FORM 10-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES AND EXCHANGE ACT OF 1934

For the fiscal year ended DECEMBER 31, 2000

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

COMMISSION FILE NUMBER 1-707

KANSAS CITY POWER & LIGHT COMPANY
(Exact name of registrant as specified in its charter)

Missouri	44-0308720
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1201 Walnut Street
Kansas City, Missouri 64106
(Address of principal executive offices)

Registrant's telephone number, including area code: 816-556-2200

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Cumulative Preferred Stock par value $100 per share - 3.80%, 4.50%, 4.35%	New York Stock Exchange
Common Stock without par value	New York Stock Exchange Chicago Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None.

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 X No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to the Form 10-K. X

On February 26, 2001, KCPL had 61,847,885 shares of common stock outstanding. The aggregate market value of the common stock held by nonaffiliates of KCPL (based upon the closing price of the Company's common stock on the New York Stock Exchange on February 26, 2001) was approximately $1,627,732,339.

Documents Incorporated by Reference

Portions of the 2001 Proxy Statement are incorporated by reference in Part III of this report.

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CERTAIN FORWARD-LOOKING INFORMATION

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

- future economic conditions in the regional, national and international markets
- state, federal and foreign regulation
- weather conditions
- financial market conditions, including, but not limited to, changes in interest rates
- inflation rates
- increased competition, including, but not limited to, the deregulation of the United States electric utility industry, and the entry of new competitors
- ability to carry out marketing and sales plans
- ability to achieve generation planning goals and the occurrence of unplanned generation outages
- nuclear operations
- ability to enter new markets successfully and capitalize on growth opportunities in nonregulated businesses
- adverse changes in applicable laws, regulations or rules governing environmental (including air quality regulations), tax or accounting matters
- delays in the anticipated in-service dates of additional generating capacity

This list of factors may not be all-inclusive since it is not possible to predict all possible factors.

PART I

ITEM 1. BUSINESS

Organization and History

Kansas City Power & Light Company (KCPL) is a publicly-held, regulated electric utility incorporated in Missouri in 1922 and headquartered in downtown Kansas City, Missouri. KCPL engages in the generation, transmission, distribution and sale of electricity to approximately 467,000 customers located in all or portions of 22 counties in western Missouri and eastern Kansas. About 62% of KCPL's 2000 retail megawatt hour sales were to Missouri customers and the remainder to Kansas customers. Customers include approximately 413,000 residences, 51,000 commercial firms, and 3,000 industrials, municipalities and other electric utilities. Retail electric revenues in Missouri and Kansas accounted for approximately 94% of KCPL's total electric revenues in 2000. Wholesale firm power, bulk power sales and miscellaneous electric revenues accounted for the remainder of utility revenues.

KCPL also owns unregulated subsidiaries (collectively the Company). KLT Inc., formed in 1992, holds interests in telecommunications, natural gas development and production, energy services and affordable housing limited partnerships. Home Service Solutions Inc. (HSS), formed in 1998, holds interests in companies providing products and services solutions to residential customers. In February 2001, KCPL also formed an unregulated generation company that will acquire additional generation for sales to wholesale markets. For additional information, see the "KLT Inc. Operations" and "HSS Operations" sections in Management's Discussion and Analysis.

Strategy

In order to add value for its shareholders, the Company plans to restructure by forming a holding company with three operating subsidiaries. These subsidiaries will include:

- A regulated utility;
- An unregulated generation company; and
- KLT Inc. with its non-utility growth opportunities.

In implementing this strategy, the Company is focused on:

- Providing reliable, low-cost electricity to retail customers;
- Acquiring and investing in generation to serve the wholesale market;
- Pursuing high growth, unregulated business opportunities;
- Managing the Company as a portfolio of companies; and
- Investing in a diverse group of people, recognizing that KCPL's success is dependent upon the skills and expertise of its people.

Segment Information

Financial information with respect to business segments is set forth in Note 7 - Segment and Related Information on pages 52-53 in the Consolidated Financial Information included in this report.

KCPL - Regulated Electric Utility

KCPL, the electric utility, is regulated by the Public Service Commission of the State of Missouri (MPSC), the State Corporation Commission of the State of Kansas (KCC), the Federal Energy Regulatory Commission (FERC), the Nuclear Regulatory Commission (NRC) and certain other governmental regulatory bodies as to various phases of its operations, including rates, service, safety and nuclear plant operations, environmental matters and issuances of securities.

Competition

A number of states already have authorized retail electric competition, but no retail competition legislation is expected to be introduced in 2001 in either Missouri or Kansas.

KCPL believes it has developed a number of competitive strengths that will enable it to successfully compete as more of its business becomes competitive. These strengths include:

- Delivered coal costs which are among the lowest in the region
- Innovative, award-winning technology system offering expanded and value-added services to the customer
- Aggressive financial management
- Strong cash flows
- Competitive regional retail rates
- Seasoned and experienced management team

Rates

The MPSC and KCC regulate KCPL's retail electric rates for sales within the respective states of Missouri and Kansas. FERC approves KCPL's rates for wholesale sales for resale and for transmission services. Firm electric sales are made by contractual arrangements between the entity being served and KCPL.

Missouri

Pursuant to a stipulation and agreement approved by the MPSC on April 13, 1999, a rate reduction for Missouri customers of 3.2% began on March 1, 1999. The stipulation and agreement also provided that the MPSC Staff or Office of Public Counsel would not request additional changes to rates that would be effective before March 1, 2002.

Kansas

Pursuant to a rate settlement and agreement with the KCC, KCPL implemented a 4.7% reduction in Kansas retail rates effective January 1, 1998.

Environmental Matters

The Company's operations must comply with federal, state and local environmental laws and regulations. The generation and transmission of electricity produces and requires disposal of certain products and by-products, including polychlorinated biphenyl (PCBs), asbestos and other hazardous materials. The Federal Comprehensive Environmental Response, Compensation and Liability Act (the Superfund law) imposes strict joint and several liability for those who generate, transport or deposit

hazardous waste. In addition, the current owner of contaminated property, as well as prior owners since the time of contamination, may be liable for cleanup costs.

The Company operates in an environmentally responsible manner and uses the latest technology available to avoid and treat contamination. The Company continually conducts environmental audits designed to ensure compliance with governmental regulations and to detect contamination. Governmental bodies, however, may impose additional or more rigid environmental regulations that could require substantial changes to operations or facilities.

Air

Monitoring Equipment and Certain Air Toxic Substances

The Clean Air Act Amendments of 1990 required KCPL to spend about $5 million for the installation of continuous emission monitoring equipment to satisfy the requirements under the acid rain provision. Also, a study under the Act could require regulation of certain air toxic substances. In July 2000, the National Research Council published its findings stating power plants that burn fossil fuels, particularly coal, generate the greatest amount of mercury emissions. In December 2000, The United States Environmental Protection Agency (EPA) announced it will propose regulations to reduce mercury emissions by 2003 and issue final rules by 2004. KCPL cannot predict the likelihood or compliance costs of such regulations.

Air Particulate Matter

In July 1997, the EPA published new air quality standards for particulate matter. Additional regulations implementing these new particulate standards have not been finalized. Without the implementation regulations, the impact of the standards on KCPL cannot be determined. However, the impact on KCPL and other utilities that use fossil fuels could be substantial. In addition, the EPA is conducting a three-year study of fine particulate ambient air levels. Until this testing and review period has been completed, KCPL cannot determine additional compliance costs, if any, associated with the new particulate regulations.

Nitrogen Oxide

In 1997 the EPA also issued new proposed regulations on reducing nitrogen oxide (NOx) emissions. The EPA announced in 1998 final regulations implementing reductions in NOx emissions. These regulations initially called for 22 states, including Missouri, to submit plans for controlling NOx emissions. The regulations require a significant reduction in NOx emissions from 1990 levels at KCPL's Missouri coal-fired plants by the year 2003.

In December 1998, KCPL and several other western Missouri utilities filed suit against the EPA over the inclusion of western Missouri in the 1997 NOx reduction program. On March 3, 2000, a three-judge panel of the D.C. Circuit of the U.S. Court of Appeals sent the NOx rules related to Missouri back to the EPA stating the EPA failed to prove that fossil plants in the western part of Missouri contribute to ozone formation in downwind states. The impact of this decision, which has been appealed, is unknown at this time, however, it is likely to delay the implementation of new NOx regulations by the EPA in Missouri for some time.

In May 1999, a three-judge panel of the D.C. Circuit of the U.S. Court of Appeals remanded the EPA's more stringest ambient air quality standard for ozone. The U.S. Supreme Court heard oral arguments

on the EPA's appeal of this decision on November 7, 2000. A final decision by the U.S. Supreme Court is expected in the spring of 2001, and the outcome cannot be predicted at this time. If the panel's decision is upheld, the effect will be to decrease the severity of the standards with which KCPL ultimately may need to comply.

To achieve the reductions proposed in the 1997 NOx reduction program, KCPL would need to incur significant capital costs, purchase power or purchase NOx emissions allowances. It is possible that purchased power or emissions allowances may be too costly or unavailable.

Preliminary analysis of the regulations indicates that selective catalytic reduction technology, as well as other changes, may be required for some of the KCPL units. Currently, KCPL estimates that additional capital expenditures to comply with these regulations could range from $40 million to $60 million over a period of the next few years. Operations and maintenance expenses could also increase by more than $2.5 million per year. These capital expenditure estimates do not include the costs of the new air quality control equipment being installed at Hawthorn No. 5, a unit currently being rebuilt. The new air control equipment designed to meet current environmental standards will also comply with the proposed requirements discussed above.

KCPL continues to refine its preliminary estimates and explore alternatives to comply with these new regulations in order to minimize, to the extent possible, its capital costs and operating expenses. The ultimate cost of these regulations could be significantly different from the amounts estimated above.

The State of Missouri is currently developing a State Implementation Plan (SIP) for NOx reduction. As currently proposed, KCPL would not incur significant additional costs to comply with the State of Missouri SIP. In May 2000, the Missouri Air Conservation Commission approved NOx regulations requiring compliance with a rate of 0.35 lbs. NOx / mmBtu of heat input for western Missouri where KCPL's Missouri power plants are located. KCPL does not anticipate that it will incur significant additional costs to comply with these new regulations.

Carbon Dioxide

At a December 1997 meeting in Kyoto, Japan, the Clinton Administration supported changes to the International Global Climate Change treaty which would require a seven percent reduction in United States carbon dioxide (CO2) emissions below 1990 levels. This treaty has not been submitted to the U.S. Senate. If future reductions of electric utility CO2 emissions are eventually required, the financial impact upon KCPL would be substantial.

Water

KCPL commissioned an environmental assessment at several of its generating stations. The assessment at its Northeast Station revealed contamination of the site by petroleum products, heavy metals, volatile and semi-volatile organic compounds, asbestos, pesticides and other regulated substances. Based upon studies and discussions with Burns & McDonnell, the cost of the cleanup could range between $1.5 million and $6 million. The Missouri Department of Natural Resources (MDNR) tested for arsenic in soils at the Northeast site during December 1997. MDNR issued a report on these tests in April of 1998, concluding that arsenic levels are not a concern.

Also, groundwater analysis has indicated that certain volatile organic compounds are moving through the Northeast site, just above bedrock. MDNR was notified of the possible release of petroleum

products from prior operations on the site and the presence of volatile organic compounds moving under the site. Monitoring and removal of free petroleum products continues at the site. The MDNR has concluded that the volatile organic compounds originated from a source off site. This site is upgrade and upstream from Northeast Station and is being cleaned. KCPL has been advised that remediation has begun at this site which should affect the flow of volatile organic compounds moving through the site. At this time KCPL is under no obligation to perform further activities at the site as MDNR has concluded KCPL did not contribute to this contamination.

Fuel Supply

KCPL's principal sources of fuel for electric generation are coal and nuclear fuel. These fuels are expected to satisfy about 97% of the 2001 fuel requirements with the remainder provided by other sources including natural gas, oil and steam. The 2000 and estimated 2001 fuel mix, based on total Btu generation, are as follows:

	2000	Estimated 2001
Coal	67%	70%
Nuclear	28%	27%
Other	5%	3%

Coal

KCPL's average cost per million Btu of coal burned, excluding fuel handling costs, was $0.85 in 2000, $0.82 in 1999, and $0.81 in 1998.

During 2001, approximately 10.5 million tons of coal (7.2 million tons, KCPL's share) are projected to be burned at KCPL's generating units, including jointly-owned units. This amount reflects reduced coal use in 2001 due to the unavailability of Hawthorn 5 during the first five months of 2001. KCPL has entered into coal-purchase contracts with various suppliers in Wyoming's Powder River Basin, the nation's principal supplier of low-sulfur coal. These contracts, with expiration dates ranging from 2001 through 2003, will satisfy approximately 95% of the projected coal requirements for 2001, 65% for 2002 and 40% for 2003.

Nuclear

KCPL also owns 47% of Wolf Creek Nuclear Operating Corporation (WCNOC), the operating company for the Wolf Creek Generating Station (Wolf Creek). WCNOC has on hand, or under contract, 65% of the uranium required to operate Wolf Creek through March 2005. The balance is expected to be obtained through contract and spot market purchases.

High-Level Waste

Under the Nuclear Waste Policy Act of 1982, the Department of Energy (DOE) is responsible for the permanent disposal of spent nuclear fuel. For the future disposal of spent nuclear fuel, KCPL pays the DOE a quarterly fee of one-tenth of a cent for each kilowatt-hour of net nuclear generation delivered and sold. These disposal costs are charged to fuel expense.

A permanent disposal site may not be available for the industry until 2010 or later, although an interim facility may be available earlier. Under current DOE policy, once a permanent site is available, the DOE will accept spent nuclear fuel first from the owners with the oldest spent fuel. As a result, disposal

services for Wolf Creek may not be available before 2016. Wolf Creek has an on-site, temporary storage facility for spent nuclear fuel. In early 2000, Wolf Creek completed replacement of spent fuel storage racks to increase its on-site storage capacity for all spent fuel expected to be generated by Wolf Creek through the end of its licensed life in 2025.

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 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. As of December 31, 2000, KCPL's net investment on its books was $7.4 million.

Significant opposition to the project has been raised by Nebraska officials and residents in the area of the proposed facility, and attempts have been made through litigation and proposed legislation in Nebraska to slow down or stop development of the facility. On December 18, 1998, the application for a license to construct this project was denied. In December 1998, the utilities filed a federal court lawsuit contending Nebraska officials acted in bad faith while handling the license application. Shortly thereafter, the Central Interstate Low-Level Radioactive Waste Compact Commission (responsible for causing a new disposal facility to be developed within the Compact region) and US Ecology (the license applicant) filed similar claims against Nebraska. In September 1999, the U.S. District Court partially denied and partially granted Nebraska's motions to dismiss the utilities' and US Ecology's cases, and denied Nebraska's motion to dismiss the Compact Commission's case. Nebraska has appealed the denials. The parties presented oral arguments to the U.S. Court of Appeals in October 2000 and are awaiting the court's decision.

On January 15, 1999, a request for a contested case hearing on the denial of the license was filed. On April 16, 1999, a U.S. District Court judge in Nebraska issued an injunction staying indefinitely any further activity on the contested case hearing. In April 2000, the court of appeals affirmed the injunction granted by the U.S. District Court's decision. The passage of time, along with the appointment of a new state administration in Nebraska, has increased the chances for reversal of the license denial.

In May 1999, the Nebraska legislature passed a bill withdrawing Nebraska from the Compact. In August 1999, the Nebraska governor gave official notice of the withdrawal to the other member states. Withdrawal will not be effective for five years and will not, of itself, nullify the site license proceeding.

Nuclear Fuel Commitments

As of December 31, 2000, KCPL's portion of Wolf Creek nuclear fuel commitments included $16 million for enrichment through 2003, $61 million for fabrication through 2025 and $8 million for uranium and conversion through 2003.

Unregulated Subsidiaries

KLT Inc. has five active wholly-owned direct subsidiaries:

- - KLT Telecom Inc., an investor in communications and information technology. KLT Telecom's major investment is an 84% ownership of DTI Holdings, Inc., parent of Digital Teleport Inc. (DTI). At year-end 2000, DTI had about 14,000 route miles of fiber optic network in place or under construction, with 20,000 route miles of network projected at completion. When completed, the network will be comprised of 23 regional rings interconnecting primary, secondary and tertiary cities in 37 states. DTI intends to focus on the completion of its sophisticated low-cost network and to grow its products and services with the objective of becoming a major competitor in the telecommunications services industry.

- - KLT Gas Inc., an investor in natural gas producing properties and companies. The focus of KLT Gas Inc. is primarily on creating value through early stage coalbed methane property discovery, development and divestiture. It directly owns and is developing approximately 129,500 net acres of coalbed methane properties primarily in Wyoming, Colorado and Kansas. KLT Gas Inc. has a 50% interest in Patrick KLT Gas, LLC, which owns and is developing approximately 100,000 acres of coalbed methane properties in Oklahoma, and has production from over 80 wells on such properties. KLT Gas Inc. also has a 50% working interest in natural gas producing properties in south Texas. FAR Gas Acquisitions Corporation, a wholly-owned subsidiary of KLT Gas Inc. holds limited partnership interests in coalbed methane gas well properties.

- - KLT Energy Services Inc., an investor in companies which provide products and services to commercial and industrial customers to control the amount, cost and quality of electricity. KLT Energy Services Inc. has a majority interest in Strategic Energy, L.L.C., an energy services provider operating primarily in Pennsylvania, Southern California, Ohio and New York. Strategic Energy acts as an energy manager in deregulated markets.

- - KLT Investments Inc., a passive investor in affordable housing investments that generate tax credits.

- - KLT Investments II Inc., a passive investor in economic and community-development and energy-related projects.

Home Service Solutions Inc. (HSS) has made investments in two companies:

- - R. S. Andrews Enterprise, Inc., a consumer services company in Atlanta, Georgia (HSS holds 49% ownership interest).

- - Worry Free Service, Inc., a participant in electrical and energy-related services to residential users (owned 100% by HSS).

Employees

At December 31, 2000, KCPL and its wholly owned subsidiaries had 2,266 employees (including temporary and part-time employees), 1,389 of which were represented by three local unions of the International Brotherhood of Electrical Workers (IBEW). KCPL has labor agreements with Local 1613, representing clerical employees (which expires March 31, 2002), with Local 1464, representing outdoor workers (which expires January 31, 2003), and with Local 412, representing power plant workers (which expires February 29, 2004). KCPL is also a 47% owner of WCNOC, which employs 1,001 persons to operate Wolf Creek.

Officers of the Registrant

Name	Age	Positions Currently Held	Year Named Officer
Drue Jennings	54	Chairman of the Board	1980
Bernard J. Beaudoin	60	President and Chief Executive Officer	1984
William H. Downey	55	Executive Vice President-KCPL and President-KCPL Delivery (1)	2000
Marcus Jackson	49	Executive Vice President-KCPL and President-KCPL Power	1989
Ronald G. Wasson	56	Executive Vice President-KCPL and Chairman of the Board-KLT Inc.	1983
Gregory J. Orman	32	President and Chief Executive Officer-KLT Inc. (2)	2000
Andrea F. Bielsker	42	Vice President-Finance, Chief Finance Officer and Treasurer	1996
Frank L. Branca	53	Vice President-Generation Services-KCPL Power	1989
John J. DeStefano	51	Vice President-Finance-KCPL Power	1989
Stephen T. Easley	45	Vice President-Business Development-KCPL Power (3)	2000
Jeanie Sell Latz	49	Senior Vice President-Corporate Services and Corporate Secretary	1991
Nancy J. Moore	51	Vice President-Customer Services-KCPL Delivery	2000
Douglas M. Morgan	58	Vice President-Information Technology and Support Services	1994
Brenda Nolte	48	Vice President-Public Affairs (4)	2000
Richard A. Spring	46	Vice President-Transmission and Environmental Services-KCPL Delivery	1994
Bailus M. Tate	54	Vice President-Human Resources-KCPL Power	1994
William J. Riggins	42	General Counsel	2000
Neil Roadman	55	Controller	1980

All of the above individuals have been officers or employees in a responsible position with KCPL for the past five years except as noted in the footnotes below. The term of office of each officer commences with his or her appointment by the Board of Directors and ends at such time as the Board of Directors may determine.

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(1)Mr. Downey was President of Unicom Energy Services Company Inc. from 1997-1999; and Vice President of Commonwealth Edison Company from 1992-1999.
(2)Mr. Orman was Chief Executive Officer and President of Custom Energy LLC from 1997-1999; and Chairman and Chief Executive Officer of Environmental Lighting Concepts, Inc. from 1994-1997.
(3)Mr. Easley was Director, Construction at KCPL from October 1999-April 2000; Assistant to the Chief Financial Officer at KCPL in 1999; Vice President, Business Development Americas with KLT Power, Inc. from March 1996-November 1998; and Director Business Development with Cinergy during 1996.
(4)Ms. Nolte was Vice President, Corporate Affairs with AMC Entertainment from 1997-2000; Director, Center for Regional Development with Midwest Research Institute in 1997; and Public Affairs Officer with Payless Cashways from 1987-1997.

ITEM 2. PROPERTIES

Generation Resources

KCPL's generating facilities consist of the following:

	Unit	Year Completed	Estimated 2001 Megawatt (mw) Capacity	Primary Fuel
Existing Units				
Base Load...	Wolf Creek(a)	1985	550(b)	Nuclear
	Iatan	1980	469(b)	Coal
	LaCygne 2	1977	337(b)	Coal
	LaCygne 1	1973	344(b)	Coal
	Hawthorn 9(c)	2000	137	Gas
	Hawthorn 6(d)	1997	132	Gas
	Hawthorn 5(e)	1969	550	Coal
	Montrose 3	1964	176	Coal
	Montrose 2	1960	164	Coal
	Montrose 1	1958	170	Coal
Peak Load...	Hawthorn 8(d)	2000	77	Gas
	Hawthorn 7(d)	2000	77	Gas
	Northeast 13 and 14(d)	1976	114	Oil
	Northeast 17 and 18(d)	1977	117	Oil
	Northeast 15 and 16(d)	1975	116	Oil
	Northeast 11 and 12(d)	1972	111	Oil
	Northeast Black Start Unit	1985	2	Oil
	Grand Avenue (2 units)	1929 & 1948	60	Gas
	Total		3,703	

(a) This unit is one of KCPL's principal generating facilities and has the lowest fuel cost of any of its generating facilities. An extended shutdown of the unit could have a substantial adverse effect on the operations of KCPL and its financial condition.
(b) KCPL's share of jointly-owned unit.
(c) Heat Recovery Steam Generator portion of combined cycle.
(d) Combustion turbines.
(e) On February 17, 1999, an explosion occurred at the Hawthorn Generating Station. The station is currently being rebuilt and is scheduled to be on line in June 2001.

KCPL owns the Hawthorn Station (Jackson County, Missouri), Montrose Station (Henry County, Missouri), Northeast Station (Jackson County, Missouri) and two Grand Avenue Station turbine generators (Jackson County, Missouri). KCPL also owns 50% of the 688-mw LaCygne 1 Unit and 674-mw LaCygne 2 Unit in Linn County, Kansas; 70% of the 670-mw Iatan Station in Platte County, Missouri; and 47% of the 1,170 mw Wolf Creek in Coffey County, Kansas.

Transmission and Distribution Resources

KCPL's electric transmission system is interconnected with systems of other utilities to permit bulk power transactions with other electricity suppliers. KCPL owns approximately 1,700 miles of transmission lines, approximately 8,900 miles of overhead distribution lines, and approximately 3,400 miles of underground distribution lines. KCPL has all franchises necessary to sell electricity within the territories from which substantially all of its gross operating revenue is derived.

General

KCPL's principal plants and properties, insofar as they constitute real estate, are owned in fee; certain other facilities are located on premises held under leases, permits or easements; and its electric transmission and distribution systems are for the most part located over or under highways, streets, other public places or property owned by others for which permits, grants, easements or licenses (deemed satisfactory but without examination of underlying land titles) have been obtained.

Substantially all of the fixed property and franchises of KCPL, which consists principally of electric generating stations, electric transmission and distribution lines and systems, and buildings (subject to exceptions and reservations), are subject to a General Mortgage Indenture and Deed of Trust dated as of December 1, 1986.

ITEM 3. LEGAL PROCEEDINGS

Three law firms have joined together and filed several cases representing a number of plaintiffs alleging race discrimination and hostile work environment against KCPL in the United States District Court, Western District of Missouri. In one of these cases, the plaintiff is seeking to certify the case as a class action (see below).

Patricia S. Lang, et al. on behalf of herself and all others similarly situated v. Kansas City Power & Light Company. On October 8, 1999, a First Amended Class Action Complaint was filed against KCPL in the United States District Court, Western District of Missouri by Patricia Lang on behalf of herself and all others similarly situated. Ten additional individuals subsequently joined the case as named plaintiffs. The complaint alleges plaintiff seeks to bring a claim of race discrimination as a class action on behalf of herself and all other current and former African American employees from May 11, 1994 to the present. The complaint alleges that plaintiff and members of the proposed class are subjected to a hostile and offensive working environment, denied promotional opportunities, compensated less than similarly situated or less qualified Caucasian employees, and are disciplined and/or terminated when they complain of racially discriminatory practices at KCPL. The complaint seeks a money award for alleged lost wages and fringe benefits, alleged wage differentials, as well as punitive damages, attorneys fees and costs of the action together with an injunction prohibiting KCPL from retaliating against anyone participating in the litigation and continuing monitoring of KCPL's compliance with anti-discrimination laws. Because of the vagueness of the complaint, it is not possible at this time to evaluate the materiality of the relief sought by the proposed class if certified. However, if no class is certified by the court, and KCPL believes that it will be able to successfully defend the certification of any class action, then the relief sought by the individual plaintiffs in this action would not be material to KCPL's financial condition or results of operations.

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

No matter was submitted during the fourth quarter of the fiscal year covered by this report to a vote of security holders through the solicitation of proxies or otherwise.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

KCPL's common stock is listed on the New York and Chicago stock exchanges under the symbol KLT. At December 31, 2000, KCPL's common stock was held by 19,110 shareholders of record. Information relating to market prices and cash dividends on KCPL's common stock is set forth below:

Common Stock Price Range ($)

Quarter	1999 High	1999 Low	2000 High	2000 Low
First	29.625	24.625	29	20.875
Second	28.1875	23.3125	28.75	22.50
Third	26.6875	22.1875	28.75	23.5625
Fourth	25.125	20.8125	28.1875	23.8125

Common Stock Dividends Declared

Quarter	1999	2000	2001
First	$0.415	$0.415	$0.415
Second	0.415	0.415	
Third	0.415	0.415	
Fourth	0.415	0.415	

KCPL's Restated Articles of Consolidation contain certain restrictions on the payment of dividends on KCPL's Common Stock.

ITEM 6. SELECTED FINANCIAL DATA

	Year Ended December 31				
	2000(a)	1999(a)	1998(b)	1997(b)	1996(b)
	(dollars in millions except per share amounts)				
Operating revenues	$1,116	$ 921	$ 973	$ 917	$ 905
Income before cumulative effect of changes in accounting principles (c)	$ 129	$ 82	$ 121	$ 77	$ 108
Net income	$ 159	$ 82	$ 121	$ 77	$ 108
Basic and diluted earnings per common share before cumulative effect of changes in accounting principles (c)	$ 2.05	$ 1.26	$ 1.89	$ 1.18	$ 1.69
Basic and diluted earnings per common share	$ 2.54	$ 1.26	$ 1.89	$ 1.18	$ 1.69
Total assets at year end	$3,294	$2,990	$3,012	$3,058	$2,915
Total mandatorily redeemable preferred securities	$ 150	$ 150	$ 150	$ 150	$ 0
Total redeemable preferred stock and long-term debt (including current maturities)	$1,136	$ 815	$ 913	$1,008	$ 971
Cash dividends per common share	$ 1.66	$ 1.66	$ 1.64	$ 1.62	$ 1.59

(a) See Management's Discussion for explanation of 2000 and 1999 results.

(b) KCPL incurred significant merger-related costs of $15 million in 1998, $60 million in 1997 and $31 million in 1996. Included in 1997 merger expense is the $53 million payment to UtiliCorp United (UtiliCorp) for terminating the merger with UtiliCorp and agreeing to a merger with Western Resources Inc. Subsequently, the planned merger with Western Resources Inc. was terminated.

(c) In 2000, this amount is before the $30.1 million after taxes cumulative effect of changes in methods of accounting for pensions. For further information concerning the changes in accounting, see Note 3 to the consolidated financial statements.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis by management focuses on those factors that had a material effect on the consolidated financial condition and results of operations during the periods presented. It should be read in conjunction with the accompanying Financial Statements and Notes. Note 7. Segment and Related Information summarizes the income statement by segment. The consolidated company (referred to throughout as consolidated or the Company) consists of Kansas City Power & Light Company (KCPL), KLT Inc., Home Service Solutions Inc. (HSS) and the new unregulated generation subsidiary.

Consolidated Earnings Overview

For the Years Ended December 31	2000	1999	1998
Earnings per share (EPS) summary			
KCPL	$ 0.91	$ 1.34	$ 1.82
KLT Inc.	1.36	(0.02)	0.07
HSS Inc.	(0.22)	(0.06)	0
EPS before cumulative effect of changes in pension accounting	2.05	1.26	1.89
Cumulative effect of changes in pension accounting	0.49	0	0
Reported Consolidated EPS	$ 2.54	$ 1.26	$ 1.89

Consolidated EPS, excluding the impact of the cumulative effect of changes in pension accounting, increased $0.79 in 2000 compared to 1999. This increase is primarily due to a $1.10 EPS increase resulting from KLT Gas' sales of producing natural gas properties to Evergreen Resources, Inc. and Barrett Resources Corporation offset by a $0.21 EPS charge for a $12.7 million tax reserve recorded for a proposed Internal Revenue Service (IRS) adjustment regarding Corporate Owned Life Insurance (COLI). See Note 17 to the consolidated financial statements for further information concerning COLI. Consolidated EPS decreased $0.63 in 1999 compared to 1998 primarily due to reduced contributions from KLT Inc. and HSS of $0.15 per share and from KCPL of $0.48 per share. The reduced contributions from KLT Inc. and HSS were primarily due to higher losses from equity method investments in 1999 compared to 1998. The reduced contribution from KCPL was primarily due to cooler summer weather in 1999, despite intense heat in July 1999, than in 1998 and increased expenses because of the unavailability of Hawthorn No. 5.

Effective January 1, 2000, the Company changed its methods of amortizing unrecognized net gains and losses and determination of expected return related to its accounting for pension expense. Accounting principles required the Company to record the cumulative effect of these changes increasing common stock earnings by $0.49 per share or $30.1 million. Additionally, the changes in pension accounting reduced pension expense by $8.2 million for the year 2000, increasing earnings by $0.08 per share. Adoption of the new methods of accounting for pensions will lead to greater fluctuations in pension expense in the future. The portions of the cumulative effect of pension accounting changes attributable to KLT Inc. and HSS are immaterial and therefore have not been allocated to these subsidiaries. See Note 3 to the Consolidated Financial Statements for further information.

For further discussion regarding each segment's contribution to consolidated EPS, see its respective Earnings Overview section below.

KCPL Operations

KCPL Business Overview

KCPL, a regulated utility, consists of two business units - generation and delivery. Dividing into two business units has provided KCPL the opportunity to reexamine the businesses' internal processes in order to operate more efficiently and create additional value for shareholders.

In addition to the rebuild of Hawthorn No. 5 (projected to be on-line in June 2001), KCPL has increased its generating capacity. In July 1999, Hawthorn No. 6, a 141-megawatt natural gas-fired unit was placed in service. Hawthorn Nos. 7, 8 and 9 were placed into commercial use during the summer of 2000. Hawthorn Nos. 7, 8 and 9 combined have 294 megawatts of natural gas-fired generating capacity. KCPL's generating capacity will be over 3,700 megawatts after completion of the Hawthorn No. 5 rebuild.

The delivery business consists of transmission and distribution that serves over 467,000 customers and experiences annual load growth of around 2% to 3% through increased customer usage and additional customers. Rates charged for electricity are currently below the national average. Additionally, there is a moratorium on changes to Missouri retail rates until 2002.

KCPL has a regulatory obligation to join a Federal Energy Regulatory Commission (FERC) approved Regional Transmission Organization (RTO) by December 2001. RTOs combine regional transmission operations of utility businesses into an organization that schedules transmission services and monitors the energy market to ensure regional transmission reliability and non-discriminatory access.

KCPL Earnings Overview

KCPL's contribution to consolidated EPS, excluding the cumulative effect of changes in pension accounting, was $0.91 in 2000, $1.34 in 1999 and $1.82 in 1998. The following table and discussion highlight significant factors affecting the changes in KCPL's EPS contribution between the three years.

Factors impacting the change in KCPL's EPS contribution	2000 compared to 1999	1999 compared to 1998
Merger impact	$ (0.03)	$ 0.23
Retail customers' rate reduction in Missouri effective March 1, 1999	(0.02)	(0.13)
July 1999 heat storm	0.18	(0.18)
(Increased) Decreased cost of purchased power energy, excluding July 1999	(0.32)	0.04
Proposed IRS adjustment regarding COLI (see Note 17 to the consolidated financial statements)	(0.21)	0
Increased price of natural gas and oil	(0.13)	0
Replacement power insurance and options to purchase capacity	(0.08)	0
Other (see discussion below)	0.18	(0.44)
Total	(0.43)	(0.48)

Contributing to the other factors impacting KCPL's EPS contribution in 2000 compared to 1999 are the following:

- Increased retail sales primarily due to warmer summer weather and colder winter weather in 2000 compared to 1999 and continued load growth.
- Increased impact of the unavailability of Hawthorn No. 5 (see discussion below).
- Increased natural gas-fired generation as a percentage of total generation because of the addition of Hawthorn Nos. 6 through 9. Natural gas has a significantly higher fuel cost per mmBtu of generation than coal or nuclear fuel.
- Increased expenses because of the write-off of $4.3 million of billings for November and December 2000 sales to one of KCPL's larger customers because of their Chapter 11 bankruptcy filing on February 7, 2001. Additional unpaid billings of about $2 million were incurred after January 1, 2001, but prior to the bankruptcy and will be written off in the first quarter of 2001. Billings subsequent to the bankruptcy are being paid weekly. Any recoveries from this bankruptcy proceeding will be recorded in income when received.
- Increased depreciation expenses mostly due to increased depreciation of capitalized computer software for internal use and normal increases in depreciation from capital additions.
- Increased interest expenses due to higher average levels of borrowing and higher average interest rates.

Contributing to the other factors impacting KCPL's EPS contribution in 1999 compared to 1998 are the following:

- Decreased retail sales primarily due to cooler summer weather in 1999, despite intense heat in July 1999, compared to 1998 partially offset by continued load growth.
- The impact of the unavailability of Hawthorn No. 5 (see discussion below).
- Increased operating expenses in 1999 compared to 1998, excluding the impact of the unavailability of Hawthorn No. 5.

Assuming normal weather and operating conditions, KCPL originally estimated a net increase in expenses of $31 million before taxes in 2000 because of the unavailability of Hawthorn No. 5. Due to the abnormal weather (warmer in the summer and colder in the winter) and significantly higher prices of natural gas, oil and purchased power, actual expenses significantly exceeded the projection. These higher prices increased expenses by about $45 million. While the exact impact of the unavailability of Hawthorn No. 5 with respect to these higher prices cannot be determined, a significant portion of this additional expense can be attributed to the Hawthorn No. 5 outage.

KCPL estimated for the year 1999, excluding the impact of the July heat storm, a net increase in expenses of $10 million before taxes due to the February 17, 1999, Hawthorn No. 5 explosion. Weather during July 1999 was abnormal. Intense and prolonged heat during the last half of July 1999 contributed to a reduction of KCPL's EPS contribution of $0.18. A portion of this reduction in EPS can be attributed to the unavailability of Hawthorn No. 5. However, it is not possible to estimate the impact of the unavailability of Hawthorn No. 5 on that portion of the reduction in EPS that resulted from the July 1999 heat storm.

Assuming normal weather and operating conditions, KCPL estimates a net increase in expenses of $3 million before taxes for the year 2001 because of the unavailability of Hawthorn No. 5. This estimate mainly includes the effect of increased net replacement power costs, reduced bulk power sales and reduced fuel expense at Hawthorn No. 5.

KCPL Megawatt-hour (Mwh) Sales and Electric Sales Revenues

	2000 compared to 1999		1999 compared to 1998	
	Mwh	Revenues	Mwh	Revenues
	(revenue change in millions)			
Retail:				
Residential	10 %	$ 28	(3)%	$(10)
Commercial	7 %	19	1 %	(5)
Industrial	0	8	(1)%	1
Other	9 %	0	2 %	0
Total retail	6 %	55	(1)%	(14)
Sales for resale:				
Bulk power sales	(25)%	(5)	(38)%	(26)
Other	4 %	0	(1)%	0
Total		50		(40)
Other revenues		5		(2)
KCPL electric sales revenues		$ 55		$(42)

In 1999, the Missouri Public Service Commission (MPSC) approved a stipulation and agreement that called for KCPL to reduce its annual Missouri electric revenues by 3.2%, or about $15 million effective March 1, 1999. Revenues decreased by approximately $2 million in 2000 as a result of the Missouri rate reduction. As part of the stipulation and agreement, KCPL, MPSC Staff or the Office of Public Counsel will not file any case with the Commission requesting a general increase or decrease, rate credits or rate refunds that would become effective prior to March 1, 2002.

The Kansas Corporation Commission (KCC) approved a rate settlement agreement, effective January 1, 1998, authorizing a $14.2 million annual revenue reduction and an annual increase in depreciation expense of $2.8 million. Pending the approval of a new Kansas rate design, KCPL accrued $14.2 million during 1998 for refund to customers. The new rate design was approved in December 1998 and directed KCPL to refund, starting March 1, 1999, the $14.2 million accrued during 1998, plus the amount that KCPL accrued for January and February 1999.

In 2000, retail revenues reached their highest level in KCPL's history. Retail mwh sales increased in 2000 compared to 1999 primarily due to the impacts of weather and continued load growth. Load growth consists of higher usage-per-customer and the addition of new customers. KCPL set a record summer peak demand for the consumption of energy of 3,374 megawatts on August 28, 2000. KCPL also set a record winter peak of 2,382 megawatts on December 18, 2000. In addition, industrial revenues increased because KCPL was able to pass through its higher costs of fuel and purchased power to certain industrial customers under special contracts. In December 2000, three major customers under special contract chose to cancel their special contract pricing and be billed under KCPL's existing tariff rate structure. Also, one of KCPL's larger customers filed for bankruptcy on February 7, 2001, and will close its Kansas City, Missouri facilities. KCPL expects that the lost megawatt-hour sales as a result of this closure will improve future earnings through a combination of reduced purchased power costs during high load conditions and the sale of the electricity to other customers at higher rates during other periods. Milder than normal weather decreased retail mwh sales in 1999 compared with 1998, but the decrease was partially offset by continued load growth. Less than 1% of revenues include an automatic fuel adjustment provision.

Bulk power sales vary with system requirements, generating unit and purchased power availability, fuel costs and requirements of other electric systems. The unavailability of Hawthorn No. 5 contributed to decreased bulk power mwh sales of 25% in 2000 and 38% in 1999. However, the average price per

mwh of bulk power sales in 2000 increased 17% from 1999, partially offsetting the effect of lower bulk power mwh sales on revenues.

KCPL Fuel and Purchased Power

Fuel costs increased by $23.8 million in 2000 compared to 1999 primarily due to the addition of gas-fired generation and higher costs per mmBtu of natural gas and oil. In 2000, KCPL added 294 megawatts of natural gas-fired generation with the completion of Hawthorn Nos. 7, 8 and 9. This increase in generation capacity replaced more expensive purchased power contracts. Natural gas has a significantly higher cost per mmBtu of generation than coal or nuclear fuel. In addition, the cost of natural gas and oil increased considerably in 2000 resulting in about a $13 million increase in 2000 fuel costs compared to 1999. Fuel costs decreased by $14.0 million in 1999 compared to 1998 primarily due to decreased fuel costs at Hawthorn No. 5 as a result of the February 1999 explosion.

During 2000, fossil plants represented about 72% and the nuclear plant about 28% of total generation. During 1999, fossil plants represented about 71% and the nuclear plant about 29% of total generation. Nuclear fuel costs per mmBtu remain substantially less than the mmBtu price of coal. KCPL expects the price of nuclear fuel to remain fairly constant through the year 2003. KCPL's coal procurement strategies continue to provide coal costs below the regional average.

Purchased power expenses increased $11.0 million in 2000 compared to 1999 primarily due to the unavailability of Hawthorn No. 5 and higher customer demand. In addition, excluding the impact of the July 1999 heat storm, the cost per mwh of purchased power increased by 66% in 2000 from 1999 resulting in higher purchased power energy costs primarily due to the addition of new natural gas-fired generation throughout the country. The cost per mwh for purchased power is significantly higher than the fuel cost per mwh of generation. Purchased power expenses increased $31.1 million in 1999 compared to 1998 primarily due to the July 1999 heat storm and the unavailability of Hawthorn No. 5. As a result of the intense and prolonged heat in the Midwest during the last half of July 1999 and the unavailability of Hawthorn No. 5, KCPL incurred purchased power costs of $35.1 million in July 1999, an increase of $25.1 million over July 1998.

KCPL Other (including other operating, maintenance and general tax expenses)

Other expenses for 2000 increased about $30 million or 9% from 1999 primarily due to the following:

- - Production expenses increased because of the cost of replacement power insurance incurred during the summer months of 2000, energy costs incurred during the test runs at Hawthorn Nos. 7, 8 and 9 and increased production training costs. Production expenses also increased due to operating and lease expenses for Hawthorn No. 6, which was placed into commercial operation in July 1999, and higher operating expenses at certain generating units. Partially offsetting this increase was a decrease in operating expenses at the Wolf Creek Generating Station, a nuclear unit.
- - Administrative and general expenses increased primarily due to increased salary expenses for implementation of system applications and increased legal costs partially offset by the impact of the changes in pension accounting.
- - Production maintenance expenses increased $6.8 million in 2000. These expenses vary primarily due to the timing of scheduled maintenance at KCPL's generating units.
- - Distribution expenses increased primarily due to $3.5 million of costs incurred as a result of July and August 2000 storm damage.

