company

10/27/09
Date

**ATTACHMENT 1 TO THE NETWORK INTEGRATION TRANSMISSION SERVICE
AGREEMENT BETWEEN SOUTHWEST POWER POOL AND KANSAS CITY
POWER & LIGHT COMPANY
SPECIFICATIONS FOR NETWORK INTEGRATION TRANSMISSION SERVICE**

1.0 Network Resources

The Network Resources are listed in Appendix 1.

2.0 Network Loads

The Network Load consists of the bundled native load or its equivalent for Network Customer load in Kansas City Power & Light Control Area as listed in Appendix 3.

The Network Customer's Network Load shall be measured on an hourly integrated basis, by suitable metering equipment located at each connection and delivery point, and each generating facility. For a Network Customer providing retail electric service pursuant to a state retail access program, profiled demand data, based upon revenue quality non-IDR meters may be substituted for hourly integrated demand data. Measurements taken and all metering equipment shall be in accordance with the Transmission Provider's standards and practices for similarly determining the Transmission Provider's load. The actual hourly network Loads, by delivery point, internal generation site and point where power may flow to and from the Network Customer, with separate readings for each direction of flow, shall be provided.

3.0 Affected Control Areas and Intervening Systems Providing Transmission Service

The affected control area is Kansas City Power & Light. The intervening systems providing transmission service is Associated Electric Cooperative, Inc.

4.0 Electrical Location of Initial Sources

See Appendix 1.

5.0 Electrical Location of the Ultimate Loads

The loads of Network Customer identified in Section 2.0 hereof as the Network Load are electrically located within the Kansas City Power & Light Control Area.

6.0 Delivery Points

The delivery points are the interconnection points identified in Section 2.0 as the Network Load.

7.0 Receipt Points

The Points of Receipt are listed in Appendix 2.

8.0 Compensation

Service under this Service Agreement may be subject to some combination of the charges detailed below. The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of the Tariff.

8.1 Transmission Charge

Monthly Demand Charge per Section 34 and Part V of the Tariff shall be treated pursuant to the Missouri Agreement.

8.2 System Impact and/or Facility Study Charge

Studies may be required in the future to assess the need for system reinforcements in light of the ten-year forecast data provided. Future charges, if required, shall be in accordance with Section 32 of the Tariff.

8.3 Direct Assignment Facilities Charge

8.4 Ancillary Service Charges

8.4.1 The following Ancillary Services are required under this Service Agreement.

- a) Scheduling Tariff Administration Service per Schedule 1A of the Tariff.
- b) Scheduling, System Control and Dispatch Service per Schedule 1 of the Tariff.
- c) Reactive Supply and Voltage Control from Generation Sources Service per Schedule 2 of the Tariff.
- d) Regulation and Frequency Response Service per Schedule 3 of the Tariff.
- e) Energy Imbalance Service per Schedule 4 of the Tariff.
- f) Operating Reserve - Spinning Reserve Service per Schedule 5 of the Tariff.
- g) Operating Reserve - Supplemental Reserve Service per Schedule 6 of the Tariff.

The Ancillary Services will be self-supplied by the Network Customer in accordance with Sections 8.4.2 through 8.4.4, with the exception of the Ancillary Services for Schedules 1 and 2.

8.4.2 With its annual forecasts, the Network Customer shall indicate its source for Ancillary Services in accordance with the Tariff to be in effect for the upcoming calendar year. If the Network Customer fails to include this information with its annual forecasts, Ancillary Services will be provided for and charged in accordance with the Tariff.

8.4.3 When the Network Customer elects to self provide Ancillary Services and is unable to provide its own Ancillary Services, the Network Customer will pay the Transmission Provider for such services and associated penalties in accordance with the Tariff as a result of the failure of the Network Customer's alternate sources for required Ancillary Services.

8.4.4 All costs for the Network Customer to supply its own Ancillary Services shall be the responsibility of the Network Customer.

8.5 Real Power Losses

The Network Customer shall replace losses in accordance with Attachment M of the Tariff.

8.6 Power Factor Correction Charge

8.7 Redispatch Charge

Redispatch charges shall be in accordance with Section 33.3 of the Tariff.

8.8 Wholesale Distribution Service Charge

8.9 Network Upgrade Charges

A. The Network Customer has confirmed the following supplemental Network Resources requiring Network Upgrades

Pursuant to the results of SPP-2006-AG2 Aggregate Study acceptance of 332MW of ATC per Request 1115127 and 168MW per Request 1179751, the Network Customer has confirmed the following supplemental Network Resources requiring Network Upgrades:

1. Iatan II Generating Station, 168 MW from POR – KCPL, Source – Iatan2 to POD – KCPL, Sink- KCPL, as more specifically identified in transmission request 1179751. Contingent upon the completion of required upgrades as specified below, designation of the resource shall be effective June 1, 2009 and shall remain effective through June 1, 2029.

The requested service requires completion of the following aggregate study SPP-2006-AG2 allocated network upgrades. The costs of these upgrades are allocated to the Network Customer but are fully base plan fundable in accordance with Section III.A. Attachment J of the Tariff.

