

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

**FORM 10-Q**

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

For the quarterly period ended **March 31, 2018**

or

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

<b>Commission File Number</b>	<b>Exact name of registrant as specified in its charter, state of incorporation, address of principal executive offices and telephone number</b>	<b>I.R.S. Employer Identification Number</b>
001-32206	<b>GREAT PLAINS ENERGY INCORPORATED</b> (A Missouri Corporation) 1200 Main Street Kansas City, Missouri 64105 (816) 556-2200	43-1916803
000-51873	<b>KANSAS CITY POWER &amp; LIGHT COMPANY</b> (A Missouri Corporation) 1200 Main Street Kansas City, Missouri 64105 (816) 556-2200	44-0308720



**TABLE OF CONTENTS**

	<b>Page Number</b>
<a href="#">Cautionary Statements Regarding Certain Forward-Looking Information</a>	<a href="#">4</a>
<a href="#">Glossary of Terms</a>	<a href="#">5</a>
<b><a href="#">Part I - Financial Information</a></b>	
Item 1. <a href="#">Financial Statements</a>	
<b><a href="#">Great Plains Energy Incorporated</a></b>	
<a href="#">Unaudited Consolidated Balance Sheets</a>	<a href="#">7</a>
<a href="#">Unaudited Consolidated Statements of Comprehensive Income (Loss)</a>	<a href="#">9</a>
<a href="#">Unaudited Consolidated Statements of Cash Flows</a>	<a href="#">10</a>
<a href="#">Unaudited Consolidated Statements of Shareholders' Equity</a>	<a href="#">11</a>
<b><a href="#">Kansas City Power &amp; Light Company</a></b>	
<a href="#">Unaudited Consolidated Balance Sheets</a>	<a href="#">12</a>
<a href="#">Unaudited Consolidated Statements of Comprehensive Income</a>	<a href="#">14</a>
<a href="#">Unaudited Consolidated Statements of Cash Flows</a>	<a href="#">15</a>
<a href="#">Unaudited Consolidated Statements of Common Shareholder's Equity</a>	<a href="#">16</a>
<a href="#">Combined Notes to Unaudited Consolidated Financial Statements for Great Plains Energy Incorporated and Kansas City Power &amp; Light Company</a>	<a href="#">17</a>
Note 1: <a href="#">Summary of Significant Accounting Policies</a>	<a href="#">17</a>
Note 2: <a href="#">Revenue Recognition</a>	<a href="#">20</a>
Note 3: <a href="#">Anticipated Merger with Westar Energy, Inc.</a>	<a href="#">21</a>
Note 4: <a href="#">Supplemental Cash Flow Information</a>	<a href="#">23</a>
Note 5: <a href="#">Receivables</a>	<a href="#">24</a>
Note 6: <a href="#">Nuclear Plant</a>	<a href="#">25</a>
Note 7: <a href="#">Regulatory Matters</a>	<a href="#">26</a>
Note 8: <a href="#">Pension Plans and Other Employee Benefits</a>	<a href="#">26</a>
Note 9: <a href="#">Equity Compensation</a>	<a href="#">27</a>
Note 10: <a href="#">Short-Term Borrowings and Short-Term Bank Lines of Credit</a>	<a href="#">28</a>
Note 11: <a href="#">Long-Term Debt</a>	<a href="#">30</a>
Note 12: <a href="#">Commitments and Contingencies</a>	<a href="#">31</a>
Note 13: <a href="#">Related Party Transactions and Relationships</a>	<a href="#">33</a>
Note 14: <a href="#">Fair Value Measurements</a>	<a href="#">34</a>
Note 15: <a href="#">Accumulated Other Comprehensive Income (Loss)</a>	<a href="#">38</a>
Note 16: <a href="#">Taxes</a>	<a href="#">40</a>
Note 17: <a href="#">Segments and Related Information</a>	<a href="#">42</a>
Item 2. <a href="#">Management's Discussion and Analysis of Financial Condition and Results of Operations</a>	<a href="#">42</a>
Item 3. <a href="#">Quantitative and Qualitative Disclosures About Market Risk</a>	<a href="#">53</a>
Item 4. <a href="#">Controls and Procedures</a>	<a href="#">53</a>
<b><a href="#">Part II - Other Information</a></b>	
Item 1. <a href="#">Legal Proceedings</a>	<a href="#">54</a>
Item 1A. <a href="#">Risk Factors</a>	<a href="#">54</a>
Item 2. <a href="#">Unregistered Sales of Equity Securities and Use of Proceeds</a>	<a href="#">54</a>
Item 3. <a href="#">Defaults Upon Senior Securities</a>	<a href="#">54</a>
Item 4. <a href="#">Mine Safety Disclosures</a>	<a href="#">54</a>
Item 5. <a href="#">Other Information</a>	<a href="#">55</a>
Item 6. <a href="#">Exhibits</a>	<a href="#">56</a>
<a href="#">Signatures</a>	<a href="#">58</a>