- - Other operating expenses decreased about $4 million because of the October 1999 sale of accounts receivable to KCPL Receivable Corporation. Bad debt expenses associated with the receivables were reflected as other operating expenses prior to the sale and are reflected as other expenses subsequent to the sale.

Other expenses for 1999 declined slightly from 1998 and were impacted by the following:
- - Hawthorn No. 5's other operation and maintenance expenses decreased because of the February 1999 explosion.
- - Production maintenance expenses decreased $10.1 million in 1999. These expenses vary primarily due to the timing of scheduled maintenance at KCPL's generating units.
- - Administrative and general expenses increased primarily due to increased salary expenses for implementation of system applications. A portion of the 1998 salary expenses were able to be capitalized during the development of these applications.
- - Customer accounts expenses for meter reading and customer record keeping increased in 1999.

KCPL Other Income and Expenses

KCPL's other expenses increased in 2000 to $16.3 million from $8.8 million in 1999 primarily because of a $4 million increase in net expenses resulting from the continued installation of streetlights for the City of Kansas City. In addition, the October 1999 sale of accounts receivable to KCPL Receivable Corporation increased expenses by about $4 million in 2000. Bad debt expenses associated with the receivables were reflected as other operating expenses prior to the sale and are reflected as other expenses subsequent to the sale. Other expenses also increased by $4.3 million because of the write-off of billings to KCPL's largest customer as a result of its bankruptcy filing. These increased expenses were partially offset by a $3.0 million decline in merger-related expenses in 2000 from 1999. KCPL's other expenses decreased in 1999 to $8.8 million from $16.2 million in 1998 primarily due to a $11.4 million decline in merger-related expenses in 1999 from 1998.

KCPL Interest Charges

KCPL's long-term debt interest expense increased to $48.5 million in 2000 from $40.6 million in 1999, reflecting higher average levels of outstanding long-term debt and higher average interest rates on variable rate debt. The higher average levels of debt primarily reflect $200 million of unsecured, floating rate medium-term notes issued by KCPL in March 2000 and $250 million of unsecured fixed-rate senior notes issued in December 2000, partially offset by $52.5 million of scheduled debt repayments by KCPL.

KCPL uses interest rate swap and cap agreements to limit the volatility in interest expense on a portion of its variable-rate, long-term debt. Although these agreements are an integral part of interest rate management, the incremental effect on interest expense and cash flows is not significant. KCPL does not use derivative financial instruments for speculative purposes.

Short-term debt interest expense increased to $11.1 million in 2000 from $3.2 million in 1999 and $0.3 million in 1998 reflecting higher average levels of outstanding short-term debt by KCPL. KCPL primarily used the proceeds from the issuance of senior notes to reduce the outstanding commercial paper to $55.6 million at December 31, 2000. KCPL had $214.0 million of commercial paper outstanding at December 31, 1999 and no outstanding commercial paper at December 31, 1998.

Wolf Creek

Wolf Creek is one of KCPL's principal generating units, representing about 17% of KCPL's 2000 generating capacity, which excludes the Hawthorn No. 5 generating unit. The plant's operating performance has remained strong over the last three years, contributing about 29% of KCPL's annual mwh generation while operating at an average capacity of 93%. Furthermore, Wolf Creek has the lowest fuel cost per mmBtu of any of KCPL's generating units.

KCPL accrues the incremental operating, maintenance and replacement power costs for planned outages evenly over the unit's operating cycle, normally 18 months. As actual outage expenses are incurred, the refueling liability and related deferred tax asset are reduced. Wolf Creek's next refueling and maintenance outage is scheduled for the spring of 2002 and is estimated to be a 30-day outage.

Wolf Creek's assets represent about 34% of utility total assets and its operating expenses represent about 19% of utility operating expenses. No major equipment replacements are currently projected. An extended shut-down of Wolf Creek could have a substantial adverse effect on KCPL's business, financial condition and results of operations because of higher replacement power and other costs. Although not expected, the Nuclear Regulatory Commission could impose an unscheduled plant shut-down, reacting to safety concerns at the plant or other similar nuclear units. If a long-term shut-down occurred, the state regulatory commissions could reduce rates by excluding the Wolf Creek investment from rate base.

Ownership and operation of a nuclear generating unit exposes KCPL to risks regarding decommissioning costs at the end of the unit's life and to potential retrospective assessments and property losses in excess of insurance coverage. These risks are more fully discussed in the related sections of Notes 1 and 5 to the Consolidated Financial Statements.

KCPL Projected Construction Expenditures

Total utility capital expenditures, excluding allowance for funds used during construction, were $401.0 million in 2000. The utility construction expenditures, excluding expenditures by the new unregulated generation subsidiary and the Hawthorn No. 5 rebuild, are projected for the next five years as follows:

	Projected Construction Expenditures					
	2001	2002	2003	2004	2005	Total
	(millions)					
Generating facilities	$ 46	$ 31	$ 19	$ 25	$ 20	$ 141
Nuclear fuel	20	1	20	19	1	61
Distribution and transmission facilities	80	76	75	61	62	354
General facilities	17	7	4	4	4	36
Total	$ 163	$ 115	$ 118	$ 109	$ 87	$ 592

This construction expenditure plan is subject to continual review and change.

On February 17, 1999, an explosion occurred at the 476-megawatt, coal-fired Hawthorn No. 5 unit. The boiler, which was not operating at the time, was destroyed, but there were no injuries. KCPL's investigation indicates that an explosion of accumulated gas in the boiler's firebox caused the damage. KCPL has property insurance coverage with limits of $300 million. Through December 31, 2000, KCPL has received $130 million in insurance recoveries under this coverage and has recorded the recoveries in Utility Plant - accumulated depreciation on the consolidated balance sheet.

KCPL has entered into a contract for construction of a new coal-fired boiler to permanently replace the lost capacity of Hawthorn No. 5. Expenditures, excluding capitalized interest, for rebuilding Hawthorn No. 5, were $207.6 million in 2000, $35.6 million in 1999 and are projected to be about $73 million in 2001. These amounts have not been reduced by the insurance proceeds received to date or future proceeds to be received. Construction on the new unit, expected to have a capacity of 550 megawatts, is progressing and is on target to be on-line in June 2001.

KLT Inc. Operations

KLT Inc. Business Overview

KLT Inc., an unregulated subsidiary, pursues business ventures in higher growth businesses. Existing ventures include investments in telecommunications, natural gas development and production, energy services and affordable housing limited partnerships. The Company's investment in KLT Inc. was $119 million at December 31, 2000 and December 31, 1999 and increased to $150 million on February 6, 2001.

Telecommunications
At December 31, 2000, KLT Telecom owned 47% of DTI Holdings, Inc. (acquired in 1997), the parent company of Digital Teleport, Inc. (DTI), a facilities-based telecommunications company. Through utilization of a $94 million bridge loan from KLT Telecom, DTI successfully completed a tender offer to restructure its debt on February 1, 2001, reducing interest costs and improving cash flow going forward. On February 8, 2001, KLT Telecom increased its ownership from 47 percent to 84 percent of DTI Holdings, Inc. See Note 15 to the Consolidated Financial Statements for further information.

The strategic design of the DTI network allows DTI to offer reliable, high-capacity voice and data transmission services, on a region-by-region basis, to primary carriers and end-user customers who seek a competitive alternative to existing providers. DTI's network infrastructure is designed to provide reliable customer service through back-up power systems, automatic traffic re-routing and computerized automatic network monitoring. If the network experiences a failure of one of its links, the routing intelligence of the equipment transfers traffic to the next choice route, thereby ensuring delivery without affecting customers. DTI currently provides services to other communication companies including Tier 1 and Tier 2 carriers. DTI also provides private line services to targeted business and governmental end-user customers. DTI Holdings estimates total capital expenditures in excess of $250 million to complete its network.

Natural Gas Development and Production
KLT Gas Inc.'s business strategy is to acquire and develop early stage coalbed methane properties and then divest properties in order to create shareholder value. KLT Gas believes that coalbed methane production provides an economically attractive alternative source of supply to meet the growing demand for natural gas in North America and has built a knowledge base in coalbed methane production and reserves evaluation. Therefore, KLT Gas focuses on coalbed methane; a niche in the natural gas industry where it believes its expertise gives it a competitive advantage. Coalbed methane, with a longer, predictable reserve life, is inherently lower risk than conventional gas exploration. While gas prices have been volatile recently and are unlikely to continue to increase at levels experienced over the past year, KLT Gas continues to believe the long-term future price scenarios for natural gas appear strong. Environmental concerns and the increased demand for natural gas for new electric generating capacity are contributing to this projected growth in demand.

In 2000, KLT Gas completed sales of a portion of its coalbed methane properties for total proceeds of $237.2 million resulting in an after tax gain of $68.0 million ($1.10 per share). The sales consisted of

interests in 240 wells and 81,000 acres of producing natural gas properties. After the sales, KLT Gas' remaining properties are located in Colorado, Texas, Wyoming, Oklahoma, Kansas, Montana and North Dakota. The properties cover approximately 173,000 undeveloped acres.

Energy Services

Strategic Energy LLC (SEL) is an energy services provider that operates in the newly deregulated electricity markets of Pennsylvania, Southern California, Ohio and New York. SEL began operations in 1987 as an energy consulting firm. In 1999, KLT Energy Services acquired a 56% ownership interest (49% of the voting interest) in SEL. In 2000, KLT Energy Services invested an additional $6.9 million to increase its ownership interest to 72% (69% of the voting interest). In 2001, in exchange for its $5.6 million preferred stock ownership in an energy services company, KLT Energy Services received additional shares of SEL increasing its ownership and voting interests to 83%.

As a result of dramatic changes in the electricity and natural gas markets, and on the strength of SEL's value to its customers, revenues have grown from $7 million in 1998, to $62 million in 1999, and to $130 million in 2000. The consolidated income statements only reflect the year 2000 revenues because SEL was only consolidated as of January 1, 2000. It was recorded on an equity basis in 1999.

SEL acts as an energy manager in deregulated markets on behalf of over 7,000 commercial and industrial customers. SEL enters into long term contracts (1-5 years) with customers to supply energy and manage their energy needs. For this service they receive an ongoing management fee plus the contracted price for the electricity and natural gas. SEL purchases energy in the wholesale markets to meet its customers energy needs. On occasion, SEL must purchase small blocks of power prior to the sales contract in order to quote stable pricing to new potential customers. SEL has deployed strong professional risk management practices and strategies to manage this market risk.

SEL's supplier and customer base are both very diverse. Suppliers include small and large energy generators across the country. Customers include numerous Fortune 500 companies, school districts, and governmental entities. Its customer base is currently concentrated in the four previously mentioned deregulated states, with the largest concentration being in Pennsylvania with approximately 300 megawatts of its total 485 megawatt load.

KLT Inc. Earnings Overview

The following table and discussion highlight significant factors affecting KLT Inc.'s contribution to consolidated EPS for the years 2000, 1999 and 1998.

	For the year ended December 31		
	2000	1999	1998
	(earnings per share)		
KLT Inc. normal operations	$ 1.55	$ 0.30	$ 0.24
Realized loss on CellNet stock	(0.05)	0	0
Sale of Nationwide Electric	0	0.20	0
Write-down of Lyco investment	0	(0.03)	0
Write-off of a note receivable	0	(0.05)	0
KLT Power transactions	0	0	(0.02)
KLT Telecom - Digital Teleport Inc.	(0.14)	(0.24)	(0.09)
KLT Telecom - Telemetry Solutions	0	(0.20)	(0.06)
KLT Inc. EPS contribution	$ 1.36	$(0.02)	$ 0.07

In 2000, KLT Gas recorded a gain on sales of property increasing KLT Inc.'s normal operations earnings per share by $1.10 as a result of KLT Gas' sale of producing natural gas properties. KLT Inc.'s normal operations earnings per share also increased primarily due to improved earnings from KLT Gas' investments in natural gas development and production, and income from SEL.

In 2000, KLT Investments II wrote off its investment of $4.8 million before taxes in CellNet Data Systems Inc. Through December 31, 1999, $3.8 million before taxes, or $0.04 per share, of this loss had been reported as an unrealized loss in the Consolidated Statements of Comprehensive Income. Also in 2000, KLT Telecom recorded equity losses on its investment in DTI Holdings, Inc. of $14.3 million. At June 30, 2000, the equity investment in DTI Holdings, Inc. had been completely written down. However, additional equity losses of $0.4 million were recorded because KLT Telecom purchased $3.2 million of DTI bonds in 2000.

In 1999, KLT Energy Services sold all of the stock it held in Nationwide Electric, Inc., resulting in a gain of $19.8 million. Also in 1999, because Telemetry Solutions' subsidiaries were unable to bring their products to market, KLT Telecom decided to cease funding Telemetry Solutions and wrote off its investment. (Both the write off of the investment ($0.13 per share) and the operating losses incurred prior to the write off are included on the KLT Telecom - Telemetry Solutions line in the earnings per share table above).

KLT Inc. Operating Income

KLT Inc.'s operating income increased $131.4 million in 2000 from 1999 primarily due to a $110.6 million before tax gain on property recorded by KLT Gas on the sale of natural gas producing properties. Also in 2000, KLT Energy Services increased its ownership interest in SEL to 72% and began consolidating SEL's operations. In 1999, KLT Energy Services reported SEL as an equity method investment only.   The consolidation of SEL added about $15 million to KLT Inc.'s operating income in 2000, which after taxes and minority interests resulted in about $6 million of net income.

KLT Inc. Other Income and Expenses

KLT Inc.'s other income and expenses decreased to $0.3 million of expense in 2000 compared to $1.1 million of income in 1999 primarily due to minority interests in SEL recorded in 2000 of $4.4 million because KLT Energy Services began consolidating SEL in 2000 and $4.8 million of realized losses on an investment in CellNet. These decreases were partially offset by an increase in interest and dividend income of $4.2 million and unrealized gains of $3.8 million on trading securities acquired in 2000. KLT Inc.'s other income decreased in 1999 compared to 1998 primarily due to decreased dividend and interest income of $4.2 million because in 1998 KLT Power received dividend income on an investment prior to the sale of the common stock of KLT Power.

KLT Inc. Taxes

KLT Inc.'s income taxes increased in 2000 compared to 1999 primarily because of $42.6 million in income tax expense incurred by KLT Gas on the gain from the sale of natural gas producing properties. KLT Inc. accrued tax credits of $26.7 million in 2000, $28.2 million in 1999 and $25.1 million in 1998 related to investments in affordable housing limited partnerships and natural gas investments.

HSS Operations

HSS, an unregulated subsidiary, pursues business ventures primarily in residential services. HSS has a 49% ownership in R.S. Andrews Enterprises, Inc. (RSAE), a consumer services company in Atlanta,

Georgia. Additionally, Worry Free Service, Inc., a wholly owned subsidiary of HSS, assists residential customers in obtaining financing primarily for heating and air conditioning equipment.

The Company's investment in HSS was $46.3 million at December 31, 2000, and December 31, 1999. HSS' loss for 2000 totaled $13.5 million ($0.22 per share) compared to a loss of $3.7 million ($0.06 per share) for 1999 and a loss of $0.1 million for 1998. HSS' increased loss for 2000 was primarily due to writing down its investment in RSAE and continuing equity losses on this investment. At December 31, 2000, the Company's accumulated losses were $18.0 million on its investment in HSS.

New Unregulated Generation Subsidiary

A new unregulated generation subsidiary will focus on fossil fuel-fired electric generation in the central part of the U.S. Five combustion turbines have already been ordered by KCPL to add 385 megawatts of peaking capacity to serve the region and a sixth combustion turbine will be ordered at a later date. The Company currently plans to transfer these units to the new unregulated subsidiary later this year after the holding company structure is approved. The new subsidiary anticipates that five of the combustion turbines will be placed in service in 2003 and one in 2005. The new subsidiary's construction expenditures, excluding capitalized interest, are projected for the next five years as $61 million in 2001, $62 million in 2002, $39 million in 2003, $11 million in 2004, and $3 million in 2005. Operating leases may be used to replace some of these expenditures. A significant portion of the output from these units will be sold to KCPL.

Other Consolidated Discussion

Significant Consolidated Balance Sheet Changes (December 31, 2000 compared to December 31, 1999)

- Receivables increased $43.8 million primarily due to $31.5 million in receivables recorded by KLT Energy Services due to the consolidation of SEL and a $18.5 million increase in a receivable from KCPL Receivable Corporation. Because of a colder than normal November and December 2000, there were higher customer accounts receivable available to sell to KCPL Receivable Corporation. These increases were partially offset by decreased receivables of $6.0 million from partners in jointly-owned plants.
- Equity securities of $18.6 million include $10.0 million in common stock received as proceeds in the sale of natural gas properties to Evergreen Resources, Inc. by KLT Gas and $4.8 million of a publicly-traded common stock purchased by KLT Energy Services in September 2000 under an option agreement. These common stock holdings increased in value by $3.8 million since acquisition.
- Gas property and investments decreased $48.5 million primarily because of the sales of KLT Gas properties in 2000 partially offset by additional expenditures.
- Other investments and nonutility property decreased $43.1 million in part due to $18.8 million in losses incurred by HSS on its investment in RSAE because of writing down its investment and continuing equity losses on this investment. Also contributing to this decrease was a $20.2 million decrease in KLT Inc.'s investments including:
  - $ 7.3 million decrease due to increased ownership in SEL resulting in a change in the accounting for SEL from the equity method to consolidation,
  - $ 11.2 million decrease due to $14.3 million in equity losses from the investment in Digital Teleport Inc., partially offset by a purchase of DTI bonds in 2000.
- Utility plant - construction work in process increased $151.0 million primarily due to increases of $218.6 million, including $11.0 million of capitalized interest, at Hawthorn No. 5 for rebuilding the

boiler partially offset by amounts related to the construction of Hawthorn Nos. 7, 8 and 9 which were placed into commercial service in 2000. Hawthorn Nos. 7, 8 and 9 had $45.1 million in construction work in process at December 31, 1999.

- Prepaid pension costs of $68.3 million were recorded because KCPL changed its methods of accounting for pension expenses (see Note 3 to the Consolidated Financial Statements).
- Other deferred charges increased $8.6 million primarily due to increased goodwill resulting from KLT Energy Services' purchase of an additional ownership interest in SEL and the change in accounting for SEL from the equity method to consolidation.
- Notes payable to banks decreased $24.7 million because KLT Gas repaid its notes payable in 2000.
- Commercial paper decreased $158.4 million due to repayments with the proceeds from the long-term debt issuances partially offset by additional commercial paper borrowings as expenditures exceeded cash receipts.
- Current maturities of long-term debt decreased $35.2 million reflecting the repayment of KLT Inc.'s bank credit agreement, which was $61.0 million at December 31, 1999, with the proceeds from the sale of certain gas producing properties partially offset by a $27.5 million increase in the current portion of KCPL's medium-term notes.
- Accounts payable increased $89.9 million primarily due to $22.4 million in accounts payable recorded by KLT Energy Services due to the consolidation of SEL, $23.0 million in accounts payable recorded by KLT Gas for the current portion of the cost to reduce its hedge position on natural gas sales and other transaction costs, and KCPL's timing of paying December 2000 invoices.
- Accrued taxes increased $13.4 million primarily because of a proposed IRS adjustment regarding COLI.
- Capitalization increased $412.7 million primarily due to KCPL's issuances of $200 million of unsecured medium-term notes and $250 million of unsecured senior notes. Proceeds from these issuances were used to repay outstanding commercial paper. Additionally, the Company recorded net income in excess of dividends declared of $54.4 million, including $30.1 million for the cumulative effect of changes in pension accounting. Partially offsetting these increases in capitalization, KLT Investments reclassified $13.6 million of affordable housing notes to current maturities and KCPL reclassified $80.0 million of long-term debt to current maturities.

Consolidated Capital Requirements and Liquidity

The consolidated company's liquid resources at December 31, 2000, included cash flows from operations; $150 million of registered but unissued debt securities; and $324 million of unused bank lines of credit. The unused lines consisted of KCPL's short-term bank lines of credit of $199 million and KLT Inc.'s bank credit agreement of $125 million.

The Company continues to generate positive cash flows from operating activities. Individual components of working capital will vary with normal business cycles and operations. Also, the timing of the Wolf Creek outage affects the refueling outage accrual, deferred income taxes and amortization of nuclear fuel. Cash from operating activities increased in 2000 from 1999 primarily due to changes in certain working capital items (as detailed in Note 2 to the Consolidated Financial Statements). In addition, the buyout of a fuel contract; the refund of amounts accrued for the Kansas rate refunds; and a payment of $19 million to the IRS to settle certain outstanding issues decreased cash flows from operating activities in 1999. Partially offsetting these changes for 2000, net income before non-cash expenses decreased. The decrease in cash from operating activities in 1999 from 1998 was primarily due to decreased income before non-cash expenses, the significant 1999 cash payments as discussed above and changes in certain working capital items.

Cash used for investing activities varies with the timing of utility capital expenditures and purchases of investments and nonutility property. Cash used for investing activities increased in 2000 compared to 1999 reflecting increased utility capital expenditures for construction projects at the Hawthorn generating station, increased purchases by KLT Gas of natural gas investments and KLT Energy Services' exercise of its option to acquire common stock of a publicly-traded company. The receipt of $50 million of partial insurance recoveries related to Hawthorn No. 5 and proceeds from the sales of KLT Gas properties reduced cash used for investing activities in 2000. Cash used for investing activities increased in 1999 compared to 1998 primarily because of increased utility capital expenditures, increased utility plant net removal costs and increased expenditures for natural gas nonutility property. Proceeds from the sale of Nationwide Electric, Inc. stock by KLT Energy Services and $80 million in partial insurance recoveries related to Hawthorn No. 5 partially offset these increases in 1999.

Cash from financing activities increased in 2000 primarily because KCPL issued $200 million of unsecured medium-term notes and $250 million of unsecured senior notes in 2000. KLT Gas borrowed $51 million on a new bank credit agreement and repaid the amount in full in 2000. Also, KCPL's scheduled debt repayments were about $17 million lower in 2000 than in 1999. Furthermore, KCPL's short-term borrowings increased in 2000. However, the increase was more than offset by the repayment with proceeds from the unsecured note issuances. Partially offsetting these increases, KLT Inc. repaid borrowings on its bank credit agreement, which was $61.0 million at December 31, 1999, with proceeds from the sales of KLT Gas properties. Cash used for financing activities decreased in 1999 compared to 1998 primarily due to $214 million of commercial paper that KCPL borrowed during 1999. Partially offsetting this decrease, KCPL redeemed $50 million of preferred stock in 1999.

On October 20, 2000, Standard and Poor's Corporation lowered its long-term credit rating on KCPL secured debt to A- from A and lowered its short-term credit rating to A-2 from A-1. The outlook was changed from negative to stable. Moody's Investors Service's long-term credit rating on KCPL is A1 and its short-term credit rating is P-1. On December 4, 2000, Moody's put KCPL on credit watch for a possible downgrade.

The Company's common dividend payout ratio was 81% (excluding the cumulative effect of changes in accounting principles) in 2000, 132% in 1999 and 87% in 1998. See KCPL and KLT Inc. Earnings Overview sections for discussion of significant factors impacting EPS in 2000, 1999 and 1998.

The consolidated company expects to meet day-to-day operations, utility construction requirements (excluding new generating capacity) and dividends with internally-generated funds. But the Company 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 needed to retire $713 million of maturing debt through the year 2005 will be provided from operations, refinancings and/or short-term debt. The Company may issue additional debt and/or additional equity to finance growth or take advantage of new opportunities.

Environmental Matters

The Company's operations must comply with federal, state and local environmental laws and regulations. The generation and transmission of electricity produces and requires disposal of certain products and by-products, including polychlorinated biphenyl (PCBs), asbestos and other hazardous materials. The Federal Comprehensive Environmental Response, Compensation and Liability Act (the Superfund law) imposes strict joint and several liability for those who generate, transport or deposit

hazardous waste. In addition, the current owner of
contaminated property, as well as prior owners since the time of
contamination, may be liable for cleanup costs.

The Company continually conducts environmental audits to detect
contamination and ensure compliance with governmental regulations.
However, compliance programs need to meet new and future environmental
laws, as well as regulations governing water and air quality,
including carbon dioxide emissions, nitrogen oxide emissions,
hazardous waste handling and disposal, toxic substances and the
effects of electromagnetic fields. Therefore, compliance programs
could require substantial changes to operations or facilities (see
Note 5 to the Consolidated Financial Statements).

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The consolidated company is 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, the Company also faces 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.

Commodity Risk

KCPL and KLT Energy Services, through its majority-owned subsidiary, Strategic Energy, L.L.C. (SEL), engage in the wholesale and retail marketing of electricity, and accordingly, are exposed to risk associated with the price of electricity.

KCPL's wholesale operations include the physical delivery and marketing of power obtained through its generation capacity and long, intermediate and short-term contracts. KCPL maintains a net positive supply of energy and capacity, through its generation assets and power purchase and lease agreements, to protect it from the potential operational failure of one of its owned or contracted power generating units. Including the proposed capacity for the rebuilt Hawthorn No. 5, KCPL's expected reserve margin will approximate 16% of its capacity. However, as necessary, KCPL enters into power purchase agreements with the objective of obtaining low-cost energy to meet its physical delivery obligations to its customers. The Company implemented price and volume risk mitigation measures to protect KCPL in the event of a hot summer period. The Company continually evaluates the need for risk mitigation measures in order to minimize KCPL's financial exposure to, among other things, spikes in wholesale power prices during periods of high demand.

KCPL's sales include the regulated sales of electricity to its retail customers and bulk power sales of electricity in the unregulated, wholesale market. There is a moratorium on changes to Missouri retail rates until 2002. A hypothetical 10% increase in the cost of purchased power would have resulted in a $8.0 million decrease in pretax earnings for 2000. A hypothetical 10% increase in gas and oil fuel costs for generation would have resulted in a $4.0 million decrease in pretax earnings for 2000. Because most of KCPL's 2000 coal requirements were met through fixed price contracts, it was not subject to material market price volatility. KCPL has approximately 95% of its forecasted coal requirements under contract for the year 2001. A portion of these contracts are subject to the market price of coal.

SEL provides power supply coordination services purchasing electricity and reselling it to retail end users. SEL aggregates retail customers into economic purchasing pools, develops predictive load models for the pools and then builds a portfolio of suppliers to provide the pools with reliable power at the lowest possible cost. SEL has entered into significant supply contracts with dispatchable and firm power agreements through the year 2005 that mitigate most of the commodity risk associated with its power supply coordination services.

KLT Gas Inc. entered into two firm gas sales agreements and three financial hedge instruments to mitigate its exposure to market price fluctuations on approximately 85% of its daily gas sales. After the sales of producing natural gas properties in 2000, KLT Gas reduced its hedge position on gas sales at a present value cost of $24.9 million. For further discussion of these agreements see Note 13 to the Consolidated Financial Statements.

The Company continues to believe that KCPL and SEL are not "trading organizations" based on their business philosophy, performance measurement and other management activities. If considered "trading organizations", KCPL and SEL's accounting for purchases of electricity would change. Commitments to purchase and sell energy and energy-related products are currently carried at cost. The Company reports the revenue and expense associated with all energy contracts at the time the underlying physical transaction closes consistent with industry practice and the business philosophy of generating/purchasing and delivering physical power to customers.

Interest Rate Risk

KCPL and KLT Inc. have a combination of fixed rate and variable rate debt. Interest rate swap and cap agreements may be entered into with highly rated financial institutions to reduce interest rate exposure on variable rate debt when deemed appropriate, based upon market conditions. Using outstanding balances and annualized interest rates as of December 31, 2000, a hypothetical 10% increase in the interest rates associated with variable rate debt would have resulted in a $3.1 million decrease in pretax earnings for 2000.

Equity Price Risk

KCPL maintains trust funds, as required by the Nuclear Regulatory Commission (NRC), to fund certain costs of decommissioning its nuclear plant. KCPL does not expect nuclear plant decommissioning to start before 2025. As of December 31, 2000, these funds were invested primarily in domestic equity securities and fixed income securities and are reflected at fair value on the Consolidated Balance Sheets. The mix of securities is designed to provide returns to be used to fund decommissioning and to compensate for inflationary increases in decommissioning costs. However the equity securities in the trusts are exposed to price fluctuations in equity markets, and the value of fixed rate fixed income securities are exposed to changes in interest rates. Investment performance and asset allocation are periodically reviewed. A hypothetical increase in interest rates resulting in a hypothetical 10% decrease in the value of the fixed income securities would have resulted in a $3.4 million reduction in the value of the decommissioning trust funds. A hypothetical 10% decrease in equity prices would have resulted in a $2.3 million reduction in the fair value of the equity securities as of December 31, 2000. KCPL's exposure to equity price market risk associated with the decommissioning trust funds is in large part mitigated due to the fact that KCPL is currently allowed to recover its decommissioning costs in its rates.

KLT Energy Services and KLT Gas own common stock of certain companies with a cost basis of $14.8 million. These equity securities are considered trading securities and as such have been recorded at their fair value of $18.6 million at December 31, 2000. These equity securities are exposed to price fluctuations in equity markets. A hypothetical 10% decrease in equity prices would have resulted in a $1.9 million reduction in the fair value of these equity securities as of December 31, 2000.

ITEM 8. CONSOLIDATED FINANCIAL STATEMENTS

KANSAS CITY POWER & LIGHT COMPANY
Consolidated Statements of Income

Year Ended December 31	2000	1999 (thousands)	1998
Operating Revenues			
Electric sales revenues	$ 1,063,804	$ 897,393	$ 938,941
Gas sales revenues	48,297	20,814	9,063
Other revenues	3,767	3,275	24,658
Total	1,115,868	921,482	972,662
Operating Expenses			
Fuel	153,144	129,255	143,349
Purchased power	190,171	94,697	63,618
Gas purchased and production expenses	30,396	11,125	5,392
Other	249,926	220,534	233,231
Maintenance	74,466	62,589	70,998
Depreciation	132,378	123,269	117,913
(Gain) Loss on property	(99,118)	1,200	1,420
General taxes	92,228	93,051	93,636
Total	823,591	735,720	729,557
Operating income	292,277	185,762	243,105
Losses from equity investments	(19,441)	(24,951)	(11,683)
Other income and expenses	(15,353)	(7,382)	(6,160)
Interest charges	75,686	68,334	71,740
Income before income taxes and cumulative effect of changes in accounting principles	181,797	85,095	153,522
Income taxes	53,166	3,180	32,800
Income before cumulative effect of changes in accounting principles	128,631	81,915	120,722
Cumulative effect to January 1, 2000, of changes in accounting principles, net of income taxes (Note 3)	30,073	0	0
Net income	158,704	81,915	120,722
Preferred stock dividend requirements	1,649	3,733	3,884
Earnings available for common stock	$ 157,055	$ 78,182	$ 116,838
Average number of common shares outstanding	61,864	61,898	61,884
Basic and diluted earnings per common share before cumulative effect of changes in accounting principles	$ 2.05	$ 1.26	$ 1.89
Cumulative effect to January 1, 2000, of changes in accounting principles	0.49	0	0
Basic and diluted earnings per common share	$ 2.54	$ 1.26	$ 1.89
Cash dividends per common share	$ 1.66	$ 1.66	$ 1.64

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

KANSAS CITY POWER & LIGHT COMPANY
Consolidated Balance Sheets

At December 31	2000	1999
	(thousands)	
ASSETS		
Current Assets		
Cash and cash equivalents	$ 34,877	$ 13,073
Receivables	115,356	71,548
Equity securities	18,597	0
Fuel inventories, at average cost	20,802	22,589
Materials and supplies, at average cost	46,402	46,289
Deferred income taxes	737	2,751
Other	14,455	6,086
Total	251,226	162,336
Investments and Nonutility Property		
Affordable housing limited partnerships	98,129	104,260
Gas property and investments	47,654	96,191
Nuclear decommissioning trust fund	56,800	51,552
Other	81,624	124,701
Total	284,207	376,704
Utility Plant, at Original Cost		
Electric	3,832,655	3,628,120
Less-accumulated depreciation	1,645,450	1,516,255
Net utility plant in service	2,187,205	2,111,865
Construction work in progress	309,629	158,616
Nuclear fuel, net of amortization of $110,014 and $108,077	30,956	28,414
Total	2,527,790	2,298,895
Deferred Charges		
Regulatory assets	139,456	137,908
Prepaid pension costs	68,342	0
Other deferred charges	22,870	14,299
Total	230,668	152,207
Total	$ 3,293,891	$ 2,990,142
LIABILITIES AND CAPITALIZATION		
Current Liabilities		
Notes payable to banks	$ 0	$ 24,667
Commercial paper	55,600	214,032
Current maturities of long-term debt	93,645	128,858
Accounts payable	158,242	68,309
Accrued taxes	14,402	972
Accrued interest	12,553	15,418
Accrued payroll and vacations	28,257	20,102
Accrued refueling outage costs	1,890	7,056
Other	14,877	13,569
Total	379,466	492,983
Deferred Credits and Other Liabilities		
Deferred income taxes	590,220	592,227
Deferred investment tax credits	50,037	54,333
Other	121,907	111,009
Total	762,164	757,569
Capitalization (see statements)	2,152,261	1,739,590
Commitments and Contingencies (Note 5)		
Total	$ 3,293,891	$ 2,990,142

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

KANSAS CITY POWER & LIGHT COMPANY
Consolidated Statements of Capitalization

At December 31	2000	1999
	(thousands)	
Long-term Debt (excluding current maturities)		
General Mortgage Bonds		
Medium-Term Notes due 2002-08, 7.18% and 6.99% weighted-average rate	$ 206,000	$ 286,000
5.59%* Environmental Improvement Revenue Refunding Bonds due 2012-23	158,768	158,768
Senior Notes		
7.125% due 2005	250,000	0
Unamortized debt discount	(550)	0
Medium-Term Notes		
6.69%* due 2002	200,000	0
Environmental Improvement Revenue Refunding Bonds		
5.55%* Series A & B due 2015	106,500	106,500
4.50% Series C due 2017	50,000	50,000
4.35% Series D due 2017	40,000	40,000
Affordable Housing Notes		
8.29% and 8.35% weighted-average rate due 2002-08	31,129	44,616
Total	1,041,847	685,884
Company-obligated Mandatorily Redeemable Preferred Securities of a trust holding solely KCPL Subordinated Debentures	150,000	150,000
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
$100 Par Value - Redeemable		
4.00%	62	62
Total	39,062	39,062
Common Stock Equity		
Common stock-150,000,000 shares authorized without par value 61,908,726 shares issued, stated value	449,697	449,697
Retained earnings (see statements)	473,321	418,952
Accumulated other comprehensive loss		
Unrealized loss on securities available for sale	0	(2,337)
Capital stock premium and expense	(1,666)	(1,668)
Total	921,352	864,644
Total	$ 2,152,261	$ 1,739,590

* Variable rate securities, weighted-average rate as of December 31, 2000

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

KANSAS CITY POWER & LIGHT COMPANY
Consolidated Statements of Cash Flows

Year Ended December 31	2000	1999	1998
		(thousands)	
Cash Flows from Operating Activities			
Net income	$ 158,704	$ 81,915	$ 120,722
Adjustments to reconcile net income to net cash from operating activities:			
Cumulative effect of changes in accounting principles, net of income taxes	(30,073)	0	0
Depreciation and depletion	132,378	123,269	117,913
Amortization of:			
Nuclear fuel	15,227	15,782	19,146
Other	11,940	12,263	9,071
Deferred income taxes (net)	(29,542)	(26,784)	(2,468)
Investment tax credit amortization	(4,296)	(4,453)	(4,471)
Fuel contract settlement	0	(13,391)	0
Losses from equity investments	19,441	24,951	11,683
Asset impairments	17,775	21,078	6,027
Gain on sale of KLT Gas properties	(110,578)	0	0
Gain on sale of Nationwide Electric, Inc. stock	0	(19,835)	0
Kansas rate refund accrual	0	(14,200)	14,200
Allowance for equity funds used during construction	(4,001)	(2,657)	(3,816)
Other operating activities (Note 2)	16,898	(37,829)	14,656
Net cash from operating activities	193,873	160,109	302,663
Cash Flows from Investing Activities			
Utility capital expenditures	(401,041)	(180,687)	(119,540)
Allowance for borrowed funds used during construction	(12,184)	(3,378)	(2,474)
Purchases of investments	(55,531)	(35,072)	(55,154)
Purchases of nonutility property	(25,466)	(55,792)	(22,611)
Sale of KLT Gas properties	225,958	0	0
Sale of Nationwide Electric, Inc. stock	0	39,617	0
Sale of KLT Power	0	0	53,033
Hawthorn No. 5 partial insurance recovery	50,000	80,000	0
Other investing activities	18,967	(10,316)	8,008
Net cash from investing activities	(199,297)	(165,628)	(138,738)
Cash Flows from Financing Activities			
Issuance of long-term debt	500,445	10,889	7,406
Repayment of long-term debt	(179,858)	(109,060)	(102,680)
Net change in short-term borrowings	(183,099)	228,699	8,757
Dividends paid	(104,335)	(106,662)	(105,475)
Redemption of preferred stock	0	(50,000)	0
Other financing activities	(5,925)	1,513	(2,818)
Net cash from financing activities	27,228	(24,621)	(194,810)
Net Change in Cash and Cash Equivalents	21,804	(30,140)	(30,885)
Cash and Cash Equivalents at Beginning of Year	13,073	43,213	74,098
Cash and Cash Equivalents at End of Year	$ 34,877	$ 13,073	$ 43,213

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

KANSAS CITY POWER & LIGHT COMPANY

Consolidated Statements of Comprehensive Income

Year Ended December 31	2000	1999	1998
		(thousands)	
Net income	$ 158,704	$ 81,915	$ 120,722
Other comprehensive loss:			
Unrealized loss on securities available for sale	0	(3,778)	(2,915)
Income tax benefit	0	1,367	1,054
Net unrealized loss on securities available for sale	0	(2,411)	(1,861)
Reclassification adjustment, net of tax	2,337	0	0
Comprehensive Income	$ 161,041	$ 79,504	$ 118,861

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

Consolidated Statements of Retained Earnings

Year Ended December 31	2000	1999	1998
		(thousands)	
Beginning Balance	$ 418,952	$ 443,699	$ 428,452
Net Income	158,704	81,915	120,722
	577,656	525,614	549,174
Dividends Declared			
Preferred stock - at required rates	1,649	3,911	3,980
Common stock	102,686	102,751	101,495
Ending Balance	$ 473,321	$ 418,952	$ 443,699

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

KANSAS CITY POWER & LIGHT COMPANY
Notes to Consolidated Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company

The consolidated financial statements include the accounts of Kansas City Power & Light Company (KCPL), KLT Inc., Home Service Solutions Inc. (HSS) and a new unregulated generation subsidiary. The consolidated entity is referred to throughout as consolidated or the Company. KCPL is a medium-sized electric utility with more than 467,000 customers at year-end in western Missouri and eastern Kansas. About 95% of KCPL's retail revenues are from the Kansas City metropolitan area, an agribusiness center and major regional center for wholesale, retail and service companies. About 62% of KCPL's 2000 retail megawatt-hour sales were to Missouri customers, the remainder to Kansas customers.

KLT Inc. and HSS are wholly owned, unregulated subsidiaries. The Company formed KLT in 1992 as a holding company for various unregulated business ventures. Existing ventures include investments in energy services, natural gas development and production, telecommunications and affordable housing limited partnerships. The Company formed HSS in 1998 and invested in R.S. Andrews Enterprises, Inc., a consumer services company in Atlanta, Georgia. Also in 1998, HSS acquired through its subsidiary Worry Free Service, Inc. the Worry Free assets from KCPL. Worry Free assists residential customers in obtaining financing primarily for heating and air conditioning equipment. In February 2001, the Company also formed an unregulated generation company.

Currently, the electric utility accounts for about 90% of consolidated assets. Intercompany balances and transactions have been eliminated.

The accounting records conform to the accounting standards set by the Federal Energy Regulatory Commission (FERC) and generally accepted accounting principles. These standards require the use of estimates and assumptions that affect amounts reported in the financial statements and the disclosure of commitments and contingencies.

Reclassifications

Certain reclassifications have been made to previously issued financial statements to conform to the current year presentation. In 2000, the Company modified its consolidated statements of income to report the unregulated subsidiaries' operations in operating revenues and operating expenses. Previously, the unregulated subsidiaries were not included in operating income. The modification does not affect net income. The consolidated balance sheets and statements of capitalization have been reformatted and the investments and nonutility property section of the balance sheet has been expanded. The consolidated statements of cash flows reflect the impact of the changes to the consolidated statements of income.

Cash and Cash Equivalents

Cash and cash equivalents consists of highly liquid investments with original maturities of three months or less.

Fair Value of Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Current Assets and Current Liabilities-The stated value of financial instruments classified as current assets or liabilities approximates fair value due to the short-term nature of the instruments. The equity securities are considered trading securities and are recorded at fair value based on quoted market prices. A $3.8 million net increase in the market values of the trading securities has been recorded in income in 2000.

Investments and Nonutility Property-The nuclear decommissioning trust fund is recorded at fair value. Fair value is based on quoted market prices of the investments held by the fund. The fair value of KLT Investments' affordable housing limited partnership total portfolio, based on the discounted cash flows generated by tax credits, tax deductions and sale of properties approximates book value. However, the fair value of affordable housing limited partnership cost method investments is below book value (see discussion below). The fair values of other various investments are not readily determinable and the investments are therefore stated at cost.

Long-term debt-KCPL's incremental borrowing rate for similar debt was used to determine fair value if quoted market prices were not available. The stated values approximate fair market values.

Investments in Affordable Housing Limited Partnerships

At December 31, 2000, KLT Investments had $98.1 million in affordable housing limited partnerships. About 70% of these investments were recorded at cost; the equity method was used for the remainder. We reduce tax expense 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 (estimated residual value). 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, $66.0 million exceed this 5% level but were made before May 19, 1995.

