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PRESENTATION

Operator

Good day ladies and gentlemen and thank you for standing by. Welcome to the Great Plains Energy fourth-quarter 2016 earnings conference.

(Operator Instructions)

As a reminder, this conference is being recorded. Now I would like to welcome and turn the call to the VP of Corporate Planning, IR and Treasurer, Lori Wright.

Lori Wright - *Great Plains Energy, Inc. - VP, Corporate Planning, IR & Treasurer*

Thank you, Carmen. Good morning, everyone, and welcome to Great Plains Energy's year-end 2016 earnings conference call. We appreciate that you are joining us this morning.

Terry Bassham, Chairman, President and Chief Executive Officer, and Kevin Bryant, Senior Vice President, Finance and Strategy and Chief Financial Officer, are on the call today. Darrin Ives, Vice President of Regulatory Affairs, is also with us this morning as are other members of our management team who will be available during the question-and-answer portion of today's call.

Today's discussion will include forward-looking information and the use of non-GAAP financial measures. Slide 2 and the disclosure in our SEC filings contain a list of some of the factors that could cause future results to differ materially from our expectations. A reconciliation of the non-GAAP financial measures can be found in the appendix.

I also want to remind everyone that we issued our earnings release and 2016 10-K after market close yesterday. These items are available along with today's webcast slides and supplemental financial information for the quarter and full-year 2016 on the main page of our website at Greatplainsenergy.com.

As summarized on slide 4, Terry will provide an overview of our business highlights for the year followed by an update on our pending acquisition of Westar, legislative and regulatory priorities and a review of strategic plans. Kevin will then discuss our financial results and provide a financing update.

With that I will now hand the call to Terry.

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

Thanks, Lori, and good morning everybody. Thanks for joining us.

I will begin my comments on slide 6. I am proud to report strong 2016 operational and financial performance this morning.

On a GAAP basis, full-year earnings were $1.61 per share compared to $1.37 in 2015. Year-to-date adjusted earnings per share were $1.85.

Our strong financial performance for the year was driven by the impact of new retail rates at KCP&L Missouri and Kansas including new cost recovery mechanisms and favorable weather. Kevin will discuss the financial results in more detail in his remarks.

We had a strong year operationally, as well. Our generation fleet had a record-setting summer run, we ceased burning coal at two units and we completed our first 3 MW community solar installation. On the delivery side we continue to provide Tier 1 customer service. This was all done despite a tremendous amount of work by the team in the Westar transaction.

Now turning to slide 7, I wanted to take this opportunity to update you on our pending acquisition of Westar. We continue to make progress on all remaining transaction milestones and are on track to secure all necessary approvals for the transaction by second quarter of 2017. On the regulatory front, last month we obtained the required Federal Communications Commission approval for the transaction.

On the federal level that leaves NRC approval which we anticipate by quarter-end and FERC approval. As everyone knows, Chairman Bay's resignation has left FERC with two acting commissioners, preventing a quorum to vote on contested issues including our pending application.

We are working with EEI and our own legislative delegation to stress the importance of a FERC quorum. We are confident that once a quorum is reached FERC will approve our application in a timely manner.

At the state level hearings with a Kansas Corporation Commission ended a few weeks ago. We put forth our case highlighting the value of this combination and why it makes common sense to our customers. Procedurally parties will file a round of briefs in the coming month with a commission order due by April 24.

In Missouri, the Missouri Public Service Commission issued an order finding that through the 2001 stipulation order forming our holding Company they have jurisdiction to review the merger. Although we do not agree with the Commission's finding, we are pleased to see their continued commitment not to slow down the approval process and we do not plan to appeal their decision.

As a result, last night we filed an application with the Missouri Public Service Commission seeking approval of the acquisition. We remain confident that our stipulation and agreements with the MPSC staff and Office of Public Counsel will be accepted in approving the merger.

Finally, our integration plans have been underway for months and will allow us to hit the ground running on day one. We are confident in our ability to deliver on our overall savings estimates and the financial and strategic benefits that this combination will deliver. As a result, we are well-positioned to deliver solid total shareholder returns from a combination of both dependable earnings and dividend growth.