## **CAUTIONARY STATEMENTS REGARDING CERTAIN FORWARD-LOOKING INFORMATION**

Statements made in this report that are not based on historical facts are forward-looking, may involve risks and uncertainties, and are intended to be as of the date when made. Forward-looking statements include, but are not limited to, statements relating to the anticipated merger transaction of Great Plains Energy and Westar Energy, Inc. (Westar), including those that relate to the expected financial and operational benefits of the merger to the companies and their shareholders (including cost savings, operational efficiencies and the impact of the anticipated merger on earnings per share), the expected timing of closing, the outcome of regulatory proceedings, cost estimates of capital projects, dividend growth, share repurchases, balance sheet and credit ratings, rebates to customers, employee issues and other matters affecting future operations. In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, Great Plains Energy and KCP&L are providing a number of important factors that could cause actual results to differ materially from the provided forward-looking information. These important factors include: future economic conditions in regional, national and international markets and their effects on sales, prices and costs; prices and availability of electricity in regional and national wholesale markets; market perception of the energy industry, Great Plains Energy, KCP&L and Westar; changes in business strategy, operations or development plans; the outcome of contract negotiations for goods and services; effects of current or proposed state and federal legislative and regulatory actions or developments, including, but not limited to, deregulation, re-regulation and restructuring of the electric utility industry; decisions of regulators regarding rates that the Companies can charge for electricity; adverse changes in applicable laws, regulations, rules, principles or practices governing tax, accounting and environmental matters including, but not limited to, air and water quality; financial market conditions and performance including, but not limited to, changes in interest rates and credit spreads and in availability and cost of capital and the effects on derivatives and hedges, nuclear decommissioning trust and pension plan assets and costs; impairments of long-lived assets or goodwill; credit ratings; inflation rates; effectiveness of risk management policies and procedures and the ability of counterparties to satisfy their contractual commitments; impact of terrorist acts, including, but not limited to, cyber terrorism; ability to carry out marketing and sales plans; weather conditions including, but not limited to, weather-related damage and their effects on sales, prices and costs; cost, availability, quality and deliverability of fuel; the inherent uncertainties in estimating the effects of weather, economic conditions and other factors on customer consumption and financial results; ability to achieve generation goals and the occurrence and duration of planned and unplanned generation outages; delays in the anticipated in-service dates and cost increases of generation, transmission, distribution or other projects; Great Plains Energy's and Westar's ability to successfully manage and integrate their respective transmission joint ventures; the inherent risks associated with the ownership and operation of a nuclear facility including, but not limited to, environmental, health, safety, regulatory and financial risks; workforce risks, including, but not limited to, increased costs of retirement, health care and other benefits; the ability of Great Plains Energy and Westar to obtain the regulatory approvals necessary to complete the anticipated merger or the imposition of adverse conditions or costs in connection with obtaining regulatory approvals; the risk that a condition to the closing of the anticipated merger may not be satisfied or that the anticipated merger may fail to close; the outcome of any legal proceedings, regulatory proceedings or enforcement matters that may be instituted relating to the anticipated merger; the costs incurred to consummate the anticipated merger; the possibility that the expected value creation from the anticipated merger will not be realized, or will not be realized within the expected time period; difficulties related to the integration of the two companies; the credit ratings of the combined company following the anticipated merger; disruption from the anticipated merger making it more difficult to maintain relationships with customers, employees, regulators or suppliers; the diversion of management time and attention on the anticipated merger; and other risks and uncertainties.