On a quarterly basis, KLT Investments completes a valuation study of its cost method investments in affordable housing by comparing the cost of those properties to the total of projected residual value of the properties and remaining tax credits to be received. Estimated residual values are based on studies performed by an independent firm. Projected annual reductions of the book cost based on the latest valuation study for the years 2001 through 2005 total $14 million, $9 million, $9 million, $12 million and $7 million, respectively. For the years ended December 31, actual reductions recorded were $2.4 million in 2000 and $1.6 million in 1999. Even after these reductions, earnings from affordable housing are expected to be positive for the next five years.

These projections are based on the latest information available but the ultimate amount and timing of actual reductions made could be significantly different from the above estimates. Also, based on preliminary external information, management believes the assets could be sold at a loss significantly lower than the accumulated reductions to be recorded during the next five years.

Securities Available for Sale

In 2000, CellNet Data System Inc. (CellNet) completed a sale of its assets to a third party. Accordingly, in March 2000, KLT Inc. realized losses on its investment in CellNet of $4.8 million before taxes ($0.05 per share). At December 31, 1999, $3.8 million before taxes of this loss had been reported as an unrealized loss in the Consolidated Statement of Comprehensive Income. The above before tax amounts were reduced by taxes of $1.7 million in 2000 and $1.4 million in 1999.

Prior to realizing the losses, the investment in CellNet had been accounted for as securities available for sale and adjusted to market value, with unrealized gains or (losses) reported as a separate component of comprehensive income. The cost of these securities available for sale that KLT Investments II held as of December 31, 1999 was $4.8 million. Accumulated net unrealized losses were $2.3 million at December 31, 1999.

Utility Plant

Utility plant is stated at historical costs of construction. These costs include taxes, an allowance for funds used during construction (AFDC) and payroll-related costs, including pensions and other fringe benefits. Replacements, improvements and additions to units of property are capitalized. Repairs of property and replacements of items not considered to be units of property are expensed as incurred (except as discussed under Wolf Creek Refueling Outage Costs). When property units are retired or otherwise disposed, the original cost, net of salvage and removal, is charged to accumulated depreciation.

Through December 31, 2000, KCPL has received $130 million in insurance recoveries related to property destroyed in the February 17, 1999 explosion at the Hawthorn No. 5 generating unit. Recoveries received have been recorded in Utility Plant-accumulated depreciation.

AFDC represents the cost of borrowed funds and a return on equity funds used to finance construction projects. AFDC on borrowed funds reduces interest charges. AFDC on equity funds is included as a noncash item in Other income and expenses. The rates used to compute gross AFDC are compounded semi-annually and averaged 7.5% for 2000, 7.7% for 1999, and 9.3% for 1998.

Depreciation is computed using the straight-line method over the estimated lives of depreciable property based on rates approved by state regulatory authorities. Annual depreciation rates average about 3%.

Wolf Creek Refueling Outage Costs

Forecasted incremental costs to be incurred during scheduled Wolf Creek Generating Station (Wolf Creek) refueling outages are accrued monthly over the unit's operating cycle, normally about 18 months. Estimated incremental costs, which include operating, maintenance and replacement power expenses, are based on budgeted outage costs and the estimated outage duration. Changes to or variances from those estimates are recorded when known or probable.

Nuclear Plant Decommissioning Costs

The Missouri Public Service Commission (MPSC) and the Kansas Corporation Commission (KCC) require the owners of Wolf Creek to submit an updated decommissioning cost study every three years. The following table shows the decommissioning cost estimates and the escalation rates and earnings assumptions approved by the MPSC and the KCC in 2000. The decommissioning cost estimates are

based on the immediate dismantlement method and include the costs of decontamination, dismantlement and site restoration. KCPL does not expect plant decommissioning to start before 2025.

	KCC	MPSC
Future cost of decommissioning:		
Total Station	$1.2 billion	$1.5 billion
47% share	$554 million	$694 million
Current cost of decommissioning (in 1999 dollars):		
Total Station	$470 million	$470 million
47% share	$221 million	$221 million
Annual escalation factor	3.60%	4.50%
Annual return on trust assets	6.93%	7.66%

KCPL contributes about $3 million annually to a tax-qualified trust fund to be used to decommission Wolf Creek. These costs are charged to other operating expenses and recovered in billings to customers (rates). These funding levels assume a certain return on trust assets. If the actual return on trust assets is below the anticipated level, KCPL believes a rate increase will be allowed ensuring full recovery of decommissioning costs over the remaining life of the unit.

The trust fund balance, including reinvested earnings, was $56.8 million at December 31, 2000, and $51.6 million at December 31, 1999. The related liabilities for decommissioning are included in Deferred Credits and Other Liabilities - Other.

In 2000, the Financial Accounting Standards Board (FASB) issued an Exposure Draft of a proposed Statement of Financial Accounting Standards, Accounting for Obligations Associated with the Retirement of Long-Lived Assets, that addressed the accounting for decommissioning costs. The FASB expects to issue a final statement during 2001.

If current electric utility industry accounting practices for decommissioning costs change, annual decommissioning expenses could increase and trust fund income from the external decommissioning trusts could be reported as investment income. KCPL cannot predict the effect of any such changes, if any, on results of operations, financial position, or related regulatory practices. However, KCPL does not anticipate results of operations to be significantly affected as long as it is regulated.

Nuclear Fuel

KCPL amortizes nuclear fuel to fuel expense based on the quantity of heat produced during generation of electricity. Under the Nuclear Waste Policy Act of 1982, the Department of Energy (DOE) is responsible for the permanent disposal of spent nuclear fuel. For the future disposal of spent nuclear fuel, KCPL pays the DOE a quarterly fee of one-tenth of a cent for each kilowatt-hour of net nuclear generation delivered and sold. These disposal costs are charged to fuel expense.

A permanent disposal site may not be available for the industry until 2010 or later, although an interim facility may be available earlier. Under current DOE policy, once a permanent site is available, the DOE will accept spent nuclear fuel first from the owners with the oldest spent fuel. As a result, disposal services for Wolf Creek may not be available before 2016. Wolf Creek has an on-site, temporary storage facility for spent nuclear fuel. In early 2000, Wolf Creek completed replacement of spent fuel storage racks to increase its on-site storage capacity for all spent fuel expected to be generated by Wolf Creek through the end of its licensed life in 2025.

Regulatory Assets

FASB Statement No. 71 - Accounting for Certain Types of Regulation, applies to regulated entities whose rates are designed to recover the costs of providing service. Under this statement, KCPL defers on the balance sheet items when allowed by a commission's rate order or when it is probable, based on regulatory past practices, that future rates will recover the amortization of the deferred costs. If FASB 71 were not applicable, the unamortized balance of $139.5 million of KCPL's regulatory assets, net of the related tax benefit, would be written off.

Regulatory Assets	December 31, 2000 (millions)	Amortization ending period
Recoverable taxes	$ 115.0	
Coal contract termination costs	11.3	2003
1996 snowstorm costs	1.8	2001
Decommission and decontaminate federal uranium enrichment facilities	4.5	2007
Premium on redeemed debt	5.7	2023
Other	1.2	2006
Total Regulatory Assets	$ 139.5	

Natural Gas Properties

KLT Gas follows the full cost method of accounting for its natural gas properties. Under the full cost method, all costs of acquisition, exploration and development of natural gas reserves are capitalized regardless of success. Any excess of book value plus costs to develop over the present value (10% discount rate) of estimated future net revenues (at year-end prices) from the natural gas reserves would be expensed.

Depletion, depreciation and amortization of these assets are calculated using the units of production method. The depletion per mmBtu was $0.63 for 2000, $0.42 for 1999 and $0.26 for 1998. Undeveloped leaseholds were included in the depletable base in both years. All natural gas property interests owned by KLT Gas are located in the United States.

Revenue Recognition

The Company uses cycle billing and accrues estimated unbilled revenue at the end of each reporting period.

Asset Impairments

The Company periodically reviews long-lived assets, including intangibles, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. To the extent that there is impairment, analysis is performed based on several criteria, including but not limited to revenue trends, discounted operating cash flows and other operating factors, to determine the impairment amount. In addition, a determination is made by the Company to ascertain whether goodwill has been impaired.

Property Gains and Losses

The Company records net gains and losses from the sales of assets, businesses, and asset impairments in operating expenses.

Income Taxes

The balance sheet includes deferred income taxes for all temporary differences between the tax basis of an asset or liability and that reported in the financial statements. These deferred tax assets and liabilities are determined by using the tax rates scheduled by the tax law to be in effect when the differences reverse.

Regulatory Asset - Recoverable taxes mainly reflects the future revenue requirements necessary to recover the tax benefits of existing temporary differences previously passed through to customers. KCPL records operating income tax expense based on ratemaking principles. However, if the method used for the balance sheet were reflected in the income statement, net income would remain the same.

KCPL amortizes investment tax credits to income over the remaining service lives of the related properties.

Environmental Matters

The Company accrues environmental costs when it is probable a liability has been incurred and the amount of the liability can be reasonably estimated.

Basic and Diluted Earnings per Common Share Calculation

There is no dilutive effect on earnings per share from other securities in 2000, 1999 or 1998. To determine earnings per common share, preferred stock dividend requirements are subtracted from both income before cumulative effect of changes in accounting principles and net income before dividing by average number of common shares outstanding. The difference between these amounts equals the earning per share impact of the cumulative effect of changes in accounting principles.

2. SUPPLEMENTAL CASH FLOW INFORMATION AND SALES OF KLT GAS PROPERTIES

Sales of KLT Gas properties

KLT Gas sold producing natural gas properties to Evergreen Resources, Inc. (Evergreen) and Barrett Resources Corporation (Barrett) during 2000. KLT Gas' business strategy is to acquire and develop early stage coalbed methane properties and then divest properties in order to create shareholder value. The transactions are summarized in the table below.

	2000
	(thousands)
Cash proceeds	$ 125,958
Preferred stock redeemed (a)	100,000
Total cash proceeds	225,958
Equity securities	10,000
Receivable	1,243
Total proceeds	237,201
Cost basis in property sold	(87,785)
Accounts payable	(23,168)
Other assets and liabilities	(15,670)
Gain on sale before income tax	110,578
Income tax	(42,606)
Gain on sale, net of income tax	$ 67,972

(a) The preferred stock received in September 2000 was redeemed in December 2000.

KLT Gas received as part of the sales transactions additional Evergreen shares valued at $4 million in December 2000 because of the increase in natural gas futures. The Evergreen common stock is considered a trading security and is recorded at fair value.

In the table above, accounts payable and other assets and liabilities include the $24.9 million cost incurred by KLT Gas to reduce its hedge position on gas sales since the producing properties were sold and $7.9 million of incentive compensation.

Other Operating Activities

	2000	1999	1998
Cash flows affected by changes in:		(thousands)	
Receivables	$(42,565)	$ (1,417)	$ (7,898)
Fuel inventories	1,787	(3,840)	(4,925)
Materials and supplies	(113)	(926)	1,216
Accounts payable	66,765	6,545	4,196
Accrued taxes	13,430	(14,653)	13,953
Accrued interest	(2,865)	(7,962)	1,020
Wolf Creek refueling outage accrual	(5,166)	(5,259)	10,651
Pension and postretirement benefit obligations	(12,653)	1,939	(114)
Other	(1,722)	(12,256)	(3,443)
Total other operating activities	$ 16,898	$(37,829)	$ 14,656
Cash paid during the period:			
Interest	$ 76,395	$ 74,520	$ 71,696
Income taxes	$ 80,445	$ 52,300	$ 24,788

3. PENSION PLANS AND OTHER EMPLOYEE BENEFITS

Changes in Pension Accounting Principles

Effective January 1, 2000, KCPL changed its methods of amortizing unrecognized net gains and losses and determination of expected return related to its accounting for pension expense. These changes were made to reflect more timely in pension expense the gains and losses incurred by the pension funds.

At the time KCPL originally adopted the standards governing accounting for pensions, it chose the following accounting methods that would minimize fluctuations in pension expense:

- Recognized gains and losses if, as of the beginning of the year, the unrecognized net gain or loss exceeded 10 percent of the greater of the projected benefit obligation or the market-related value of plan assets. If amortization was required, amortization was the excess divided by the average remaining service period, approximately 15 years, of active employees expected to receive benefits under the plan. This method resulted in minimal gains being amortized.
- Determined the expected return by multiplying the long-term rate of return times the market-related value. KCPL determined market-related value by recognizing changes in fair value of plan assets over a five-year period.

KCPL has changed the above accounting methods to the following:

- Recognize gains and losses by amortizing over a five-year period the rolling five-year average of unamortized gains and losses.
- Determine the expected return by multiplying the long-term rate of return times the fair value of plan assets.

Adoption of the new methods of accounting for pensions will lead to greater fluctuations in pension expense in the future. The following table details the current effects of the adoption of the new methods of accounting for pensions.

Changes in Method of Accounting for Pensions (a)

	Amortization of Gains and Losses	Expected Return	Total	Reductions (b)	Net Total
	(millions except per share amounts)				
Cumulative effect of change in method of accounting:					
Income	$ 21.4	$ 13.6	$ 35.0	$ (4.9)	$ 30.1
Basic and diluted earnings per common share	$ 0.35	$ 0.22	$ 0.57	$(0.08)	$ 0.49
Year 2000 earnings effect of change in method of accounting:					
Income	$ 4.1	$ 2.0	$ 6.1	$ (1.1)	$ 5.0
Basic and diluted earnings per common share	$ 0.07	$ 0.03	$ 0.10	$(0.02)	$ 0.08
Prior year's earnings effect of change in method of accounting if the change had been made January 1, 1998:					
1999					
Income	$ 4.4	$ 1.1	$ 5.5	$ (1.0)	$ 4.5
Basic and diluted earnings per common share	$ 0.07	$ 0.02	$ 0.09	$(0.02)	$ 0.07
1998					
Income	$ 2.9	$ 3.2	$ 6.1	$ (1.1)	$ 5.0
Basic and diluted earnings per common share	$ 0.05	$ 0.05	$ 0.10	$(0.02)	$ 0.08

(a) All changes are increases to income or earnings per common share and are after income taxes.
(b) The Reductions column reflects the effects of capitalization and sharing with joint-owners of power plants.

Pension Plans and Other Employee Benefits

KCPL has four defined benefit pension plans for its employees, including officers and Wolf Creek employees. Benefits under these plans reflect the employees' compensation, years of service and age at retirement. The change in the 2000 benefit obligation reflects an increase of $42.0 million for amendments to the plans, other than Wolf Creek, and will be amortized as prior service costs starting in 2001. The most significant amendments added new retirement benefit options and changed mortality tables. The new options consist of enhanced early retirement benefits if a management employee retires after their age plus years of service equals at least 85 and allowing lump sum distributions. Non-management employees already had similar options. KCPL satisfies the minimum funding requirements under the Employee Retirement Income Security Act of 1974.

In addition to providing pension benefits, KCPL provides certain postretirement health care and life insurance benefits for substantially all retired employees.

KCPL accrues the cost of postretirement health care and life insurance benefits during an employee's years of service and recovers these accruals through rates. KCPL funds the portion of net periodic postretirement benefit costs that are tax deductible.

	Pension Benefits		Other Benefits	
	2000	1999	2000	1999
	(thousands)			
Change in benefit obligation				
Benefit obligation at beginning of year	$ 334,939	$ 384,588	$ 31,910	$ 36,222
Service cost	9,384	10,983	547	678
Interest cost	26,538	25,446	2,543	2,493
Contribution by participants			243	207
Amendments	42,025	0	0	0
Actuarial (gain) loss	26,504	(56,395)	4,997	(4,191)
Benefits paid	(27,116)	(29,362)	(2,980)	(3,024)
Benefits paid by KCPL	(314)	(321)	(402)	(475)
Benefit obligation at end of year (a)	$ 411,960	$ 334,939	$ 36,858	$ 31,910
Change in plan assets				
Fair value of plan assets at beginning of year	$ 453,150	$ 407,829	$ 7,100	$ 6,364
Actual return on plan assets	137,684	72,520	225	(85)
Contributions by employer and participants	1,229	2,163	3,751	3,845
Benefits paid	(27,116)	(29,362)	(2,980)	(3,024)
Fair value of plan assets at end of year	$ 564,947	$ 453,150	$ 8,096	$ 7,100
Funded status	$ 152,987	$ 118,211	$(28,762)	$(24,810)
Unrecognized actuarial (gain) loss	(138,818)	(130,455)(b)	1,692	(3,439)
Unrecognized prior service cost	44,960	3,423	400	478
Unrecognized transition obligation	(2,253)	(4,325)	14,093	15,267
Net prepaid (Accrued) benefit cost	$ 56,876	$ (13,146)	$(12,577)	$(12,504)

	Pension Benefits		Other Benefits	
	2000	1999	2000	1999
	(thousands)			
Prepaid benefit cost	$ 68,342	$ 5,094(c)	0	0
Accrued benefit cost	(11,466)	(18,240)	$(12,577)	$(12,504)
Net prepaid (Accrued) benefit cost	$ 56,876	$ (13,146)	$(12,577)	$(12,504)

(a) Based on weighted-average discount rates of 7.9% in 2000 and 1999; and increases in future salary levels of 4% in 2000 and 1999.
(b) This balance at December 31, 1999 was reduced on January 1, 2000 by $57.3 million to reflect the changes in pension accounting principles.
(c) Prepaid benefit cost in 1999 was reflected as a reduction to accrued benefit cost in the 1999 consolidated balance sheet.

	Pension Benefits			Other Benefits		
	2000	1999	1998	2000	1999	1998
Components of net periodic Benefit cost	(thousands)					
Service cost	$ 9,384	$ 10,983	$ 9,661	$ 547	$ 678	$ 532
Interest cost	26,538	25,446	24,892	2,543	2,493	2,429
Expected return on plan assets	(39,571)	(31,263)	(29,806)	(361)	(348)	(203)
Amortization of prior service cost	488	498	547	78	77	77
Recognized net actuarial loss (gain)	(5,913)	896	(910)	2	51	8
Transition obligation	(2,072)	(2,072)	(2,072)	1,174	1,175	1,174
Net periodic benefit cost	$(11,146)	$ 4,488	$ 2,312	$ 3,983	$4,126	$4,017

Long-term rates of return on pension assets of 9.0% to 9.25% were used.

Net periodic benefit costs reflect total plan benefit costs prior to the effects of capitalization and sharing with joint-owners of power plants.

Actuarial assumptions include an increase in the annual health care cost trend rate for the year 2001 and thereafter of 6%. The health care plan requires retirees to share in the cost when premiums exceed a certain amount. An increase or decrease in the assumed health care cost trend rate by 1% per year would only increase or decrease the benefit obligation as of December 31, 2000, by about $1,900,000 and the combined service and interest costs of the net periodic postretirement benefit cost for 2000 by about $200,000.

Employee Savings Plans

The Company has defined contribution savings plans that cover substantially all employees. The Company matches employee contributions, subject to limits. The annual cost of the plans was $2.9 million in 2000 and $2.8 million in both 1999 and 1998.

Stock Options

The exercise price of stock options granted equaled the market price of KCPL's common stock on the grant date. One-half of all options granted vested one year after the grant date, the other half vested two years after the grant date. An amount equal to the quarterly dividends paid on KCPL's common

stock shares (dividend equivalents) accrues on the options for the benefit of option holders. The option holders are entitled to stock for their accumulated dividend equivalents only if the options are exercised when the market price is above the exercise price. At December 31, 2000, the market price of KCPL's common stock was $27.44, which exceeded the grant price for all of the five years that options were granted. Unexercised options expire ten years after the grant date.

KCPL follows Accounting Principles Board (APB) Opinion 25 - Accounting for Stock Issued to Employees and related interpretations in accounting for this plan. Because of the dividend equivalents provision, KCPL expensed $1.1 million in 2000, $(1.1) million in 1999 and $0.1 million in 1998. The expense includes accumulated and reinvested dividends plus the impact of the change in stock price since the grant date.

FASB Statement No. 123 - Accounting for Stock-Based Compensation requires certain disclosures regarding expense and value of options granted using the fair-value method, even though KCPL follows APB Opinion 25. KCPL has expensed approximately the same amount as required by FASB 123. For options outstanding at December 31, 2000, grant prices range from $20.6250 to $26.1875 and the weighted-average remaining contractual life is 4.1 years.

Stock option activity over the last three years is summarized below:

	2000		1999		1998	
	shares	price*	shares	price*	shares	price*
Outstanding at						
January 1	89,875	$23.57	97,875	$23.41	265,250	$23.12
Granted	0	0	0	0	0	0
Exercised	(1,375)	23.88	0	0	(143,875)	22.68
Canceled	0	0	(8,000)	21.63	(23,500)	24.54
Outstanding at						
December 31	88,500	$23.57	89,875	$23.57	97,875	$23.41
Exercisable as of						
December 31	88,500	$23.57	89,875	$23.57	97,875	$23.41

*weighted-average price

4. INCOME TAXES

Income tax expense consisted of the following:

	2000	1999	1998
Current income taxes:		(thousands)	
Federal	$ 76,076	$ 31,439	$ 32,621
State	10,928	2,978	7,118
Total	87,004	34,417	39,739
Deferred income taxes:			
Federal	(9,846)	(23,313)	(2,225)
State	(469)	(3,471)	(243)
Total	(10,315)	(26,784)	(2,468)
Investment tax credit amortization	(4,296)	(4,453)	(4,471)
Total income tax expense	72,393	3,180	32,800
Less: Deferred taxes on the cumulative effect of changes in accounting principles	19,227	0	0
Total	$ 53,166	$ 3,180	$ 32,800

The Company's effective income tax rates differed from the statutory federal rates mainly due to the following:

	2000	1999	1998
Federal statutory income tax rate	35.0 %	35.0 %	35.0 %
Differences between book and tax depreciation not normalized	0.7	6.9	2.1
Proposed IRS Adjustment - Note 17	4.6	0	0
Amortization of investment tax credits	(1.9)	(5.2)	(2.9)
Federal income tax credits	(9.2)	(26.4)	(14.6)
State income taxes	2.9	(0.4)	2.9
Merger expenses	0	(3.8)	2.1
Other	(0.8)	(2.4)	(3.2)
Effective income tax rate	31.3 %	3.7 %	21.4 %

The tax effects of major temporary differences resulting in deferred tax assets and liabilities in the balance sheets are as follows:

December 31	2000	1999
	(thousands)	
Plant related	$530,600	$523,539
Recoverable taxes	45,000	41,000
Pension and postretirement benefits	10,544	(9,596)
Gas properties related	(21,071)	4,134
Other	24,410	30,399
Net deferred income tax liability	$589,483	$589,476

The net deferred income tax liability consisted of the following:

December 31	2000	1999
	(thousands)	
Gross deferred income tax assets	$(97,418)	$(65,491)
Gross deferred income tax liabilities	686,901	654,967
Net deferred income tax liability	$589,483	$589,476

5. COMMITMENTS AND CONTINGENCIES

Nuclear Liability and Insurance

Liability Insurance

The Price-Anderson Act currently limits the combined public liability of nuclear reactor owners to $9.5 billion for claims that could arise from a single nuclear incident. The owners of Wolf Creek (the Owners) carry the maximum available commercial insurance of $0.2 billion. Secondary Financial Protection (SFP), an assessment plan mandated by the Nuclear Regulatory Commission (NRC), provides insurance for the $9.3 billion balance.

Under SFP, if there were a catastrophic nuclear incident involving any of the nation's licensed reactors, the Owners would be subject to a maximum retrospective assessment per incident of up to $88 million ($41 million, KCPL's share). The Owners are jointly and severally liable for

these charges, payable at a rate not to exceed $10 million ($5 million, KCPL's share) per incident per year, excluding applicable premium taxes. The assessment, most recently revised in 1998, is subject to an inflation adjustment every five years based on the Consumer Price Index.

Property, Decontamination, Premature Decommissioning and Extra Expense Insurance

The Owners also carry $2.8 billion ($1.3 billion, KCPL's share) of property damage, decontamination and premature decommissioning insurance for loss resulting from damage to the Wolf Creek facilities. Nuclear Electric Insurance Limited (NEIL) provides this insurance.

In the event of an accident, insurance proceeds must first be used for reactor stabilization and NRC mandated site decontamination. KCPL'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 (see Note 1 - Nuclear Plant Decommissioning Costs).

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, KCPL is 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 to KCPL under the current policies could total about $5.3 million.

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 KCPL and could have a material, adverse effect on the Company'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 and selected a site in northern Nebraska to locate a disposal facility. Wolf Creek Nuclear Operating Corporation (WCNOC) and the owners of the other five nuclear units in the compact provided most of the pre-construction financing for this project. As of December 31, 2000, KCPL's net investment on its books was $7.4 million.

Significant opposition to the project has been raised by Nebraska officials and residents in the area of the proposed facility, and attempts have been made through litigation and proposed legislation in Nebraska to slow down or stop development of the facility. On December 18, 1998, the application for a license to construct this project was denied. In December 1998, the utilities filed a federal court lawsuit contending Nebraska officials acted in bad faith while handling the license application. Shortly thereafter, the Central Interstate Low-Level Radioactive Waste Compact Commission and U.S. Ecology filed similar claims against Nebraska. In September 1999, the U.S. District Court partially denied and partially granted Nebraska's motions to dismiss the utilities' and U.S. Ecology's cases and denied Nebraska's motion to dismiss the Commission's case. Nebraska has appealed the denials. The parties presented oral arguments to the U.S. Court of Appeals in October 2000 and are awaiting the court's decision.

On January 15, 1999, a request for a contested case hearing on the denial of the license was filed. On April 16, 1999, a U.S. District Court judge in Nebraska issued an injunction staying indefinitely any further activity on the contested case hearing. In April 2000, the court of appeals affirmed the injunction granted by the U.S. District Court's decision. The passage of time, along with the appointment of a new state administration in Nebraska, has increased the chances for reversal of the license denial.

In May 1999, the Nebraska legislature passed a bill withdrawing Nebraska from the Compact. In August 1999, the Nebraska governor gave official notice of the withdrawal to the other member states. Withdrawal will not be effective for five years and will not, of itself, nullify the site license proceeding.

Nuclear Fuel Commitments

As of December 31, 2000, KCPL's portion of Wolf Creek nuclear fuel commitments included $16 million for enrichment through 2003, $61 million for fabrication through 2025 and $8 million for uranium and conversion through 2003.

Environmental Matters

The Company operates in an environmentally responsible manner and use the latest technology available to avoid and treat contamination. The Company continually conducts environmental audits designed to ensure compliance with governmental regulations and to detect contamination. However, governmental bodies may impose additional or more rigid environmental regulations that could require substantial changes to operations or facilities.

Monitoring Equipment and Certain Air Toxic Substances

The Clean Air Act Amendments of 1990 required KCPL to spend about $5 million for the installation of continuous emission monitoring equipment to satisfy the requirements under the acid rain provision. Also, a study under the Act could require regulation of certain air toxic substances. In July 2000, the National Research Council published its findings stating power plants that burn fossil fuels, particularly coal, generate the greatest amount of mercury emissions. In December 2000, The United States Environmental Protection Agency (EPA) announced it would propose regulations to reduce mercury emissions by 2003 and issue final rules by 2004. KCPL cannot predict the likelihood or compliance costs of such regulations.

Air Particulate Matter

In July 1997, the EPA published new air quality standards for particulate matter. Additional regulations implementing these new particulate standards have not been finalized. Without the implementation regulations, the impact of the standards on KCPL cannot be determined. However, the impact on KCPL and other utilities that use fossil fuels could be substantial. Under the new fine particulate regulations the EPA is conducting a three-year study of fine particulate ambient air levels. Until this testing and review period has been completed, KCPL cannot determine additional compliance costs, if any, associated with the new particulate regulations.

Nitrogen Oxide

In 1997, the EPA also issued new proposed regulations on reducing nitrogen oxide (NOx) emissions. The EPA announced in 1998 final regulations implementing reductions in NOx emissions. These regulations initially called for 22 states, including Missouri, to submit plans for controlling NOx emissions. The regulations require a significant reduction in NOx emissions from 1990 levels at KCPL's Missouri coal-fired plants by the year 2003.

In December 1998, KCPL and several other western Missouri utilities filed suit against the EPA over the inclusion of western Missouri in the 1997 NOx reduction program. On March 3, 2000, a three-judge panel of the D.C. Circuit of the U.S. Court of Appeals sent the NOx rules related to Missouri back to the EPA stating the EPA failed to prove that fossil plants in the western part of Missouri contribute to ozone formation in downwind states. The impact of this decision, which has been appealed, is unknown at this time, however, it is likely to delay the implementation of new NOx regulations by the EPA in Missouri for some time.

In May 1999, a three-judge panel of the D.C. Circuit of the U.S. Court of Appeals remanded the EPA's more stringent ambient air quality standard for ozone. The U.S. Supreme Court heard oral arguments on the EPA's appeal of this decision on November 7, 2000. A final decision by the U.S. Supreme Court is expected in the spring of 2001, and the outcome cannot be predicted at this time. If the panel's decision is upheld, the effect will be to decrease the severity of the standards with which KCPL ultimately may need to comply.

To achieve the reductions proposed in the 1997 NOx reduction program, KCPL would need to incur significant capital costs, purchase power or purchase NOx emissions allowances. It is possible that purchased power or emissions allowances may be too costly or unavailable.

Preliminary analysis of the regulations indicates that selective catalytic reduction technology, as well as other changes, may be required for some of the KCPL units. Currently, KCPL estimates that additional capital expenditures to comply with these regulations could range from $40 million to $60 million over a period of a few years. Operations and maintenance expenses could also increase by more than $2.5 million per year. These capital expenditure estimates do not include the costs of the new air quality control equipment being installed at Hawthorn No. 5, a unit currently being rebuilt. The new air control equipment designed to meet current environmental standards will also comply with the proposed requirements discussed above.

KCPL continues to refine its preliminary estimates and explore alternatives to comply with these new regulations in order to minimize, to the extent possible, KCPL's capital costs and operating expenses. The ultimate cost of these regulations could be significantly different from the amounts estimated above.

The State of Missouri is currently developing a State Implementation Plan (SIP) for NOx reduction. As currently proposed, KCPL would not incur significant additional costs to comply with the State of Missouri SIP. In May 2000, the Missouri Air Conservation Commission approved NOx regulations requiring compliance with a rate of 0.35 lbs. NOx / mmBtu of heat input for western Missouri where KCPL's Missouri power plants are located. KCPL does not anticipate that it will incur significant additional costs to comply with these new regulations.

Carbon Dioxide

At a December 1997 meeting in Kyoto, Japan, the Clinton Administration supported changes to the International Global Climate Change treaty which would require a seven percent reduction in United States carbon dioxide (CO_2) emissions below 1990 levels. This treaty has not been submitted to the U.S. Senate. If future reductions of electric utility CO_2 emissions are eventually required, the financial impact upon KCPL would be substantial.

Coal Contracts

KCPL's share of coal purchased under existing contracts was $31.1 million in 2000, $33.3 million in 1999 and $37.1 million in 1998. Under these coal contracts, KCPL's remaining share of purchase

commitments totals $86.6 million. Obligations for the years 2001 through 2003, based on estimated prices for those years, total $36.1 million, $33.8 million, and $16.7 million, respectively. The remainder of KCPL's coal requirements will be fulfilled through spot market purchases.

Leases

KCPL has a transmission line lease with another utility whereby, with FERC approval, the rental payments can be increased by the lessor. If this occurs and KCPL is able to secure an alternative transmission path, KCPL can cancel the lease. Commitments under this lease total $1.9 million per year and $46.7 million over the remaining life of the lease if it is not canceled.

Consolidated expense for other leases, including railcars, computer equipment, buildings, transmission line and other items, was about $23 million per year for the last three years. The remaining rental commitments under these leases total $176.7 million ending in 2028. Obligations for the years 2001 through 2005 average $16 million per year. Capital leases are not material and are included in these amounts.

As the managing partner of three jointly-owned generating units, KCPL has entered into leases for railcars to serve those units. KCPL has reflected the entire lease commitment in the above amounts although about $1.8 million per year ($28.1 million total) will be reimbursed by the other owners.

KCPL has a renewable lease agreement for a combustion turbine that expires in October 2001. The lease may be extended if both KCPL and the lessor agree to extend it. Commitments under this lease total approximately $2.3 million through October 2001.

Purchased Capacity Commitments

KCPL purchases capacity from other utilities and nonutility suppliers. Purchasing capacity provides the option to purchase energy if needed or when market prices are favorable. This can be a cost-effective alternative to new construction. As of December 31, 2000, contracts to purchase capacity totaled $125.7 million through 2016. KCPL capacity purchases totaled $25.4 million in 2000 and $25.9 million during 1999 and 1998. For the years 2001 through 2005, these commitments average $17 million per year. Capacity sales contracts to supply municipalities in the years 2001 through 2005 average $11 million. For the next five years, net capacity contracts average about 5% of KCPL's 2000 total available capacity.

SEL entered into an option agreement that gives them the right to purchase specified amounts of electricity at a fixed rate of $21.00 per mwh for 2001. The cost of the option, which has been included in purchased power on the consolidated statements of income, totaled $7.1 million in 2000 and is projected to be $7.1 million in 2001.

SEL Purchased Power Energy Commitments

SEL has entered into agreements to purchase electricity at various fixed prices to meet supply requirements for 2001 through 2005. Commitments under these agreements total $73.6 million in 2001 and average $55 million per year in 2002 through 2005.

Home Service Solutions Inc. Debt Guarantee

During 2000, R.S. Andrews Enterprises, Inc. (RSAE), 49%-owned by HSS, entered into a bank credit agreement which as of February 22, 2001, had an outstanding loan balance of $13.0 million. The

agreement is collateralized by the common stock shares of a major RSAE shareholder. As secondary assurance to the lender, HSS guaranteed the loan; however, HSS' wholly owned subsidiary, Worry Free Service, Inc., and its assets are not subject to the guarantee.

Guaranteed Savings Energy Management Agreements

KCPL is contingently liable for guaranteed energy savings under agreements with several customers. KCPL has entered agreements guaranteeing an aggregate value of approximately $16.5 million over a period of five to ten years. In most cases a subcontractor would indemnify KCPL for any payments made by KCPL under these guarantees.

6. EQUITY METHOD INVESTMENTS

Equity method investments, excluding affordable housing limited partnerships, consist of the following:

Name of Company	Common Ownership Percentage		Carrying Value (1) December 31		Goodwill included in Carrying Value December 31	
	2000	1999	2000	1999	2000	1999
			(thousands)			
DTI Holdings, Inc.	47%	47%	0	$13,989	0	0
Strategic Energy, LLC (2)		56%	0	7,306	0	$ 5,362
Patrick KLT Gas, LLC	50%	0%	$21,744	0	0	0
R.S. Andrews Enterprises, Inc.	49%	49%	6,750	25,589	0	6,490
Other	Various		1,786	4,363	0	0
Total equity method investments			$30,280	$51,247	0	$11,852

(1) In 1999, Carrying Value is net of amortization of goodwill. Such amortization is over 15 to 40 years.
(2) KLT Energy Services held less than 50% of the voting common stock in 1999.

The non-public, unaudited combined summarized financial information supplied to us by companies in which the consolidated company has an equity investment is as follows:

December 31	2000	1999
	(thousands)	
Current assets	$ 36,368	$129,109
Non-current assets	498,133	397,418
Total Assets	$534,501	$526,527
Current liabilities	$ 74,616	$ 68,239
Non-current liabilities	460,786	414,846
Equity (1)	(901)	43,442
Total Liabilities and Equity	$534,501	$526,527
Revenues	$153,211	$193,171
Costs and expenses	225,665	245,038
Net Loss	$(72,454)	$(51,867)

(1) Includes DTI's $45 million of convertible preferred stock held by KLT Telecom.

December 31	2000	1999
	(thousands)	
Consolidated share of net loss	$(36,707)	$(23,301)
Less: DTI losses not recorded by KLT Telecom after the investment was reduced to zero	(18,768)	0
Consolidated net loss recorded	(17,939)	(23,301)
Affordable housing equity losses	(1,502)	(1,650)
Total losses from equity investments	$(19,441)	$(24,951)

7. SEGMENT AND RELATED INFORMATION

The Company's reportable segments are strategic business units. KCPL includes the regulated electric utility and unallocated corporate charges. KLT Inc. and HSS are holding companies for various unregulated business ventures.

The summary of significant accounting policies applies to all of the segments. The Company evaluates performance based on net income. The Company eliminates all intersegment sales and transfers.

The tables below reflect summarized financial information concerning the Company's reportable segments.

	2000	1999	1998
KCPL		(millions)	
Operating revenues	$ 952.0	$ 897.4	$ 939.9
Fuel expense	(153.1)	(129.3)	(143.3)
Purchased power expense	(105.7)	(94.7)	(63.6)
Other (a)	(382.4)	(352.5)	(354.3)
Depreciation and depletion	(124.3)	(118.4)	(115.7)
Gain (Loss) on property	3.5	0	0.8
Other income and expenses	(16.3)	(8.8)	(16.2)
Interest charges	(62.8)	(56.4)	(58.3)
Income taxes	(52.9)	(50.4)	(73.1)
Cumulative effect of changes in pension accounting	30.1	0	0
Net income	$ 88.1	$ 86.9	$ 116.2
KLT Inc.			
Operating revenues	$ 160.1	$ 20.8	$ 32.1
Purchased power expense	(84.4)	0	0
Other (a)	(59.2)	(31.0)	(48.5)
Depreciation and depletion	(6.4)	(3.3)	(1.8)
Gain (Loss) on property	109.0	(1.2)	(2.2)
Losses from equity investments	(12.8)	(21.0)	(11.7)
Other income and expenses	(0.4)	1.1	10.0
Interest charges	(12.9)	(11.9)	(13.5)
Income taxes	(8.9)	45.2	40.2
Net income	$ 84.1	$ (1.3)	$ 4.6

	2000	1999	1998
HSS		(millions)	
Operating revenues	$ 3.8	$ 3.3	$ 0.7
Other (a)	(5.5)	(3.8)	(0.5)
Depreciation and depletion	(1.7)	(1.6)	(0.4)
Gain (Loss) on property	(13.4)	0	0
Losses from equity investments	(6.6)	(3.9)	0
Other income and expenses	1.3	0.3	0
Income taxes	8.6	2.0	0.1
Net income	$ (13.5)	$ (3.7)	$ (0.1)
Consolidated			
Operating revenues	$1,115.9	$ 921.5	$ 972.7
Fuel expense	(153.1)	(129.3)	(143.3)
Purchased power expense	(190.1)	(94.7)	(63.6)
Other (a)	(447.1)	(387.3)	(403.3)
Depreciation and depletion	(132.4)	(123.3)	(117.9)
Gain (Loss) on property	99.1	(1.2)	(1.4)
Losses from equity investments	(19.4)	(24.9)	(11.7)
Other income and expenses	(15.4)	(7.4)	(6.2)
Interest charges	(75.7)	(68.3)	(71.8)
Income taxes	(53.2)	(3.2)	(32.8)
Cumulative effect of changes in pension accounting	30.1	0	0
Net income	$ 158.7	$ 81.9	$ 120.7

(a) Other includes gas purchased and production expenses, other operating, maintenance and general tax expenses.

	KCPL	KLT Inc.	HSS	Consolidated
2000		(millions)		
Assets	$2,980.9	$ 287.7	$25.3	$3,293.9
Net equity method investments	0	23.5	6.8	30.3
Capital and investment expenditures	406.1	75.6	0.3	482.0
1999				
Assets	$2,672.3	$ 267.8	$50.0	$2,990.1
Net equity method investments	0	25.6	25.6	51.2
Capital and investment expenditures	184.6	61.3	25.7	271.6
1998				
Assets	$2,677.4	$ 310.8	$24.2	$3,012.4
Net equity method investments	0	56.7	11.1	67.8
Capital and investment expenditures	126.2	56.9	14.2	197.3

8. NATURAL GAS PROPERTY, INTANGIBLE PROPERTY AND GOODWILL

Natural gas property and equipment included in the Gas property and investments totaled $18.1 million, net of accumulated depreciation of $1.1 million, in 2000 and $87.0 million, net of accumulated depreciation of $5.1 million in 1999. Included in the natural gas property and equipment were intangible drilling costs of $7.0 million in 2000 and $23.6 million in 1999.

Electric utility plant on the consolidated balance sheets included intangible computer software of $51.2 million, net of accumulated depreciation of $21.7 million, in 2000 and $50.7 million, net of accumulated depreciation of $13.1 million, in 1999.

KLT Inc. has used purchase accounting for its full or partial acquisitions of other companies. The difference between the purchase price and KLT Inc.'s share of the identifiable net assets acquired has been classified as goodwill and is amortized on a straight-line basis for 15 years. At December 31, 2000, goodwill totaled $11.5 million net of $0.7 million of amortization.

9. RECEIVABLES

	December 31	
	2000	1999
	(thousands)	
KCPL Receivable Corporation	$ 48,208	$ 29,705
Other Receivables	67,148	41,843
Receivables	$115,356	$ 71,548

In 1999, KCPL entered into a revolving agreement to sell all of its right, title and interest in the majority of its customer accounts receivable to KCPL Receivable Corporation, a special purpose entity established to purchase customer accounts receivable from KCPL. KCPL Receivable Corporation has sold receivable interests to outside investors. In consideration of the sale, KCPL received $60 million in cash and the remaining balance in the form of a subordinated note from KCPL Receivable Corporation. The agreement is structured as a true sale under which the creditors of KCPL Receivable Corporation will be entitled to be satisfied out of the assets of KCPL Receivable Corporation prior to any value being returned to KCPL or its creditors. Accounts receivable sold under the agreement totaled $108.2 million at December 31, 2000 and $89.7 million at December 31, 1999.

Administrative costs associated with the sale of customer accounts receivable of approximately $4.3 million for the year ended December 31, 2000 and approximately $3.5 million for each of the years ended December 31, 1999 and 1998, were included in Other income and expenses.

The other receivables consist primarily of receivables from partners in jointly-owned electric utility plants, bulk power sales receivables and accounts receivable held by subsidiaries.

10. SHORT-TERM BORROWINGS AND SHORT-TERM BANK LINES OF CREDIT

Short-term borrowings consist of funds borrowed from banks or through the sale of commercial paper as needed. The weighted-average interest rate on the $55.6 million of commercial paper outstanding as of December 31, 2000, was 7.1%. Under minimal fee arrangements, KCPL's unused short-term bank lines of credit totaled $199.4 million as of December 31, 2000, and $61.0 million as of December 31, 1999.

