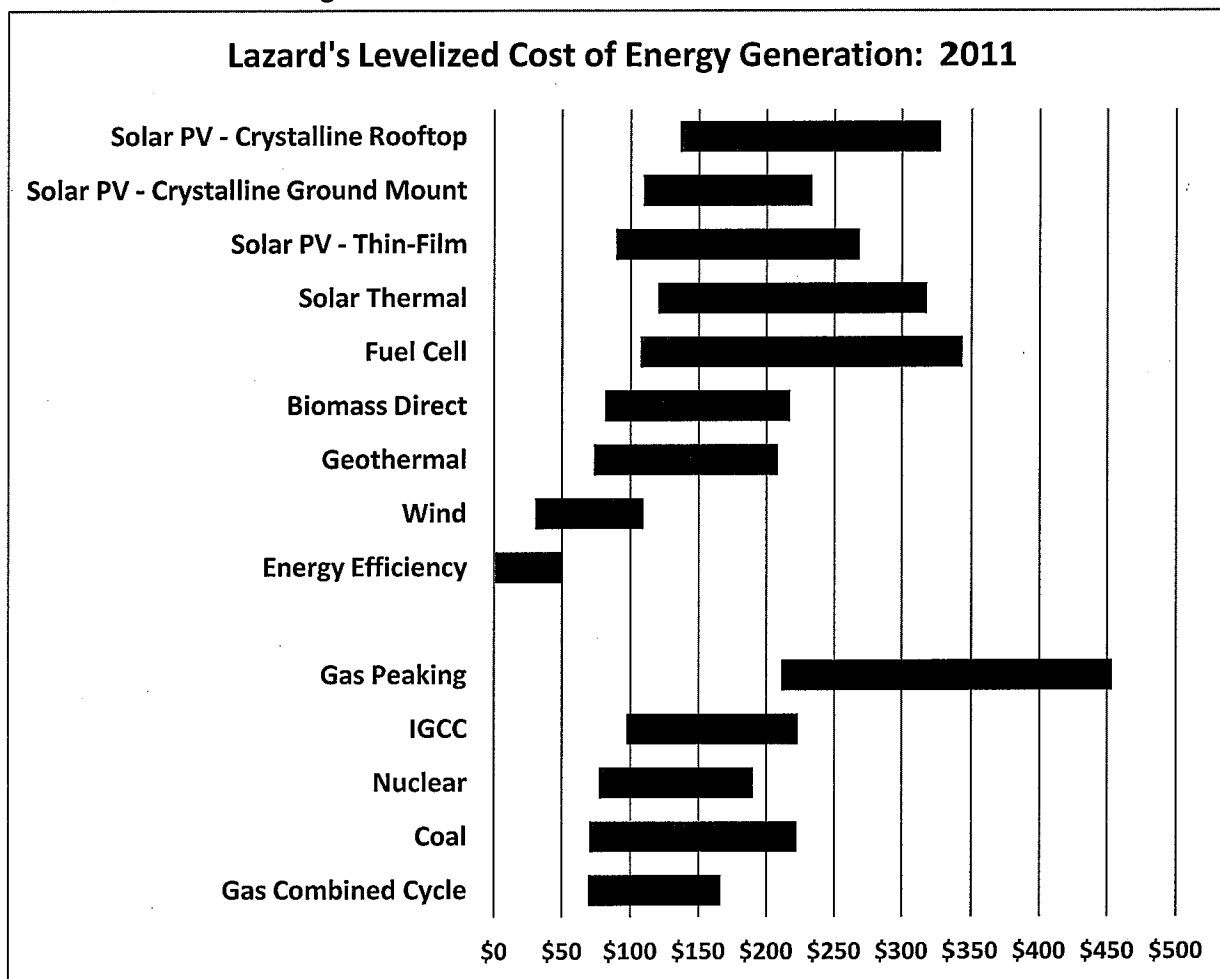


Other Comparisons of Renewable Cost

1. Comparing renewable resources to existing generation is unfair because existing generation was much cheaper when put in place originally and has been significantly depreciated since that time.
2. The fairer comparison is a forward looking comparison of what new generation costs today (I gave an example of this in my testimony last fall using levelized cost from Lazard). Forward looking investment decisions are, however, dependent upon estimated prices of natural gas, coal, etc. forecasted out at least 30 years. Further, generation cost estimates are based only on the cost of construction and operation which does not take into account additional stress on the grid.



3. The cost of Purchase Power Agreements for renewable resources the Cooperatives have are similar to their Energy Cost Adjustments (ECAs). But the ECAs include only fuel and variable cost while the PPAs are an all-in cost including the cost of construction of the wind farms.

4. Westar's and KCP&L's ECAs are less expensive than their PPAs for renewables in general. However, the cost of coal generation continues to increase because of the EPA's progressively stricter emissions standards. In addition, if EPA does come up with CO₂ performance requirements for existing fossil fuel plants, then renewable energy will look even better.

5. A more sophisticated study of existing renewable investments would require going backward in time, collecting an enormous amount of data, setting up and running multiple scenarios with some fairly sophisticated software; and, even then, the result would still contain significant uncertainty.