As a result, in our earnings release last night we continue to target base plan annualized earnings growth of 4% to 5% and our post-transaction annualized earnings growth of 6% to 8% from 2016 to 2020. This growth will be driven off our original 2016 EPS guidance range of $1.65 to $1.80.

We also continue to target our long-term annualized dividend growth target of 5% to 7% through 2020. Due to the timing of the pending merger approvals, however, we will not issue 2017 EPS guidance.

Moving on to slide 8, we continue to make progress on our regulatory initiatives. Our efforts to move Missouri beyond its century-old regulatory framework remains a top priority. Missouri policies continue to lag behind other states that are adopting more progressive approaches to respond to the changing utility environment and meet the needs of our customers.

Over the past year we've been encouraged by the level of dialogue around the need for reform and policymakers continue to be actively involved in reviewing ways to move Missouri utility regulation forward. This year we are again working with stakeholders on legislation to modernize the regulatory construct to sustain investments in our energy infrastructure and to meet the needs of all stakeholders. We are working to embrace the new era in grid modernization and fundamental shift where customers and technology will push the limits of our historical business and regulatory models.

We believe the time has come to adopt new policies and make changes to the existing regulatory construct that allow us to both modernize Missouri's electric grid and address regulatory lag. We will keep you posted on these efforts to advance through the legislative session which ends May 12.

Turning to an update on our rate case filings. Our KCP&L Missouri rate case remains on schedule for new retail rates in late May 2017. Evidentiary hearings are expected to conclude soon. And you can find a summary of our Missouri rate case filing in the appendix of this presentation.

Finally, last November we filed an abbreviated rate case in Kansas for a rate decrease of approximately $2.8 million. New retail rates are expected to be effective in July. The decrease is primarily due to the true-up of our cost for the La Cygne environmental project that came in under budget. The project went into service in the spring of 2015.

As previously indicated, we plan to file our next round of rate cases in each of the jurisdictions in 2018 for recovery of infrastructure investments and to true-up our cost structures. With the update of our cost structure expected approximately one year after the close of the Westar transaction, the 2018 rate cases will allow us to flow realized savings back to customers.

Now turning to slide 9. We continue to closely focus on our core strategic priorities which are managing our existing business, promoting economic growth and improving our customers' experience. We are positioning the region's energy future through our commitment to strengthening our utility infrastructure and improving our regulatory framework.

As we progress towards a cleaner energy future we will continue to diversify our energy portfolio through non-carbon emitting generation and we will enhance our customer engagement. With our planned acquisition of Westar we will transform our business into a premier regional electric utility better positioned to create value for shareholders and provide benefits to both individual customers and the broader communities we serve.

We remain focused on being responsive to the changing expectations of our customers. Replacement of our customer information system, a key driver of our 2018 rate cases in our existing Kansas and Missouri jurisdictions, is part of our broader strategic focus of providing top-tier customer satisfaction and operational excellence. The new system will provide a technology platform to enhance our customer experience and our interactions with our customers.

We believe in connecting with customers to help them better utilize our products. Through our company-sponsored energy efficiency programs we have actively partnered with over 250,000 residential and business customers to replace inefficient lighting and upgraded heating and cooling systems among others.

We continue to have success with these programs which are helping customers save energy while also serving as an increasingly reliable generation planning resource. In fact, for our MEEIA, Missouri Energy Efficiency Investment Act, Cycle 1 energy efficiency programs which concluded in early 2016, we achieved a performance incentive for exceeding our energy savings targets. Kevin will talk more about this performance incentive in his remarks.

These programs are yet another example of our focus on delivering solutions that are beneficial to customers and our shareholders. This year we will work to bring similar energy-saving programs to our Kansas customers.

Finally, turning to slide 10 we are excited about the opportunities ahead of us in 2017 and beyond. Our stable financial position is supported by strong utility operations and a solid cash flow profile.

Our planned acquisition of Westar is expected to enhance our growth prospects and provide greater earnings stability. Our post-transaction long-term earnings growth target of 6% to 8% and long-term dividend growth target of 5% to 7% positions us well to deliver competitive regulated shareholder returns.

With that, now I will turn the call over to Kevin.

Kevin Bryant - *Great Plains Energy, Inc. - SVP, Finance and Strategy & CFO, Great Plains Energy and KCP&L*

Thanks, Terry, and good morning everyone. I will begin with an overview of our financial performance on slide 12.