KLT Gas' short-term revolving note payable to a bank that provided borrowing capacity of up to $25 million for natural gas development activities expired during 2000 and was not renewed. Under this note, KLT Gas had borrowings at December 31, 1999 of $24.7 million at an interest rate of 8.5%.

11. COMMON STOCK EQUITY, PREFERRED STOCK, REDEEMABLE PREFERRED STOCK AND MANDATORILY REDEEMABLE PREFERRED SECURITIES

Common Stock Equity

KCPL has shares of common stock registered with the Securities and Exchange Commission for a Dividend Reinvestment and Stock Purchase Plan (the Plan). The Plan allows for the purchase of common shares by reinvesting dividends or making optional cash payments. KCPL currently purchases shares for the Plan on the open market.

KCPL held 60,841 shares as of December 31, 2000 of its common stock to be used for future distribution and 10,706 shares as of December 31, 1999. The cost of these shares is included in other investments and nonutility property on the consolidated balance sheets.

The Restated Articles of Consolidation contain a restriction related to the payment of dividends in the event common equity falls to 25% of total capitalization. If preferred stock dividends are not declared and paid when scheduled, KCPL could not declare or pay common stock dividends or purchase any common shares. If the unpaid preferred stock dividends equal four or more full quarterly dividends, the preferred shareholders, voting as a single class, could elect members to the Board of Directors.

Preferred Stock and Redeemable Preferred Stock

Scheduled mandatory sinking fund requirements for the redeemable 4% Cumulative Preferred Stock are 1,600 shares per year. Shares outstanding totaled 6,357 as of December 31, 2000, and 7,957 as of December 31, 1999. Shares held by KCPL to meet future sinking fund requirements totaled 5,734 as of December 31, 2000, and 7,334 as of December 31, 1999. The cost of the shares held is reflected as a reduction of the capital account.

As of December 31, 2000, 0.4 million shares of $100 par Cumulative Preferred Stock, 1.6 million shares of Cumulative No Par Preferred Stock and 11 million shares of no par Preference Stock were authorized. KCPL has the option to redeem the $39.1 million of issued Cumulative Preferred Stock at prices approximating par or stated value.

Mandatorily Redeemable Preferred Securities

In 1997, KCPL Financing I (Trust) issued $150,000,000 of 8.3% preferred securities. The sole asset of the Trust is the $154,640,000 principal amount of 8.3% Junior Subordinated Deferrable Interest Debentures, due 2037, issued by KCPL. The terms and interest payments on these debentures correspond to the terms and dividend payments on the preferred securities. KCPL deducts these payments for tax purposes. KCPL may elect to defer interest payments on the debentures for a period up to 20 consecutive quarters, causing dividend payments on the preferred securities to be deferred as well. In case of a deferral, interest and dividends will continue to accrue, along with quarterly compounding interest on the deferred amounts. KCPL may redeem all or a portion of the debentures after March 31, 2002. If KCPL redeems all or a portion of the debentures, the Trust must redeem an equal amount of preferred securities at face value plus accrued and unpaid distributions. The back-up undertakings in the aggregate provide a full and unconditional guarantee of amounts due on the preferred securities.

12. LONG-TERM DEBT

General Mortgage Bonds and Unsecured Notes

KCPL is authorized to issue mortgage bonds under the General Mortgage Indenture and Deed of Trust dated December 1, 1986, as supplemented. The Indenture creates a mortgage lien on substantially all utility plant. Mortgage bonds secure $444.8 million of medium-term notes and revenue refunding bonds. KCPL is prohibited from issuing additional general mortgage bonds while its unsecured medium-term notes are outstanding and remain unsecured.

During 2000, KCPL issued $200 million of unsecured, floating rate medium-term notes and $250 million of unsecured senior notes.

KCPL is authorized to issue an additional $150 million of debt securities under its shelf registration statement dated November 21, 2000.

Subsidiary Obligations

During 2000, KLT Inc. renegotiated its existing $125 million bank credit agreement collateralized by the capital stock of KLT Inc.'s direct subsidiaries from short-term to a three-year revolving credit agreement that matures in 2003. At December 31, 2000, KLT Inc. had repaid amounts borrowed during 2000 under the new agreement. KLT Inc. had borrowings at December 31, 1999, of $61 million under its previous bank credit agreement with a weighted-average interest rate of 7.7% which was classified as current maturities of long-term debt in the consolidated balance sheet.

The affordable housing notes are collateralized by the affordable housing investments. Most of the notes also require the greater of 15% of the outstanding note balances or the next annual installment to be held as cash, cash equivalents or marketable securities. The equity securities held as collateral for these notes are included in other investments and nonutility property on the consolidated balance sheets.

Scheduled Maturities

Consolidated long-term debt maturities for the years 2001 through 2005 are $94 million, $238 million, $29 million, $59 million and $293 million, respectively.

13. DERIVATIVE FINANCIAL INSTRUMENTS

As of December 31, 2000 and 1999, KCPL had entered into two interest rate swap agreements to limit the interest rate on $30 million of long-term debt. The swap agreements mature in 2001 and effectively fix the interest rate to a weighted-average rate of 3.88%. In 2000, KCPL also entered into three interest rate cap agreements to limit the exposure to increases in the interest rate on the $200 million of unsecured medium-term notes. The cap agreements mature in 2002 and limit the interest rate to a maximum of 7.65%. As of December 31, 1998, KLT Inc. had entered into an interest rate swap agreement to limit the interest rate on $40 million of its variable-rate bank credit agreement. This swap agreement matured in 1999 and was not renewed.

These swap and cap agreements are with highly rated financial institutions and simply limit the Company's exposure to increases in interest rates. They do not subject the Company to any material credit or market risks. The fair value of these agreements is immaterial and is not reflected in the

financial statements. Although derivatives are an integral part of the Company's interest rate management, the effect on interest expense for each of the last three years was not material.

Gas Market Price Hedge Instruments

KLT Gas' risk management policy is to use firm sales agreements or financial hedge instruments to mitigate its exposure to market price fluctuations on approximately 85% of its daily natural gas production.

Prior to the sales of producing natural gas properties in 2000 (see Note 2 - Supplemental Cash Flow Information and Sales of KLT Gas Properties), KLT Gas had two firm sales agreements each covering 5,000 mmBtu (equivalent to approximately 5 Million Cubic Feet) of natural gas per day through February 2001 at rates of $2.59 and $2.61 per mmBtu, respectively. These contracts are forward contracts settled by physical delivery and KLT Gas records revenues on the covered sales using the rates under the agreements. Additionally, KLT Gas had entered financial hedge instruments covering additional mmBtu of natural gas production through April 2002. These financial instruments have weighted-average rates of $2.71 to $3.07 per mmBtu.

After the sales of producing natural gas properties in 2000, KLT Gas retained production or entered into physical gas purchase agreements to fulfill the firm commitment contracts. KLT Gas also unwound the financial instruments to reduce its hedge position to approximately 85% of the remaining gas production. The net present value cost of the physical gas purchase agreements to fulfill the firm commitment contracts and to unwind the financial hedge instruments approximated $24.9 million.

After the 2000 sales, the financial hedge instruments, covering approximately 85% of the remaining natural gas production, total 5,000 mmBtu per day in January 2001 and decrease to 3,000 mmBtu per day by April 2002. The weighted-average rate ranges from $2.71 to $3.07 per mmBtu. The effect of the remaining hedge instruments is calculated by comparing the rate per the agreements to the New York Mercantile Exchange (NYMEX) natural gas rate as of the beginning of the month, which for December 2000, was $6.02 per mmBtu. KLT Gas accounts for the difference as an adjustment to the related revenues. For its remaining gas sales not covered by these agreements, KLT Gas sells at prevailing market prices.

Accounting for Derivative Instruments and Hedging

On January 1, 2001, the Company adopted FASB 133, "Accounting for Derivative Instruments and Hedging Activities", as amended. FASB 133 requires that every derivative instrument be recorded on the balance sheet as an asset or liability measured at its fair value and that changes in the fair value be recognized currently in earnings unless specific hedge accounting criteria are met.

FASB 133 requires that as of the date of initial adoption, the difference between the fair market value of derivative instruments recorded on the balance sheet and the previous carrying amount of those derivatives be reported in net income or other comprehensive income, as appropriate, as a cumulative effect of a change in accounting principle. The cumulative effect of a change in accounting principle that is estimated to be recorded in the first quarter 2001 is an approximate $0.2 million reduction in the income statement and a $44.2 million increase in other comprehensive income. This transition adjustment was primarily the result of the two interest rate swaps and the renewal option on those swaps, three interest rate caps and five commodity swap agreements reflected in the income statement and one commodity purchase option reflected in other comprehensive income. The estimated impact of FASB 133 on the consolidated balance sheet is not expected to be material.

KCPL has eight capacity contracts that it does not consider to be derivatives as defined by FASB 133. A definitive interpretation from FASB's Derivatives Implementation Group could change KCPL's current assessment and could increase the volatility of the Company's future earnings.

14. JOINTLY-OWNED ELECTRIC UTILITY PLANTS

KCPL's share of jointly-owned electric utility plants as of December 31, 2000, is as follows (in millions of dollars):

	Wolf Creek Unit	LaCygne Units	Iatan Unit
KCPL's share	47%	50%	70%
Utility plant in service	$ 1,352	$ 316	$ 252
Estimated accumulated depreciation (production plant only)	$ 496	$ 204	$ 162
Nuclear fuel, net	$ 31	$ 0	$ 0
KCPL's accredited capacity-megawatts	550	681	469

Each owner must fund its own portion of the plant's operating expenses and capital expenditures. KCPL's share of direct expenses is included in the appropriate operating expense classifications in the income statement.

15. KLT TELECOM INC. PURCHASE OF AN ADDITIONAL OWNERSHIP INTEREST IN DTI HOLDINGS, INC.

On February 1, 2001, KLT Telecom purchased for about $5 million approximately 87% of DTI's outstanding warrants issued in connection with DTI's 12 1/2% Series B Senior Discount Notes.

On September 27, 2000, KLT Telecom entered a conditional agreement to purchase shares of the common stock of DTI Holdings, Inc. (DTI) held by Richard Weinstein. On December 26, 2000, the agreement was amended and restated and further amended as of January 18, 2001. Under the amended agreement, on February 8, 2001, KLT Telecom purchased from Weinstein approximately 67% of his outstanding shares of common stock (Initial Shares) at an aggregate purchase price of about $34 million. After this transaction, KLT Telecom owns 84% of DTI and will consolidate DTI.

If, within twelve months of the Initial Shares closing, KLT Telecom or DTI sells more than 10% of the fully diluted shares of DTI's common stock to a financial investor or more than 15% of the fully diluted shares to a non-financial investor at a price per share higher than the price per share paid to Weinstein at the Initial Shares closing, then Weinstein shall have the right to receive from KLT Telecom as additional consideration for the Initial Shares, an amount equal to the difference in price per share (Clawback Value) times the number of shares sold by Weinstein at the Initial Shares closing.

Under the purchase agreement, Weinstein will resign as chairman, president and chief executive officer and will retain just over 15% of the fully diluted ownership and a seat on the DTI board. Also, the parties have granted put and call options that grant Weinstein the right to sell and KLT Telecom the right to buy Weinstein's remaining ownership of DTI (Remaining Shares). The put option allows Weinstein to sell his Remaining Shares to KLT Telecom during a period beginning September 1, 2003, and ending August 31, 2005, and the call option allows KLT Telecom to purchase his Remaining Shares during a period beginning September 1, 2005, and ending September 1, 2007. The Remaining Shares shall have an aggregate exercise price in an amount equal to the fair market value of the

Remaining Shares as of the date of exercise of the applicable option as determined through an appraisal process as specified in the amended agreement. Not withstanding the appraisal process, the Remaining Shares exercise price shall have an aggregate floor amount of $15 million plus the amount, if any, equal to the Clawback Value times the number of Remaining Shares provided Weinstein has not sold or disposed of any of the Remaining Shares.

16. TERMINATION OF PLANNED MERGER WITH WESTERN RESOURCES

On January 2, 2000, the Company's Board of Directors unanimously voted to terminate its Amended and Restated Agreement and Plan of Merger, dated as of March 18, 1998, with Western Resources. The Board of Directors acted pursuant to a provision of the parties' Merger Agreement that permitted either party to terminate the Merger Agreement if it was not consummated on or before December 31, 1999. The termination was effective immediately.

17. PROPOSED INTERNAL REVENUE SERVICE ADJUSTMENT - CORPORATE OWNED LIFE INSURANCE

In February 2001, KCPL received a Notice of Proposed Adjustment from the Internal Revenue Service (IRS) disallowing interest deductions associated with KCPL's corporate owned life insurance (COLI) program. Based on the proposed adjustment and a district court case decided on February 20, 2001, KCPL recorded in February 2001 a $12.7 million charge to fourth quarter 2000 earnings. This charge includes the Federal and states income tax impact of the disallowance of interest deductions on COLI loans and assessed interest on the disallowance for tax years 1994 to 1998.

This issue is an IRS Coordinated Issue, and thus has been raised and not finalized for many of the largest companies in the country. Three companies have lost the issue in two different U.S. District Courts and one in U.S. Tax Court. The decisions have been appealed or will be appealed to circuit courts of appeals. While KCPL decided to record the above $12.7 million increase in taxes because of the unfavorable District Court decisions, KCPL still plans to vigorously contest the IRS's disallowance including exhausting all appeals available. KCPL believes it has complied with all applicable tax laws and regulations.

18. QUARTERLY OPERATING RESULTS (UNAUDITED)

	Quarter			
	1st	2nd	3rd	4th
	(millions)			
2000				
Operating revenues	$199.3	$290.9	$378.4	$247.3
Operating income	22.0	63.3	142.2	64.8
Income before cumulative effect of changes in accounting principles	0.6	26.7	81.6	19.7
Net income	30.7	26.7	81.6	19.7
Basic and diluted earnings per common share before cumulative effect of changes in accounting principles	0	$ 0.43	$ 1.31	$ 0.31
Basic and diluted earnings per common share	$ 0.49	$ 0.43	$ 1.31	$ 0.31

Basic and diluted earnings per common share in the third and fourth quarter of 2000, include $0.62 and $0.48, respectively, from the sales of gas properties.

	Quarter			
	1st	2nd	3rd	4th
	(millions)			
1999				
Operating revenues	$195.4	$222.3	$305.4	$198.4
Operating income	30.5	53.9	78.3	23.1
Net income	11.9	25.1	37.5	7.4
Basic and diluted earnings per common share	$ 0.18	$ 0.39	$ 0.59	$ 0.11

The quarterly data is subject to seasonal fluctuations with peak periods occurring during the summer months.

Certain reclassifications have been made to previously reported amounts in the 2000 and 1999 Form 10-Q's. In 2000, the Company modified its consolidated statements of income to report the unregulated subsidiaries' operations in operating revenues and operating expenses. Previously, the unregulated subsidiaries were not included in operating income. The previously reported operating revenue amounts for 2000 were $190.3 million, $228.0 million, and $324.4 million for the first, second, and third quarter, respectively. In 1999, the amounts were $190.7 million, $216.9 million, $300.7 million, and $189.1 million for the first, second, third and fourth quarter, respectively. The previously reported operating income amounts for 2000 were $20.0 million, $37.2 million and $61.7 million for first, second, and third quarter, respectively. In 1999, the amounts were $25.9 million, $41.0 million, $54.0 million, and $23.0 million for first, second, third, and fourth quarter, respectively. The reclassifications do not affect income before cumulative effect of changes in accounting principles, net income, or earnings per common share.

Report of Independent Accountants

To the Shareholders and Board of Directors
Kansas City Power & Light Company

We have audited the consolidated financial statements of Kansas City Power & Light Company and Subsidiaries listed in the index appearing under Item 14 on page 62. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Kansas City Power & Light Company and Subsidiaries at December 31, 2000 and 1999, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2000 in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 3 to the consolidated financial statements, the Company changed its method of accounting for pensions in 2000.

/s/PricewaterhouseCoopers LLP
PricewaterhouseCoopers LLP

Kansas City, Missouri
February 20, 2001

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Directors

See General Note to Part III.

Executive Officers

See Part I, page 8, entitled "Officers of the Registrant."

ITEM 11. EXECUTIVE COMPENSATION

See General Note to Part III.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

See General Note to Part III.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

None.

General Note To Part III

Pursuant to General Instruction G to Form 10-K, the other information required by Part III (Items 10, 11, and 12) of Form 10-K not disclosed above will be either (i) incorporated by reference from the Definitive Proxy Statement for KCPL's 2001 Annual Meeting of Shareholders, to be filed with the Securities and Exchange Commission not later than March 31, 2001, or (ii) included in an amendment to this report filed with the Commission on Form 10-K/A.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

Financial Statements

		Page No.
a.	Consolidated Statements of Income for the years ended December 31, 2000, 1999 and 1998	29
b.	Consolidated Balance Sheets - December 31, 2000 and 1999	30
c.	Consolidated Statements of Capitalization - December 31, 2000 and 1999	31
d.	Consolidated Statements of Cash Flows for the years ended December 31, 2000, 1999 and 1998	32
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Exhibits

Exhibit Number	Description of Document
3-a	*Restated Articles of Consolidation of KCPL dated as of May 5, 1992 (Exhibit 4 to Registration Statement, Registration No. 33-54196).
3-b	By-laws of KCPL, as amended and in effect on November 7, 2000.
4-a	*General Mortgage and Deed of Trust dated as of December 1, 1986, between KCPL and UMB Bank, n.a. (formerly United Missouri Bank) of Kansas City, N.A., Trustee (Exhibit 4-bb to Form 10-K for the year ended December 31, 1986).
4-b	*Fourth Supplemental Indenture dated as of February 15, 1992, to Indenture dated as of December 1, 1986 (Exhibit 4-y to Form 10-K for year ended December 31, 1991).
4-c	*Fifth Supplemental Indenture dated as of September 15, 1992, to Indenture dated as of December 1, 1986 (Exhibit 4-a to Form 10-Q dated September 30, 1992).
4-d	*Sixth Supplemental Indenture dated as of November 1, 1992, to Indenture dated as of December 1, 1986 (Exhibit 4-z to Registration Statement, Registration No. 33-54196).
4-e	*Seventh Supplemental Indenture dated as of October 1, 1993, to Indenture dated as of December 1, 1986 (Exhibit 4-a to Form 10-Q dated September 30, 1993).
4-f	*Eighth Supplemental Indenture dated as of December 1, 1993, to Indenture dated as of December 1, 1986 (Exhibit 4 to Registration Statement, Registration No. 33-51799).
4-g	*Ninth Supplemental Indenture dated as of February 1, 1994, to Indenture dated as of December 1, 1986 (Exhibit 4-h to Form 10-K for year ended December 31, 1993).
4-h	*Tenth Supplemental Indenture dated as of November 1, 1994, to Indenture dated as of December 1, 1986 (Exhibit 4-I to Form 10-K for year ended December 31, 1994).
4-i	*Resolution of Board of Directors Establishing 3.80% Cumulative Preferred Stock (Exhibit 2-R to Registration Statement, Registration No. 2-40239).

4-j *Resolution of Board of Directors Establishing 4% Cumulative Preferred Stock (Exhibit 2-S to Registration Statement, Registration No. 2-40239).

4-k *Resolution of Board of Directors Establishing 4.50% Cumulative Preferred Stock (Exhibit 2-T to Registration Statement, Registration No. 2-40239).

4-l *Resolution of Board of Directors Establishing 4.20% Cumulative Preferred Stock (Exhibit 2-U to Registration Statement, Registration No. 2-40239).

4-m *Resolution of Board of Directors Establishing 4.35% Cumulative Preferred Stock (Exhibit 2-V to Registration Statement, Registration No. 2-40239).

4-n *Indenture for Medium-Term Note Program dated as of February 15, 1992, between KCPL and The Bank of New York (Exhibit 4-bb to Registration Statement, Registration No. 33-45736).

4-o *Indenture for Medium-Term Note Program dated as of November 15, 1992, between KCPL and The Bank of New York (Exhibit 4-aa to Registration Statement, Registration No. 33-54196).

4-p *Indenture for Medium-Term Note Program dated as of November 17, 1994, between KCPL and The Bank of New York (Exhibit 4-s to Form 10-K for year ended December 31, 1994).

4-q *Indenture for Medium-Term Note Program dated as of December 1, 1996, between KCPL and The Bank of New York (Exhibit 4 to Registration Statement, Registration No. 333-17285).

4-r *Amended and Restated Declaration of Trust of KCPL Financing I dated April 15, 1997 (Exhibit 4-a to Form 10-Q for quarter ended March 31, 1997).

4-s *Indenture dated as of April 1, 1997 between the Company and The First National Bank of Chicago, Trustee (Exhibit 4-b to Form 10-Q for quarter ended March 31, 1997).

4-t *First Supplemental Indenture dated as of April 1, 1997 to the Indenture dated as of April 1, 1997 between the Company and The First National Bank of Chicago, Trustee (Exhibit 4-c to Form 10-Q for quarter ended March 31, 1997).

4-u *Preferred Securities Guarantee Agreement dated April 15, 1997 (Exhibit 4-d to Form 10-Q for quarter ended March 31, 1997).

4-v *Indenture dated as of December 1, 2000, between Kansas City Power & Light Company and The Bank of New York (Exhibit 4-a to Report on Form 8-K dated December 18, 2000).

10-a *Copy of Wolf Creek Generating Station Ownership Agreement between Kansas City Power & Light Company, Kansas Gas and Electric Company and Kansas Electric Power Cooperative, Inc. (Exhibit 10-d to Form 10-K for the year ended December 31, 1981).

10-b *Long-Term Incentive Plan (Exhibit 28 to Registration Statement, Registration 33-42187).

10-c Annual Incentive Compensation Plan, dated February 2001.

10-d *Copy of Indemnification Agreement entered into by KCPL with each of its officers and directors (Exhibit 10-f to Form 10-K for year ended December 31, 1995).

10-e Copy of Restated Severance Agreement dated January 2000 entered into by KCPL with certain of its executive officers.

10-f Copy of Kansas City Power & Light Company Supplemental Executive Retirement Plan Amended and Restated November 1, 2000.

10-g *Copy of Nonqualified Deferred Compensation Plan for KCPL executives (Exhibit 10-b to form 10-Q for period ended March 31, 2000).

10-h *Copy of Employment Agreement between KLT Inc. and Gregory J. Orman (Exhibit 10-c to form 10-Q for period ended March 31, 2000).

10-i *Copy of KLT Inc. Incentive Compensation Plan for Employees and Directors (Exhibit 10-d to form 10-Q for period ended March 31, 2000).

10-j Copy of Amendment No. 1 to KLT Inc. Incentive Compensation Plan dated as of November 16, 2000.

10-k Copy of Amendment No. 2 to KLT Inc. Incentive Compensation Plan dated as of January 25, 2001.

10-l Copy of KLT Gas Inc. Incentive Compensation Plan effective January 1, 2001.

10-m *Copy of Railcar Lease dated as of April 15, 1994, between Shawmut Bank Connecticut, National Association, and KCPL (Exhibit 10 to Form 10-Q for period ended June 30, 1994).

10-n *Copy of Railcar Lease dated as of January 31, 1995, between First Security Bank of Utah, National Association, and KCPL (Exhibit 10-o to Form 10-K for year ended December 31, 1994).

10-o *Copy of Lease Agreement dated as of October 18, 1995, between First Security Bank of Utah, N.A., and KCPL (Exhibit 10 to Form 10-Q for period ended September 30, 1995).

10-p *Railcar Lease dated as of September 8, 1998, with CCG Trust Corporation (Exhibit 10(b) to Form 10-Q for period ended September 30, 1998).

10-q *Purchase and Sale Agreement dated October 29, 1999 between KCPL and Kansas City Power & Light Receivables Company (Exhibit 10-m to Form 10-K for year ended December 31, 1999).

10-r *Copy of Second Amended and Restated Credit Agreement among KLT Inc., Bank One, NA, as Agent, Second Amended and Restated Credit Agreement among KLT Inc., Bank One, NA, as Agent, Commerzbank Aktiengesellschaft, New York and Grand Cayman Branches, as Syndication Agent, Westdeutsche Landesbank Girozentrale, New York Branch, as Documentation Agent, and Various Lenders, dated June 30, 2000 (Exhibit 10 to form 10-Q for period ended June 30, 2000).

10-s Copy of Amendment No. 2 to Credit Agreement dated as of January 23, 2001, among KLT Inc., Bank One, NA, as Agent, Commerzbank Aktiengesellschaft, New York and Grand Cayman Branches, as Syndication Agent, Westdeutsche Landesbank Girozentrale, New York Branch, as Documentation Agent, and Various Lenders

10-t Copy of Demand Promissory Note and Pledge Agreement between DTI Holdings, Inc. and KLT Telecom Inc. dated February 1, 2001.

10-u Copy of Credit Agreement between KLT Telecom Inc. and Digital Teleport Inc. dated February 21, 2001.

23-a Consent of Counsel.

23-b Consent of Independent Accountants-PricewaterhouseCoopers LLP.

24 Powers of Attorney.

* Filed with the Securities and Exchange Commission as exhibits to prior registration statements (except as otherwise noted) and are incorporated herein by reference and made a part hereof. The exhibit number and file number of the documents so filed, and incorporated herein by reference, are stated in parenthesis in the description of such exhibit.

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

Reports on Form 8-K

A report on Form 8-K was filed with the Securities and Exchange Commission on December 18, 2000, with attached documents in connection the issuance of $250,000,000 aggregate principal amount of 7.125% Senior Notes.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Kansas City, and State of Missouri on the 28th day of February, 2001.

KANSAS CITY POWER & LIGHT COMPANY

By /s/Drue Jennings
Chairman of the Board

Pursuant to the requirements of the Securities Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/Drue Jennings (Drue Jennings)	Chairman of the Board (Principal Executive Officer)	February 28, 2001
/s/Bernard J. Beaudoin (Bernard J. Beaudoin)	President and Chief Executive Officer and Director	
/s/Neil Roadman (Neil Roadman)	Controller (Principal Accounting Officer)	
David L. Bodde*	Director	
William H. Clark*	Director	
Mark A. Ernst*	Director	
W. Thomas Grant II*	Director	
William K. HalI*	Director	
William C. Nelson*	Director	
Linda Hood Talbott*	Director	
Robert H. West*	Director	

*By /s/ Drue Jennings
(Drue Jennings)
Attorney-in-Fact*

KANSAS CITY POWER & LIGHT COMPANY

BY-LAWS

AS AMENDED NOVEMBER 7, 2000

KANSAS CITY POWER & LIGHT COMPANY

BY-LAWS

ARTICLE I

Offices

Section 1. The registered office of the Company in the State of Missouri shall be at 1201 Walnut, in Kansas City, Jackson County, Missouri.

Section 2. The Company also may have offices at such other places either within or without the State of Missouri as the Board of Directors may from time to time determine or the business of the Company may require.

ARTICLE II

Shareholders

Section 1. All meetings of the shareholders shall be held at such place within or without the State of Missouri as may be selected by the Board of Directors or Executive Committee, but if the Board of Directors or Executive Committee shall fail to designate a place for said meeting to be held, then the same shall be held at the principal place of business of the Company.

Section 2. An annual meeting of the shareholders shall be held on the first Tuesday of May in each year, if not a legal holiday, and if a legal holiday, then on the first succeeding day which is not a legal holiday, at ten o'clock in the forenoon, for the purpose of electing directors of the Company and transacting such other business as may properly be brought before the meeting.

Section 3. Unless otherwise expressly provided in the Restated Articles of Consolidation of the Company with respect to the Cumulative Preferred Stock, Cumulative No Par Preferred Stock or Preference Stock, special meetings of the shareholders may only be called by the Chairman of the Board, by the President or at the request in writing of a majority of the Board of Directors. Special meetings of shareholders of the Company may not be called by any other person or persons.

Section 4. Written or printed notice of each meeting of the shareholders, annual or special, shall be given in the manner provided in the corporation laws of the State of

Missouri. In case of a call for any special meeting, the notice shall state the time, place and purpose of such meeting.

Any notice of a shareholders' meeting sent by mail shall be deemed to be delivered when deposited in the United States mail with postage thereon prepaid addressed to the shareholder at his address as it appears on the records of the Company.

In addition to the written or printed notice provided for in the first paragraph of this Section, published notice of each meeting of shareholders shall be given in such manner and for such period of time as may be required by the laws of the State of Missouri at the time such notice is required to be given.

Section 5. Attendance of a shareholder at any meeting shall constitute a waiver of notice of such meeting except where a shareholder attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 6. At least ten days before each meeting of the shareholders, a complete list of the shareholders entitled to vote at such meeting, arranged in alphabetical order with the address of and the number of shares held by each, shall be prepared by the officer having charge of the transfer book for shares of the Company. Such list, for a period of ten days prior to such meeting, shall be kept on file at the registered office of the Company and shall be subject to inspection by any shareholder at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder during the whole time of the meeting. The original share ledger or transfer book, or a duplicate thereof kept in the State of Missouri, shall be prima facie evidence as to who are the shareholders entitled to examine such list or share ledger or transfer book or to vote at any meeting of shareholders.

Failure to comply with the requirements of this Section shall not affect the validity of any action taken at any such meeting.

Section 7. Each outstanding share entitled to vote under the provisions of the articles of consolidation of the Company shall be entitled to one vote on each matter submitted at a meeting of the shareholders. A shareholder may vote either in person or by proxy executed in writing by the shareholder or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution, unless otherwise provided in the proxy.

At any election of directors of the Company, each holder of outstanding shares of any class entitled to vote thereat shall have the right to cast as many votes in the aggregate as shall equal the number of shares of such class held, multiplied by the

number of directors to be elected by holders of shares of such class, and may cast the whole number of votes, either in person or by proxy, for one candidate, or distribute them among two or more candidates as such holder shall elect.

Section 8. At any meeting of shareholders, a majority of the outstanding shares entitled to vote represented in person or by proxy shall constitute a quorum for the transaction of business, except as otherwise provided by statute or by the articles of consolidation or by these By-laws. The holders of a majority of the shares represented in person or by proxy and entitled to vote at any meeting of the shareholders shall have the right successively to adjourn the meeting to a specified date not longer than ninety days after any such adjournment, whether or not a quorum be present. The time and place to which any such adjournment is taken shall be publicly announced at the meeting, and no notice need be given of any such adjournment to shareholders not present at the meeting. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 9. The vote for directors and the vote on any other question that has been properly brought before the meeting in accordance with these By-laws shall be by ballot. Each ballot cast by a shareholder must state the name of the shareholder voting and the number of shares voted by him and if such ballot be cast by a proxy, it must also state the name of such proxy. All elections and all other questions shall be decided by plurality vote, unless the question is one on which by express provision of the statutes or of the articles of consolidation or of these By-laws a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 10. The Chairman of the Board, or in his absence the President of the Company, shall convene all meetings of the shareholders and shall act as chairman thereof. The Board of Directors may appoint any shareholder to act as chairman of any meeting of the shareholders in the absence of the Chairman of the Board and the President, and in the case of the failure of the Board so to appoint a chairman, the shareholders present at the meeting shall elect a chairman who shall be either a shareholder or a proxy of a shareholder.

The Secretary of the Company shall act as secretary of all meetings of shareholders. In the absence of the Secretary at any meeting of shareholders, the presiding officer may appoint any person to act as secretary of the meeting.

Section 11. At any meeting of shareholders where a vote by ballot is taken for the election of directors or on any proposition, the person presiding at such meeting shall appoint not less than two persons, who are not directors, as inspectors to receive and canvass the votes given at such meeting and certify the result to him. Subject to any statutory requirements which may be applicable, all questions touching upon the qualification of voters, the validity of proxies, and the acceptance or rejection of votes

shall be decided by the inspectors. In case of a tie vote by the inspectors on any question, the presiding officer shall decide the issue.

Section 12. Unless otherwise provided by statute or by the articles of consolidation, any action required to be taken by shareholders may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the shareholders entitled to vote with respect to the subject matter thereof.

Section 13. No business may be transacted at an annual meeting of shareholders, other than business that is either (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors (or any duly authorized committee thereof), (b) otherwise properly brought before the annual meeting by or at the direction of the Board of Directors (or any duly authorized committee thereof) or (c) otherwise properly brought before the annual meeting by any shareholder of the Company (i) who is a shareholder of record on the date of the giving of the notice provided for in this Section 13 and on the record date for the determination of shareholders entitled to vote at such annual meeting and (ii) who complies with the notice procedure set forth in this Section 13.

In addition to any other applicable requirements, for business to be properly brought before an annual meeting by a shareholder, such shareholder must have given timely notice thereof in proper written form to the Secretary of the Company.

To be timely, a shareholder's notice to the Secretary must be delivered to or mailed and received at the principal executive offices of the Company not less than sixty (60) days nor more than ninety (90) days prior to the date of the annual meeting of shareholders; provided, however, that in the event that less than seventy (70) days' notice or prior public disclosure of the date of the meeting is given to shareholders, notice by the shareholder to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure of the date of the annual meeting was made, whichever first occurs.

To be in proper written form, a shareholder's notice to the Secretary must set forth as to each matter such shareholder proposes to bring before the annual meeting (i) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (ii) the name and record address of such shareholder, (iii) the class or series and number of shares of capital stock of the Company that are owned beneficially or of record by such shareholder, (iv) a description of all arrangements or understandings between such shareholder and any other person or persons (including their names) in connection with the proposal of such business by such shareholder and any material interest of such shareholder in such business and (v) a representation that such shareholder intends to appear in person or by proxy at the annual meeting to bring such business before the meeting.

No business shall be conducted at the annual meeting of shareholders except business brought before the annual meeting in accordance with the procedures set forth in this Section 13, provided, however, that, once business has been properly brought before the annual meeting in accordance with such procedures, nothing in this Section 13 shall be deemed to preclude discussion by any shareholder of any such business. If the Chairman of an annual meeting determines that business was not properly brought before the annual meeting in accordance with the foregoing procedures, the Chairman shall declare to the meeting that the business was not properly brought before the meeting and such business shall not be transacted.

ARTICLE III

Board of Directors

Section 1. The property, business and affairs of the Company shall be managed and controlled by a Board of Directors which may exercise all such powers of the Company and do all such lawful acts and things as are not by statute or by the articles of consolidation or by these By-laws directed or required to be exercised or done by the shareholders.

Section 2. The Board of Directors shall consist of ten directors who shall be elected at the annual meeting of the shareholders. Each director shall be elected to serve until the next annual meeting of the shareholders and until his successor shall be elected and qualified. Directors need not be shareholders.

Section 3. In case of the death or resignation of one or more of the directors of the Company, a majority of the remaining directors, though less than a quorum, may fill the vacancy or vacancies until the successor or successors are elected at a meeting of the shareholders. A director may resign at any time and the acceptance of his resignation shall not be required in order to make it effective.

Section 4. The Board of Directors may hold its meetings either within or without the State of Missouri at such place as shall be specified in the notice of such meeting.

Section 5. Regular meetings of the Board of Directors shall be held as the Board of Directors by resolution shall from time to time determine. The Secretary or an Assistant Secretary shall give at least five days' notice of the time and place of each such meeting to each director in the manner provided in Section 9 of this Article III. The notice need not specify the business to be transacted.

Section 6. Special meetings of the Board of Directors shall be held whenever called by the Chairman of the Board, the President or three members of the Board and

shall be held at such place as shall be specified in the notice of such meeting. Notice of such special meeting stating the place, date and hour of the meeting shall be given to each director either by mail not less than forty-eight (48) hours before the date of the meeting, or personally or by telephone, telecopy, telegram, telex or similar means of communication on twenty-four (24) hours' notice, or on such shorter notice as the person or persons calling such meeting may deem necessary or appropriate in the circumstances.

Section 7. A majority of the full Board of Directors as prescribed in these By-laws shall constitute a quorum for the transaction of business. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of the directors, the directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. Members of the Board of Directors or of any committee designated by the Board of Directors may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting.

Section 8. The Board of Directors, by the affirmative vote of a majority of the directors then in office, and irrespective of any personal interest of any of its members, shall have authority to establish reasonable compensation for directors. Compensation for nonemployee directors may include both a stated annual retainer and a fixed fee for attendance at each regular or special meeting of the Board. Nonemployee members of special or standing committees of the Board may be allowed a fixed fee for attending committee meetings. Any director may serve the Company in any other capacity and receive compensation therefor. Each director may be reimbursed for his expenses, if any, in attending regular and special meetings of the Board and committee meetings.

Section 9. Whenever under the provisions of the statutes or of the articles of consolidation or of these By-laws, notice is required to be given to any director, it shall not be construed to require personal notice, but such notice may be given by telephone, telecopy, telegram, telex or similar means of communication addressed to such director at such address as appears on the books of the Company, or by mail by depositing the same in a post office or letter box in a postpaid, sealed wrapper addressed to such director at such address as appears on the books of the Company. Such notice shall be deemed to be given at the time when the same shall be thus telephoned, telecopied, telegraphed or mailed.

Attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 10. The Board of Directors may by resolution provide for an Executive Committee of said Board, which shall serve at the pleasure of the Board of Directors and, during the intervals between the meetings of said Board, shall possess and may exercise any or all of the powers of the Board of Directors in the management of the business and affairs of the corporation, except with respect to any matters which, by resolution of the Board of Directors, may from time to time be reserved for action by said Board.

Section 11. The Executive Committee, if established by the Board, shall consist of the Chief Executive Officer of the Company and two or more additional directors, who shall be elected by the Board of Directors to serve at the pleasure of said Board until the first meeting of the Board of Directors following the next annual meeting of shareholders and until their successors shall have been elected. Vacancies in the Committee shall be filled by the Board of Directors.

Section 12. Meetings of the Executive Committee shall be held whenever called by the chairman or by a majority of the members of the committee, and shall be held at such time and place as shall be specified in the notice of such meeting. The Secretary or an Assistant Secretary shall give at least one day's notice of the time, place and purpose of each such meeting to each committee member in the manner provided in Section 9 of this Article III, provided, that if the meeting is to be held outside of Kansas City, Missouri, at least three days' notice thereof shall be given.

Section 13. At all meetings of the Executive Committee, a majority of the committee members shall constitute a quorum and the unanimous act of all the members of the committee present at a meeting where a quorum is present shall be the act of the Executive Committee. All action by the Executive Committee shall be reported to the Board of Directors at its meeting next succeeding such action.

Section 14. In addition to the Executive Committee provided for by these By-laws, the Board of Directors, by resolution adopted by a majority of the whole Board of Directors, (i) shall designate, as standing committees, an Audit Committee, a Compensation Committee and a Governance Committee, and (ii) may designate one or more special committees, each consisting of two or more directors. Each standing or special committee shall have and may exercise so far as may be permitted by law and to the extent provided in such resolution or resolutions or in these By-laws, the responsibilities of the business and affairs of the corporation. The Board of Directors may, at its discretion, appoint qualified directors as alternate members of a standing or special committee to serve in the temporary absence or disability of any member of a committee. Except where the context requires otherwise, references in these By-laws to the Board of Directors shall be deemed to include the Executive Committee, a standing committee or a special committee of the Board of Directors duly authorized and empowered to act in the premises.

Section 15. Each standing or special committee shall record and keep a record of all its acts and proceedings and report the same from time to time to the Board of Directors.

Section 16. Regular meetings of any standing or special committee, of which no notice shall be necessary, shall be held at such times and in such places as shall be fixed by majority of the committee. Special meetings of a committee shall be held at the request of any member of the committee. Notice of each special meeting of a committee shall be given not later than one day prior to the date on which the special meeting is to be held. Notice of any special meeting need not be given to any member of a committee, if waived by him in writing or by telegraph before or after the meeting; and any meeting of a committee shall be a legal meeting without notice thereof having been given, if all the members of the committee shall be present.

Section 17. A majority of any committee shall constitute a quorum for the transaction of business, and the act of a majority of those present, by telephone conference call or otherwise, at any meeting at which a quorum is present shall be the act of the committee. Members of any committee shall act only as a committee and the individual members shall have no power as such.

Section 18. The members or alternates of any standing or special committee shall serve at the pleasure of the Board of Directors.

Section 19. If all the directors severally or collectively shall consent in writing to any action which is required to be or may be taken by the directors, such consents shall have the same force and effect as a unanimous vote of the directors at a meeting duly held. The Secretary shall file such consents with the minutes of the meetings of the Board of Directors.

Section 20. Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company, except as may be otherwise provided in the Restated Articles of Consolidation of the Company with respect to the right of holders of Preferred Stock to nominate and elect a specified number of directors in certain circumstances. Nominations of persons for election to the Board of Directors may be made at any annual meeting of shareholders (a) by or at the direction of the Board of Directors (or any duly authorized committee thereof) or (b) by any shareholder of the Company (i) who is a shareholder of record on the date of the giving of the notice provided for in this Section 20 and on the record date for the determination of shareholders entitled to vote at such annual meeting and (ii) who complies with the notice procedures set forth in this Section 20.

In addition to any other applicable requirements, for a nomination to be made by a shareholder, such shareholder must have given timely notice thereof in proper written form to the Secretary of the Company.

To be timely, a shareholder's notice to the Secretary must be delivered to or mailed and received at the principal executive offices of the Company not less than sixty (60) days nor more than ninety (90) days prior to the date of the annual meeting of shareholders; provided, however, that in the event that less than seventy (70) days' notice or prior public disclosure of the date of the meeting is given to shareholders, notice by the shareholder in order to be timely must be so received not later than the close of business on the tenth (10) day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure of the date of the annual meeting was made, whichever first occurs.

To be in proper written form, a shareholder's notice to the Secretary must set forth (a) as to each person whom the shareholder proposes to nominate for election as a director (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class or series and number of shares of capital stock of the Company that are owned beneficially or of record by the person and (iv) any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder; and (b) as to the shareholder giving the notice (i) the name and record of such shareholder, (ii) the class or series and number of shares of capital stock of the Company that are owned beneficially or of record by such shareholder, (iii) a description of all arrangements or understandings between such shareholder and each proposed nominee and any other person or persons (including their names) pursuant to which the nomination(s) are to be made by such shareholder, (iv) a representation that such shareholder intends to appear in person or by proxy at the meeting to nominate the persons named in the notice and (v) any other information relating to such shareholder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. Such notice must be accompanied by a written consent of each proposed nominee to being name as a nominee and to serve as a director if elected.