Network upgrades on the Westar Energy 166th Street-Jaggard Junction 115kV Ckt. 1 facility is required on or before June 1, 2009. This upgrade consists of rebuilding 3.6 miles of the 166th Street-Jaggard 115kV circuit.

Network upgrades on the Westar Energy 166th Street-Jarbalo Junction Switching Station 115kV Ckt. 1 facility is required on or before June 1, 2009. This upgrade consists of rebuilding 7.22 miles of the 166th Street-Jarbalo Junction Switching Station 115kV circuit.

Network upgrades on the Westar Energy Jaggard Junction-Pentagon 115kV Ckt. 1 facility is required on or before June 1, 2009. This upgrade consists of rebuilding 5.6 miles of the Jaggard Junction-Pentagon 115kV circuit.

Network upgrades on the KCPL College-Craig 161kV Ckt.1 facility is required on or before June 1, 2016. This upgrade consists of reconductoring 4 miles with 1192 ACSS and replacing the circuit breaker.

The requested service is dependent upon completion of the following Transmission Owner reliability network upgrades: These upgrades costs are not assignable to the Network Customer.

Transmission Owner reliability upgrades by Westar Energy on the Stranger -- Thorton 115kV facility required by June 1, 2009.

2. IATAN 1 45MW from POR – KCPL, Source – IATAN to POD – KCPL, Sink KCPL, as more specifically identified in transmission request 73495585. Contingent upon the completion of required upgrades as specified below, designation of this network resource shall be effective on November 1, 2009 and remain effective through November 1, 2019.

The requested service depends on and is contingent on completion of the following aggregate study SPP-2007-AG3 Reliability Upgrades by the required date as listed below. These Reliability Plan upgrades costs are not assignable to the Network Customer.

Reliability Upgrades required for IATAN 1

Upgrade Name	Upgrade Description	Transmission Owner	Date Required in Service
PLATTE CITY - SMITHVILLE 161KV CKT 1 #1	Increase the normal/emergency ratings to 233/265 MVA by replacing wave traps	MIPU	6/1/2010

- B. Upon completion of construction of the assigned upgrades, funding of their costs shall be reconciled and trued-up against actual construction costs and requisite, additional funding or refund of excess funding shall be made between the Transmission Provider and the Network Customer.

- c. Notwithstanding the term provisions of Section 4.0 of this Service Agreement, Customer shall be responsible for paying all charges specified as its obligation in this Section 8.9 of this Attachment 1, for the term specified herein for each assigned upgrade

8.10 Other Charges

9.0 Credit for Network Customer-Owned Transmission Facilities

10.0 Designation of Parties Subject to Reciprocal Service Obligation

11.0 Other Terms and Conditions

APPENDIX 1

**Network Resources of
Kansas City Power & Light**

**APPENDIX 1
KANSAS CITY POWER & LIGHT NETWORK RESOURCES**

Network Resource	Maximum Net Dependable Capacity		Location
	Summer	Winter	
Wolf Creek	548	548	Coffey Co., KS
Iatan 1	456	456	Platte Co., MO
Hawthorn 5	563	563	Jackson Co., MO
Hawthorn 6	136	162	Jackson Co., MO
Hawthorn 7	77	90	Jackson Co., MO
Hawthorn 8	77	90	Jackson Co., MO
Hawthorn 9	130	130	Jackson Co., MO
LaCygne 1	370	370	Linn Co., KS
LaCygne 2	341	341	Linn Co., KS
Montrose 1	Retained Capacity eligible as a Designated Network Resource: 123MW from 8/1/2006 to 6/1/2011, 153MW from 6/1/2011 to 6/1/2013, and 170MW available on 6/1/2013	Retained Capacity eligible as a Designated Network Resource: 123MW from 8/1/2006 to 6/1/2011, 153MW from 6/1/2011 to 6/1/2013, and 170MW available on 6/1/2013	Henry Co., MO
Montrose 2	Retained Capacity eligible as a Designated Network Resource: 117MW from 8/1/2006 to 6/1/2011, 147MW from 6/1/2011 to 6/1/2013, and 164MW available on 6/1/2013	Retained Capacity eligible as a Designated Network Resource: 117MW from 8/1/2006 to 6/1/2011, 147MW from 6/1/2011 to 6/1/2013, and 164MW available on 6/1/2013	Henry Co., MO

Network Resource	Maximum Net Dependable Capacity		Location
	Summer	Winter	
Montrose 3	Retained Capacity eligible as a Designated Network Resource: 129MW from 8/1/2006 to 6/1/2011, 159MW from 6/1/2011 to 6/1/2013, and 176MW available on 6/1/2013	Retained Capacity eligible as a Designated Network Resource: 129MW from 8/1/2006 to 6/1/2011, 159MW from 6/1/2011 to 6/1/2013, and 176MW available on 6/1/2013	Henry Co., MO
Northeast 11	56	63	Jackson Co., MO
Northeast 12	55	63	Jackson Co., MO
Northeast 13	56	65	Jackson Co., MO
Northeast 14	58	65	Jackson Co., MO
Northeast 15	58	65	Jackson Co., MO
Northeast 16	58	65	Jackson Co., MO
Northeast 17	59	65	Jackson Co., MO
Northeast 18	58	65	Jackson Co., MO