This list of factors is not all-inclusive because it is not possible to predict all factors. Part II Item 1A Risk Factors included in this report, together with the risk factors included in the 2017 Form 10-K for each of Great Plains Energy and KCP&L under Part I Item 1A, should be carefully read for further understanding of potential risks for each of Great Plains Energy and KCP&L. Other sections of this report and other periodic reports filed by each of Great Plains Energy and KCP&L with the Securities and Exchange Commission (SEC) should also be read for more information regarding risk factors. Each forward-looking statement speaks only as of the date of the particular statement. Great Plains Energy and KCP&L undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

**GLOSSARY OF TERMS**

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

<b><u>Abbreviation or Acronym</u></b>	<b><u>Definition</u></b>
<b>AFUDC</b>	Allowance for Funds Used During Construction
<b>Amended Merger Agreement</b>	Amended and Restated Agreement and Plan of Merger dated as of July 9, 2017 by and among Great Plains Energy, Westar, Monarch Energy Holding, Inc. and King Energy, Inc.
<b>AMT</b>	Alternative Minimum Tax
<b>ARO</b>	Asset Retirement Obligation
<b>ASU</b>	Accounting Standards Update
<b>CCRs</b>	Coal combustion residuals
<b>Clean Air Act</b>	Clean Air Act Amendments of 1990
<b>CO<sub>2</sub></b>	Carbon dioxide
<b>Company</b>	Great Plains Energy Incorporated and its consolidated subsidiaries
<b>Companies</b>	Great Plains Energy Incorporated and its consolidated subsidiaries and KCP&L and its consolidated subsidiaries
<b>DOE</b>	Department of Energy
<b>EIRR</b>	Environmental Improvement Revenue Refunding
<b>Electric Utility</b>	Electric utility segment
<b>EPA</b>	Environmental Protection Agency
<b>EPS</b>	Earnings (loss) per common share
<b>ERISA</b>	Employee Retirement Income Security Act of 1974, as amended
<b>Exchange Act</b>	The Securities Exchange Act of 1934, as amended
<b>FASB</b>	Financial Accounting Standards Board
<b>FERC</b>	The Federal Energy Regulatory Commission
<b>FCC</b>	The Federal Communications Commission
<b>GAAP</b>	Generally Accepted Accounting Principles
<b>GMO</b>	KCP&L Greater Missouri Operations Company, a wholly owned subsidiary of Great Plains Energy
<b>GP Star</b>	GP Star, Inc.
<b>GPETHC</b>	GPE Transmission Holding Company LLC, a wholly owned subsidiary of Great Plains Energy
<b>Great Plains Energy</b>	Great Plains Energy Incorporated and its consolidated subsidiaries
<b>Great Plains Energy Board</b>	Great Plains Energy Board of Directors
<b>HSR</b>	Hart-Scott-Rodino
<b>Holdco</b>	Monarch Energy Holding, Inc., a Missouri corporation
<b>KCC</b>	The State Corporation Commission of the State of Kansas
<b>KCP&amp;L</b>	Kansas City Power & Light Company, a wholly owned subsidiary of Great Plains Energy, and its consolidated subsidiaries
<b>KCP&amp;L Receivables Company</b>	Kansas City Power & Light Receivables Company, a wholly owned subsidiary of KCP&L
<b>kWh</b>	Kilowatt hour
<b>MEEIA</b>	Missouri Energy Efficiency Investment Act
<b>Merger Sub</b>	King Energy, Inc., a Kansas corporation and wholly owned subsidiary of Holdco
<b>MGP</b>	Manufactured gas plant
<b>MPS Merchant</b>	MPS Merchant Services, Inc., a wholly owned subsidiary of GMO

<b><u>Abbreviation or Acronym</u></b>	<b><u>Definition</u></b>
<b>MPSC</b>	Public Service Commission of the State of Missouri
<b>MW</b>	Megawatt
<b>MWh</b>	Megawatt hour
<b>NERC</b>	North American Electric Reliability Corporation
<b>NOL</b>	Net operating loss
<b>NRC</b>	Nuclear Regulatory Commission
<b>Original Merger Agreement</b>	Agreement and Plan of Merger dated as of May 29, 2016, by and among Great Plains Energy, Westar and GP Star, Inc.
<b>SEC</b>	Securities and Exchange Commission
<b>Series B Preferred Stock</b>	7.00% Series B Mandatory Convertible Preferred Stock
<b>SPP</b>	Southwest Power Pool, Inc.
<b>Transource</b>	Transource Energy, LLC and its subsidiaries, 13.5% owned by GPETHC
<b>WCNOC</b>	Wolf Creek Nuclear Operating Corporation
<b>Westar</b>	Westar Energy, Inc.
<b>Westar Board</b>	Westar Board of Directors
<b>Wolf Creek</b>	Wolf Creek Generating Station