No person shall be eligible for election as a director of the Company unless nominated in accordance with the procedures set forth in this Section 20. If the Chairman of the annual meeting determines that a nomination was not made in accordance with the foregoing procedures, the Chairman shall declare to the meeting that the nomination was defective and such defective nomination shall be disregarded.

ARTICLE IV

Officers

Section 1. The officers of the Company shall include a Chairman of the Board, a President, one or more Vice Presidents, a Secretary, one or more Assistant Secretaries, a Treasurer and one or more Assistant Treasurers, all of whom shall be appointed by the Board of Directors. Any one person may hold two or more offices except that the offices of President and Secretary may not be held by the same person.

Section 2. The officers of the Company shall be appointed annually by the Board of Directors. The office of Chairman of the Board may or may not be filled, as may be deemed advisable by the Board of Directors.

Section 3. The Board of Directors may from time to time appoint such other officers as it shall deem necessary or expedient, who shall hold their offices for such terms and shall exercise such powers and perform such duties as the Board of Directors or the Chief Executive Officer may from time to time determine.

Section 4. The officers of the Company shall hold office until their successors shall be chosen and shall qualify. Any officer appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the whole board. If the office of any officer becomes vacant for any reason, or if any new office shall be created, the vacancy may be filled by the Board of Directors.

Section 5. The salaries of all officers of the Company shall be fixed by the Board of Directors.

ARTICLE V

Powers and Duties of Officers

Section 1. The Board of Directors shall designate the Chief Executive Officer of the Company, who may be either the Chairman of the Board or the President. The Chief Executive Officer shall have general and active management of and exercise general supervision of the business and affairs of the Company, subject, however, to the right of the Board of Directors, or the Executive Committee acting in its stead, to delegate any specific power to any other officer or officers of the Company, and the Chief Executive Officer shall see that all orders and resolutions of the Board of Directors and the Executive Committee are carried into effect. During such times when neither the Board of Directors nor the Executive Committee is in session, the Chief Executive Officer of the Company shall have and exercise full corporate authority and power to manage the business and affairs of the Company (except for matters required by law, the By-laws or

the articles of consolidation to be exercised by the shareholders or Board itself or as may otherwise be specified by orders or resolutions of the Board) and the Chief Executive Officer shall take such actions, including executing contracts or other documents, as he deems necessary or appropriate in the ordinary course of the business and affairs of the Company. The Vice Presidents and other authorized persons are authorized to take actions which are (i) routinely required in the conduct of the Company's business or affairs, including execution of contracts and other documents incidental thereto, which are within their respective areas of assigned responsibility, and (ii) within the ordinary course of the Company's business or affairs as may be delegated to them respectively by the Chief Executive Officer.

Section 2. The Chairman of the Board shall preside at all meetings of the shareholders and at all meetings of the Board of Directors, and shall perform such other duties as the Board of Directors shall from time to time prescribe, including, if so designated by the Board of Directors, the duties of Chief Executive Officer.

Section 3. The President, if not designated Chief Executive Officer, shall perform such duties and exercise such powers as shall be assigned to him from time to time by the Board of Directors or the Chief Executive Officer. In the absence of the Chairman of the Board, or if the position of Chairman of the Board be vacant, the President shall preside at all meetings of the shareholders and at all meetings of the Board of Directors.

Section 4. The Vice Presidents shall perform such duties and exercise such powers as shall be assigned to them from time to time by the Board of Directors or the Chief Executive Officer.

Section 5. The Secretary shall attend all meetings of the shareholders, the Board of Directors and the Executive Committee, and shall keep the minutes of such meetings. He shall give, or cause to be given, notice of all meetings of the shareholders, the Board of Directors and the Executive Committee, and shall perform such other duties as may be prescribed by the Board of Directors or the Chief Executive Officer. He shall be the custodian of the seal of the Company and shall affix the same to any instrument requiring it and, when so affixed, shall attest it by his signature. He shall, in general, perform all duties incident to the office of secretary.

Section 6. The Assistant Secretaries shall perform such of the duties and exercise such of the powers of the Secretary as shall be assigned to them from time to time by the Board of Directors or the Chief Executive Officer or the Secretary, and shall perform such other duties as the Board of Directors or the Chief Executive Officer shall from time to time prescribe.

Section 7. The Treasurer shall have the custody of all moneys and securities of the Company. He is authorized to collect and receive all moneys due the Company and to receipt therefor, and to endorse in the name of the Company and on its behalf when

necessary or proper all checks, drafts, vouchers or other instruments for the payment of money to the Company and to deposit the same to the credit of the Company in such depositaries as may be designated by the Board of Directors. He is authorized to pay interest on obligations and dividends on stocks of the Company when due and payable. He shall, when necessary or proper, disburse the funds of the Company, taking proper vouchers for such disbursements. He shall render to the Board of Directors and the Chief Executive Officer, whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Company. He shall perform such other duties as may be prescribed by the Board of Directors or the Chief Executive Officer. He shall, in general, perform all duties incident to the office of treasurer.

Section 8. The Assistant Treasurers shall perform such of the duties and exercise such of the powers of the Treasurer as shall be assigned to them from time to time by the Board of Directors or the Chief Executive Officer or the Treasurer, and shall perform such other duties as the Board of Directors or the Chief Executive Officer shall from time to time prescribe.

Section 9. The Board of Directors may, by resolution, require any officer to give the Company a bond (which shall be renewed every six years) in such sum and with such surety or sureties as shall be satisfactory to the Board for the faithful performance of the duties of his office and for the restoration to the Company, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control and belonging to the Company.

Section 10. In the case of absence or disability or refusal to act of any officer of the Company, other than the Chairman of the Board, the Chief Executive Officer may delegate the powers and duties of such officer to any other officer or other person unless otherwise ordered by the Board of Directors.

Section 11. The Chairman of the Board, the President, the Vice Presidents and any other person duly authorized by resolution of the Board of Directors shall severally have power to execute on behalf of the Company any deed, bond, indenture, certificate, note, contract or other instrument authorized or approved by the Board of Directors.

Section 12. Unless otherwise ordered by the Board of Directors, the Chairman of the Board, the President or any Vice President of the Company (a) shall have full power and authority to attend and to act and vote, in the name and on behalf of this Company, at any meeting of shareholders of any corporation in which this Company may hold stock, and at any such meeting shall possess and may exercise any and all of the rights and powers incident to the ownership of such stock, and (b) shall have full power and authority to execute, in the name and on behalf of this Company, proxies authorizing any suitable person or persons to act and to vote at any meeting of shareholders of any corporation in which this Company may hold stock, and at any such meeting the person

or persons so designated shall possess and may exercise any and all of the rights and powers incident to the ownership of such stock.

ARTICLE VI

Certificates of Stock

Section 1. The Board of Directors shall provide for the issue, transfer and registration of the certificates representing the shares of capital stock of the Company, and shall appoint the necessary officers, transfer agents and registrars for that purpose.

Section 2. Until otherwise ordered by the Board of Directors, stock certificates shall be signed by the President or a Vice President and by the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer, and sealed with the seal of the Company. Such seal may be facsimile, engraved or printed. In case any officer or officers who shall have signed, or whose facsimile signature or signatures shall have been used on, any stock certificate or certificates shall cease to be such officer or officers of the Company, whether because of death, resignation or otherwise, before such certificate or certificates shall have been delivered by the Company, such certificate or certificates may nevertheless be issued by the Company with the same effect as if the person or persons who signed such certificate or certificates or whose facsimile signature or signatures shall have been used thereon had not ceased to be such officer or officers of the Company.

Section 3. Transfers of stock shall be made on the books of the Company only by the person in whose name such stock is registered or by his attorney lawfully constituted in writing, and unless otherwise authorized by the Board of Directors only on surrender and cancellation of the certificate transferred. No stock certificate shall be issued to a transferee until the transfer has been made on the books of the Company.

Section 4. The Company shall be entitled to treat the person in whose name any share of stock is registered as the owner thereof, for all purposes, and shall not be bound to recognize any equitable or other claim to or interest in such share on the part of any other person, whether or not it shall have notice thereof, except as otherwise expressly provided by the laws of Missouri.

Section 5. In case of the loss or destruction of any certificate for shares of the Company, a new certificate may be issued in lieu thereof under such regulations and conditions as the Board of Directors may from time to time prescribe.

ARTICLE VII

Closing of Transfer Books

The Board of Directors shall have power to close the stock transfer books of the Company for a period not exceeding seventy days preceding the date of any meeting of shareholders or the date for payment of any dividend or the date for the allotment of rights or the date when any change or conversion or exchange of shares shall go into effect; provided, however, that in lieu of closing the stock transfer books as aforesaid, the Board of Directors may fix in advance a date, not exceeding seventy days preceding the date of any meeting of shareholders, or the date for the payment of any dividend, or the date for the allotment of rights, or the date when any change or conversion or exchange of shares shall go into effect, as a record date for the determination of the shareholders entitled to notice of, and to vote at, any such meeting, and any adjournment thereof, or entitled to receive payment of any such dividend, or to any such allotment of rights, or to exercise the rights in respect of any such change, conversion or exchange of shares, and in such case such shareholders and only such shareholders as shall be shareholders of record on the date of closing the transfer books or on the record date so fixed shall be entitled to notice of, and to vote at, such meeting and any adjournment thereof, or to receive payment of such dividend, or to receive such allotment of rights, or to exercise such rights, as the case may be, notwithstanding any transfer of any shares on the books of the Company after such date of closing of the transfer books or such record date fixed as aforesaid.

ARTICLE VIII

Inspection of Books

Section 1. A shareholder shall have the right to inspect books of the Company only to the extent such right may be conferred by law, by the articles of consolidation, by the By-laws or by resolution of the Board of Directors.

Section 2. Any shareholder desiring to examine books of the Company shall present a demand to that effect in writing to the President or the Secretary or the Treasurer of the Company. Such demand shall state:

(a) the particular books which he desires to examine;

(b) the purpose for which he desires to make the examination;

(c) the date on which the examination is desired;

(d) the probable duration of time the examination will require; and

(e) the names of the persons who will be present at the examination.

Within three days after receipt of such demand, the President or the Secretary or the Treasurer shall, if the shareholder's purpose be lawful, notify the shareholder making the demand of the time and place the examination may be made.

Section 3. The right to inspect books of the Company may be exercised only at such times as the Company's registered office is normally open for business and may be limited to four hours on any one day.

Section 4. The Company shall not be liable for expenses incurred in connection with any inspection of its books.

ARTICLE IX

Corporate Seal

The corporate seal of the Company shall have inscribed thereon the name of the Company and the words "Corporate Seal", "Missouri" and "1922".

ARTICLE X

Fiscal Year

Section 1. The fiscal year of the Company shall be the calendar year.

Section 2. As soon as practicable after the close of each fiscal year, the Board of Directors shall cause a report of the business and affairs of the Company to be made to the shareholders.

ARTICLE XI

Waiver of Notice

Whenever by statute or by the articles of consolidation or by these By-laws any notice whatever is required to be given, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XII

Indemnification by the Company

[Deleted].

ARTICLE XIII

Amendments

The Board of Directors may make, alter, amend or repeal By-laws of the Company by a majority vote of the whole Board of Directors at any regular meeting of the Board or at any special meeting of the Board if notice thereof has been given in the notice of such special meeting. Nothing in this Article shall be construed to limit the power of the shareholders to make, alter, amend or repeal By-laws of the Company at any annual or special meeting of shareholders by a majority vote of the shareholders present and entitled to vote at such meeting, provided a quorum is present.

Exhibit 10-c

Kansas City Power & Light Company
Annual Incentive Plan
February 2001

OBJECTIVE

The Kansas City Power & Light Company (KCPL) executive Annual Incentive Plan (AIP) is designed to reward sustained 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 the Company's strategic business objectives.

Eligible participants include Executives and other Key Employees of the Company, as approved by the Compensation Committee (the Committee) of the Board of Directors.

PERFORMANCE GOAL

Performance under the plan will be measured by Economic Value Added, or EVA(R). The awards paid under the plan will be based on the achievement of the annual EVA goal approved by the Committee. Annual EVA goals will be set as part of a four-year cumulative EVA goal recommended by the Chief Executive Officer and approved by the Committee. At the beginning of the four-year period, the committee will approve the four-year cumulative EVA goal and the EVA goal for the first year of the plan.

KCPL's proposed cumulative EVA goal for 2001 through 2004 is $51.6 million. The proposed annual EVA goal for KCPL for the 2001 annual incentive plan year is $2.4 million. Details regarding these goals are presented in Appendix I.

In addition to the overall KCPL goal, separate EVA goals will be established for the business units. Individual incentive awards may reflect a mix of KCPL and business unit performance; the actual mix for each executive will be determined based on his role and contribution to the organization.

TARGET AWARDS

Target award levels will be approved by the Committee and will be set as a percentage of the executive's base salary. Target levels will vary by participant and will reflect both his organizational responsibilities and market-competitive bonus levels. Competitive bonus levels will be determined using a blend of general industry and utility industry data.

In order for bonuses to be paid at target levels, the annual EVA performance goals - both at the corporate and business level where applicable - must be met.

EXAMPLE

Position	Salary	Target Bonus %	Target Bonus $
Vice President	$150,000	30%	$45,000

____

EVA(R) is a registered trademark of Stern Stewart and Company

Target award levels are presented in Appendix II.

AWARD THRESHOLD AND MAXIMUM

Awards will be subject to an established performance threshold. If EVA performance falls below the threshold level, no award will be payable for that portion of the individual's award(1).

For plan year 2001, the threshold level of EVA performance for KCPL will be negative $14 .7 million. If performance falls below this level, no award for the corporate component will be paid.

Awards will also be subject to a maximum level equal to 200% of the target award. For plan year 2001, the bonus amount of 200% will be awarded when EVA reaches $19.6 million.

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. The amount of the award will be determined using the performance matrix provided in Appendix III.

EXAMPLE

Target Bonus %	Target Bonus $	2001 EVA Goal	2001 Actual EVA	Actual Award (% of Target Award)	Actual Award ($)
30%	$45,000	$2.4 million	$6.7 million	125%	$56,250

Using the performance matrix, the award paid for 2001 actual EVA performance of $6.7 million would be 125% of target, or $56,250 in the example above.

EXCEPTIONS

The cumulative EVA target established for the plan period is fixed for the duration of the plan, and will only be changed upon the approval of the Committee and the Board. Changes will only be approved as a result of an acquisition, divestiture or other significant event that, in the judgment of the Committee, results in a change in the character of the Company.

Each year, the Committee will approve the annual EVA target. In establishing this target, the Committee will consider both prior year EVA performance and the four-year cumulative EVA goal. Should EVA performance in any year fall below threshold, the Committee will consider setting the following year's goal at a level sufficient to recover all or a portion of the shortfall.

____

(1)For example, if KCPL falls below the threshold EVA level while a business unit performs above its threshold, the corporate (KCPL) component of the award would be zero.

[THE FOLLOWING IS A FORM OF RESTATED SEVERANCE AGREEMENT ENTERED INTO WITH CERTAIN KCPL EXECUTIVES]

RESTATED SEVERANCE AGREEMENT

THIS RESTATED AGREEMENT is entered into as of the _____ day of January, 2000, by and between Kansas City Power & Light Company, a Missouri corporation (the "Company"), and _______________ ("Executive").

W I T N E S S E T H

WHEREAS, Executive currently serves as a key employee of the Company and the services and knowledge of Executive are valuable to the Company in connection with the management of the Company's business; and

WHEREAS, the Board (as defined in Section 1) has determined that it is in the best interests of the Company and its shareholders to secure Executive's continued services and to ensure Executive's continued dedication and objectivity in the event of any threat or occurrence of, or negotiation or other action that could lead to, or create the possibility of, a Change in Control (as defined in Section 1) of the Company, without concern as to whether Executive might be hindered or distracted by personal uncertainties and risks created by any such possible Change in Control, and to encourage Executive's full attention and dedication to the Company, the Board has authorized the Company to enter into this Agreement.

WHEREAS, Executive and Company entered into a Severance Agreement dated _________________, 19___, which was subsequently amended on ________________, and Executive and Company wish to restate into one document such Severance Agreement and subsequent amendments1.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein contained, the Company and Executive hereby restate as 2follows:

1. DEFINITIONS. As used in this Agreement, the following terms shall have the respective meanings set forth below:

(a) "BENEFICIAL OWNER" has the same meaning set forth in Rule 13d-3 under the Exchange Act.

(b) "BOARD" means the Board of Directors of the Company.

(c) "CAUSE" means (1) a material breach by Executive of those duties and responsibilities of Executive which do not differ in any material respect from the duties and responsibilities of Executive during the 90-day period immediately prior to a Change in Control (or, for purposes of Section

3(d), during the 90-day period immediately preceding a Potential Change in Control), other than as a result of incapacity due to physical or mental illness, which is demonstrably willful and deliberate on Executive's part, committed in bad faith or without reasonable belief that such breach is in the best interests of the Company, and is not remedied in a reasonable period of time after receipt of written notice from the Company specifying such breach or (2) the commission by Executive of a felony involving moral turpitude.

(d) "CHANGE IN CONTROL" means the occurrence of one of the following events:

(1) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the

Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its affiliates other than in connection with the acquisition by the Company or its affiliates of a business) representing 20% or more of either the then outstanding shares of common stock of the Company or the combined voting power of the Company's then outstanding securities; or

(2) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the date hereof, constitute the Board and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company, as such terms are used in Rule 14a-11 of Regulation 14A under the Exchange Act) whose appointment or election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved; or

(3) the stockholders of the Company approve a merger or consolidation of the Company with any other corporation or approve the issuance of voting securities of the Company in connection with a merger or consolidation of the Company (or any direct or indirect subsidiary of the Company) pursuant to applicable stock exchange requirements, other than (i) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), in

combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company, at least 60% of the combined voting power of the voting securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, or (ii) a merger or consolidation effected to implement a recapi talization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company or its affiliates other than in connection with the acquisition by the Company or its affiliates of a business) representing 20% or more of either the then outstanding shares of common stock of the Company or the combined voting power of the Company's then outstanding securities; or

(4) the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, at least 60% of the combined voting power of the voting securities of which are owned by Persons in substantially the same proportions as their ownership of the Company immediately prior to such sale.

Notwithstanding the foregoing, no "Change in Control" shall be deemed to have occurred if there is consummated any transaction or series of integrated transactions immediately following which the record holders of the common stock of the Company immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of the Company immediately following such transaction or series of transactions.

(e) "DATE OF TERMINATION" means (1) the effective date on which Executive's employment by the Company terminates as specified in a prior written notice by the Company or Executive, as the case may be, to the other, delivered pursuant to Section 11, or (2) if Executive's employment by the Company terminates by reason of death, the date of death of Executive.

(f) "EXCHANGE ACT" means the Securities Exchange Act of 1934, as amended from time to time.

(g) "GOOD REASON" means, without Executive's express written consent, the occurrence of any of the following events after a Change in Control (or after any potential Change in Control under the circumstances described in Clause (2) of Section 3 (d) hereof (treating all references in this paragraph (g) to a "Change in Control" as references to a "Potential Change in Control")):

(1) any of (i) the assignment to Executive of any duties inconsistent in any material respect with Executive's position(s), duties, responsibilities or status with the Company immediately prior to such Change in Control, (ii) a change in Executive's reporting responsibilities, titles or offices with the Company as in effect immediately prior to such Change in Control, or (iii) any removal or involuntary termination of Executive from the Company otherwise than as expressly permitted by this Agreement or any failure to re-elect Executive to any position with the Company held by Executive immediately prior to such Change in Control;

(2) a reduction by the Company in Executive's rate of annual base salary as in effect immediately prior to such Change in Control or as the same may be increased from time to time thereafter;

(3) any requirement of the Company that Executive (i) be based anywhere other than at the offices where the Executive is located at the time of the Change in Control, or (ii) travel on Company business to an extent substantially more burdensome than the travel obligations of Executive immediately prior to such Change in Control;

(4) the failure of the Company to (i) continue in effect any employee benefit plan or compensation plan in which Executive is participating immediately prior to such Change in Control, unless Executive is permitted to participate in other plans providing Executive with substantially comparable benefits, or the taking of any action by the Company which would adversely affect Executive's participation in or materially reduce Executive's benefits under any such plan, (ii) provide Executive and Executive's dependents welfare benefits (including, without limitation, medical, prescription, dental, disability, salary continuance, employee life, group life, accidental death and travel accident insurance plans and programs) in accordance with the most favorable plans, practices, programs and policies of the Company and its affiliated companies in effect for Executive immediately prior to such Change in Control or, if more favorable to Executive, as in effect generally at any time thereafter

with respect to other peer executives of the Company and its affiliated companies, (iii) provide fringe benefits in accordance with the most favorable plans, practices, programs and policies of the Company and its affiliated companies in effect for Executive immediately prior to such Change in Control or, if more favorable to Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies, (iv) provide an office or offices of a size and with furnishings and other appointments, together with exclusive personal secretarial and other assistance, at least equal to the most favorable of the foregoing provided to Executive by the Company and its affiliated companies immediately prior to such Change in Control or, if more favorable to Executive, as provided generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies, (v) provide Executive with paid vacation in accordance with the most favorable plans, policies, programs and practices of the Company and its affiliated companies as in effect for Executive immediately prior to such Change in Control or, if more favorable to Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies, or (vi) reimburse Executive promptly for all reasonable employment expenses incurred by Executive in accordance with the most favorable policies, practices and procedures of the Company and its affiliated companies in effect for Executive immediately prior to such Change in Control, or if more favorable to Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies; or

(5) the failure of the Company to obtain the assumption agreement from any successor as contemplated in Section 10(b).

For purposes of this Agreement, any good faith determination of Good Reason made by Executive shall be conclusive; PROVIDED, HOWEVER, that an isolated, insubstantial and inadvertent action taken in good faith and which is remedied by the Company promptly after receipt of notice thereof given by Executive shall not constitute Good Reason.

(h) "NONQUALIFYING TERMINATION" means a termination of Executive's employment (1) by the Company for Cause, (2) by Executive for any reason other than a Good Reason, (3) as a result of Executive's death, or (4) by the Company due to Executive's absence from Executive's duties with the Company on a full-time basis for at least 180 consecutive days as a result of Executive's incapacity due to physical or mental illness; PROVIDED, HOWEVER, that a termination of Executive's employment for any

reason whatsoever during the "Window Period" (hereinafter defined) shall not constitute a Nonqualifying Termination.

(i) "PERSON" has the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (1) the Company or any of its subsid iaries, (2) a trustee or other fiduciary holding securi ties under an employee benefit plan of the Company or any of its subsidiaries, (3) an underwriter temporarily holding securities pursuant to an offering of such secu rities, or (4) a corporation owned, directly or indirect ly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

(j) "POTENTIAL CHANGE IN CONTROL" means the occurrence of one of the following events:

(1) the Company enters into an agreement, the consummation of which would result in the occurrence of a Change in Control;

(2) the Company or any Person publicly announces an intention to take or to consider taking actions which, if consummated, would constitute a Change in Control;

(3) any Person becomes the Beneficial Owner, directly or indirectly, of securities of the Company representing 10% or more of either the then outstanding shares of common stock of the Company or the combined voting power of the Company's then outstanding securities; or

(4) the Board adopts a resolution to the effect that, for purposes of this Agreement, a Potential Change in Control has occurred.

(k) "TERMINATION PERIOD" means the period of time beginning with a Change in Control (or, if later, beginning with the consummation of the transaction the approval of which by the Company's stockholders constitutes a Change in Control under Section 1(d)(3) or (4) hereof) and ending on the earliest to occur of (1) Executive's 70th birthday, (2) Executive's death, and (3) three years following such Change in Control (or, if later, three years following the consummation of the transaction the approval of which by the Company's stock holders constitutes a Change in Control under Section 1(d)(3) or (4) hereof).

(l) "WINDOW PERIOD" means the 30-day period commencing one year after the date of a Change in Control, or, if later, the 30-day period commencing one year after the consummation of the transaction the approval of which by the Company's stockholders constitutes a Change in Control under Section 1(d)(3) or (4) hereof).

2. OBLIGATIONS OF EXECUTIVE.

(a) Executive agrees that in the event any person or group attempts a Change in Control, he shall not voluntarily leave the employ of the Company without Good Reason (1) until such attempted Change in Control terminates, or (2) if a Change in Control shall occur, until 90 days following such Change in Control (or, if later, until the consummation of the transaction the approval of which by the Company's stockholders constitutes a Change in Control under Section 1(d)(3) or (4) hereof). For purposes of the foregoing subsection (1), Good Reason shall be determined as if a Change in Control had occurred when such attempted Change in Control became known to the Board.

(b) Executive acknowledges and agrees that (1) all records and other material not released to the general public, and (2) all trade secrets, confidential and proprietary information, unpublished data and information, in each case relating to the operations, services and business of the Company, whether reduced to writing or not ("Confidential Material"), are confidential and are the sole property of the Company. Executive agrees that Executive will not disclose any Confidential Material to any person or entity, either during or subsequent to Executive's employment by the Company, nor will Executive use any Confidential Material, except in the regular course of Executive's employment by the Company, without the Company's written consent. Executive agrees not to make use of the Confidential Material, except on behalf of the Company. Upon termination of Executive's employment, Executive agrees to surrender all Confidential Material and any copies thereof as may be in possession or under control of Executive.

3. PAYMENTS UPON TERMINATION OF EMPLOYMENT.

(a) If during the Termination Period the employment of Executive shall terminate, other than by reason of a Nonqualifying Termination, then the Company shall pay to Executive (or Executive's beneficiary or estate) within 30 days following the Date of Termination, as compensation for services rendered to the Company:

(1) a cash amount equal to the sum of (i) Executive's full annual base salary from the Company and its affiliated companies

through the Date of Termination, to the extent not theretofore paid, (ii) a bonus in an amount at least equal to the average annualized incentive compensation awards paid or payable pursuant to the Kansas City Power & Light Company incentive compensation plan, including by reason of any deferral, to Executive by the Company and its affiliated companies during the five fiscal years of the Company (or if Executive shall have performed services for the Company and its affiliated companies for four fiscal years or less, the years during which Executive performed services) immediately preceding the fiscal year in which the Change in Control occurs, multiplied by a fraction, the numerator of which is the number of days in the fiscal year in which the Date of Termination occurs through the Date of Termination and the denominator of which is 365 or 366, as applicable, to the extent not theretofore paid, (iii) any amount credited to Executive's CAP Excess Benefits Account pursuant to the Capital Accumulation Plan Excess Benefit Agreement, dated effective as of January 1, 1989, between Executive and the Company, and any other compensation previously deferred by Executive (together with any interest and earnings thereon), in each case to the extent not theretofore paid, and (iv) any accrued unpaid vacation pay;

(2) a lump-sum cash amount in an amount equal to (i) ___ (__) times Executive's highest annual base salary from the Company and its affiliated companies in effect during the 12-month period prior to the Date of Termination, plus (ii) ___ (__) times Executive's average annualized incentive compensation awards, paid or payable, including by reason of any deferral, to Executive by the Company and its affiliated companies during the five fiscal years of the Company (or if Executive shall have performed services for the Company and its affiliated companies for four fiscal years or less, the years during which Executive performed services) immediately preceding the fiscal year in which the Change in Control occurs; PROVIDED, HOWEVER, that in the event there are fewer than ___ whole months remaining from the Date of Termination to the date of Executive's 70th birthday, the amount calculated in accordance with this Section 3(a)(II) shall be reduced by multiplying such amount by a fraction the numerator of which is the number of months, including a partial month (with a partial month being expressed as a fraction the numerator of which is the number of days remaining in such month and the denominator of which is the number of days in such month), so remaining and the denominator of which is ___ months; PROVIDED FURTHER, that any amount paid pursuant to this Section 3(a)(2) shall be paid in lieu of any other amount of severance pay to be received by Executive upon termination of employment of

Executive under any severance plan, policy or arrangement of the Company.

(b) (1) In addition to the payments to be made pursuant to paragraph (a) of this Section 3, the Company shall pay to Executive within 30 days following the Date of Termination a lump-sum cash amount equal to the excess of (a) the actuarial equivalent value of the monthly accrued benefits payable to Executive at age 65 under the Kansas City Power & Light Company Management Pension Plan (the "Pension Plan") as in effect on the date of this Agreement and the benefits provided under the Supplemental Executive Retirement and Deferred Compensation Plan in respect of the Pension Plan as in effect on the date of this Agreement, assuming that benefits have accrued thereunder and Executive is entitled to such benefits, each such benefit shall be computed as if Executive had ___ (__) additional Years of Credited Service under the Pension Plan and were fully vested in such hypothetical benefits, over (b) the actuarial equivalent value of Executive's vested accrued benefits under the Pension Plan and benefits payable under the Supplemental Retirement Agreement. Such lump-sum cash amount shall be computed using the same actuarial methods and assumptions then in use for purposes of computing benefits under the Pension Plan, except that the computation shall be made without actuarial reduction for early retirement and provided that the interest rate used in such computation shall be the interest rate used on the Date of Termination by the Pension Benefit Guaranty Corporation for purposes of determining the present value of a lump sum distribution pursuant to a plan termination.

(2) In addition to the payments to be made pursuant to paragraph (a) of this Section 3, if on the Date of Termination Executive shall not be fully vested in the matching employer contributions made on Executive's behalf under the Kansas City Power & Light Company Cash or Deferred Arrangement, the Company shall pay to Executive within 30 days following the Date of Termination a lump sum cash amount equal to the value of the unvested portion of such matching employer contributions; PROVIDED, HOWEVER, that if any payment pursuant to this Section 3(b)(2) may or would result in such payment being deemed a transaction which is subject to Section 16(b) of the Exchange Act, the Company shall make such payment so as to meet the conditions for an exemption from such Section 16(b) as set forth in the rules (and interpretive and no-action letters relating thereto) under Section 16. The value of any such unvested matching employer contributions shall be determined as of the Date of Termination; provided that if the common stock of the Company is traded on the New York Stock Exchange on the Date of Termination, the value of a share of common stock of the Company shall be the closing price on the

New York Stock Exchange on the Date of Termination or, if such date is not a trading day, on the immediately preceding trading day.

(3) For a period of ___ (__) years commencing on the Date of Termination, the Company shall continue to keep in full force and effect all medical, accident, disability and life insurance plans with respect to Executive and Executive's dependents with the same level of coverage, upon the same terms and otherwise to the same extent as such plans shall have been in effect immediately prior to the Date of Termination. Notwithstanding the foregoing sentence, if any of the medical, accident, disability or life insurance plans then in effect generally with respect to other peer executives of the Company and its affiliated companies would be more favorable to Executive, such plan coverage shall be substituted for the analogous plan coverage provided to Executive immediately prior to the Date of Termination, and the Company and Executive shall share the costs of such plan coverage in the same proportion as such costs were shared immediately prior to the Date of Termination. The obligation of the Company to continue coverage of Executive and Executive's dependents under such plans shall cease at such time as Executive and Executive's dependents obtain comparable coverage under another plan, including a plan maintained by a new employer. Execution of this Agreement by Executive shall not be considered a waiver of any rights or entitlements Executive and Executive's dependents may have under applicable law to continuation of coverage under the group health plan maintained by the Company or its affiliated companies.

(c) If during the Termination Period the employment of Executive shall terminate by reason of a Nonqualifying Termination, then the Company shall pay to Executive within 30 days following the Date of Termination, a cash amount equal to the sum of (1) Executive's full annual base salary from the Company through the Date of Termination, to the extent not theretofore paid, and (2) any compensation previously deferred by Executive (together with any interest and earnings thereon) and any accrued vacation pay, in each case to the extent not theretofore paid.

(d) For the purposes of this Agreement, the Executive's employment shall be deemed to have been terminated within the Termination Period other than by reason of a Nonqualifying Termination if:

(1) the Executive's employment is terminated without Cause prior to a Change in Control (or, if later, prior to the consummation of the transaction the approval of which by the Company's stockholders constitutes a Change in Control under Section 1(d)(3) or (4) and such termination was at the request or direction of a Person who has entered into an agreement with the

Company the consummation of which or the approval of which by the Company's stockholders would constitute a Change in Control;

(2) the Executive terminates his employment with Good Reason prior to a Change of Control (or, if later, prior to the consummation of the transaction the approval of which by the Company's stockholders constitutes a Change in Control under Section 1(d)(3) or (4)) and the circumstance or event which constitutes Good Reason occurs at the request or direction of such Person; or

(3) the Executive's employment is terminated without Cause prior to a Change in Control (or, if later, prior to the consummation of the transaction the approval of which by the Company's stockholders constitutes a Change in Control under Section 1(d)(3) or (4)) and such termination is otherwise in connection with or in anticipation of a Change in Control which actually occurs.

4. CERTAIN ADDITIONAL PAYMENTS BY THE COMPANY.

(a) Anything in this Agreement to the contrary notwithstanding, in the event it shall be determined that any payment or distribution by the Company or its affiliated companies to or for the benefit of Executive (whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, but determined without regard to any additional payments required under this Section 4) (a "Payment") would be subject to the excise tax imposed by Section 4999 of the Code, or any interest or penalties are incurred by Executive with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then the Company shall pay to Executive an additional payment (a "Gross-Up Payment") in an amount such that after payment by Executive of all taxes (including any interest or penalties imposed with respect to such taxes), including, without limitation, any income taxes (and any interest and penalties imposed with respect thereto) and Excise Tax imposed upon the Gross-Up Payment, Executive retains an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments.

(b) Subject to the provisions of Section 4(c), all determinations required to be made under this Section 4, including whether and when a Gross-Up Payment is required and the amount of such Gross-Up Payment and the assumptions to be utilized in arriving at such determination, shall be made by the Company's public accounting firm (the "Accounting Firm") which shall provide detailed supporting calculations both to the Company and Executive within 15 business days of the receipt of notice from Executive that there has been a

Payment, or such earlier time as is requested by the Company. In the event that the Accounting Firm is serving as accountant or auditor for the individual, entity or group effecting the Change in Control, Executive shall appoint another nationally recognized public accounting firm to make the determinations required hereunder (which accounting firm shall then be referred to as the Accounting Firm hereunder). All fees and expenses of the Accounting Firm shall be borne solely by the Company. Any Gross-Up Payment, as determined pursuant to this Section 4, shall be paid by the Company to Executive within five days of the receipt of the Accounting Firm's determination. If the Accounting Firm determines that no Excise Tax is payable by Executive, it shall furnish Executive with a written opinion that failure to report the Excise Tax on Executive's applicable federal income tax return would not result in the imposition of a negligence or similar penalty. Any determination by the Accounting Firm shall be binding upon the Company and Executive. As a result of the uncertainty in the application of Section 4999 of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that Gross-Up Payments which will not have been made by the Company should have been made ("Underpayment"), consistent with the calculations required to be made hereunder. In the event that the Company exhausts its remedies pursuant to Section 4(c) and Executive thereafter is required to make a payment of any Excise Tax, the Accounting Firm shall determine the amount of the Underpayment that has occurred and any such Underpayment shall be promptly paid by the Company to or for the benefit of Executive.

(c) Executive shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would require the payment by the Company of the Gross-Up Payment. Such notification shall be given as soon as practicable but no later than 10 business days after Executive is informed in writing of such claim and shall apprise the Company of the nature of such claim and the date on which such claim is requested to be paid. Executive shall not pay such claim prior to the expiration of the 30-day period following the date on which Executive gives such notice to the Company (or such shorter period ending on the date that any payment of taxes with respect to such claim is due). If the Company notifies Executive in writing prior to the expiration of such period that it desires to contest such claim, Executive shall:

(1) give the Company any information reasonably requested by the Company relating to such claim;

(2) take such action in connection with contesting such claim as the Company shall reasonably request in writing from time to time, including, without limitation, accepting legal representation with respect to such claim by an attorney reasonably selected by the Company;

(3) cooperate with the Company in good faith in order effectively to contest such claim; and

(4) permit the Company to participate in any proceedings relating to such claim; PROVIDED, HOWEVER, that the Company shall bear and pay directly all costs and expenses (including additional interest and penalties) incurred in connection with such contest and shall indemnify and hold Executive harmless, on an after-tax basis, for any Excise Tax or income tax (including interest and penalties with respect thereto) imposed as a result of such representation and payment of costs and expenses. Without limitation on the foregoing provisions of this Section 4(c), the Company shall control all proceedings taken in connection with such contest and, at its sole option, may pursue or forgo any and all administrative appeals, proceedings, hearings and conferences with the taxing authority in respect of such claim and may, at its sole option, either direct Executive to pay the tax claimed and sue for a refund or contest the claim in any permissible manner, and Executive agrees to prosecute such contest to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the Company shall determine; PROVIDED FURTHER, that if the Company directs Executive to pay such claim and sue for a refund, the Company shall advance the amount of such payment to Executive on an interest-free basis and shall indemnify and hold Executive harmless, on an after-tax basis, from any Excise Tax or income tax (including interest or penalties with respect thereto) imposed with respect to such advance or with respect to any imputed income with respect to such advance; and PROVIDED FURTHER, that any extension of the statute of limitations relating to payment of taxes for the taxable year of Executive with respect to which such contested amount is claimed to be due is limited solely to such contested amount. Furthermore, the Company's control of the contest shall be limited to issues with respect to which a Gross-Up Payment would be payable hereunder and Executive shall be entitled to settle or contest, as the case may be, any other issue raised by the Internal Revenue Service or any other taxing authority.

(d) If, after the receipt by Executive of an amount advanced by the Company pursuant to Section 4(c), Executive becomes entitled to receive, and receives, any refund with respect to such claim, Executive shall (subject to the Company's complying with the requirements of Section 4(c)) promptly pay to the Company the amount of such refund (together with any interest paid or credited thereon after taxes applicable thereto). If, after the receipt by Executive of an amount advanced by the Company pursuant to Section 4(c), a determination is made that Executive shall not be entitled to any refund with respect to such claim and the Company does not notify Executive in writing of its intent to contest such denial of refund prior to the expiration of 30 days after such determination, then such advance shall be forgiven and shall not be required to be repaid and the

amount of such advance shall offset, to the extent thereof, the amount of Gross-Up Payment required to be paid.

5. WITHHOLDING TAXES. The Company may withhold from all payments due to Executive (or Executive's beneficiary or estate) hereunder all taxes which, by applicable federal, state, local or other law, the Company is required to withhold therefrom.

6. REIMBURSEMENT OF EXPENSES. If any contest or dispute shall arise under this Agreement involving termination of Executive's employment with the Company or involving the failure or refusal of the Company to perform fully in accordance with the terms hereof, the Company shall reimburse Executive, on a current basis, for all legal fees and expenses, if any, incurred by Executive in connection with such contest or dispute, together with interest at a rate equal to the rate of interest published in the Wall Street Journal under the caption "Money Rates" as the prime rate, but in no event higher than the maximum legal rate permissible under applicable law, such interest to accrue from the date the Company receives Executive's statement for such fees and expenses through the date of payment thereof; PROVIDED, HOWEVER, that in the event the resolution of any such contest or dispute includes a finding denying, in total, Executive's claims in such contest or dispute, Executive shall be required to reimburse the Company, over a period of 12 months from the date of such resolution, for all sums advanced to Executive pursuant to this Section 6.

7. OPERATIVE EVENT. Except as provided in Section 3(d), but notwithstanding any other provision herein to the contrary, no amounts shall be payable hereunder unless and until there is a Change in Control at a time when Executive is employed by the Company.

8. TERMINATION OF AGREEMENT.

(a) This Agreement shall be effective on the date hereof and shall continue until terminated by the Company as provided in paragraph (b) of this Section 8; PROVIDED, HOWEVER, that this Agreement shall terminate in any event upon the first to occur of (1) Executive's 70th birthday, (2) Executive's death, or (3) except as provided in Section 3(d) hereof, termination of Executive's employment with the Company prior to a Change in Control.

(b) The Company shall have the right, prior to a Change in Control, in its sole discretion, pursuant to action by the Board, to terminate this Agreement, which termination shall not become effective until the date fixed by the Board for such termination, which date shall be at least 120 days after notice thereof is given by the Company to Executive in accordance with Section 11; PROVIDED, HOWEVER, that no such action shall

be taken by the Board during any period of time when the Board has knowledge that any person has taken steps reasonably calculated to effect a Change in Control until, in the opinion of the Board, such person has abandoned or terminated its efforts to effect a Change in Control; and PROVIDED FURTHER, that in no event shall this Agreement be terminated in the event of a Change in Control.

9. SCOPE OF AGREEMENT. Nothing in this Agreement shall be deemed to entitle Executive to continued employment with the Company and its subsidiaries, and except as provided in Section 3(d) hereof, if Executive's employment with the Company shall terminate prior to a Change in Control, then Executive shall have no further rights under this Agreement; PROVIDED, HOWEVER, that any termination of Executive's employment following a Change in Control (or as described in Section 3(d)) shall be subject to all of the provisions of this Agreement.

10. SUCCESSORS; BINDING AGREEMENT.

(a) This Agreement shall not be terminated by any merger or consolidation of the Company whereby the Company is or is not the surviving or resulting corporation or as a result of any transfer of all or substantially all of the assets of the Company. In the event of any such merger, consolidation or transfer of assets, the provisions of this Agreement shall be binding upon the surviving or resulting corporation or the person or entity to which such assets are transferred.

(b) The Company agrees that concurrently with any merger, consolidation or transfer of assets referred to in paragraph (a) of this Section 10, it will cause any successor or transferee unconditionally to assume, by written instrument delivered to Executive (or Executive's beneficiary or estate), all of the obligations of the Company hereunder. Failure of the Company to obtain such assumption prior to the effectiveness of any such merger, consolidation or transfer of assets shall be a breach of this Agreement and shall entitle Executive to compensation and other benefits from the Company in the same amount and on the same terms as Executive would be entitled hereunder if Executive's employment were terminated following a Change in Control other than by reason of a Nonqualifying Termination. For purposes of implementing the foregoing, the date on which any such merger, consolidation or transfer becomes effective shall be deemed the Date of Termination.

(c) This Agreement shall inure to the benefit of and be enforceable by Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If Executive shall die while any amounts would be payable to Executive

hereunder had Executive continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to such person or persons appointed in writing by Executive to receive such amounts or, if no person is so appointed, to Executive's estate.