As Terry mentioned we had solid financial performance in 2016. As you can see, adjusted earnings for the quarter were $0.13 per share compared with $0.15 a year ago. As detailed on the slide, the $0.02 decrease for the quarter was driven by a decline in weather-normalized demand and increases in O&M expense, depreciation and amortization and general taxes.

These impacts were partially offset by favorable weather and the MEEIA performance incentive related to the achievement of energy savings in the first cycle of KCP&L and GMOs MEEIA programs. Recall, in addition to the performance incentive, the MEEIA throughput disincentive compensates us for the reduction in sales volumes directly attributable to the programs.

For the full year adjusted earnings per share increased $0.48 to $1.85, the top end of our revised guidance range of $1.75 to $1.85. The increase was driven by new KCP&L retail rates in Kansas and Missouri, warmer weather, new cost recovery mechanisms, the MEEIA performance incentive and an increase in the MEEIA throughput disincentive.

From a demand standpoint, the traditional increases in efficiency and the success of our energy efficiency programs continue to have a significant impact on customer usage. Overall, influenced by increased energy efficiency participation and unusual weather patterns throughout the year that resulted in atypical customer response, weather-normalized sales for the year declined 0.8%, net of an estimated 0.8% impact from direct participation in our energy efficiency programs.

The unusual weather patterns during several months created a challenge in determining the precise distinction between weather and demand during the second and fourth quarters when while demand appeared off, weather more than offset such apparent declines. As a result of these unique weather patterns, we believe our demand growth in 2016 is not representative of the health of our service territory.

We continue to experience solid customer growth. In 2016 single-family housing permits were at the highest level in nine years, up 17% over 2015.

With employment levels at all-time highs and expectations for solid, continued solid growth in employment and wages, new housing starts are on firm footing heading into 2017. We anticipate continued growth in single-family construction and expect housing starts in 2017 to outpace 2016 levels.

The Kansas City region is growing its presence as a hub for e-commerce and logistics. Kansas City's central geographic location and a well-developed transportation and distribution network is attractive as nearly 85% of the US population can be reached from our region within two days or less.

Major retailers, like Amazon, are investing in dedicated facilities in our service territory to serve their customers more efficiently. And recently the United Parcel Service announced plans to expand its operations to support Amazon.

Cerner has completed the initial stage of its $4.5 billion expansion that once complete will bring 16,000 new jobs to Kansas City by 2025. The Company anticipates moving its first 3,000 employees into the completed phases of its innovation campus located in Kansas City this year.

And Ford's Kansas City Plant continues to run at full production to meet continued demand for its popular F-150 line of trucks. We expect the auto sector in Kansas City to remain stable in the year ahead. However, we will continue to monitor trade policy for potential impacts to local automakers and their suppliers. Bottom line, we remain encouraged by the broader economic climate in Kansas City and expect to return to growth in demand for the year.

As Terry indicated we are not providing earnings guidance for 2017. But while we would normally provide 2018 guidance next February, we will provide 2018 earnings guidance by year-end.

Now let me turn to tax reform. As you know, this is a key area of focus for the new presidential administration and Congress. Both the White House and leaders in the House of Representatives have made public statements in support of comprehensive tax reform.

Overall, we support the goal of simplifying the current tax code and stimulating economic growth. It's clear that there are a myriad of ways to slice and dice the reform proposals outlined in the administration's tax plan and House blueprint, but at this point it's too early for us to predict what tax reform, if any, will be passed on what impacts such reform would have GXP.

With that said, lowering the federal corporate tax rate will require us to revalue a portion of our deferred tax balances, resulting in a one-time non-cash charge to earnings. As you know, we currently do not pay cash federal taxes and as a result, although a lower corporate tax rate reduces our tax obligations and favorably impacts customer rates, it could also impact cash flow.

In light of our pending holding Company debt issuance, one reform proposal that has garnered a lot of attention is the elimination of the deductibility of interest expense. While this could create headwinds for our annualized 6% to 8% EPS growth target through 2020, we remain confident in the financial and strategic benefits the combination with Westar will deliver.

We are actively engaged with policymakers and key stakeholders to provide education on the unique issues tax reform presents to our customers and the industry. We expect there will be extensive deliberation on the topic, resulting in significant change to tax policy if Ford is ultimately adopted.