11. NOTICE.

(a) For purposes of this Agreement, all notices and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given when delivered or five days after deposit in the United States mail, certified and return receipt requested, postage prepaid, addressed (1) if to the Executive, to [OFFICER'S HOME ADDRESS] and if to the Company, to Kansas City Power & Light Company, 1201 Walnut, Kansas City, Missouri 64106-2124, attention Corporate Secretary, or (2) to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

(b) A written notice of Executive's Date of Termination by the Company or Executive, as the case may be, to the other, shall (1) indicate the specific termination provision in this Agreement relied upon, (2) to the extent applicable, set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated, and (3) specify the termination date (which date shall be not less than 15 days after the giving of such notice). The failure by Executive or the Company to set forth in such notice any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of Executive or the Company hereunder or preclude Executive or the Company from asserting such fact or circumstance in enforcing Executive's or the Company's rights hereunder.

12. FULL SETTLEMENT; RESOLUTION OF DISPUTES.

(a) The Company's obligation to make any payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against Executive or others. In no event shall Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to Executive under any of the provisions of this Agreement and, such amounts shall not be reduced whether or not Executive obtains other employment.

(b) If there shall be any dispute between the Company and Executive in the event of any termination of Executive's employment, then, unless and until there is a final, nonappealable judgment by a court of competent jurisdiction declaring that such termination was for Cause, that the determination by Executive of the existence of Good Reason was not made in good faith, or that the Company is not otherwise obligated to pay any amount or provide any benefit to Executive and Executive's dependents or other beneficiaries, as the case may be, under paragraphs (a) and (b) of Section 3, the Company shall pay all amounts, and provide all benefits, to Executive and Executive's dependents or other beneficiaries, as the case may be, that the Company would be required to pay or provide pursuant to paragraphs (a) and (b) of Section 3 as though such termination were by the Company without Cause or by Executive with Good Reason; PROVIDED, HOWEVER, that the Company shall not be required to pay any disputed amounts pursuant to this paragraph except upon receipt of an undertaking by or on behalf of Executive to repay all such amounts to which Executive is ultimately adjudged by such court not to be entitled.

13. EMPLOYMENT WITH SUBSIDIARIES. Employment with the Company for purposes of this Agreement shall include employment with any corporation or other entity in which the Company has a direct or indirect ownership interest of 50% or more of the total combined voting power of the then outstanding securities of such corporation or other entity entitled to vote generally in the election of directors.

14. GOVERNING LAW; VALIDITY. The interpretation, construction and performance of this Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of Missouri without regard to the principle of conflicts of laws. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which other provisions shall remain in full force and effect.

15. COUNTERPARTS. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

16. MISCELLANEOUS. No provision of this Agreement may be modified or waived unless such modification or waiver is agreed to in writing and signed by Executive and by a duly authorized officer of the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. Failure by Executive or the Company to insist upon strict compliance with any provision of this Agreement or to assert any right Executive or the Company may have hereunder, including,

without limitation, the right of Executive to terminate employment for Good Reason, shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement. The rights and benefits payable hereunder are in addition to any rights of, or benefits payable to, Executive, Executive's estate or Executive's beneficiaries under any other employee benefit plan or compensation program of the Company, excluding any other severance plan, policy or arrangement of the Company.

IN WITNESS WHEREOF, the Company has caused this Restated Severance Agreement to be executed by a duly authorized officer of the Company and Executive has executed this Agreement as of the day and year first above written.

KANSAS CITY POWER & LIGHT COMPANY

By: ___________________________________

____
[officer name]
[title]

Subscribed and Sworn to before me
this _____ day of January, 2000.

____
Notary Public

Exhibit 10-f

KANSAS CITY POWER & LIGHT COMPANY

SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

EFFECTIVE APRIL 1, 2000

AMENDED AND RESTATED NOVEMBER 1, 2000

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KANSAS CITY POWER & LIGHT COMPANY

SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

PREAMBLE

The principal objective of this Supplemental Executive Retirement Plan is to ensure the payment of a competitive level of retirement income in order to attract, retain, and motivate selected executives, and to restore benefits which cannot be paid under the Company's Qualified Pension Plan due to restrictions on benefits, contributions, compensation, or the like imposed under that plan. The Company may, but is not required to, set aside funds from time to time to provide such benefits, and such funds may be held in a separate trust established for such purpose. This Plan is a successor to the supplemental executive retirement component of the Company's former Supplemental Executive Retirement and Deferred Compensation Plan (the "Prior Plan"), which was effective on November 2, 1993. It shall be effective as to each Participant on the date he or she becomes a Participant hereunder; provided, however, that the benefits of those individuals whose employment with the Company or any of its affiliates terminated prior to April 1, 2000, shall continue to be governed by the terms of the Prior Plan, and not the terms of this Plan. This Plan supersedes the supplemental executive retirement component of the Prior Plan and all similar non-qualified supplemental executive retirement plans that may be in existence.

ARTICLE I

DEFINITIONS

1.1 "ACTIVE PARTICIPANT" means, with respect to a Plan Year, any employee of the Company (i) who is an officer appointed by the Board of Directors, or (ii) whose annualized Base Compensation exceeds the limitation imposed by Internal Revenue Code Section 401(a)(17) and regulations promulgated thereunder, as adjusted from time to time. For purposes of determining Years of Benefit Service pursuant to Section 1.10 of this Plan, an employee shall be deemed to have been an Active Participant with respect to any Plan Year in which he or she was a Participant for purposes of Sections II, III, IV, and V of the Prior Plan.

1.3 "BASIC PLAN" means the Kansas City Power & Light Company Management Pension Plan. The following terms shall have the same meaning as set forth in the Basic Plan, as amended from time-to-time:

- Actuarial Equivalent
- Base Compensation
- Early Retirement Date
- Normal Retirement Date
- Plan Year
- Single Life Pension
- Years of Credited Service

1.4 "BOARD OF DIRECTORS" means the Board of Directors of Kansas City Power & Light Company.

1.5 "COMMITTEE" means the Nominating & Compensation Committee (or successor to such Committee) of the Board of Directors.

1.6 "COMPANY" means Kansas City Power & Light Company or its successor and any wholly-owned subsidiary that has adopted, and whose employees participate in, the Basic Plan.

1.7 "PARTICIPANT" means an individual who has become an Active Participant and who has not received his or her entire benefit under this Plan; provided, however, that individuals who were Participants for purposes of Sections II, III, IV, and V of the Prior Plan as of April 1, 2000, and whose employment with the Company had not terminated as of that date, shall be Participants in this Plan on that date.

1.8 "PLAN" means this Kansas City Power & Light Company Supplemental Executive Retirement Plan.

1.9 "SURVIVING SPOUSE" means a Participant's surviving spouse who is eligible to receive a surviving spouse's benefit under the Basic Plan.

1.10 "YEARS OF BENEFIT SERVICE" means Years of Credited Service (including fractions thereof) during which an employee is an Active Participant.

ARTICLE II

ELIGIBILITY FOR BENEFITS

2.1 Except as provided in Sections 2.2 and 3.4, below, each Participant shall be eligible to receive a supplemental retirement benefit under this Plan beginning as soon as is practicable after the Participant terminates employment with the Company.

2.2 Notwithstanding any provision of this Plan to the contrary, the terms of this Plan and all subsequent amendments hereto shall not affect the rights and benefits of any person who is not an employee of the Company on or after April 1, 2000. The rights and benefits, if any, of such former employees (or spouses or beneficiaries of said former employees) shall continue to be governed by the terms of the Prior Plan as in effect on their date of termination, death, total disability, or retirement, whichever first shall have occurred.

ARTICLE III

AMOUNT AND FORM OF RETIREMENT BENEFITS

3.1 NORMAL RETIREMENT. A Participant's monthly supplemental retirement benefit payable under the Plan as a Single Life Pension at the Participant's Normal Retirement Date shall be made up of the sum of two portions, the first of which is described in Paragraph (a) and the second of which is described in Paragraph (b) of this Section.

(a) The first of those portions shall make up for the difference between an accrual rate of two percent (2%) and an accrual rate of one and two-thirds percent (1 2/3%) for each of an Active Participant's Years of Benefit Service.

(b) The second portion shall make up for the benefit otherwise lost to an Active Participant under the Basic Plan due to:

(i) compensation deferred under the Kansas City Power and Light Company Nonqualified Deferred Compensation Plan, or under Section VI of the Prior Plan,

(ii) any amounts disregarded under the Basic Plan pursuant to the provisions of Internal Revenue Code Sections 401(a)(17), 415, or similar

provisions restricting the amount of compensation or benefits that may be considered under plans qualified pursuant to Internal Revenue Code Section 401(a), and

(iii) any forfeiture of benefits under the Basic Plan due to lack of vesting, but only to the extent the forfeiture reduces the amount to be paid under Subparagraph (b)(1) of Section 3 of the Restated Severance Agreement entered into by the Company and the Active Participant.

3.2 BENEFITS PAYABLE PRIOR TO NORMAL RETIREMENT DATE. In the event a Participant terminates employment with the Company before he or she reaches Normal Retirement Date, the monthly supplemental retirement benefit payable under the Plan shall be determined by computing the monthly retirement benefit necessary to make up for the difference in accrual rates described in Section 3.1(a), for the benefit otherwise lost to the Participant due to the factors described in Paragraph 3.1(b) and (c), and for the difference between computations of monthly salary using computation periods of more than thirty-six (36) consecutive months rather than of thirty-six (36) consecutive months, reduced to reflect the early payment of the benefit and the Participant's younger age in the same circumstances and to the same extent as the Single Life Pension under the Basic Plan is reduced to reflect these factors. The result is that:

(a) There shall be no early retirement reduction factor applied to the retirement benefit of a Participant who has satisfied all of the requirements set forth in the Basic Plan for the Rule of 85 early retirement benefit,

(b) The Basic Plan's early retirement reduction factor of one quarter of one-percent (.25%) per month shall apply to the retirement benefit of a Participant who does not satisfy all of the requirements set forth in the Basic Plan for the Rule of 85

early retirement benefit, and whose employment with the Company terminates on or after his or her Early Retirement Date, and

(c) For the retirement benefit of a Participant who terminates employment with the Company before his or her Early Retirement Date, and without satisfying all of the requirements set forth in the Basic Plan for the Rule of 85 early retirement benefit, no early retirement subsidy of any kind shall apply.

3.3 DISABILITY RETIREMENT. A Participant whose employment with the Company terminates due to a total disability for which the Participant is eligible to receive benefits under the Company's Long-Term Disability Plan shall then be eligible for a supplemental retirement benefit. The supplemental retirement benefit shall be determined in accordance with Sections 3.1 and 3.2, except that his or her Years of Benefit Service shall include the period from the date of disability to the Participant's Normal Retirement Date. In no event shall Years of Credited Service or Benefit Service in excess of 30 be considered.

3.4 FORM OF PAYMENT. The Participant may elect the form in which benefits under the Plan are to be paid from the forms set forth in this Section, the value of each of which shall be the Actuarial Equivalent of the value of each of the others. Payment shall be made, in the case of a lump sum payment, or shall begin, in the case of a pension, in accordance with the Participant's election made as provided in Section 3.5.

(a) LUMP SUM PAYMENT. This form provides the Participant with a one-time, single sum payment of the Participant's entire benefit under the Plan.

(b) SINGLE LIFE PENSION. A Single Life Pension pays the Participant a monthly pension only for as long as the Participant lives.

(c) SINGLE LIFE PENSION WITH 60 MONTHS GUARANTEED. A Single Life Pension with 60 Months Guaranteed pays a monthly benefit for as long as the

Participant lives. If the Participant dies before receiving 60 monthly payments, the Participant's beneficiary receives them for the remainder of the 60 months that were guaranteed.

(d) SINGLE LIFE PENSION WITH 120 MONTHS GUARANTEED. A Single Life Pension with 120 Months Guaranteed pays the Participant a monthly benefit for as long as the Participant lives. If the Participant dies before receiving 120 monthly payments, the Participant's beneficiary receives them for the remainder of the 120 months that were guaranteed.

(e) 100%, 75%, 66 2/3%, 50%, 33 1/3% AND 25% JOINT PENSIONS. A 100%, 75%, 66 2/3%, 50%, 33 1/3% or 25% Joint Pension pays the Participant a monthly benefit for as long as the Participant lives. If the Participant's spouse is living when the Participant dies, he or she receives a monthly pension equal to 100%, 75%, 66 2/3%, 50%, 33 1/3% or 25%, respectively, of the monthly pension the Participant received, for as long as he or she lives. If the Participant is not married as of the date the Participant's pension commences, it will be paid to the Participant as a Single Life Pension. The term "spouse," as used in this form, means the person to whom the Participant is married on the date the Participant's pension commences.

3.5 ELECTION OF FORM AND TIMING. A new Active Participant in the Plan shall, within sixty (60) days of the date he or she becomes a Participant, elect the form in which he or she wishes the benefit under the Plan to be paid, and whether payment is to be made as soon as is practicable after termination of employment with the Company and, if not, the anniversary of termination when payment is to be made. A Participant in the Plan as of April 1, 2000, shall make these elections no later than April 15, 2000. If such a Participant terminates employment with the Company within one (1) year of the date the election form is filed with

the Company, the election shall have no effect, and the Participant's benefit under the Plan will be paid in the form of a Single Life Pension, if the Participant is then single, or in the form of a 50% Joint Pension, with the Participant's spouse as the survivor, if the Participant is then married.

3.6 CHIEF EXECUTIVE OFFICER. In the case of a person who has served at least ten (10) years in the position of Chief Executive Officer of the Company, the two percent (2%) accrual rate referred to in Paragraph 3.1(a) shall be three percent (3%), and no early retirement reduction factor shall be applied. In no event shall the sum of the accrual rates used to determine a Participant's retirement benefits under the Basic Plan and this Plan exceed sixty percent (60%), so for a participant who is eligible for the special benefit for Chief Executive Officers described in the first sentence of this paragraph, the maximum number of Years of Benefit Service taken into account shall be twenty (20).

ARTICLE IV

PAYMENT OF RETIREMENT BENEFITS

4.1 Supplemental retirement benefits payable in accordance with Article III shall commence as provided in Section 2.1, and shall continue to be paid as required by the form in which the Participant's benefit is paid.

ARTICLE V

DEATH BENEFITS

5.1 If a Participant dies before supplemental retirement benefit payments commence under this Plan, the Participant's Surviving Spouse shall receive a pre-retirement survivor annuity under the Plan. The amount of the pre-retirement survivor annuity payable under this Plan shall be equal to the amount of the qualified pre-retirement survivor annuity determined under the Basic Plan, but calculated by substituting the amount of the Participant's supplemental retirement benefit determined under Article III for the amount of the Participant's benefit under the Basic Plan.

5.2 A Surviving Spouse's benefit under Section 5.1 shall be payable monthly; its duration shall be the same as that of the qualified pre-retirement survivor annuity payable under the Basic Plan.

ARTICLE VI

MISCELLANEOUS

6.1 The Board of Directors may, in its sole discretion, terminate, suspend, or amend this Plan at any time or from time-to-time, in whole or in part. However, no amendment or suspension of the Plan shall affect a Participant's right or the right of a Surviving Spouse to benefits accrued up to the date of any amendment or termination, payable at least as quickly as is consistent with the Participant's election made as provided in Section 3.5. In the event the Plan is terminated, the Committee will continue to administer the Plan until all amounts accrued have been paid.

6.2 Nothing contained herein shall confer upon any Participant the right to be retained in the service of the Company, nor shall it interfere with the right of the Company to discharge or otherwise deal with Participants without regard to the existence of this Plan.

6.3 Neither the Committee nor any member of the Board of Directors nor any officer or employee of the Company shall be liable to any person for any action taken or omitted in connection with the administration of the Plan unless attributable to his or her own fraud or willful misconduct; nor shall the Company be liable to any person for any such action unless attributable to fraud or willful misconduct on the part of a director, officer or employee of the Company.

6.4 This Plan is unfunded, and constitutes a mere promise by the Company to make benefit payments in the future. The right of any Participant or Surviving Spouse to receive a distribution under this Plan shall be an unsecured claim against the general assets of the Company. The Company may choose to establish a separate trust (the "Trust"), and to contribute to the Trust from time to time assets that shall be held therein, subject to the claims of the Company's creditors in the event of the Company's insolvency, until paid to Plan Participants and Surviving Spouses in such manner and at such times as specified in the Plan. It is the intention of the Company that such Trust, if established, shall constitute an unfunded arrangement, and shall not affect the status of the Plan as an unfunded Plan for purposes of Title I of the Employee Retirement Income Security Act of 1974, as amended. The Trustee of the Trust shall invest the Trust assets, unless the Committee, in its sole discretion, chooses either to instruct the Trustee as to the investment of Trust assets or to appoint one or more investment managers to do so.

6.5 To the maximum extent permitted by law, no benefit under the Plan shall be assignable or subject in any manner to alienation, sale, transfer, claims of creditors, pledge, attachment, or encumbrances of any kind.

6.6 Any amounts payable hereunder to any person under legal disability or who, in the judgment of the Committee, is unable properly to manage his or her financial affairs, may be paid to the legal representative of such person or may be applied for the benefit of such person in any manner which the Committee may select.

6.7 The Plan shall be administered by the Committee or its designee, which may adopt rules and regulations to assist it in the administration of the Plan.

6.8 A request for a Plan benefit shall be filed with the Chairperson of the Committee or his or her designee, on a form prescribed by the Committee. Such a request, hereinafter referred to as a "claim," shall be deemed filed when the executed claim form is received by the Chairperson of the Committee or his or her designee.

The Chairperson of the Committee or his or her designee shall decide such a claim within a reasonable time after it is received. If a claim is wholly or partially denied, the claimant shall be furnished a written notice setting forth, in a manner calculated to be understood by the claimant:

(a) The specific reason or reasons for the denial;

(b) A specific reference to pertinent Plan provisions on which the denial is based;

(c) A description of any additional material or information necessary for the claimant to perfect the claim, along with an explanation of why such material or information is necessary; and

(d) Appropriate information as to the steps to be taken if the claimant wishes to appeal his or her claim, including the period in which the appeal must be filed and the period in which it will be decided.

The notice shall be furnished to the claimant within 90 days after receipt of the claim by the Chairperson of the Committee or his or her designee, unless special circumstances require an extension of time for processing the claim. No extension shall be for more than 90 days after the end of the initial 90-day period. If an extension of time for processing is required, written notice of the extension shall be furnished to the claimant before the end of the initial 90-day period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which a final decision will be rendered.

If a claim is denied, in whole or in part, the claimant may appeal the denial to the full Committee, upon written notice to the Chairperson thereof. The claimant may review documents pertinent to the appeal and may submit issues and comments in writing to the Committee. No appeal shall be considered unless it is received by the Committee within 90 days after receipt by the claimant of written notification of denial of the claim. The Committee shall decide the appeal within 60 days after it is received. However, if special circumstances require an extension of time for processing, a decision shall be rendered as soon as possible, but not later than 120 days after the appeal is received. If such an extension of time for deciding the appeal is required, written notice of the extension shall be furnished to the claimant prior to the commencement of the extension. The Committee's decision shall be in writing and shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, and specific references to the pertinent Plan provisions upon which the decision is based.

6.9 Each Participant shall receive a copy of the Plan and, if a Trust is established pursuant to Section 6.4, the Trust, and the Company shall make available for inspection by any Participant a copy of any rules and regulations used in administering the Plan.

6.10 If any contest or dispute shall arise as to amounts due to a Participant under this Plan, the Company shall reimburse the Participant, on a current basis, all legal fees and expenses incurred by the Participant in connection with such contest or dispute; provided, however, that in the event the resolution of any such contest or dispute includes a finding denying the Participant's claims, the Participant shall be required immediately to reimburse the Company for all sums advanced to the Participant hereunder.

6.11 This Plan is binding on the Company and will bind with equal force any successor of the Company, whether by way of purchase, merger, consolidation or otherwise.

6.12 If a court of competent jurisdiction holds any provision of this Plan to be invalid or unenforceable, the remaining provisions of the Plan shall continue to be fully effective.

6.13 To the extent not superseded by the laws of the United States, this Plan shall be construed according to the laws of the State of Missouri.

Exhibit 10-j

Amendment 1 to
Incentive Compensation Plan

This Amendment 1 to Incentive Compensation Plan is made and adopted by the Board of Directors of KLT Inc. (the "Corporation") as of November 16, 2000, but shall be effective as of March 14, 2000 upon the obtaining of written consent of the Participants holding, in aggregate, a majority of the percentage of the Pool heretofore allocated under the Plan.

Whereas, the Board of Directors of the Corporation established and adopted a certain Incentive Compensation Plan as of March 14, 2000 (the "Plan"), and

Whereas, the scope of the Plan included KLT Investments Inc. ("Investments"), a wholly-owned subsidiary of the Corporation as a defined Affiliate, and

Whereas, the nature and circumstances of, and the limitations on, Investments' holdings and business substantially prevents any increase in value of Investments, and

Whereas, it is in the interest of the Corporation and consistent with the overall purpose of the Plan to remove Investments as a defined Affiliate under the Plan, and

WHEREAS, it has been brought to the attention of the Board that Exhibit A to the Plan does not correctly identify all of the Affiliates of the Corporation, in that certain Affiliates were omitted or subsumed into other listed Affiliates, and

WHEREAS, it was and is the Board's intent that all Affiliates of the Corporation, as defined in this Amendment 1, whether or not listed on Exhibit A, be within the terms and conditions of the Plan, and

Therefore, the Plan is amended as follows:

1. Section 3.a. of the Plan is amended by inserting the following at the end of said Section:

> Notwithstanding anything to the contrary in this Plan, KLT Investments Inc. ("Investments") shall not be deemed an Affiliate of the Corporation.

2. Exhibits A and B of the Plan are amended and replaced in their entirety by First Amended Exhibit A and First Amended Exhibit B, attached hereto and made a part hereof.

3. Section 3 of the Plan is amended by inserting a new Section 3.h., as follows:

> h. In the event of a Realization Event respecting the Corporation's equity, or a Realization Event respecting the equity or assets of one or more Affiliates and Investments, the Board, acting through its disinterested members, shall allocate to Investments an appropriate amount of the consideration received, and such allocated amount shall not be considered in determining the Amount Realized, or any annual adjustments thereto. The allocation referenced in the preceding sentence shall be subject
>
> to the written consent of the Participants holding, in aggregate, a majority of the percentage of the Pool then allocated under this Plan. It is the intent and purpose of the Corporation to eliminate any impact on Amounts Realized and Awards arising from the Corporation's ownership or disposition, in whole or in part, of Investments.

4. Except as expressly amended above, the terms and conditions of the Plan remain in full force and effect. All capitalized terms not defined herein shall have the meaning ascribed to them in the Plan.

5. This Amendment 1 shall be effective for all purposes from and after March 14, 2000, upon the obtaining of written consent of

the Participants holding, in aggregate, a majority of the percentage of the Pool heretofore allocated under the Plan.

In witness whereof, the Corporation has executed this Amendment 1 as of the date first above written.

KLT Inc., a Missouri corporation

By: /s/Gregory J. Orman
Gregory J. Orman, Chief Executive Officer and President

Attest:

/s/Mark G. English
Corporate Secretary

Consented and agreed to by the Participants holding, in aggregate, a majority of the percentage of the Pool heretofore allocated under the Plan.

/s/Gregory J. Orman Gregory J. Orman	/s/Christopher J. Pfeiffer Christopher J. Pfeiffer
/s/P. J. Schliesman P. J. Schliesman	/s/Mark R. Schroeder Mark R. Schroeder
/s/Frank R. Clark Frank R. Clark	/s/Mark G. English Mark G. English

Exhibit 10-k

Amendment 2 to
Incentive Compensation Plan

This Amendment 2 to Incentive Compensation Plan is made and adopted by the Board of Directors of KLT Inc. (the "Corporation"), acting by and through its disinterested directors, as of January 25, 2001, but shall be effective upon the obtaining of written consent of the Participants holding, in aggregate, a majority of the percentage of the Pool heretofore allocated under the Plan.

Whereas, the Board of Directors of the Corporation established and adopted a certain Incentive Compensation Plan dated as of March 14, 2000, as amended by Amendment 1 dated as of November 16, 2000 (as so amended, the "Plan"), and

Whereas, it is in the interest of the Corporation, and consistent with the overall purpose of the Plan to induce participants to continue employment with the Corporation, to further amend the Plan, as set forth below.

Therefore, the Plan is amended as follows:

1. Section 5.b. of the Plan is amended by deleting paragraph (i), inserting the following paragraphs (i) and (ii), and renumbering existing paragraph (iii) as paragraph (iv):

(i) If the Corporation terminates the Participant's employment for any reason (including but not limited to death or disability) other than Cause (as defined below), the Participant will be entitled to receive, within 15 days of the end of the year in which such termination occurred, a lump sum, net of all applicable withholding taxes, equal to 50% of the Award remaining in the Participant's Incentive Account at the time of such termination, as adjusted to reflect the proportionate effects of all reductions (but not increases) to the Pool, pursuant to Sections 3.c. and 3.g., occurring between said time of termination and the end of the year in which such termination occurred. The Participant shall not be entitled to any other portion of the Award remaining in the Participant's Incentive Account.

(ii) If the Participant terminates employment, or is terminated for Cause, the Participant shall forfeit all of the Award remaining in the Participant's Incentive Account at the time of such termination. The Corporation may, in its sole discretion, elect to waive the forfeiture requirement of this paragraph respecting a portion (but not more than 50%) of such Award if a Participant terminates employment; in such event, payment of such portion shall be made in accordance with the preceding paragraph.

2. Except as expressly amended above, the terms and conditions of the Plan remain in full force and effect. All capitalized terms not defined herein shall have the meaning ascribed to them in the Plan.

3. This Amendment 2 shall be effective for all purposes from and after January 25, 2001, upon the obtaining of written consent of the Participants holding, in aggregate, a majority of the percentage of the Pool heretofore allocated under the Plan.

In witness whereof, the Corporation has executed this Amendment 2 as of the date first above written.

KLT Inc., a Missouri corporation

By: /s/Gregory J. Orman
Gregory J. Orman, Chief Executive
Officer and President

Attest:

/s/Mark G. English
Corporate Secretary

Consented and agreed to by the Participants holding, in
aggregate, a
majority of the percentage of the Pool heretofore allocated under
the Plan.

/s/Gregory J. Orman Gregory J. Orman	______________________________ Christopher J. Pfeiffer
______________________________ P. J. Schliesman	/s/Mark R. Schroeder Mark R. Schroeder
______________________________ Frank R. Clark	/s/Mark G. English Mark G. English
/s/Bruce B. Selkirk Bruce B. Selkirk, III	/s/Andrew V. Johnson Andrew V. Johnson
/s/James A. Mitchell James A. Mitchell	/s/Charles W. Schellhorn Charles W. Schellhorn

Exhibit 10-l

KLT Gas Inc.

Compensation Program

Effective January 1, 2001

1. PURPOSE

The Compensation Program (the "Program") of KLT Gas Inc. (the "Company") is designed to fairly compensate employees for individual and Company performance, and to align employee compensation with the goal of increased shareholder value.

2. ADMINISTRATION

The Program shall be administered by KLT Inc., as sole shareholder and designated director of the Company (the "Director"), acting through its President. The Director may establish such rules and regulations, and take such actions and determinations, as it deems necessary or advisable for the administration of the Program. Such rules, regulations, actions and determinations shall be final, binding and conclusive for all purposes and on all affected persons.

3. ELEMENTS OF COMPENSATION

The compensation of employees of the Company is comprised of four elements: (a) base salary; (b) fringe benefits; (c) discretionary bonuses; and (d) incentive compensation based on a Value Creation Plan. These three elements are described below.

4. BASE SALARY, BENEFITS AND DISCRETIONARY BONUSES

An employee's base salary is set by the Director from time to time in its sole discretion. Employees shall be entitled to participate in all benefit programs that the Company establishes and makes available to its employees, if any, to the extent that such employee's position, tenure, salary, age, health and other qualifications make him or her eligible to participate.

Employees are also eligible for bonuses, in the sole discretion of the Director, based upon the achievement of Company operational and financial goals and objectives and mutually-agreed individual goals. However, employees are not guaranteed, and have no right to, such bonuses.

5. VALUE CREATION PLAN

a. The Value Creation Plan (the "Plan") described in this Section 5 is part of the Program. The Plan is designed to provide incentive compensation to employees only with respect to the increase in value of the Company's investments in direct and indirect affiliates, as that term is defined in Rule 12b-2 under the Securities Exchange Act of 1934, in which the Company's employees have a management or director role (each an "Affiliate" and collective the "Affiliates"). The Affiliates of the Company as of January 1, 2001, are listed on EXHIBIT A. The Director shall have the discretion of amending EXHIBIT A from time to time to reflect

additions and deletions of the Company's Affiliates included in the Plan. The Director may, in its sole discretion, determine that disposition of certain properties or other assets of the Company should be treated, for purposes only of this Plan, as dispositions of Affiliates. Such properties or other assets, if any, shall be reflected on EXHIBIT A, as it may be amended from time to time.

b. The Director, after taking into account the recommendations of the Company management, shall establish a baseline value (the ABaseline@) for the equity ownership by the Company with respect to each Affiliate included in the Plan. The Baseline for Affiliates existing at the time of initial adoption of the Plan shall be based on the current fair market value, on a pre-tax basis, established by the Director in its sole good faith opinion, and is set forth on EXHIBIT A. The Baseline for

Affiliates included subsequent to the Plan=s initial adoption shall be the amount of the Company's capital investment in such Affiliates (for purposes of this Plan, capital investment means and shall be limited to equity investment). The Baseline of each Affiliate shall be increased by the amount of additional capital investments in such Affiliate by the Company and decreased by the amount of distributions from such Affiliate to the Company.

c. The aggregate amount available to be distributed to employees (the APool@) shall be 2.625% percent of the difference between (i) the Amount Realized (as defined below) on each Affiliate or Company, as the case may be, and (ii) the sum of the Baseline for such Affiliate or Company, as the case may be, and an amount equal to a 10% annual pre-tax return on such Baseline (such Baseline shall be computed, as to Affiliates existing as of the date of initial adoption of the Plan, from the date of such adoption, and, as to Affiliates included subsequent to the Plan's initial adoption, from the date of such subsequent inclusion. The Baseline for the Company shall be the sum of the Baselines of its Affiliates). If the amount calculated pursuant to clause 5.c.(i) is less than the amount calculated pursuant to clause 5.c.(ii), then the Pool shall be reduced by an amount equal to 2.625% percent of such difference and the amounts in the employees' Incentive Accounts shall be accordingly adjusted to reflect this reduction in the Pool.

d. Except as otherwise provided herein, no distributions shall be due or payable under the Plan until and unless the aggregate Amount Realized on the Affiliates or Company is, at the time of such distributions, at least $30 million (the "Threshold"). The Threshold only determines when and if distributions are payable; distributions shall be otherwise payable on all Amounts Realized.

e. The Amount Realized for each Affiliate or Company will be determined upon the occurrence of a Realization Event. A Realization Event shall be deemed to occur upon the earliest to occur of the following events:

(i) an initial public offering (an AIPO@) of common stock of the Company or an Affiliate;
(ii) the sale of twenty percent (20%) or more of the fully diluted capital stock or other equity securities in the Company or an Affiliate;
(iii) a merger or consolidation of the Company or an Affiliate in which the Company is not the survivor or the controlling shareholder of the resulting entity;
(iv) a sale, disposition or other transfer of all or substantially all of the assets

of the Company or an Affiliate; and

(v) a liquidation or dissolution of the Company or an Affiliate.

f. The Amount Realized in events (i) through (v), above, shall be the fair market value on a pre-tax basis (the AFMV@) of the Company or the Company's investment in the affected Affiliate, as applicable, based upon the IPO price or the consideration received in the Realization Event, less all applicable costs and expenses associated with the event (including but not limited to engineering, accounting and auditing, legal, broker and hedge costs) as determined in the sole judgment of the Director.

g. If, after a Realization Event occurs with respect to a particular Affiliate, the Company retains a direct or indirect ownership interest in such Affiliate and all distributions relating to the Realization Event have not been paid due to distribution payment limitations set forth below, then the Amount Realized with respect to such Realization Event shall be annually adjusted to reflect any further accretion or dilution to the FMV realized by the Company in such Affiliate. Nothing in paragraphs 5.c. or 5.g. shall be deemed to require employees to repay to the Company any distributions previously received on account of such Realization Event.

h. The Director, acting in its sole discretion after taking into account the recommendations of the Company's President shall determine the allocation of the Pool (including but not limited to specific allocations of Amounts Realized) among the employees of the Company (the "Awards", and each employee receiving an Award is a "Participant") and any reallocation of any amounts in any employee's Incentive Account that are not paid as a result of the termination of such employee's employment with the Company (or other applicable events) pursuant to the provisions hereof. An Award shall be subject to all terms and conditions of this Plan, and shall, if the employee is not a party to a separate written employment agreement or other agreement containing a noncompetition or nondisclosure covenant, be conditioned upon the Participant executing and delivering a noncompetition or nondisclosure agreement, at the Director's option, in substantially the form attached hereto as EXHIBIT B.

i. A notional account ("Incentive Account") shall be established and maintained for each employee receiving Awards under the Plan, showing the Awards granted, the portion of the value or Amounts Realized as allocated to the employee (whether specified as a specific determinable dollar amount or as a percentage of the Pool), any adjustments thereto pursuant to the terms of the Plan, and the payments made under the Plan to such employee. It is specifically contemplated that adjustments to the Pool, and the corresponding amounts allocated to employee's Incentive Accounts, may be either positive or negative, as calculated pursuant to Section 5.c. for each Realization Event, and that as a result the Pool and the employees' Incentive Accounts may be either positive or negative.

j. Except as otherwise provided herein, payments shall be made to each employee so long as the employee has a positive amount in his or her respective Incentive Account and the Threshold has been satisfied, both as of the end of a calendar year. In such event, a sum equal to 50% of the positive year-end amount in each Participant=s Incentive Account shall be paid within 15 days of the end of such year, net of all applicable withholding taxes.

k. Allocations and payments under the Plan and related determinations shall be made in the same manner as contemplated in the examples set forth in EXHIBIT C attached hereto.

6. EFFECT OF TERMINATION OF EMPLOYMENT.

a. Nothing in this Program (including but not limited to the Plan) shall be construed to:

(i) Give any employee any right to be awarded a discretionary bonus or an Award, other than in the sole discretion of the Director;

(ii) Give an employee any right whatsoever with respect to any equity interest in the Company or any of its Affiliates;

(iii) Limit in any way the right of the Company to terminate an employee's employment with the Company at any time (subject, however, to any separate written employment agreement between the employee and the Company); or

(iv) Be evidence of any agreement or understanding, express or implied, that the Company will employ an employee in any particular position or at any particular rate of remuneration or for any particular period of time (subject, however, to any separate written employment agreement between the employee and the Company).

b. Except as may otherwise be provided in a separate written employment agreement between the employee and the Company, termination of an employee's employment with the Company shall have the following effect on the employee's Award:

(i) If the Company terminates the employee's employment for any reason (including but not limited to death or disability) other than Cause (as defined below), the employee will be entitled to receive, within 30 days of termination of employment, a lump sum equal to 50% of the Award remaining in the employee's Incentive Account at the time of such termination, net of all applicable withholding taxes. The employee shall not be entitled to any other portion of the Award remaining in the employee's Incentive Account.

(ii) If the employee terminates employment, or is terminated for Cause, the employee shall forfeit all of the Award remaining in the employee's Incentive Account at the time of such termination.

(iii) ACause@ is defined as:

(a) Dishonesty of the employee with respect to the Company;

(b) Willful misfeasance or nonfeasance of duty intended to injure or having the effect of injuring the reputation, business or business relationships of the Company or its respective officers, directors or employees;

(c) Upon a charge by a governmental entity against the employee of any crime involving moral turpitude or which could reflect unfavorably upon the Company or upon the filing of any civil action involving a charge of embezzlement, theft, fraud, or other similar act;

(d) Willful or prolonged absence from work by the employee (other than by reason of disability due to physical or mental illness) or failure, neglect or refusal by the employee to perform his duties and responsibilities without the same being corrected upon ten (10) days prior written notice;

(e) Breach by the employee of any of the covenants contained in EXHIBIT B, or termination by the Company of the employee for Acause@ under an applicable separate written employment agreement; or

(f) Failure by the employee to materially meet agreed-upon performance standards.

7. GENERAL TERMS AND CONDITIONS

a. NON-ALIENATION. No Award or any other rights under this Program shall be subject to alienation, sale, assignment, pledge, encumbrance, or charge, and any attempt to alienate, sell, assign, pledge, encumber, or charge the same shall be void. No Award hereunder shall in any manner be liable for or subject to the debts, contracts, liabilities, or torts of the person awarded such Award. If any employee hereunder should become bankrupt or attempt to alienate, sell, assign, pledge, encumber, or charge any Award hereunder, then such Award shall, in the discretion of the Director, cease.

b. TERMINATION OR AMENDMENT OF PROGRAM. Unless otherwise amended or terminated as provided in this paragraph, this Program, including but not limited to the Plan, shall terminate as of December 31, 2004, and all amounts then remaining in Incentive Accounts shall be paid within 15 days of such termination, net of all applicable withholding taxes. The Director may terminate or amend this Program, including but not limited to the Plan, in whole or in part, at any time in its sole discretion, subject to the limitations contained in the next sentence. Notwithstanding the preceding sentence, (i) any Award which is payable (that is, the Threshold had been reached) upon the termination of the Plan shall nevertheless be paid in accordance with the terms of the Plan (however, no Realization Events occurring after such termination shall be recognized for determining the amount of such Award), and (ii) any Awards payable (that is, the Threshold had been reached) at the time the Director amends the Plan shall nevertheless be

payable accordance with the terms of the Plan in effect prior to such amendment.

c. CAPTIONS. The captions of any section or subsection of this Program have been inserted for convenience and reference only and are to be ignored in the construction of the provisions hereof.

d. EXECUTION OF NECESSARY DOCUMENTS. All persons claiming any interest whatsoever under this Program agree to perform any and all acts and execute any and all documents and papers which may be necessary or desirable for the carrying out of this Program or any of its elements or provisions.

e. NOTICE. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery or upon deposit in the United States Post Office, by registered or certified mail with postage and fees prepaid, addressed to Participant at his address shown on the Company=s employment records and to the Company at the address of its principal corporate offices (attention: President) or at such other address as such party may designate by ten days= advance written notice to the other party hereto.

f. CHOICE OF LAW. This Program and all documents associated therewith shall be construed, interpreted and enforced in accordance with the laws of the State of Kansas, without giving effect to that State=s conflict of laws provisions.

g. VENUE. All actions or proceedings with respect to this Program or any documents associated therewith shall be instituted only in any state or federal court sitting in Johnson County, Kansas, and by execution of this Program and the acceptance of discretionary bonuses or Awards, the Company and the affected employee irrevocably and unconditionally subject to the jurisdiction (both subject matter and personal) of each such court and irrevocably and unconditionally waive: (a) any objection that the parties might now or hereafter have to the venue of any of such court; and (b) any claim that any action or proceeding brought in any such court has been brought in an inconvenient forum.

h. NO WAIVER. No delay or omission by the Company in exercising any right under this Program shall operate as a waiver of that or any other right. A waiver or consent given by the Company on any one occasion shall be effective only in that instance and shall not be construed as a bar or waiver of any right on any other occasion.

i. EFFECT OF INVALIDITY. In case any provision of this Program shall be invalid, illegal or otherwise unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

j. TERMINATION OF ALL OTHER INCENTIVE PLANS. This Program supersedes and replaces all other existing compensation, bonus and incentive plans or programs of the Company as of January 1, 2001. All such plans or programs, including but not limited to that certain Annual Incentive Plan adopted by the Director on or about April 12,2000, are hereby terminated and of no further effect. Notwithstanding the foregoing, nothing herein shall affect the incentive awards made to certain employees as reflected in certain letters issued by the Company to such

employees on or about October 24, 2000.

k. APPLICATION TO EMPLOYEES OF AFFILIATES. From time to time, employees of KLT Inc. or other affiliates of the Company ("Affiliate Employees") may, as officers or agents of the Company, provide services to the Company. The Director, in its sole discretion, may grant Awards to such Affiliate Employees pursuant to the terms of the Plan; provided that in such situation, references to the "Company" (i) in Sections 6.a.(iii), 6.a.(iv), 6.b., 6.b.(i) and 6.b.(iii)(e) shall refer to the Company affiliate employing the Affiliate Employee, and (ii) in Sections 6.b.(iii)(a) through (c) shall refer to either the Company or the Company affiliate employing the Affiliate Employee, or both.

In witness whereof, the Company has executed this Program as of the date first above written.

KLT GAS INC., a Missouri corporation

By: /s/Bruce B. Selkirk

Exhibit 10-s

AMENDMENT NO. 2 TO CREDIT AGREEMENT

This Amendment No. 2 (this "Amendment") dated as of January 23, 2001 is among KLT Inc. (the "Borrower"), the undersigned Lenders and Bank One, NA, as agent for the Lenders (in such capacity, the "Agent").

W I T N E S S E T H :

WHEREAS, the Borrower, the Lenders and the Agent are parties to a Second Amended and Restated Credit Agreement dated as of June 30, 2000 (as previously amended, the "Credit Agreement"); and

WHEREAS, the Borrower, the Lenders and the Agent desire to amend the Credit Agreement in certain respects more fully described below;

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

SECTION 1 DEFINED TERMS. Capitalized terms used herein and not otherwise defined shall have the meanings attributed to such terms in the Credit Agreement.

SECTION 2 AMENDMENTS TO THE CREDIT AGREEMENT. Effective upon the satisfaction of the conditions precedent set forth in Section 4, the Credit Agreement shall be amended as follows:

(a) Article I is amended by adding the following new definitions in proper alphabetical sequence:

"Exchange Notes" means notes issued from time to time by DTI in exchange for DTI Notes, which notes shall have interest rates and maturity dates not greater than those of the DTI Notes as in effect on January 2, 2001.

"Tender Line Facility" means a credit facility entered into by DTI providing for loans to DTI, in an aggregate amount not exceeding $95,000,000, to finance the purchase of DTI Notes.