We will continue to monitor these developments and will provide updates as we gain more clarity. These developments notwithstanding, our team will work through any tax changes and remain committed to delivering earnings growth of 6% to 8% through 2020 after completion of the Westar transaction.

Turning to slide 14, from the date of our announced plans to acquire Westar we have worked to minimize the financing risk around the transaction. Last June we executed hedges to minimize our exposure to changes in interest rates and we completed our planned equity issuances in total last fall. We expect to complete the remaining portion of our permanent financing with long-term debt to be issued in the coming months.

We remain committed to a solid investment-grade balance sheet. Our free cash flow will allow us to deliver our balance sheet and facilitate improving credit metrics post-transaction close. We are well-positioned to deliver top-tier returns for our shareholders and reliability for customers and look forward to the year ahead.

Thank you for your time this morning. We're now happy to answer any questions you may have.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Chris Turnure, JPMorgan.

Chris Turnure - *JPMorgan - Analyst*

Good morning. Could you give us a little bit of a sense as to what was included in your Missouri proposal last night, and if in any way some elements of those proposals might cause you to rethink the deal or just vary significantly from your original expectations of the deal and its ultimate value?

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

Yes, this is Terry. No such changes. In fact, really the filing last night was a formal application as requested by the Commission or ordered by the commission.

And really what we did is, we moved to have it merged with the docket already in place and testimony already filed and we didn't make any material changes of any sort to the ask. So basically, we are asking for the Commission to approve the merger consistent with our stipulation with OPC and the staff.

Chris Turnure - *JPMorgan - Analyst*

Okay, that makes sense. And maybe you could give a little bit of color and background respecting that you are currently in the process right now as to why the Commission might have chosen to wait this long to formally require this, especially after the various settlements that you were able to reach late last year.

Obviously, Kansas' staff had an influence on that back in December. But maybe any other color there would be helpful along with color on what gives you confidence, what they have said so far that leads you to believe that they do want to get the approval, let's say, or the process done in line with your original time frame.

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

Yes, I don't know that there was a specific intent with the timeline that they have been on. What I would say is it's a difficult issue, I think, for any Commission to find they don't have jurisdiction. We think it's pretty clear what the law says, but I understand what the order says and that's fine.

As I have said we are not going to appeal that, we are just going to move forward. What I will say from a color perspective is that they have continued since day one to say they did not want to slow the process down and that they were aware of the statutory time frame in Kansas.

And I think that our stipulation with, again, OPC and staff gives us the ability to provide a mechanism to provide the kinds of protections that all along we would expect to provide to our Missouri customers just as we have proposed in Kansas. So the main thing about the process is that they, once again even with this final order, have committed to a quick turnaround and we are very confident that the settlements will provide the avenue for that.

Chris Turnure - *JPMorgan - Analyst*

Okay. So that confidence that you guys are getting on the timeline front extends to their more recent commentary or your conversations with the Commission?

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

It does.

Chris Turnure - *JPMorgan - Analyst*

Okay. And remind us the deadline of the transaction itself with Westar to close where you might need to reopen that if you don't get approval by that time?

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

Yes, the statutory time frame in Kansas is April 24. The one-year term on the initial term for approvals in the agreement would be late May.

Remember, we made the announcement on May 29, I believe. If we have a required approval that's not gotten at that point there is an opportunity for a six-month extension at that point.

Chris Turnure - *JPMorgan - Analyst*

Okay great. Thanks, Terry.

Operator

Julien Dumoulin-Smith, UBS.

Nick Campanella - *UBS - Analyst*

Good morning guys, this is Nick Campanella for Julien. I was just hoping that you could comment quickly; it appears that there is a step-down in environmental CapEx, can you just talk about what is driving that?

Kevin Bryant - *Great Plains Energy, Inc. - SVP, Finance and Strategy & CFO, Great Plains Energy and KCP&L*

We had, I guess, in last year's disclosures some plans for in our CapEx for cooling towers on some of our older coal plants. But given the flexibility in the rules and the way we are managing our plants we think we have a little more flexibility on that spend. So that's really what's driven that, that's solely what has driven that change and what you see in the CapEx table.

Nick Campanella - *UBS - Analyst*

Thank you. That is all for now.

Operator

Travis Miller, Morningstar.

Travis Miller - *Morningstar - Analyst*

Good morning. Thank you. I was wondering if you could take us through a hypothetical. If Kansas or Missouri, either one, were to rule and put some kind of condition on the merger, how do you think that would impact or how would it, if it's even a regulatory issue, how would it impact the decision for the other state?

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

Well, I would say that traditionally any material ruling or any material change tends to affect both states. I wouldn't say in all cases but certainly it tends to.

What I would also point to, though, is that recently the Commission in Missouri asked the staff to review all the testimony of all the parties including our responses in Kansas and to provide a report. And the staff did that, provided a very long, lengthy complete report.

And in the conclusion of that report on all that testimony they once again said they believe that our stipulation with them in Missouri was appropriate. So they don't always, in fact, they normally are never exactly the same but certainly if one was material in some way it would at least cause the other to review it.

Travis Miller - *Morningstar - Analyst*

Okay. Then regarding FERC, would either of the states wait until a FERC ruling were to come out before the states ruled if that ends up being the timing?

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

Well, Kansas can't. Kansas has a statutory time frame. April 24 is a drop-dead for Kansas, and Missouri has said that it wants to stay consistent with the Kansas timeline.

So I don't think there would be any reason or desire to wait for a FERC ruling. If it was clear we were going to get a FERC ruling it could affect the thought around the urgency. But I think in general everybody would like to wrap things up by the Kansas timeline under the current discussion.

Travis Miller - *Morningstar - Analyst*

Okay, great. I appreciate the thoughts.

Operator

Brian Russo, Ladenburg Thalmann.

Brian Russo - *Ladenburg Thalmann & Company Inc. - Analyst*

Yes, hi, good morning. You mentioned headwinds to the pro forma EPS CAGR from tax reform, but then later you mentioned that you are committed to pro forma 6% to 8% EPS CAGR.

I'm just curious what levers do you have to help mitigate that negative sensitivity on the holdco debt? Is it debt reduction with free cash flow, additional cost cuts, just maybe if you could elaborate on that?

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

Yes, so, obviously, we are in early stages. We wanted to be clear that, obviously, if there was a single issue evaluation of a tax change such as that if it affected us directly then those are things we will have to deal with, and we want to be straight up about that.

We are continuing to work on ensuring that impact is lessened from legislation and from the implementation if there was legislation. And then whatever ultimately is done would likely include more than just that issue, so there are things that can go back and forth. And then in the end whatever the impact of that kind of legislation would have, we are committed, as Kevin said, to continue to work towards our 6% to 8%.

And we do have additional cost cuts, we do have synergies we continue to evaluate and work towards and we would certainly look at other balance sheet opportunities to minimize the impacts of those kinds of things. So a little early to identify how big or what we would or could do but certainly we are working now diligently to stay in the discussion process and affect those initial talks and then we will respond to whatever comes out eventually

Brian Russo - *Ladenburg Thalmann & Company Inc. - Analyst*

Okay, thanks. Then just it seems to be in terms of, at the legislature level, Senate bill 190 seems like most utilities are focused on that Senate Bill. Could you just provide us what's the next step? What's the next data point we should be focused on?

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

Yes, so we were encouraged that the bill moved out of Committee quicker than last year and certainly we've talked before about the fact that we spent a lot of time last year educating about the issues. And we are able then to get something in front of the Committee early and had strong support at 8 to 1 and got out quicker.

It's now on the Senate calendar in the sense that it's in queue. There are many bills in front of it, but we do think that in the next three or four weeks that we could see a Senate debate on the floor and that would be the next step in the process. Those things are always fluid.

Sometimes they drag out, sometimes they move quicker depending on what other pieces of legislation are doing. But I would say where we stand here today we hope in the next month to have floor debate on the issue as proposed in SB 190.

Brian Russo - *Ladenburg Thalmann & Company Inc. - Analyst*

Okay, great. And it's my understanding that there was one senator last year that filibustered last year's bill and there were also some large industrial customers that supported that filibuster. Are you facing the same opposition this year or less opposition?

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

It's different. Well, kind of different.

So I would say the senator who was most vehemently opposed last year is still senator. He was the one vote in the Committee against the bill. So he's still opposed as we stand here today.