"Working Capital Facility" means a working capital facility entered into by DTI or a Subsidiary thereof providing for loans to DTI or such Subsidiary, in an aggregate amount not exceeding $100,000,000, to be used for operations and capital expenditures.

(b) Article I is further amended by (i) deleting the definitions of "Bridge Loan Effective Date" and "Bridge Loan Facility"; (ii) deleting the proviso at the end of "Facility Termination Date"; and (iii) deleting the existing definition of "Floating Rate" and substituting the following therefor:

"Floating Rate" means, for any day, a rate per annum equal to the Alternate Base Rate as in effect on such day.

(c) Section 6.11 is amended by deleting the existing clauses (ix), (x) and (xi) and inserting the following new clauses (ix) and (x) in proper order:

(ix) Indebtedness of DTI and its Subsidiaries under the DTI Notes, the Exchange Notes, the Working Capital Facility and the Tender Line Facility in an aggregate principal amount not at any time exceeding $480,000,000 (plus any increase in the accreted value after January 1, 2001).

(x) One or more costless collars or similar derivative transactions which effectively fix the downside market risk of the value of the shares of the Evergreen Resources, Inc. common stock received pursuant to the sales of certain properties of a Subsidiary of KLT Gas Inc. as set forth on Schedule 1 to Amendment No. 1 to this Agreement.

(d) Section 6.16 is amended by (i) deleting the proviso in clause (ix) and substituting "provided that the aggregate cash amount paid for the purchase or redemption of DTI Notes shall not exceed $95,000,000 and the aggregate amount paid to purchase or redeem all of the DTI Warrants shall not exceed $6,000,000" therefor, and (ii) deleting the amount "$125,000,000" in clause (x) and substituting "$60,000,000" therefor.

(e) Section 6.18 is amended by adding the following clause (xvi) and (xvii):

(xvi) Liens on the capital stock of the Subsidiaries of DTI owned by DTI to secure the obligations of DTI under the Tender Line Facility and the Exchange Notes.

(xvii) Liens on the assets of the Subsidiaries of DTI to secure the obligations of such Subsidiaries under the Working Capital Facility.

SECTION 3 REPRESENTATIONS AND WARRANTIES. To induce the Agent and the Lenders to enter into this Amendment, the Borrower represents and warrants that:

(a) The representations and warranties set forth in Article V of the Credit

Agreement are true, correct and complete on the date hereof as if made on and as of the date hereof.

(b) No Default or Unmatured Default exists on the date hereof.

SECTION 4 EFFECTIVE DATE. This Amendment shall become effective as of the date first written above upon receipt by the Agent of each of the following:

(a) Counterparts of this Amendment duly executed by the Borrower and the Required Lenders.

(b) The Third Restated and Amended Support Agreement in the form of Exhibit A hereto signed by Kansas City Power & Light Company and the Borrower.

(c) An amendment fee for each Lender which, on or before 5:00 p.m. (Chicago time) on January 23, 2001, executes and delivers to the Agent (by facsimile or otherwise) a counterpart hereof, such fee to be in an amount equal to 0.075% of such Lender's Commitment.

SECTION 6 RATIFICATION. The Credit Agreement, as amended hereby, is hereby ratified, approved and confirmed in all respects.

SECTION 7 REFERENCES TO CREDIT AGREEMENT. From and after the effective date hereof, each reference in the Credit Agreement to "this Agreement", "hereof", or "hereunder" or words of like import, and all references to the Credit Agreement in any and all other agreements, instruments, documents, notes, certificates and other writings of every kind and nature, shall be deemed to mean the Credit Agreement as amended by this Amendment.

SECTION 8 COSTS AND EXPENSES. The Borrower agrees to pay all costs, fees and out of pocket expenses (including attorneys' fees and time charges of attorneys for the Agent, which attorneys may be employees of the Agent) incurred by the Agent in connection with the preparation, execution and enforcement of this Amendment.

SECTION 9 CHOICE OF LAW. THIS AMENDMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS (AND NOT THE LAW OF CONFLICTS) OF THE STATE OF ILLINOIS.

SECTION 10 EXECUTION IN COUNTERPARTS. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Borrower, the undersigned Lenders and the Agent have executed this Amendment as of the date first above written.

KLT INC.

By: /s/Frank R. Clark
Name: Frank R. Clark
Title: Vice President and Chief Financial Officer

BANK ONE, NA, individually as a Lender and as Agent

By: /s/William N. Banks
Name: William N. Banks
Title: First Vice President

ABN AMRO BANK N.V.

By: /s/Kris A. Grosshans
Name: Kris A. Grosshans
Title: Group Vice President

By: /s/Jeffrey Dodd
Name: Jeffrey Dodd
Title: Group Vice President

W E S T D E U T S C H E LA N D ES B A NK GIROZENTRALE, NEW YORK BRANCH, individually as a Lender and as Documentation Agent

By: /s/Duncan M. Robertson	/s/Monika K. Kump
Name: Duncan M. Robertson	Monika K. Kump
Title: Director	Manager

By: ________________________
Name:________________________
Title:_______________________

COMMERZBANK AKTIENGESELLSCHAFT, NEW
YORK AND GRAND CAYMAN BRANCHES,
individually as a Lender and as
Syndication Agent

By: ________________________
Name:________________________
Title:_______________________

By:_________________________
Name:________________________
Title:_______________________

THE DAI-ICHI KANGYO BANK, LTD., CHICAGO
BRANCH

By: /s/John S. Sneed, Jr.
Name: John S. Sneed, Jr.
Title: Senior Vice President

Exhibit 10-t

DEMAND PROMISSORY NOTE

Date: February 1, 2001 Principal Amount: $94,000,000.00

DTI Holdings, Inc., a Missouri corporation (herein referred to as "Borrower"), promises to pay to the order of KLT Telecom Inc., a Missouri corporation (herein referred to as "Lender"), at its offices located at 10740 Nall, Suite 230, Overland Park, KS 66211 or at such other place as Lender may designate, the principal sum of Ninety Four Million Dollars ($94,000,000.00) together with interest on the outstanding principal balance at a rate of 10% per annum. The entire unpaid principal balance of this Note shall be immediately due and payable UPON DEMAND by Lender, and Borrower acknowledges that any condition or requirement set forth in any other agreement between Borrower and Lender is not the only basis upon which demand can be made hereunder. Interest on the unpaid principal of this Note will be due and payable when demand is made for payment of the principal of this Note.

Borrower may prepay this Note, in whole or in part, at any time and from time to time, without premium or penalty. Any prepayments made by Borrower shall be applied as follows: first, to accrued and unpaid interest; second, to any other amounts payable hereunder at the time a payment is made; and finally, to the unpaid balance remaining on the Note. Interest shall be computed on the basis of a 360-day year consisting of twelve (12) months with thirty (30) days each.

Except as otherwise provided in this Note, all notices required or permitted hereunder (including a notice by Lender demanding payment hereunder) shall be in writing. A written notice shall be deemed to have been given hereunder (i) if delivered by hand, when the notifying party delivers such notice or other communication to the other party; (ii) if delivered by facsimile or overnight delivery service, on the first business day following the date such notice or other communication is transmitted by facsimile or timely delivered by overnight courier, or (iii) if delivered by mail, on the third business day following the date such notice or other communication is deposited in the U.S. mail by certified or registered mail properly addressed to the other party. Notices mailed or transmitted via facsimile shall be directed as follows unless written notice of a change of address or facsimile number has been given in writing in accordance with this Section: (x) if to Lender, at 10740 Nall, Suite 230, Overland Park, KS 66211, facsimile number (913) 967-4340, attn. President; and (y) if to Borrower, at 8112 Maryland Avenue, Suite 400, St. Louis, MO 63105, facsimile number (314) 880-1999 attn. President

In no event shall interest (including any charge or fee held to be interest by a court of competent jurisdiction) accrue to be payable hereon in excess of the highest contract rate allowable by law at the time such indebtedness shall be outstanding and unpaid, and if, for any reason, interest in excess of the highest legal rate shall be due or paid, any such excess shall constitute and be treated as a payment on the principal hereof and shall operate to reduce such principal by the amount of such

excess, or if in excess of the principal indebtedness, such ex cess shall be waived or refunded to the Borrower.

This Note shall be construed in accordance with the laws of Missouri. Any dispute or cause of action under this Note shall be resolved by a court of competent subject matter jurisdiction only in Jackson County, Missouri. If any provisions hereof are judicially determined to be invalid, then that portion thereof which is declared invalid shall not affect the remaining provisions hereof.

Borrower hereby expressly acknowledges that Borrower shall have no right to set-off against any amounts due to Lender under this Note against any amounts which Lender may owe to Borrower. The obligations of Borrower under this Note are independent, and Borrower agrees that any claim for sums due and owing to Borrower

from Lender shall be the subject of a separate legal action by Borrower against Lender.

The obligations of the Borrower under this Note are secured pursuant to that certain Pledge Agreement of even date hereof. Reference is hereby made to such Pledge Agreement for a description of the security interests granted under this Note, a description of Defaults under the Pledge Agreement and Lender's remedies upon a Default under the Pledge Agreement. Capitalized terms used herein and not otherwise defined herein are used with the meanings attributed to them in the Pledge Agreement.

The Borrower shall reimburse the Lender for any costs, internal charges and out-of-pocket expenses (including attorneys' fees and time charges of attorneys for the Lender, which attorneys may be employees of the Lender) paid or incurred by the Lender in connection with the preparation, negotiation, execution, delivery, review, amendment, modification, and administration of the Loan Documents. The Borrower also agrees to reimburse the Lender for any costs, internal charges and out-of-pocket expenses (including attorneys' fees and time charges of attorneys for the Lender, which attorneys may be employees of the Lender) paid or incurred by the Lender in connection with the collection and enforcement of the Note. The Borrower further agrees to indemnify the Lender, its directors, officers and employees against all losses, claims, damages, penalties, judgments, liabilities and expenses (including, without limitation, all expenses of litigation or preparation therefor whether or not the Lender is a party thereto) which any of them may pay or incur arising out of or relating to this Note, the other Loan Documents, the transactions contemplated hereby or the direct or indirect application or proposed application of the proceeds of the Note except to the extent such obligations arise from the gross negligence or willful misconduct of the Lender.

THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS (AND NOT THE LAW OF CONFLICTS) OF THE STATE OF MISSOURI.

THE BORROWER HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY UNITED STATES FEDERAL OR MISSOURI STATE COURT SITTING IN KANSAS CITY, MISSOURI IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENTS AND THE BORROWER HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE LENDER TO BRING PROCEEDINGS AGAINST THE BORROWER IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BY THE BORROWER AGAINST THE LENDER OR ANY AFFILIATE OF THE LENDER INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH ANY LOAN DOCUMENT SHALL BE BROUGHT ONLY IN A COURT IN KANSAS CITY, MISSOURI.

THE BORROWER AND THE LENDER HEREBY WAIVE TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH ANY LOAN DOCUMENT OR THE RELATIONSHIP ESTABLISHED THEREUNDER.

In this Note, the singular shall include the plural; the masculine shall include the feminine and the neuter genders; and "borrower", "maker" or "undersigned" shall include the Borrower. All persons liable, either now or hereafter, for the payment of this Note shall be jointly and severally liable, and waive pre sentment, demand (other than demand for payment as provided above), protest, and notice of non-payment and of protest, and agrees that any modifications of the terms of payment or exten sion of time or payment shall in no way impair its joint and sev eral liability.

THE BORROWER AND ANY ENDORSERS OR CO-MAKERS, ALL HEREBY EXPRESSLY WAIVE THE RIGHT TO A TRIAL BY JURY IN ANY CLAIM, ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PERSON AGAINST ANY PERSON ON ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS NOTE OR THE RELATIONSHIP OF THE PARTIES CREATED THEREUNDER.

IN WITNESS WHEREOF, the duly authorized representatives of Borrower have executed this Agreement on the date first above written.

	BORROWER:
ATTEST:	DTI Holdings, Inc. a Missouri corporation
By: /s/Daniel A. Davis	By: /s/Gary W. Douglass
Name: Daniel A. Davis	Name: Gary W. Douglass
Title: Vice President & General Counsel	Title: Sr. Vice President & Chief Financial Officer

DTI HOLDINGS, INC.
PLEDGE AGREEMENT

THIS PLEDGE AGREEMENT (this "Pledge Agreement") is entered into as of February 1, 2001 by and between DTI HOLDINGS, INC., a Missouri corporation (the "Borrower"), and KLT TELECOM INC., a Missouri corporation (the "Lender"). The parties hereto agree as follows:

WHEREAS, the Borrower has executed and delivered to Lender a certain Demand Promissory Note in the principal amount of Ninety Four Million Dollars ($94,000,000.00) of even date herewith (the "Note"); and

WHEREAS, it is a condition precedent, among others, to any borrowing under the Note that the Borrower execute and deliver this Pledge Agreement to the Lender;

WHEREAS, the Borrower expects to realize direct and indirect benefits as a result of the borrowing under the Note and such other financial accommodations as the Lender may provide from time to time, and therefore desires to enter into this Pledge Agreement to satisfy such condition precedent;

NOW, THEREFORE, in consideration of the undertakings set forth herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the Borrower and the Lender hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1. DEFINITIONS OF CERTAIN TERMS USED HEREIN. As used in this Pledge Agreement, the following terms shall have the following meanings:

"Article" means a numbered article of this Pledge Agreement, unless another document is specifically referenced.

"Capital Stock" means, with respect to any Person, any and all shares, interests, partnership interests, participations, rights in or other equivalents (however designated and whether voting or non-voting) of such Person's capital stock, and any rights (other than debt securities convertible into capital stock), warrants or options exchangeable for or convertible into such capital stock, whether now outstanding or issued after the date of this Pledge Agreement.

"Collateral" means the Pledged Stock and the Stock Rights, and the proceeds and products thereof, together with all books and records, computer files, programs, printouts and other computer materials and records related thereto provided, however, that Collateral shall not

include any dividends paid, in cash or otherwise, by an issuer of Pledged Stock, or any other distributions by an issuer of Pledged Stock on or in respect of its Capital Stock.

"Default" means an event described in Section 5.1.

"Lien" means any mortgage, charge, pledge, lien (statutory or otherwise), privilege, security interest, hypothecation, assignment for security, claim, or preference or priority or other encumbrance upon or with respect to the Collateral.

"Loan Documents" mean the Note, the Pledge Agreement and all associated financing statements.

"Person" means any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, business trust, unincorporated organization or government or any agency or political subdivision thereof.

"Pledged Stock" means the shares of Capital Stock listed on Schedule A attached hereto and any other Capital Stock of Restricted Subsidiaries owned or controlled directly by the Borrower from time to time.

"Restricted Subsidiary" has the meaning ascribed to that term in that certain Indenture dated as of February 23, 1998, between DTI Holdings, Inc., as Issuer and The Bank of New York, Trustee, as amended and supplemented by that certain First Supplement and Amendment to Trust Indenture dated as of January 31, 2001.

"Section" means a numbered section of this Pledge Agreement, unless another document is specifically referenced.

"Secured Obligations" means all unpaid principal of and accrued and unpaid interest on the Note, and all accrued and unpaid fees and all expenses, reimbursements, indemnities and other obligations of the Borrower to the Lender under the Note or the Pledge Agreement.

"Stock Rights" means any securities which the Borrower shall receive or shall become entitled to receive for any reason whatsoever in substitution for or in exchange for any shares of the Pledged Stock and any securities in which the Borrower now has or hereafter acquires any right, issued by an issuer of Pledged Stock; provided, however, that Stock Rights shall not include any dividends paid, in cash or otherwise, by an issuer of Pledged Stock, or any other distributions by an issuer of Pledged Stock on or in respect of its Capital Stock.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

ARTICLE II

GRANT OF SECURITY INTEREST

The Borrower hereby pledges, assigns and grants to the Lender, a security interest in all of the Borrower's right, title and interest in and to the Collateral to secure the prompt and complete payment and performance of the Secured Obligations.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lender that:

3.1. TITLE, AUTHORIZATION, VALIDITY AND ENFORCEABILITY. Schedule A hereto sets forth a complete and accurate list of the Pledged Stock and other instruments delivered to the Lender. The Borrower is the direct and beneficial owner of each share of the Pledged Stock and has full power and authority to grant to the Lender the security interest in the Collateral pursuant hereto. Each share of the Pledged Stock has been duly and validly issued, is fully paid and non-assessable and is owned by the Borrower free and clear of any Lien, other than the security interest created by this Pledge Agreement. The execution and delivery by the Borrower of this Pledge Agreement has been duly authorized by proper corporate proceedings, and this Pledge Agreement constitutes a legal, valid and binding obligation of the Borrower and creates a security interest which is enforceable against the Borrower in all now owned and hereafter acquired Collateral (except with respect to Pledged Stock, wherein the security interest is created on delivery to the Lender).

3.2. CONFLICTING LAWS AND CONTRACTS. Neither the execution and delivery by the Borrower of this Pledge Agreement, the creation and perfection of the security interest in the Collateral granted hereunder, nor compliance with the terms and provisions hereof will violate any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on the Borrower or the Borrower's articles or certificate of incorporation or by-laws, the provisions of any indenture, instrument or agreement to which the Borrower is a party or is subject, or by which it, or its property, is bound, or conflict with or constitute a default thereunder, or result in the creation or imposition of any Lien pursuant to the terms of any such indenture, instrument or agreement (other than the Lien of the Lender). No order, consent, approval, license, authorization, or validation of, or filing (except the filing of financing statements covering the Collateral), recording or registration with, or exemption by, any governmental or public body or authority, or any subdivision thereof, is required to authorize, or is required in connection with the execution, delivery and performance of, or the legality, validity, binding effect or enforceability of, this Pledge Agreement.

3.3. NO DEFAULT. No Default exists.

3.4. NO FINANCING STATEMENTS. No financing statement describing all or any portion of the Collateral which has not lapsed or been terminated naming the Borrower as debtor has been filed in any jurisdiction except financing statements naming the Lender as the secured party.

3.5. FEDERAL EMPLOYER IDENTIFICATION NUMBER. The Borrower's Federal employer identification number is 43-1828147.

ARTICLE IV

COVENANTS

From the date of this Pledge Agreement, and thereafter until this Pledge Agreement is terminated:

4.1. DELIVERY OF CERTAIN ITEMS. The Borrower will (i) deliver to the Lender immediately upon execution of this Pledge Agreement all certificates or other securities representing Pledged Stock together with appropriate stock powers endorsed in blank, marked with such legends and assigned as the Lender shall specify, and (ii) hold in trust for the Lender upon receipt and immediately thereafter deliver to the Lender any stock certificate, instrument or other document evidencing or constituting Collateral (except, prior to the occurrence of a Default, ordinary cash dividends paid with respect to the Pledged Stock and the Stock Rights).

4.2. RECORDS AND REPORTS. The Borrower will maintain complete and accurate books and records with respect to the Collateral, and furnish to the Lender such reports relating to the Collateral as the Lender shall from time to time request.

4.3. FINANCING STATEMENTS AND OTHER ACTIONS; DEFENSE OF TITLE. The Borrower will execute and deliver to the Lender all financing statements and other documents and take such other actions as may from time to time be requested by the Lender in order to maintain a first perfected security interest in the Collateral. The Borrower will take any and all actions necessary to defend title to the Collateral against all persons and to defend the security interest of the Lender in the Collateral and the priority thereof against any Lien not expressly permitted hereunder.

4.4. LIENS. The Borrower will not create, incur, or suffer to exist any Lien on the Collateral except the security interest created by this Pledge Agreement.

4.5. STOCK.

4.5.1. CHANGES IN CAPITAL STRUCTURE OF ISSUERS. The Borrower will not (i) permit or suffer any issuer of Pledged Stock to dissolve, liquidate, retire any of its capital stock, reduce its capital or merge or consolidate with any other entity or (ii) vote any of the

Pledged Stock in favor of any of the foregoing, in either case, except as permitted under the Loan Documents.

4.5.2. EXERCISE OF RIGHTS IN PLEDGED STOCK. The Borrower will permit the Lender or its nominee at any time after the occurrence of a Default, without notice, to exercise all voting and corporate rights relating to the Collateral, including, without limitation, exchange, subscription or any other rights, privileges, or options pertaining to any shares of the stock pledged as Collateral and the Stock Rights as if it were the absolute owner thereof.

4.6. DISPOSITION. The Borrower will not sell or otherwise dispose of all or any part of the Collateral.

ARTICLE V

DEFAULT

5.1. The occurrence of any one or more of the following events shall constitute a Default:

5.1.1. Any representation or warranty made by or on behalf of the Borrower under or in connection with this Pledge Agreement shall be materially false as of the date on which made.

5.1.2. The breach by the Borrower of any of the terms or provisions of Article IV or Section 8.7.

5.1.3. The breach by the Borrower (other than a breach which constitutes a Default under Section 5.1.1 or 5.1.2) of any of the terms or provisions of this Pledge Agreement which is not remedied within five days after the giving of written notice to the Borrower by the Agent.

5.1.4. Any Secured Obligation shall not be paid when due, whether upon demand or otherwise.

5.2. REMEDIES. Upon Default, the Lender may exercise any or all of the following rights and remedies:

5.2.1. Those rights and remedies provided in this Pledge Agreement or the Note, provided that this clause 5.2.1 shall not be understood to limit any rights or remedies available to the Lender prior to a Default.

5.2.2. Those rights and remedies available to a secured party under the Missouri Uniform Commercial Code (whether or not the Missouri Uniform Commercial Code applies to the affected Collateral) or under any other applicable law when a debtor is in default under a security agreement and any other applicable law.

5.2.3. Without notice except as specifically provided in Section 8.3 or elsewhere herein, sell, lease, assign, grant an option or options to purchase or otherwise dispose of the Collateral or any part thereof in one or more parcels at public or private sale, for cash, on credit or for future delivery, and upon such other terms as the Lender may deem commercially reasonable.

ARTICLE VI

WAIVERS, AMENDMENTS AND REMEDIES

No delay or omission of the Lender to exercise any right or remedy granted under this Pledge Agreement shall impair such right or remedy or be construed to be a waiver of any Default or an acquiescence therein, and any single or partial exercise of any such right or remedy shall not preclude any other or further exercise thereof or the exercise of any other right or remedy. No waiver, amendment or other variation of the terms, conditions or provisions of this Pledge Agreement whatsoever shall be valid unless in writing signed by the Lender and then only to the extent in such writing specifically set forth. All rights and remedies contained in this Pledge Agreement or by law afforded shall be cumulative and all shall be available to the Lender until the Secured Obligations have been paid in full.

ARTICLE VII

PROCEEDS

7.1. APPLICATION OF PROCEEDS. The proceeds of any sale of or other realization upon the Collateral shall be applied by the Lender to payment of the Secured Obligations in the following order unless a court of competent jurisdiction shall otherwise direct:

(a) FIRST, to payment of all costs and expenses of the Lender incurred in connection with the collection and enforcement of the Secured Obligations or of the security interest granted to the Lender pursuant to this Pledge Agreement;

(b) SECOND, to payment of that portion of the Secured Obligations constituting accrued and unpaid interest and fees:

(c) THIRD, to payment of the principal of the Secured Obligations;

(d) FOURTH, to payment of any Secured Obligations (other than those listed above); and

(e) FIFTH, the balance, if any, after all of the Secured Obligations have been satisfied, shall be paid over to the Borrower.

ARTICLE VIII

GENERAL PROVISIONS

8.1. REGISTRATION OF PLEDGED STOCK. At the option of the Lender, any registerable Collateral may at any time be registered in the name of the Lender or its nominee.

8.2. EXERCISE OF RIGHTS IN PLEDGED STOCK. After the occurrence and during the continuance of a Default, the Lender or its nominee may at any time and from time to time, without notice, exercise all voting and corporate rights relating to the Collateral, including, without limitation, exchange, subscription or any other rights, privileges, or options pertaining to any shares of the Pledged Stock and the Stock Rights as if it were the absolute owner thereof.

8.3. NOTICE OF DISPOSITION OF COLLATERAL. The Borrower hereby waives notice of the time and place of any public sale or the time after which any private sale or other disposition of all or any part of the Collateral may be made. To the extent such notice may not be waived under applicable law, any notice made shall be deemed reasonable if sent to the Borrower, addressed as set forth in Article IX, at least ten days prior to (i) the date of any such public sale or (ii) the time after which any such private sale or other disposition may be made.

8.4. SECURED PARTY PERFORMANCE OF DEBTOR OBLIGATIONS. Without having any obligation to do so, the Lender may perform or pay any obligation which the Borrower has agreed to perform or pay in this Pledge Agreement and the Borrower shall reimburse the Lender for any amounts paid by the Lender pursuant to this Section 8.4. The Borrower's obligation to reimburse the Lender pursuant to the preceding sentence shall be a Secured Obligation payable on demand.

8.5. AUTHORIZATION FOR SECURED PARTY TO TAKE CERTAIN ACTION. The Borrower irrevocably authorizes the Lender at any time and from time to time in the sole discretion of the Lender and appoints the Lender as its attorney in fact (i) to execute on behalf of the Borrower as debtor and to file financing statements necessary or desirable in the Lender's sole discretion to perfect and to maintain the perfection and priority of the Lender's security interest in the Collateral, (ii) to indorse and collect any cash proceeds arising from the sale of or other realization upon the Collateral, (iii) to file a carbon, photographic or other reproduction of this Pledge Agreement or any financing statement with respect to the Collateral as a financing statement in such offices as the Lender in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of the Lender's security interest in the Collateral, (iv) to apply the proceeds arising from the sale of or other realization upon any

Collateral received by the Lender to the Secured Obligations as provided in Article VII and (v) to discharge past due taxes, assessments, charges, fees or Liens on the Collateral (except for such Liens as are specifically permitted hereunder), and the Borrower agrees to reimburse the Lender on demand for any payment made or any expense incurred by the Lender in connection therewith, PROVIDED that this authorization shall not relieve the Borrower of any of its obligations under this Pledge Agreement.

8.6. SPECIFIC PERFORMANCE OF CERTAIN COVENANTS. The Borrower acknowledges and agrees that a breach of any of the covenants contained in Sections 4.2, 4.4, 4.5, 4.6, 7 and 8.7 will cause irreparable injury to the Lender, that the Lender has no adequate remedy at law in respect of such breaches and therefore agrees, without limiting the right of the Lender to seek and obtain specific performance of other obligations of the Borrower contained in this Pledge Agreement, that the covenants of the Borrower contained in the Sections referred to in this Section 8.6 shall be specifically enforceable against the Borrower.

8.7. DISPOSITIONS NOT AUTHORIZED. The Borrower is not authorized to sell or otherwise dispose of the Collateral, and notwithstanding any course of dealing between the Borrower and the Lender or other conduct of the Lender, no authorization to sell or otherwise dispose of the Collateral shall be binding upon the Lender unless such authorization is in writing signed by the Lender.

8.8. BENEFIT OF AGREEMENT. The terms and provisions of this Pledge Agreement shall be binding upon and inure to the benefit of the Borrower and the Lender and their respective successors and assigns, except that the Borrower shall not have the right to assign its rights or delegate its obligations under this Pledge Agreement or any interest herein, without the prior written consent of the Agent.

8.9. SURVIVAL OF REPRESENTATIONS. All representations and warranties of the Borrower contained in this Pledge Agreement shall survive the execution and delivery of this Pledge Agreement.

8.10. TAXES AND EXPENSES. Any taxes (including income taxes) payable or ruled payable by Federal or State authority in respect of this Pledge Agreement shall be paid by the Borrower, together with interest and penalties, if any. The Borrower shall reimburse the Lender for any and all out-of-pocket expenses and internal charges (including reasonable attorneys', auditors' and accountants' fees and reasonable time charges of attorneys, paralegals, auditors and accountants who may be employees of the Lender) paid or incurred by the Lender in connection with the preparation, execution, delivery, administration, collection and enforcement of this Pledge Agreement and in the audit, analysis, administration, collection, preservation or sale of the Collateral (including the expenses and charges associated with any periodic or special audit of the Collateral). Any and all costs and expenses incurred by the Borrower in the performance of actions required pursuant to the terms hereof shall be borne solely by the Borrower.

8.11. HEADINGS. The title of and section headings in this Pledge Agreement are for convenience of reference only, and shall not govern the interpretation of any of the terms and provisions of this Pledge Agreement.

8.12. TERMINATION. This Pledge Agreement shall continue in effect (notwithstanding the fact that from time to time there may be no Secured Obligations outstanding) until all of the Secured Obligations have been indefeasibly paid and performed in full.

8.13. ENTIRE AGREEMENT. This Pledge Agreement embodies the entire agreement and understanding between the Borrower and the Lender relating to the Collateral and supersedes all prior agreements and understandings between the Borrower and the Lender relating to the Collateral.

8.14. CHOICE OF LAW. THIS PLEDGE AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS (AND NOT THE LAW OF CONFLICTS) OF THE STATE OF MISSOURI.

8.15 JURISDICTION. THE BORROWER HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY UNITED STATES FEDERAL OR MISSOURI STATE COURT SITTING IN KANSAS CITY, MISSOURI IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENTS AND THE BORROWER HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE LENDER TO BRING PROCEEDINGS AGAINST THE BORROWER IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BY THE BORROWER AGAINST THE LENDER OR ANY AFFILIATE OF THE LENDER INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH ANY LOAN DOCUMENT SHALL BE BROUGHT ONLY IN A COURT IN KANSAS CITY, MISSOURI.

8.16 WAIVER OF JURY TRIAL. THE BORROWER AND THE LENDER HEREBY WAIVE TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH ANY LOAN DOCUMENT OR THE RELATIONSHIP ESTABLISHED THEREUNDER.

8.17. INDEMNITY. The Borrower hereby agrees to indemnify the Lender, and its successors, assigns, agents and employees, from and against any and all liabilities, damages, penalties, suits, costs, and expenses of any kind and nature (including, without limitation, all

expenses of litigation or preparation therefor whether or not the Lender is a party thereto) imposed on, incurred by or asserted against the Lender, or its successors, assigns, agents and employees, in any way relating to or arising out of this Pledge Agreement, or the manufacture, purchase, acceptance, rejection, ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of any Collateral (including, without limitation, latent and other defects, whether or not discoverable by the Lender or the Borrower, and any claim for patent, trademark or copyright infringement), except to the extent the accrual of such damages, liabilities, penalties, suits, costs and expenses is attributable to the gross negligence or willful misconduct of the Lender or its successors, assigns, agents and employees.

ARTICLE IX

NOTICES

9.1. GIVING NOTICE. All notices and other communications provided to any party hereto under this Pledge Agreement shall be sent (and deemed received in the manner set forth in Article XIII of the Loan Agreement.

9.2. CHANGE OF ADDRESS. The Borrower and the Lender may each change the address for service of notice upon it by a notice in writing to the other party hereto.

IN WITNESS WHEREOF, the Borrower and the Lender have executed this Pledge Agreement as of the date first above written.

DTI HOLDINGS, INC.

By: /s/Gary W. Douglass
Name: Gary W. Douglass
Title: Senior Vice President & Chief Financial Officer

KLT TELECOM INC.

By: /s/Mark R. Schroeder
Mark R. Schroeder, Vice President

Exhibit 10-u

CREDIT AGREEMENT

BETWEEN

KLT TELECOM INC.,
AS LENDER,

AND

DIGITAL TELEPORT, INC.,
AS BORROWER

DATED AS OF FEBRUARY 21, 2001

DIGITAL TELEPORT, INC.

CREDIT AGREEMENT

This CREDIT AGREEMENT, dated as of February 21, 2001, is AMONG DIGITAL TELEPORT, INC. (the "Borrower") and KLT TELECOM INC. (the "Lender"). The parties hereto agree as follows:

WHEREAS, the Borrower wishes to obtain, and the Lender is willing to make, certain revolving credit loans on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the undertakings set forth herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS

As used in this Agreement:

"Acquisition" means any transaction, or any series of related transactions, consummated on or after the date of this Agreement, by which the Borrower or any of its Subsidiaries (i) acquires any going business or all or substantially all of the assets of any firm, corporation or division thereof, whether through purchase of assets, merger or otherwise or (ii) directly or indirectly acquires (in one transaction or as the most recent transaction in a series of transactions) at least a majority (in number of votes) of the securities of a corporation which have ordinary voting power for the election of directors (other than securities having such power only by reason of the happening of a contingency) or a majority (by percentage or voting power) of the outstanding partnership interests of a partnership.

"Advance" means a borrowing hereunder by the Borrower.

"Affiliate" of any Person means any other Person directly or indirectly controlling, controlled by or under common control with such Person. A Person shall be deemed to control another Person if the controlling Person owns 10% or more of any class of voting securities (or other ownership interests) of the controlled Person or possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of the controlled Person, whether through ownership of stock, by contract or otherwise.

"Agreement" means this Credit Agreement, as it may be amended or modified and in effect from time to time.

"Article" means an article of this Agreement unless another document is specifically referenced.

"Authorized Officer" means any officer of the Borrower, acting singly.

"Borrower" means Digital Teleport, Inc., a Missouri corporation, and its successors and assigns.

"Borrowing Date" means a date on which an Advance is made hereunder.

"Borrowing Notice" is defined in Section 2.8.

"Business Day" means (i) with respect to any borrowing, payment or rate selection of Eurodollar Advances, a day (other than a Saturday or Sunday) on which banks generally are open in Kansas City, Missouri, for the conduct of substantially all of their commercial lending activities and on which dealings in United States dollars are carried on in the London interbank market and (ii) for all other purposes, a day (other than a Saturday or Sunday) on which banks generally are open in Kansas City, Missouri, for the conduct of substantially all of their commercial lending activities.

"Capitalized Lease" of a Person means any lease of Property by such Person as lessee which would be capitalized on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles.

"Capitalized Lease Obligations" of a Person means the amount of the obligations of such Person under Capitalized Leases which would be shown as a liability on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles.

"Code" means the Internal Revenue Code of 1986, as amended, reformed or otherwise modified from time to time.

"Commitment" means the obligation of the Lender to make Loans not exceeding Twenty Five Million Dollars ($25,000,000.00) in aggregate principal amount at any time outstanding.

"Condemnation" is defined in Section 7.8.

"Contingent Obligation" of a Person means any agreement, undertaking or arrangement by which such Person assumes, guarantees, endorses, contingently agrees to purchase or provide funds for the payment of, or otherwise becomes or is contingently liable upon, the obligation or liability of any other Person, or agrees to maintain the net worth or working capital or other financial condition of any other Person, or otherwise assures any creditor of such other Person

against loss, including, without limitation, any comfort letter, operating agreement or take-or-pay contract, or application for a letter of credit or similar instrument by such Person or upon which such Person is an account party or for which such Person is in any way liable.

"Controlled Group" means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the Borrower, are treated as a single employer under Section 414 of the Code. For purposes of this definition, Controlled Group shall be determined immediately prior to the time Borrower became a member of the Kansas City Power & Light Company controlled group.

"Default" means an event described in Article VII.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any rule or regulation issued thereunder.

"Facility Termination Date" means the earlier of June 30, 2002, or the date on which Lender makes demand for payment pursuant to the Note.

"Indebtedness" of a Person means such Person's (i) obligations for borrowed money, (ii) obligations representing the deferred purchase price of Property or services (other than accounts payable arising in the ordinary course of such Person's business payable on terms customary in the trade), (iii) obligations, whether or not assumed, secured by Liens or payable out of the proceeds or production from property now or hereafter owned or acquired by such Person, (iv) obligations which are evidenced by notes, acceptances, or other instruments, (v) Capitalized Lease Obligations, (vi) Rate Hedging Obligations, and (vii) Contingent Obligations.

"Investment" of a Person means any loan, advance (other than commission, travel and similar advances to officers and employees made in the ordinary course of business), extension of credit (other than accounts receivable arising in the ordinary course of business on terms customary in the trade), deposit account or contribution of capital by such Person to any other Person or any investment in, or purchase or other acquisition of, the stock, partnership interests, notes, debentures or other securities or other indebtedness of any other Person made by such Person.

"Lender" means KLT Telecom Inc., a Missouri corporation, and its successors and assigns.

"Lien" means any lien (statutory or other), security interest, mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, the interest of a vendor or lessor under any conditional sale, Capitalized Lease or other title retention agreement).

"Loan Documents" means this Agreement and the Note.

"Material Adverse Effect" means a material adverse effect on (i) the business, Property, condition (financial or otherwise), results of operations, or prospects of the Borrower takenas a whole, (ii) the ability of the Borrower to perform its obligations under the Loan Documents, or (iii) the validity or enforceability of any of the Loan Documents or the rights or remedies of the Lender thereunder.

"Multiemployer Plan" means a Plan maintained pursuant to a collective bargaining agreement or any other arrangement to which the Borrower or any member of the Controlled Group is a party to which more than one employer is obligated to make contributions.

"Non-Recourse Debt" means Indebtedness which is incurred in connection with the financing by the Borrower of the acquisition or construction of an asset and (a) is collateralized by the grant by the Borrower of a security interest in such asset and (b) for which recourse for non-payment of any such Indebtedness is limited solely to recourse to such asset (and other Property specifically related thereto, such as permits, books, records, and contracts) and not to any other assets of the Borrower.

"Note" means a demand promissory note, in substantially the form of Exhibit "A" hereto, duly executed by the Borrower and payable to the order of the Lender in the amount of the Commitment, including any amendment, modification, renewal or replacement of such demand promissory note.

"Obligations" means all unpaid principal of and accrued and unpaid interest on the Note, and all accrued and unpaid fees and all expenses, reimbursements, indemnities and other obligations of the Borrower to the Lender arising under the Loan Documents.

"PBGC" means the Pension Benefit Guaranty Corporation, or any successor thereto.

"Person" means any natural person, corporation, firm, joint venture, partnership, association, enterprise, trust or other entity or organization, or any government or political subdivision or any agency, department or instrumentality thereof.

"Plan" means an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code as to which the Borrower or any member of the Controlled Group may have any liability.

"Property" of a Person means any and all property, whether real, personal, tangible, intangible, or mixed, of such Person, or other assets owned, leased or operated by such Person.

"Rate Hedging Obligations" of a Person means any and all obligations of such Person, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), under (i) any and all agreements, devices or arrangements designed to protect at least

one of the parties thereto from the fluctuations of interest rates, exchange rates or forward rates applicable to such party's assets, liabilities or exchange transactions, including, but not limited to, dollar-denominated or cross-currency interest rate exchange agreements, forward currency exchange agreements, interest rate cap or collar protection agreements, forward rate currency or interest rate options, puts and warrants, and (ii) any and all cancellations, buy backs, reversals, terminations or assignments of any of the foregoing.

"Reportable Event" means a reportable event as defined in Section 4043 of ERISA and the regulations issued under such section, with respect to a Plan, excluding, however, such events as to which the PBGC by regulation waived the requirement of Section 4043(a) of ERISA that it be notified within 30 days of the occurrence of such event, provided, however, that a failure to meet the minimum funding standard of Section 412 of the Code and of Section 302 of ERISA shall be a Reportable Event regardless of the issuance of any such waiver of the notice requirement in accordance with either Section 4043(a) of ERISA or Section 412(d) of the Code.

"Section" means a numbered section of this Agreement, unless another document is specifically referenced.

"Single Employer Plan" means a Plan maintained by the Borrower or any member of the Controlled Group for employees of the Borrower or any member of the Controlled Group.

"Subsidiary" of a Person means (i) any corporation more than 50% of the outstanding securities having ordinary voting power of which shall at the time be owned or controlled, directly or indirectly, by such Person or by one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries, or (ii) any partnership, association, joint venture or similar business organization more than 50% of the ownership interests having ordinary voting power of which shall at the time be so owned or controlled. Unless otherwise expressly provided, all references herein to a "Subsidiary" shall mean a Subsidiary of the Borrower.

"Substantial Portion" means, with respect to the Property of the Borrower, Property which (i) represents more than 10% of the consolidated assets of the Borrower as would be shown in the consolidated financial statements of the Borrower as at the beginning of the twelve-month period ending with the month in which such determination is made, or (ii) is responsible for more than 10% of the consolidated net sales or of the consolidated net income of the Borrower as reflected in the financial statements referred to in clause (i) above.

"Unfunded Liabilities" means the amount (if any) by which the present value of all vested nonforfeitable benefits under all Single Employer Plans exceeds the fair market value of all such Plan assets allocable to such benefits, all determined as of the then most recent valuation date for such Plans.

"Unmatured Default" means an event which but for the lapse of time or the giving of notice, or both, would constitute a Default.

"Wholly-Owned Subsidiary" of a Person means (i) any Subsidiary all of the outstanding voting securities of which shall at the time be owned or controlled, directly or indirectly, by such Person or one or more Wholly-Owned Subsidiaries of such Person, or by such Person and one or more Wholly-Owned Subsidiaries of such Person, or (ii) any partnership, association, joint venture or similar business organization 100% of the ownership interests having ordinary voting power of which shall at the time be so owned or controlled.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

ARTICLE II

THE CREDITS

2.1. COMMITMENT. From and including the date of this Agreement and prior to the Facility Termination Date, the Lender agrees, on the terms and conditions set forth in this Agreement, to make Advances to the Borrower from time to time in amounts not to exceed in the aggregate at any one time outstanding the amount of the Commitment, at the request of and for the account of the Borrower from time to time before the Facility Termination Date. Subject to the terms of this Agreement, the Borrower may borrow, repay and reborrow at any time prior to the Facility Termination Date. The Commitment shall expire on the Facility Termination Date.

2.2. REQUIRED PAYMENTS; TERMINATION. The entire unpaid principal balance of the Note shall be immediately due and payable UPON DEMAND by Lender, and Borrower acknowledges that any condition or requirement set forth in the Agreement or in any other agreement between Borrower and Lender is not the only basis upon which demand can be made hereunder.

2.3. MINIMUM AMOUNT OF EACH ADVANCE. Each Advance shall be in the minimum amount of $1,000,000 (and in multiples of $500,000 if in excess thereof) or, if less, the amount of the unused Commitment.

2.4. OPTIONAL PRINCIPAL PAYMENTS. The Borrower may from time to time pay, without penalty or premium, all outstanding Advances, or, in a minimum aggregate amount of $1,000,000 or any integral multiple of $500,000 in excess thereof, any portion of the outstanding Advances upon two Business Days' prior notice to the Lender.