We did have some success with some of our industrials that were opposed last year into getting them on board, as well. And so we've continue to address issues as they come about. And then there were others that were supportive of the filibuster last year who could also be supportive again this year, but that's the kind of thing you work on between now and the time you get to a floor debate.

I think we as with last year believe we would have votes for a bill like this if there is not a filibuster and so if folks voted and didn't filibuster we might continue to move forward. We will to see how that goes. But we continue to work on all the folks who are most concerned to address their issues.

Brian Russo - *Ladenburg Thalmann & Company Inc. - Analyst*

Okay, and then lastly just a Senate Bill 190 again, is there a component of that bill that could lower industrial customer rates?

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

Well, yes, in particular the provision that we've talked about is kind of an economic development rate that would allow for additional economic development concessions or expansion either for a new company moving into the territory or for our current customers if they expanded on their current platform. And then there was some other things that they were interested in, as well, but I would say probably the ability to expand current customers' platform or plants under a favorable economic development rate was the primary one.

Brian Russo - *Ladenburg Thalmann & Company Inc. - Analyst*

Okay, thank you.

Operator

Paul Patterson, Glenrock.

Paul Patterson - *Glenrock Associates - Analyst*

Good morning. A lot of my questions have been answered. The one thing I'm a little confused about is the sales growth numbers.

So last quarter I believe you guys had a growth rate of 0.3% for the nine months in total for retail sales. And now it's negative 0.8%, and I'm not clear whether or not the previous number had the MEEIA stuff in it or if you could just elaborate a little bit more about if I understand this correctly what has changed?

Kevin Bryant - *Great Plains Energy, Inc. - SVP, Finance and Strategy & CFO, Great Plains Energy and KCP&L*

So that does include, as I mentioned in my prepared remarks, a 0.8% impact from our energy efficiency programs. But for those programs we would have saw flat growth for the year.

Paul Patterson - *Glenrock Associates - Analyst*

Right, which was in line with your numbers before with your general guidance. But then I guess what I'm wondering is in the third quarter of 2016 that 0.3% number, did that also include MEEIA?

Kevin Bryant - *Great Plains Energy, Inc. - SVP, Finance and Strategy & CFO, Great Plains Energy and KCP&L*

It did. It did it was in that number. I talked about the weather patterns for the year.

We've seen some weird weather both in the second quarter and the fourth quarter where, for example, in the second quarter it was nice outside and the temperature popped but the forecast still showed normal weather forecast. And so with our normal demand normalization approach it would attribute some demand growth to that change in temperature. But folks didn't up their thermostats, they looked to the forecast and kept their thermostat off.

So that makes the demand number look a little off in the second quarter and we saw the opposite in the fourth quarter and those are shoulder months which have the ability to skew what we call demand for the year. So that's why we try to go through a little bit of the underlying drivers in the business because we think it's been kind of weird, I'm not a farmer, but I pay a lot of attention to the weather forecast and we've seen a lot of unique weather patterns that have been different than what we've seen historically which has made that calculation for weather-normalized demand a little more challenging this year. But moving forward we expect those atypical customer responses to normalize as we move into 2017 and still feel good about our growth rate moving forward.

Paul Patterson - *Glenrock Associates - Analyst*

Okay, so just understand it because there's a huge delta between 0.3% plus and minus 0.8%. The difference is a recalculation of weather normalization, just I'm sorry to be slow about this, but is that what it is basically that you guys readjusted, you re-looked at the numbers because it just seems or was there something in the fourth quarter itself weather wise or demand wise that caused that big jump?

Kevin Bryant - *Great Plains Energy, Inc. - SVP, Finance and Strategy & CFO, Great Plains Energy and KCP&L*

The 0.3% was a rolling 12-month number, so what we reported last quarter was 12 months rolling through the third quarter. So you would have had at year-end you would've had the last quarter of last year rolling off and would have seen a full-year impact for this year. So that's what showed up in the full-year number for 2016.

Paul Patterson - *Glenrock Associates - Analyst*

I got you. But still that's a pretty big difference just for one quarter going 0.3% to minus 0.8%.