2.5. INTEREST RATE. Each Advance shall bear interest on the outstanding principal amount thereof, for each day from and including the date such Advance is made at a rate per annum equal to 9.5%, calculated on the basis of a 360 day year. Interest shall be payable for the day an Advance is made but not for the day of any payment on the amount paid if payment is received prior to noon (local time) at the place of payment. If any payment of principal of or

interest on an Advance shall become due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and, in the case of a principal payment, such extension of time shall be included in computing interest in connection with such payment.

2.6. RATE APPLICABLE AFTER DEFAULT. Notwithstanding anything to the contrary contained in Section 2.5, during the continuance of a Default or Unmatured Default all outstanding Advances shall bear interest on the outstanding principal amounts thereof for each day from and including the date such Default or Unmatured Default occurred at a rate per annum equal to 12.5%, calculated on the basis of a 360 day year.

2.7. METHOD OF PAYMENT. All payments of the Obligations hereunder shall be made, without setoff, deduction, counterclaim, or withholding, in immediately available funds to the Lender at the Lender's address specified pursuant to Article VIII, by noon (local time) on the date when due.

2.8. NOTES; TELEPHONIC NOTICES. The Lender is hereby authorized to record the principal amount of each of its Advances and each repayment on the schedule attached to the Note, provided, however, that the failure to so record shall not affect the Borrower's obligations under such Note. The Borrower hereby authorizes the Lender to extend Advances and to transfer funds based on telephonic notices made by any person or persons the Lender in good faith believes to be acting on behalf of the Borrower. The Borrower agrees to deliver promptly to the Lender a written confirmation, if such confirmation is requested by the Lender, of each telephonic notice signed by an Authorized Officer. If the written confirmation differs in any material respect from the action taken by the Lender, the records of the Lender shall govern absent manifest error.

ARTICLE III

CONDITIONS PRECEDENT

3.1. CONDITIONS PRECEDENT TO EFFECTIVENESS. This Agreement shall become effective on the date on which the Borrower has paid to the Lenders all fees, costs and expenses due and payable pursuant to Section 8.7 (to the extent then billed) and the Borrower has furnished to the Lender:

(i) Copies of the articles of incorporation of the Borrower, together with all amendments, and a certificate of good standing, both certified by the appropriate governmental officer in its jurisdiction of incorporation.

(ii) Copies, certified by the Secretary or Assistant Secretary of the Borrower, of its by-laws and of its Board of Directors' resolutions (and resolutions of other bodies, if any are deemed necessary by counsel for any Lender) authorizing the execution of the Loan Documents.

(iii) An incumbency certificate, executed by the Secretary or Assistant Secretary of the Borrower, which shall identify by name and title and bear the signature of the officers of the Borrower authorized to sign the Loan Documents and to make borrowings hereunder, upon which certificate the Agent and the Lenders shall be entitled to rely until informed of any change in writing by the Borrower.

(iv) A certificate, signed by the President, or Vice President and Chief Financial Officer of the Borrower, stating that on the effective date no Default or Unmatured Default has occurred and is continuing.

(v) The Note duly executed by the Borrower.

(vi) Written money transfer instructions addressed to the Lender and signed by an Authorized Officer, together with such other related money transfer authorizations as the Lender may have reasonably requested.

(vii) The insurance certificate described in Section 4.15.

(viii) Such other documents as any Lender or its counsel may have reasonably requested, including without limitation, legal opinions, applicable governmental and other approvals, certificates of existence, lien/bankruptcy/judgment searches, all in acceptable form and substance to Lender.

(ix) The most current financial statements regarding Borrower available prior to the effective date, and certified financial statements annually thereafter. The financial statements provided shall be audited if available, but in any event shall be prepared in accordance with generally accepted accounting principles.

3.2. EACH ADVANCE. The Lender shall not be required to make any Advance (other than an Advance that, after giving effect thereto and to the application of the proceeds thereof, does not increase the aggregate amount of outstanding Advances), unless on the applicable Borrowing Date:

(i) There exists no Default or Unmatured Default.

(ii) The representations and warranties contained in Article IV are true and correct as of such Borrowing Date, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall be true and correct on and as of such earlier date.

(iii) All legal matters incident to the making of such Advance shall be satisfactory to the Lenders and their counsel.

Each Borrowing Notice with respect to each such Advance shall constitute a representation and warranty by the Borrower that the conditions contained in Sections 3.2(i) and (ii) have been satisfied. The Lender may require a duly completed compliance certificate in substantially the form of Exhibit 3.2 hereto as a condition to making an Advance.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lenders that:

4.1. CORPORATE EXISTENCE AND STANDING. The Borrower is a corporation duly incorporated or organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization and has all requisite authority to conduct its business in each jurisdiction in which its business is conducted.

4.2. AUTHORIZATION AND VALIDITY. The Borrower has the corporate power and authority and legal right to execute and deliver the Loan Documents and to perform its obligations thereunder. The execution and delivery by the Borrower of the Loan Documents and the performance of its obligations thereunder have been duly authorized by proper corporate proceedings, and the Loan Documents constitute legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally.

4.3. NO CONFLICT; GOVERNMENT CONSENT. Neither the execution and delivery by the Borrower of the Loan Documents, nor the consummation of the transactions therein contemplated, nor compliance with the provisions thereof will violate any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on the Borrower or the Borrower's articles of incorporation or by-laws or the provisions of any indenture, instrument or agreement to which the Borrower is a party or is subject, or by which it, or its Property, is bound, or conflict with or constitute a default thereunder, or result in the creation or imposition of any Lien in, of or on the Property of the Borrower pursuant to the terms of any such indenture, instrument or agreement. No order, consent, approval, license, authorization, or validation of, or filing, recording or registration with, or exemption by, any governmental or public body or authority, or any subdivision thereof, is required to authorize, or is required in connection with the execution, delivery and performance of, or the legality, validity, binding effect or enforceability of, any of the Loan Documents.

4.4. FINANCIAL STATEMENTS. The December 31, 2000 financial statements of the Borrower heretofore delivered to the Lender were prepared in accordance with generally accepted accounting principles and fairly present the consolidated financial condition and operations of the Borrower at such date and the consolidated results of their operations for the period then ended.

4.5. MATERIAL ADVERSE CHANGE. Since February 1, 2001, there has been no change in the business, Property, prospects, condition (financial or otherwise) or results of operations of the Borrower which could reasonably be expected to have a Material Adverse Effect.

4.6. TAXES. The Borrower has filed all United States federal tax returns and all other tax returns which are required to be filed and have paid all taxes due pursuant to said returns or pursuant to any assessment received by the Borrower, except such taxes, if any, as are being contested in good faith and as to which adequate reserves have been provided. No tax liens have been filed and no claims are being asserted with respect to any such taxes. The charges, accruals and reserves on the books of the Borrower in respect of any taxes or other governmental charges are adequate.

4.7. LITIGATION AND CONTINGENT OBLIGATIONS. There is no litigation, arbitration, governmental investigation, proceeding or inquiry pending or, to the knowledge of any of their officers, threatened against or affecting the Borrower which could reasonably be expected to have a Material Adverse Effect. As of the date of each Advance, the Borrower has no Contingent Obligations other than those allowed under Section 5.10.

4.8. ERISA. The Unfunded Liabilities of all Single Employer Plans do not in the aggregate exceed $100,000. Neither the Borrower nor any other member of the Controlled Group has incurred, or is reasonably expected to incur, any withdrawal liability to Multiemployer Plans in excess of $100,000 in the aggregate. Each Plan complies in all material respects with all applicable requirements of law and regulations, no Reportable Event has occurred with respect to any Plan, neither the Borrower nor any other members of the Controlled Group has withdrawn from any Plan or initiated steps to do so, and no steps have been taken to reorganize or terminate any Plan.

4.9. ACCURACY OF INFORMATION. No information, exhibit or report furnished by the Borrower to the Lender in connection with the negotiation of, or compliance with, the Loan Documents contained any material misstatement of fact or omitted to state a material fact or any fact necessary to make the statements contained therein not misleading.

4.10. MATERIAL AGREEMENTS. The Borrower is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement or instrument evidencing or governing Indebtedness, which default could reasonably be expected to have a Material Adverse Effect.

4.11. COMPLIANCE WITH LAWS. The Borrower has complied with all applicable statutes, rules, regulations, orders and restrictions of any domestic or foreign government or any instrumentality or agency thereof, having jurisdiction over the conduct of its business or the ownership of its Property, the failure to comply with which could reasonably be expected to have a Material Adverse Effect. The Borrower has not received any notice to the effect that its operations are not in material compliance with any of the requirements of applicable federal,

state and local environmental, health and safety statutes and regulations or the subject of any federal or state investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could reasonably be expected to have a Material Adverse Effect.

4.12. OWNERSHIP OF PROPERTIES. On the date of this Agreement, the Borrower will have good title, free of all Liens other than those permitted by Section 5.16, to all of the Property and assets reflected in the financial statements as owned by it.

4.13. INVESTMENT COMPANY ACT. The Borrower is not an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

4.15. INSURANCE. The certificate signed by the President or Chief Financial Officer of the Borrower, that attests to the existence and adequacy of, and summarizes, the property and casualty insurance program carried by the Borrower and that has been furnished by the Borrower to the Lender, is complete and accurate. This summary includes the insurer's or insurers' name(s), policy number(s), expiration date(s), amount(s) of coverage, type(s) of coverage, exclusion(s), and deductibles. This summary also includes similar information, and describes any reserves, relating to any self-insurance program that is in effect.

ARTICLE V

COVENANTS

During the term of this Agreement, unless the Lender shall otherwise consent in writing:

5.1. FINANCIAL REPORTING. The Borrower will maintain for itself a system of accounting established and administered in accordance with generally accepted accounting principles, and furnish to the Lender:

(i) Within 90 days after the close of each of its fiscal years, an audit report certified by independent certified public accountants, acceptable to the Lender, prepared in accordance with generally accepted accounting principles for itself, including balance sheets as of the end of such period, related profit and loss and reconciliation of surplus statements, and a statement of cash flows, accompanied by (a) any management letter prepared by said accountants, and (b) a certificate of said accountants that, in the course of their examination necessary for their certification of the foregoing, they have obtained no knowledge of any Default or Unmatured Default, or if, in the opinion of such accountants, any Default or Unmatured Default shall exist, stating the nature and status thereof.

(ii) Within 45 days after the close of the first three quarterly periods of each of its fiscal years, unaudited balance sheets as at the close of each such period and profit and loss and reconciliation of surplus statements and a statement of cash flows for the period from the beginning of such fiscal year to the end of such quarter, all certified by its President or the Chief Financial Officer.

(iii) As soon as available, but in any event within 60 days after the beginning of each fiscal year of the Borrower, a copy of the plan and forecast (including a projected consolidated and consolidating balance sheet, income statement and funds flow statement and updated projections) of the Borrower for such fiscal year.

(iv) Together with the financial statements required hereunder, a compliance certificate in substantially the form of Exhibit 3.2 hereto signed by its President or the Chief Financial Officer stating that no Default or Unmatured Default exists, or if any Default or Unmatured Default exists, stating the nature and status thereof.

(v) Within 270 days after the close of each fiscal year, a statement of the Unfunded Liabilities of each Single Employer Plan, certified as correct by an actuary enrolled under ERISA.

(vi) As soon as possible and in any event within 10 days after the Borrower knows that any Reportable Event has occurred with respect to any Plan, a statement, signed by the President or the Chief Financial Officer of the Borrower, describing said Reportable Event and the action which the Borrower proposes to take with respect thereto.

(vii) As soon as possible and in any event within 10 days after receipt by the Borrower, a copy of (a) any notice or claim to the effect that the Borrower is or may be liable to any Person as a result of the release by the Borrower or any other Person of any toxic or hazardous waste or substance into the environment, and (b) any notice alleging any violation of any federal, state or local environmental, health or safety law or regulation by the Borrower, which, in either case, could reasonably be expected to have a Material Adverse Effect.

(viii) Promptly upon the filing thereof, copies of all registration statements and annual, quarterly, monthly or other regular reports which the Borrower files with the Securities and Exchange Commission.

(ix) Such other information (including non-financial information) as the Lender may from time to time reasonably request.

5.2. USE OF PROCEEDS. The Borrower will, and will cause each Subsidiary to, use the proceeds of the Advances for working capital and general corporate purposes. The Borrower will

not use any identifiable portion of the proceeds of the Advances to purchase or carry any "margin stock" (as defined in Regulation U) or to make any other Acquisition.

5.3. NOTICE OF DEFAULT. The Borrower will give prompt notice in writing to the Lenders of the occurrence of any Default or Unmatured Default and of any other development, financial or otherwise, which could reasonably be expected to have a Material Adverse Effect.

5.4. CONDUCT OF BUSINESS. The Borrower will carry on and conduct its business in substantially the same manner and in substantially the same fields of enterprise as it is presently conducted and to do all things necessary to remain duly incorporated, validly existing and in good standing as a domestic corporation in its jurisdiction of incorporation and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted.

5.5. TAXES. The Borrower will pay when due all taxes, assessments and governmental charges and levies upon it or its income, profits or Property, except those which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves have been set aside.

5.6. INSURANCE. The Borrower will maintain with financially sound and reputable insurance companies insurance on all their Property in such amounts and covering such risks as is consistent with sound business practice, and the Borrower will furnish to Lender upon request full information as to the insurance carried.

5.7. COMPLIANCE WITH LAWS. The Borrower will comply with all laws, rules, regulations, orders, writs, judgments, injunctions, decrees or awards to which it may be subject, the failure to comply with which could reasonably be expected to have a Material Adverse Effect.

5.8. MAINTENANCE OF PROPERTIES. The Borrower will do all things necessary to maintain, preserve, protect and keep its Property in good repair, working order and condition, and make all necessary and proper repairs, renewals and replacements so that its business carried on in connection therewith may be properly conducted at all times.

5.9. INSPECTION. The Borrower will permit the Lender, by its representatives and agents, to inspect any of the Property, corporate books and financial records of the Borrower, to examine and make copies of the books of accounts and other financial records of the Borrower, and to discuss the affairs, finances and accounts of the Borrower with, and to be advised as to the same by, their respective officers at such reasonable times and intervals as the Lender may designate.

5.10. INDEBTEDNESS. The Borrower will not create, incur or suffer to exist any Indebtedness, except:

(i) The Advances.

(ii) Indebtedness existing on the date hereof.

(iii) Non-Recourse Debt.

(iv) Other Indebtedness as approved in advance by the Lender.

5.11. MERGER. The Borrower will not merge or consolidate with or into any other Person.

5.12. SALE OF ASSETS. The Borrower will not lease, sell or otherwise dispose of its Property, to any other Person except for (i) sales of inventory in the ordinary course of business, (ii) at all times that no Default or Unmatured Default has occurred and is continuing, leases, sales or other dispositions of its Property that, together with all other Property of the Borrower previously leased, sold or disposed of (other than inventory in the ordinary course of business) as permitted by this clause (ii) during the twelve-month period ending with the month in which any such lease, sale or other disposition occurs, do not constitute a Substantial Portion of the Property of the Borrower.

5.13. SALE OF ACCOUNTS. The Borrower will not sell or otherwise dispose of any notes receivable or accounts receivable, with or without recourse.

5.14. SALE AND LEASEBACK. The Borrower will not sell or transfer any of its Property in order to concurrently or subsequently lease as lessee such or similar Property.

5.15. INVESTMENTS AND ACQUISITIONS. The Borrower will not make or suffer to exist any Investments (other than loans and advances to, and other Investments in, Subsidiaries), or commitments therefor, or to make any Acquisition of any Person, except:

(i) Short-term obligations of, or fully guaranteed by, the United States of America or any agency or instrumentality thereof, or any money market mutual fund that invests substantially all of its assets in such short-term obligations.

(ii) Commercial paper rated A-l or better by Standard and Poor's Ratings Group or P-l or better by Moody's Investors Service, Inc.

(iii) Demand deposit accounts maintained in the ordinary course of business.

(iv) Certificates of deposit issued by and time deposits with commercial banks (whether domestic or foreign) having capital and surplus in excess of $100,000,000 and a long-term debt rating of A or better by Standard and Poor's Ratings Group or Moody's Investors Service, Inc.

(v) Investments in existence on the date hereof.

5.16. LIENS. The Borrower will not create, incur, or suffer to exist any Lien in, of or on the Property of the Borrower, except:

(i) Liens for taxes, assessments or governmental charges or levies on its Property if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings and for which adequate reserves in accordance with generally accepted principles of accounting shall have been set aside on its books.

(ii) Liens imposed by law, such as carriers', warehousemen's and mechanics' liens and other similar liens arising in the ordinary course of business which secure payment of obligations not more than 60 days past due or which are being contested in good faith by appropriate proceedings and for which adequate reserves in accordance with generally accepted principles of accounting shall have been set aside on its books.

(iii) Liens arising out of pledges or deposits under worker's compensation laws, unemployment insurance, old age pensions, or other social security or retirement benefits, or similar legislation.

(iv) Utility easements, building restrictions and such other encumbrances or charges against real property as are of a nature generally existing with respect to properties of a similar character and which do not in any material way affect the marketability of the same or interfere with the use thereof in the business of the Borrower or the Subsidiaries.

(v) Liens existing on the date hereof.

(vi) Judgment Liens which secure payment of legal obligations that would not otherwise constitute a Default under Section 6.9.

(vii) Liens securing Non-Recourse Debt otherwise permitted under the terms of this Agreement.

(viii) Liens on Property in existence at the time of acquisition of such Property by the Borrower.

(ix) Deposits to secure the performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, surety and appeal bonds, performance bonds, and other obligations of a like nature incurred in the ordinary course of business by the Borrower or any Subsidiary.

(x) Liens created by the Loan Documents.

5.17. AFFILIATES. The Borrower will not enter into any transaction (including, without limitation, the purchase or sale of any Property or service) with, or make any payment or transfer to, any Affiliate except in the ordinary course of business and pursuant to the reasonable requirements of the Borrower's business and upon fair and reasonable terms no less favorable to the Borrower than the Borrower would obtain in a comparable arms-length transaction.

ARTICLE VI

DEFAULTS

The occurrence of any one or more of the following events shall constitute a Default:

6.1. Any representation or warranty made or deemed made by or on behalf of the Borrower to the Lender under or in connection with this Agreement, any Advance, or any certificate or information delivered in connection with this Agreement or any other Loan Document shall be materially false on the date as of which made.

6.2. Nonpayment of principal of the Note when due, or nonpayment of interest on the Note or other obligations under any of the Loan Documents within five days after the same becomes due.

6.3. The breach by the Borrower of any of the terms or provisions of Section 5.2, 5.10, 5.11, 5.12, 5.14, 5.15, 5.16 or 5.17.

6.4. The breach by the Borrower (other than a breach which constitutes a Default under Section 5.1, 5.2 or 5.3) of any of the terms or provisions of this Agreement which is not remedied within five days after written notice from the Lender.

6.5. Failure of the Borrower to pay any Indebtedness when due; or the default by the Borrower in the performance of any term, provision or condition contained in any agreement under which any Indebtedness was created or is governed, or any other event shall occur or condition exist, the effect of which is to cause, or to permit the holder or holders of such Indebtedness to cause, such Indebtedness to become due prior to its stated maturity; or any Indebtedness of the Borrower shall be declared to be due and payable or required to be prepaid (other than by a regularly scheduled payment) prior to the stated maturity thereof; or the Borrower shall not pay, or admit in writing its inability to pay, its debts generally as they become due.

6.6. The Borrower shall (i) have an order for relief entered with respect to it under the Federal bankruptcy laws as now or hereafter in effect, (ii) make an assignment for the benefit of creditors, (iii) apply for, seek, consent to, or acquiesce in, the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any Substantial Portion of its

Property, (iv) institute any proceeding seeking an order for relief under the Federal bankruptcy laws as now or hereafter in effect or seeking to adjudicate it a bankrupt or insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it, (v) take any corporate action to authorize or effect any of the foregoing actions set forth in this Section 6.6 or (vi) fail to contest in good faith any appointment or proceeding described in Section 6.7.

6.7. Without the application, approval or consent of the Borrower, a receiver, trustee, examiner, liquidator or similar official shall be appointed for the Borrower or any Substantial Portion of its respective Property, or a proceeding described in Section 6.6(iv) shall be instituted against the Borrower and such appointment continues undischarged or such proceeding continues undismissed or unstayed for a period of 30 consecutive days.

6.8. Any court, government or governmental agency shall condemn, seize or otherwise appropriate, or take custody or control of (each a "Condemnation"), all or any portion of the Property of the Borrower which, when taken together with all other Property of the Borrower seized, appropriated, or taken custody or control of, during the twelve-month period ending with the month in which any such Condemnation occurs, constitutes a Substantial Portion.

6.9. The Borrower shall fail within 30 days to pay, bond or otherwise discharge any judgment or order for the payment of money in excess of $100,000, which is not stayed on appeal or otherwise being appropriately contested in good faith.

6.10. The Unfunded Liabilities of all Single Employer Plans shall exceed in the aggregate $100,000 or any Reportable Event shall occur in connection with any Plan.

6.11. The Borrower or any other member of the Controlled Group shall have been notified by the sponsor of a Multiemployer Plan that it has incurred withdrawal liability to such Multiemployer Plan in an amount which, when aggregated with all other amounts required to be paid to Multiemployer Plans by the Borrower or any other member of the Controlled Group as withdrawal liability (determined as of the date of such notification), exceeds $100,000.

6.12. The Borrower or any other member of the Controlled Group shall have been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is in reorganization or is being terminated, within the meaning of Title IV of ERISA, if as a result of such reorganization or termination the aggregate annual contributions of the Borrower and the other members of the Controlled Group (taken as a whole) to all Multiemployer Plans which are then in reorganization or being terminated have been or will be increased over the amounts contributed to such Multiemployer Plans for the respective plan years of each such Multiemployer Plan immediately preceding the plan year in which the reorganization or termination occurs by an amount exceeding $100,000.

6.13. The Borrower shall be the subject of any proceeding or investigation pertaining to the release by the Borrower or any other Person of any toxic or hazardous waste or substance into the environment, or any violation of any federal, state or local environmental, health or safety law or regulation, which, in either case, could reasonably be expected to have a Material Adverse Effect.

ARTICLE VII

ACCELERATION, WAIVERS, AMENDMENTS AND REMEDIES

7.1. ACCELERATION. If any Default described in Section 6.6 or 6.7 occurs with respect to the Borrower, the obligations of the Lender to make Advances hereunder shall automatically terminate and the Obligations shall immediately become due and payable without any election or action on the part of the Lender. If any other Default occurs, the Lender may terminate or suspend the obligations of the Lender to make Advances hereunder, or declare the Obligations to be due and payable, or both, whereupon the Obligations shall become immediately due and payable, without presentment, demand, protest or notice of any kind, all of which the Borrower hereby expressly waives. Notwithstanding the foregoing, Borrower may make demand for payment of the Obligations at any time and for any or no reason.

7.2. AMENDMENTS. Subject to the provisions of this Article VII, the Lender and the Borrower may enter into agreements supplemental hereto for the purpose of adding or modifying any provisions to the Loan Documents or changing in any manner the rights of the Lender or the Borrower hereunder or waiving any Default hereunder.

7.3. PRESERVATION OF RIGHTS. No delay or omission of the Lender to exercise any right under the Loan Documents shall impair such right or be construed to be a waiver of any Default or an acquiescence therein, and the making of an Advance notwithstanding the existence of a Default or the inability of the Borrower to satisfy the conditions precedent to such Advance shall not constitute any waiver or acquiescence. Any single or partial exercise of any such right shall not preclude other or further exercise thereof or the exercise of any other right, and no waiver, amendment or other variation of the terms, conditions or provisions of the Loan Documents whatsoever shall be valid unless in contained in a writing signed by the Lender, and then only to the extent set forth in such writing. All remedies contained in the Loan Documents or afforded by law shall be cumulative and all shall be available to the Lender until the Obligations have been paid in full.

ARTICLE VIII

GENERAL PROVISIONS

8.1. SURVIVAL OF REPRESENTATIONS. All representations and warranties of the Borrower contained in this Agreement shall survive delivery of the Note and the making of the Advances herein contemplated.

8.2. GOVERNMENTAL REGULATION. Anything contained in this Agreement to the contrary notwithstanding, the Lender shall not be obligated to extend credit to the Borrower in violation of any limitation or prohibition provided by any applicable statute or regulation.

8.3. TAXES. Any taxes (excluding federal income taxes on the overall net income of the Lender) or other similar assessments or charges made by any governmental or revenue authority in respect of the Loan Documents shall be paid by the Borrower, together with interest and penalties, if any, other than interest and penalties to the extent the accrual of which is attributable to the gross negligence or willful misconduct of the Lender.

8.4. HEADINGS. Section headings in the Loan Documents are for convenience of reference only, and shall not govern the interpretation of any of the provisions of the Loan Documents.

8.5. ENTIRE AGREEMENT. The Loan Documents embody the entire agreement and understanding among the Borrower and the Lender and supersede all prior agreements and understandings among the Borrower and the Lenders relating to the subject matter thereof.

8.6. BENEFITS OF THIS AGREEMENT. This Agreement shall not be construed so as to confer any right or benefit upon any Person other than the parties to this Agreement and their respective successors and assigns.

8.7. EXPENSES; INDEMNIFICATION. The Borrower shall reimburse the Lender for any costs, internal charges and out-of-pocket expenses (including attorneys' fees and time charges of attorneys for the Lender, which attorneys may be employees of the Lender) paid or incurred by the Lender in connection with the preparation, negotiation, execution, delivery, review, amendment, modification, and administration of the Loan Documents. The Borrower also agrees to reimburse the Lender for any costs, internal charges and out-of-pocket expenses (including attorneys' fees and time charges of attorneys for the Lender, which attorneys may be employees of the Lender) paid or incurred by the Lender in connection with the collection and enforcement of the Loan Documents. The Borrower further agrees to indemnify the Lender, its directors, officers and employees against all losses, claims, damages, penalties, judgments, liabilities and expenses (including, without limitation, all expenses of litigation or preparation therefor whether or not the Lender is a party thereto) which any of them may pay or incur arising out of or relating to this Agreement, the other Loan Documents, the transactions contemplated hereby or the direct or indirect application or proposed application of the proceeds of any Advance hereunder except to the extent such obligations arise from the gross negligence or willful misconduct of the

Lender. The obligations of the Borrower under this Section shall survive the termination of this Agreement.

8.8. ACCOUNTING. Except as provided to the contrary herein, all accounting terms used herein shall be interpreted and all accounting determinations hereunder shall be made in accordance with generally accepted accounting principles.

8.9. SEVERABILITY OF PROVISIONS. Any provision in any Loan Document that is held to be inoperative, unenforceable, or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable, or invalid without affecting the remaining provisions in that jurisdiction or the operation, enforceability, or validity of that provision in any other jurisdiction, and to this end the provisions of all Loan Documents are declared to be severable.

8.10. CHOICE OF LAW. THE TRANSACTION DOCUMENTS (OTHER THAN THOSE CONTAINING A CONTRARY EXPRESS CHOICE OF LAW PROVISION) SHALL BE CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS (AND NOT THE LAW OF CONFLICTS) OF THE STATE OF MISSOURI.

8.11. CONSENT TO JURISDICTION. THE BORROWER HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY UNITED STATES FEDERAL OR MISSOURI STATE COURT SITTING IN KANSAS CITY, MISSOURI, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY TRANSACTION DOCUMENTS AND THE BORROWER HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE LENDER TO BRING PROCEEDINGS AGAINST THE BORROWER IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BY THE BORROWER AGAINST THE LENDER OR ANY AFFILIATE OF THE LENDER INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH ANY LOAN DOCUMENT SHALL BE BROUGHT ONLY IN A COURT IN KANSAS CITY, MISSOURI.

8.12. WAIVER OF JURY TRIAL AND CERTAIN DAMAGE CLAIMS. THE BORROWER AND LENDER HEREBY WAIVE TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH ANY LOAN DOCUMENT OR THE RELATIONSHIP ESTABLISHED THEREUNDER. THE BORROWER AND LENDER HEREBY WAIVE ALL RIGHT TO CLAIM OR RECOVER IN ANY ACTION OR PROCEEDING ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, OR DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES.

8.13. SUCCESSORS AND ASSIGNS. The terms and provisions of the Loan Documents shall be binding upon and inure to the benefit of the Borrower and the Lender and their respective successors and assigns, except that the Borrower shall not have the right to assign its rights or obligations under the Loan Documents.

8.14. GIVING NOTICE. Except as otherwise permitted by Section 2.8 with respect to borrowing notices, all notices and other communications provided to any party hereto under this Agreement or any other Loan Document shall be in writing or by telex or by facsimile and addressed or delivered to such party at its address set forth below its signature hereto or at such other address as may be designated by such party in a notice to the other parties. Any notice, if mailed and properly addressed with postage prepaid, shall be deemed given when received; any notice, if transmitted by telex or facsimile, shall be deemed given when transmitted (answerback confirmed in the case of telexes).

8.15. CHANGE OF ADDRESS. The Borrower and Lender may each change the address for service of notice upon it by a notice in writing to the other parties hereto.

8.16 COUNTERPARTS; EFFECTIVENESS. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute this Agreement by signing any such counterpart. This Agreement shall be effective when it has been executed by the Borrower and the Lender and each party has notified the other by facsimile or telephone, that it has taken such action.

8.17 ACKNOWLEDGMENTS. THE BORROWER HEREBY REPRESENTS, WARRANTS, ACKNOWLEDGES AND ADMITS THAT (A) IT HAS BEEN ADVISED BY COUNSEL ON THE NEGOTIATION, EXECUTION AND DELIVERY OF THIS AGREEMENT, THE LOAN DOCUMENTS AND ANY OTHER INSTRUMENT OR DOCUMENT ENTERED INTO IN CONNECTION HEREWITH, (B) IT HAS MADE AN INDEPENDENT DECISION TO ENTER INTO THIS AGREEMENT, THE LOAN DOCUMENTS AND SUCH OTHER INSTRUMENTS AND DOCUMENTS, WITHOUT RELIANCE ON ANY REPRESENTATION, WARRANTY, COVENANT OR UNDERTAKING BY THE LENDER, WHETHER WRITTEN, ORAL OR IMPLICIT, OTHER THAN AS EXPRESSLY SET FORTH IN THIS AGREEMENT, (C) THE LENDER HAS NOT MADE ANY REPRESENTATION, COVENANT OR UNDERTAKING TO THE BORROWER IN CONNECTION WITH THE RIGHTS AND OBLIGATIONS OF THE BORROWER PURSUANT TO THIS AGREEMENT, THE LOAN DOCUMENTS OR ANY SUCH INSTRUMENTS AND DOCUMENTS, (D) THERE ARE NO REPRESENTATIONS, WARRANTIES, COVENANTS OR UNDERTAKINGS OR AGREEMENTS BY THE LENDER AS TO THIS AGREEMENT, THE LOAN DOCUMENTS OR SUCH INSTRUMENTS AND DOCUMENTS EXCEPT AS EXPRESSLY SET FORTH IN WRITING HEREIN OR THEREIN, (E) THE RELATIONSHIP BETWEEN THE BORROWER AND THE LENDER , PURSUANT TO THIS AGREEMENT, THE LOAN DOCUMENTS AND SUCH INSTRUMENTS AND DOCUMENTS, IS AND SHALL BE SOLELY THAT OF DEBTOR AND CREDITOR, RESPECTIVELY, (F) NO JOINT VENTURE EXISTS BETWEEN THE LENDER AND THE BORROWER, (G) WITHOUT LIMITING ANY OF THE FOREGOING, THE BORROWER IS NOT RELYING UPON ANY REPRESENTATION BY THE LENDER, OR ANY REPRESENTATIVE THEREOF, AND NO SUCH REPRESENTATION HAS BEEN MADE, THAT THE LENDER WILL AT THE TIME OF A DEFAULT OR UNMATURED DEFAULT OR AT ANY OTHER TIME, WAIVE, NEGOTIATE, DISCUSS OR REFRAIN FROM TAKING ANY ACTION WITH RESPECT TO ANY SUCH DEFAULT OR UNMATURED DEFAULT OR ANY OTHER TERM OF THIS AGREEMENT OR SUCH INSTRUMENTS OR DOCUMENTS, AND (H) THE LENDER HAS RELIED UPON THE TRUTHFULNESS OF THE FOREGOING ACKNOWLEDGMENTS AND OF THE STATEMENTS CONTAINED IN THE DOCUMENTS DELIVERED BY BORROWER REFERRED TO IN SECTION 3.1 IN DECIDING TO EXECUTE AND DELIVER THIS AGREEMENT AND TO ACCEPT THE NOTE.

8.18 NO ORAL AGREEMENTS; ENTIRE AGREEMENT. ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT, INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT, ARE NOT ENFORCEABLE. TO PROTECT YOU (THE BORROWER,) AND US (THE LENDER) FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING (AND THE LOAN DOCUMENTS), WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

ARTICLE IX

SECURITY

9.1 GRANT OF SECURITY INTEREST. To the extent permitted by law, regulation or the provisions of any relevant agreement, Borrower hereby grants to Lender (i) a security interest in and to the collateral identified on EXHIBIT 9.1, attached hereto and made a part hereof (the "Collateral"), and (ii) a lien upon all of the Borrower's real property interests, as security for the full and timely payment and performance by Borrower of the Obligations. Upon request by the Lender, Borrower shall take commercially reasonable efforts to seek all necessary consents, authorizations or waivers required by law, regulation or agreement to permit Lender's security interest to attach to any and all portions of the Collateral. Nothing in this Article IX shall be construed as creating a security interest in any portion of the Collateral which is prohibited by law or regulation, or which would constitute a breach of any agreement between the Lender and a third party.

9.2 PERFECTION. Borrower shall execute and deliver to Lender, or file or cause to be filed, such documents and instruments as Lender shall request from time to time to further evidence, perfect, protect or preserve Lender's rights hereunder and with respect to the Collateral and real property interests, including without limitation mortgages, deeds of trust or financing statements under the Uniform Commercial Code.

[signature page follows]

IN WITNESS WHEREOF, the Borrower and the Lender have executed this Agreement as of the date first above written.

DIGITAL TELEPORT, INC.

By: /s/Gary W. Douglass
Name: Gary W. Douglass
Title: Interim CEO

8112 Maryland Avenue, Suite 400
St. Louis, MO 63105

Telecopier:

KLT TELECOM INC.

By: /s/Mark R. Schroeder
Name: Mark R. Schroeder
Title: VP

10740 Nall, Suite 230
Overland Park, KS 66211

Telecopier: (913) 967-4340

Exhibit 23-a

CONSENT OF COUNSEL

As Senior Vice President-Corporate Services and Corporate Secretary of Kansas City Power & Light Company, I have reviewed the statements as to matters of law and legal conclusions in the Annual Report on Form 10-K for the fiscal year ended December 31, 2000, and consent to the incorporation by reference of such statements in the Company's previously-filed Form S-3 Registration Statements (Registration No. 33-51799, Registration No. 333-50396, and Registration No. 333-18139) and Form S-8 Registration Statements (Registration No. 33-45618 and Registration No. 333-32636).

/s/Jeanie Sell Latz
Jeanie Sell Latz

Kansas City, Missouri
February 28, 2001

Exhibit 23-b

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (File Nos. 33-51799, 333-18139 and 333-50396) and Form S-8 (File Nos. 33-45618 and 333-32636) of Kansas City Power & Light Company of our report dated February 20, 2001 relating to the financial statements, which appears in this Form 10-K.

/s/PricewaterhouseCoopers LLP
PricewaterhouseCoopers LLP

Kansas City, Missouri
February 28, 2001

Exhibit 24

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a Director of Kansas City Power & Light Company, a Missouri corporation, does hereby constitute and appoint Drue Jennings or Jeanie Sell Latz, his true and lawful attorney and agent, with full power and authority to execute in the name and on behalf of the undersigned as such director an Annual Report on Form 10-K; hereby granting unto such attorney and agent full power of substitution and revocation in the premises; and hereby ratifying and confirming all that such attorney and agent may do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 6th day of February 2001.

/s/Bernard J. Beaudoin

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 6th day of February 2001, before me the undersigned, a Notary Public, personally appeared Bernard J. Beaudoin, to be known to be the person described in and who executed the foregoing instrument, and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/Jacquetta L. Hartman
Notary Public

(Notary Seal)

My Commission Expires:

April 8, 2004

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a Director of Kansas City Power & Light Company, a Missouri corporation, does hereby constitute and appoint Drue Jennings or Jeanie Sell Latz, his true and lawful attorney and agent, with full power and authority to execute in the name and on behalf of the undersigned as such director an Annual Report on Form 10-K; hereby granting unto such attorney and agent full power of substitution and revocation in the premises; and hereby ratifying and confirming all that such attorney and agent may do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 6th day of February 2001.

/s/David L. Bodde

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 6th day of February 2001, before me the undersigned, a Notary Public, personally appeared David L. Bodde, to be known to be the person described in and

who executed the foregoing instrument, and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/Jacquetta L. Hartman
Notary Public

(Notary Seal)

My Commission Expires:

April 8, 2004

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a Director of Kansas City Power & Light Company, a Missouri corporation, does hereby constitute and appoint Drue Jennings or Jeanie Sell Latz, his true and lawful attorney and agent, with full power and authority to execute in the name and on behalf of the undersigned as such director an Annual Report on Form 10-K; hereby granting unto such attorney and agent full power of substitution and revocation in the premises; and hereby ratifying and confirming all that such attorney and agent may do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 6th day of February 2001.

/s/William H. Clark

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 6th day of February 2001, before me the undersigned, a Notary Public, personally appeared William H. Clark, to be known to be the person described in and who executed the foregoing instrument, and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/Jacquetta L. Hartman
Notary Public

(Notary Seal)

My Commission Expires:

April 8, 2004

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a Director of Kansas City Power & Light Company, a Missouri corporation, does hereby constitute and appoint Drue Jennings or Jeanie Sell Latz, his true and lawful attorney and agent, with full power and authority to execute in the name and on behalf of the undersigned as such director an Annual Report on Form 10-K; hereby granting unto such attorney and agent full power of substitution and revocation in the premises; and hereby ratifying and confirming all that such attorney and agent may do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 6th day of February 2001.

/s/Mark A. Ernst

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 6th day of February 2001, before me the undersigned, a Notary Public, personally appeared Mark A. Ernst, to be known to be the person described in and who executed the foregoing instrument, and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/Jacquetta L. Hartman
Notary Public

(Notary Seal)

My Commission Expires:

April 8, 2004

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a Director of Kansas City Power & Light Company, a Missouri corporation, does hereby constitute and appoint Drue Jennings or Jeanie Sell Latz, his true and lawful attorney and agent, with full power and authority to execute in the name and on behalf of the undersigned as such director an Annual Report on Form 10-K; hereby granting unto such attorney and agent full power of substitution and revocation in the premises; and hereby ratifying and confirming all that such attorney and agent may do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 6th day of February 2001.

/s/W. Thomas Grant II

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 6th day of February 2001, before me the undersigned, a Notary Public, personally appeared W. Thomas Grant II, to be known to be the person described in and who executed the foregoing instrument, and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/Jacquetta L. Hartman
Notary Public

(Notary Seal)

My Commission Expires:

April 8, 2004

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a Director of Kansas City Power & Light Company, a Missouri corporation, does hereby constitute and appoint Drue Jennings or Jeanie Sell Latz, his true and lawful attorney and agent, with full power and authority to execute in the name and on behalf of the undersigned as such director an Annual Report on Form 10-K; hereby granting unto such attorney and agent full power of substitution and revocation in the premises; and hereby ratifying and confirming all that such attorney and agent may do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 6th day of February 2001.

/s/William K. Hall

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 6th day of February 2001, before me the undersigned, a Notary Public, personally appeared William K. Hall, to be known to be the person described in and who executed the foregoing instrument, and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/Jacquetta L. Hartman
Notary Public

(Notary Seal)

My Commission Expires:

April 8, 2004

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a Director of Kansas City Power & Light Company, a Missouri corporation, does hereby constitute and appoint Drue Jennings or Jeanie Sell Latz, his true and lawful attorney and agent, with full power and authority to execute in the name and on behalf of the undersigned as such director an Annual Report on Form 10-K; hereby granting unto such attorney and agent full power of substitution and revocation in the premises; and hereby ratifying and confirming all that such attorney and agent may do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 6th day of February 2001.

/s/William C. Nelson

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 6th day of February 2001, before me the undersigned, a Notary Public, personally appeared William C. Nelson, to be known to be the person described in and who executed the foregoing instrument, and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/Jacquetta L. Hartman
Notary Public

(Notary Seal)

My Commission Expires:

April 8, 2004

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a Director of Kansas City Power & Light Company, a Missouri corporation, does hereby constitute and appoint Drue Jennings or Jeanie Sell Latz, her true and lawful attorney and agent, with full power and authority to execute in the name and on behalf of the undersigned as such director an Annual Report on Form 10-K; hereby granting unto such attorney and agent full power of substitution and revocation in the premises; and hereby ratifying and confirming all that such attorney and agent may do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 6th day of February 2001.

/s/Linda H. Talbott

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 6th day of February 2001, before me the undersigned, a Notary Public, personally appeared Linda H. Talbott, to be known to be the person described in and who executed the foregoing instrument, and who, being by me first duly sworn, acknowledged that she executed the same as her free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/Jacquetta L. Hartman
Notary Public

(Notary Seal)

My Commission Expires:

April 8, 2004

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, a Director of Kansas City Power & Light Company, a Missouri corporation, does hereby constitute and appoint Drue Jennings or Jeanie Sell Latz, his true and lawful attorney and agent, with full power and authority to execute in the name and on behalf of the undersigned as such director an Annual Report on Form 10-K; hereby granting unto such attorney and agent full power of substitution and revocation in the premises; and hereby ratifying and confirming all that such attorney and agent may do or cause to be done by virtue of these presents.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 6th day of February 2001.

/s/Robert H. West

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

On this 6th day of February 2001, before me the undersigned, a Notary Public, personally appeared Robert H. West, to be known to be the person described in and who executed the foregoing instrument, and who, being by me first duly sworn, acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

/s/Jacquetta L. Hartman
Notary Public

(Notary Seal)

My Commission Expires:

April 8, 2004