Kevin Bryant - *Great Plains Energy, Inc. - SVP, Finance and Strategy & CFO, Great Plains Energy and KCP&L*

It is. But you've got a shoulder month in 2016 rolling on and shoulder month in 2015 rolling off, which you've got atypical customer response in those quarters is kind of what explains that swing.

Paul Patterson - *Glenrock Associates - Analyst*

Okay. And your growth going forward is still flat to 0.5%, is that pretty much what you guys are thinking?

Kevin Bryant - *Great Plains Energy, Inc. - SVP, Finance and Strategy & CFO, Great Plains Energy and KCP&L*

Yes, I think that's fair. We don't think our expectations for growth have changed. We are, obviously, not coming out with guidance, but if we did it would certainly be in that range.

Paul Patterson - *Glenrock Associates - Analyst*

Okay, great. Thanks so much.

Operator

Gregg Orrill, Barclays.

Gregg Orrill - *Barclays Capital - Analyst*

Yes, thank you. I was wondering if you could talk about where you are in the KCP&L Missouri case and any notable details from the stipulation?

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

This is Terry again. No, we were able to, as always, we were able to settle some smaller issues but we are still finishing up hearings on the other things which recently we've been litigating which are capital structure and ROE and things like that. So we are just continuing to move ahead.

Everything is on track. Hoped we might finish this week, but it looks like we will have a little bit next week before we finish up. Nothing unusual about the rate case itself.

Gregg Orrill - *Barclays Capital - Analyst*

Okay, fair enough. Thanks.

Operator

Tim Winter, Gabelli & Co.

Tim Winter - *Gabelli & Co. - Analyst*

Terry, I know that you guys have discussed this ad nauseam in the hearings, but I was just hoping you could re-discuss or state your flexibility on cap structure and differences between the holdco and the subsidiary and if there is any further opportunities to negotiate before April 24?

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

Well, where we are process wise doesn't lend itself to that, just to be honest with you. We finished the hearings and parties are briefing.

Kansas is a little different. They don't have usually a period of deliberation publicly on what they are thinking. And so we don't really see process wise a time frame where naturally you would get back in a room with the parties.

In this case in particular, we've not been able to have what I would call material conversations around settlements before this time anyway. And so at this point I don't really expect to have those. We are always willing to have conversations around settlement, but I don't anticipate that happening in this case in Kansas. And we've made it pretty clear that we don't have flexibility really around using a consolidated capital structure in this transaction, Westar, and we both have testified that that would not be something the transaction could close around.

Tim Winter - *Gabelli & Co. - Analyst*

Okay, thank you, Terry.

THOMSON REUTERS

Operator

Julien Dumoulin-Smith, UBS.

Nick Campanella - *UBS - Analyst*

Hey guys, it's Nick Campanella again. Thanks for letting me make a follow-up. Just one thing on the spending opportunities again, just curious if there's any appetite to do anything on the wind front, either repowering or something within the utility just in context of the PTC qualification deadline, how we should be thinking about it?

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

Give me that one more time.

Nick Campanella - *UBS - Analyst*

Is there any appetite to do anything in terms of wind build just given I know you guys have a lot of PPAs out there, is any thoughts on possibly converting them or just doing an outright build?

Kevin Bryant - *Great Plains Energy, Inc. - SVP, Finance and Strategy & CFO, Great Plains Energy and KCP&L*

So we would retain, obviously, retain the option to work with the developers of those farms to convert those. Right now our PPAs are kind of locked in, so to the extent that there are buyout options those could be avenues that could be explored. We are, obviously, long on power in this region, put in place a significant number of PPAs last year, so that's something that as we move forward with the Westar transaction we think are opportunities to invest that we're excited about.

But in the near term and over this window through the expiration of the current PTCs probably not as much. You may know Westar has a wind project in process that is going in service here soon that will drive their next round of rate cases. So generically we do have interest in renewables as we move forward, but nothing that is sitting on our plate currently given the level of PPAs we put in place last year.

Nick Campanella - *UBS - Analyst*

And just to follow up on that, does that go if you were to continue as a standalone entity, as well?

Kevin Bryant - *Great Plains Energy, Inc. - SVP, Finance and Strategy & CFO, Great Plains Energy and KCP&L*

Yes, I think so. We, obviously, any investment in wind we would, obviously, look at what makes sense for customers and then to the extent it makes sense to look at a PPA or a build option we would do what made the best sense for our customers.

Nick Campanella - *UBS - Analyst*

Thanks so much, guys.

THOMSON REUTERS

Operator

Elizabeth Guynn, Mizuho.

Jim Von Riesemann - *Mizuho Securities - Analyst*

It's Jim Von Riesemann. Good morning, guys.

Can you tell us -- back in December the political establishment in the state of Kansas was very supportive of the deal publicly I think at some of the hearings that you had in Shawnee and elsewhere? Have they said anything of late whether they still support or are they just silent on it?

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

No, we've actually continued right up until the start of the hearings to receive additional letters of support. And, in fact, we've not had a city or a statewide elected official oppose the transaction.

Obviously, we've had some customers that have concerns. But we continue to have support from our cities, from our regions, from our legislatures and we recently had the governor in Kansas reaffirm his support for the transaction. So I've not seen any waver even post-hearing from that perspective.

Jim Von Riesemann - *Mizuho Securities - Analyst*

Okay, and then who were those letters from? Political leaders?

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

Most prominent was, obviously, we had the governor of Kansas who submitted a letter to the Commission. We also had the lieutenant governor.

We had the President of the Senate and the Speaker of the House as well as chairman of both utility commissions -- chairman of both utility committees that all submitted letters as well as mayors of cities and stuff like that. So we've, again, continued to have a lot of community support, almost, well, very broad. And no one who has provided support has backed away of any sort that we know of.

Jim Von Riesemann - *Mizuho Securities - Analyst*

Perfect, thank you.

Operator

(Operator Instructions) Ira Gorsky, Elevation Securities.

Ira Gorsky - *Elevation Securities - Analyst*

Hi, thanks for taking my question. With regard to the post-trial brief that gets filed, is there any limitation in that filing with regard to additional concessions? So for example, during the KCC hearing there was some things that were left open-ended with regard to discussing, like, ring-fencing. Could you elaborate on that please?

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

Well, certainly in the briefing process there is an initial brief and a response. I don't believe we would expect to provide any additional information that we didn't provide in evidence in our initial brief. No need to really to be honest.

I would say that if someone filed something and we felt like we needed to respond to it we could. It couldn't be based on new evidence but it could be in response to somebody's position taken in a brief filed in the first round. And we certainly would look to see if that would be helpful in some way in the deliberations of the Commission.

Ira Gorsky - *Elevation Securities - Analyst*

And along those lines it seemed to me from listening to the hearing and reading the testimony that additional ring-fencing provisions would fall under that category.

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

A clarification of what we provided in rebuttal testimony what we believe to be market ring-fencing provisions and to the extent that someone filed a brief and said that provision would be better served to have this or that word changed or this provision changed we would want to make clear whether that was acceptable to us or not. So we would absolutely address that if we thought it was material and appropriate. So ring-fencing would certainly be one of those.

Ira Gorsky - *Elevation Securities - Analyst*

And rate moratoriums, and please correct me if I am wrong, also seemed more of an open-ended issue in the KCC hearing in that those were things that, I believe, was stated by people testifying that they would take that under consideration. Are you available to provide that in the post-trial briefs as well or your reply briefs?

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

Well, we certainly are prepared and able to respond to those. I will tell you we have not proposed and we are not interested in rate moratoriums or rate credits of any sort.

There was a party who brought that up through testimony and cross and I would expect to possibly bring it up in brief. But we believe that the level of synergy savings that we are going to be able to flow back to customers is excellent, and we don't see any need or purpose in providing upfront credits of some sort before then. So we have not proposed them, not agreed to them and don't expect to.

Ira Gorsky - *Elevation Securities - Analyst*

Okay, great. Thank you very much.

Operator

I am not showing any further questions in the queue. I would like to turn the call back to Terry Bassham with his final remarks.

Terry Bassham - *Great Plains Energy, Inc. - Chairman, President & CEO, Great Plains Energy and KCP&L*

Thank you for everybody joining the call. Thank you for the questions.

Obviously, we have got a lot going on now between now and the next earnings call, and so we will keep folks posted. I appreciate your participation as always. Thank you.

Operator

Ladies and gentlemen, thank you for participating in today's conference. This concludes the program and you may all disconnect. Have a wonderful day.