**PART II****ITEM 1. FINANCIAL STATEMENTS**

**GREAT PLAINS ENERGY INCORPORATED**  
**Consolidated Balance Sheets**  
(Unaudited)

	March 31 2018	December 31 2017
(millions, except share amounts)		
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 1,142.1	\$ 1,125.4
Receivables, net	108.2	151.7
Accounts receivable pledged as collateral	180.0	180.0
Fuel inventories, at average cost	105.0	103.2
Materials and supplies, at average cost	172.3	171.2
Deferred refueling outage costs	5.9	6.8
Interest rate derivative instruments	98.4	91.4
Prepaid expenses and other assets	37.7	33.4
Total	1,849.6	1,863.1
<b>Utility Plant, at Original Cost</b>		
Electric	13,733.1	13,674.1
Less - accumulated depreciation	5,305.1	5,224.0
Net utility plant in service	8,428.0	8,450.1
Construction work in progress	494.4	458.6
Plant to be retired, net	142.0	143.6
Nuclear fuel, net of amortization of \$211.9 and \$204.2	65.7	72.4
Total	9,130.1	9,124.7
<b>Investments and Other Assets</b>		
Nuclear decommissioning trust fund	255.3	258.4
Regulatory assets	901.7	913.9
Goodwill	169.0	169.0
Other	142.7	128.8
Total	1,468.7	1,470.1
Total	\$ 12,448.4	\$ 12,457.9

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

**GREAT PLAINS ENERGY INCORPORATED**  
**Consolidated Balance Sheets**  
(Unaudited)

	March 31 2018	December 31 2017
(millions, except share amounts)		
<b>LIABILITIES AND CAPITALIZATION</b>		
<b>Current Liabilities</b>		
Notes payable	\$ 23.0	\$ 11.0
Collateralized note payable	180.0	180.0
Commercial paper	523.8	376.8
Current maturities of long-term debt	1.1	351.1
Accounts payable	186.0	340.0
Accrued taxes	72.7	35.1
Accrued interest	57.4	42.8
Accrued compensation and benefits	40.4	50.1
Pension and post-retirement liability	2.7	2.7
Other	62.9	59.2
Total	1,150.0	1,448.8
<b>Deferred Credits and Other Liabilities</b>		
Deferred income taxes	639.5	621.7
Deferred tax credits	124.5	124.8
Asset retirement obligations	257.5	262.5
Pension and post-retirement liability	532.4	535.0
Regulatory liabilities	1,112.4	1,106.3
Other	81.8	81.4
Total	2,748.1	2,731.7
<b>Capitalization</b>		
Great Plains Energy shareholders' equity		
Common stock - 600,000,000 shares authorized without par value 215,886,844 and 215,801,723 shares issued, stated value	4,232.1	4,233.1
Retained earnings	713.6	737.9
Treasury stock - 90,960 and 137,589 shares, at cost	(2.7)	(4.0)
Accumulated other comprehensive loss	(1.2)	(2.2)
Total shareholders' equity	4,941.8	4,964.8
Long-term debt (Note 11)	3,608.5	3,312.6
Total	8,550.3	8,277.4
<b>Commitments and Contingencies (Note 12)</b>		
Total	\$ 12,448.4	\$ 12,457.9

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

**GREAT PLAINS ENERGY INCORPORATED**  
**Consolidated Statements of Comprehensive Income (Loss)**  
(Unaudited)

Three Months Ended March 31	2018	2017
<b>Operating Revenues</b>	(millions, except per share amounts)	
Electric revenues	\$ 583.9	\$ 570.7
<b>Operating Expenses</b>		
Fuel and purchased power	154.3	126.5
Transmission	25.4	23.1
Utility operating and maintenance expenses	180.2	174.1
Costs to achieve the anticipated merger with Westar Energy, Inc.	2.9	39.4
Depreciation and amortization	93.7	90.3
General taxes	41.1	57.1
Other	—	1.1
Total	497.6	511.6
Operating income	86.3	59.1
<b>Other Income (Expense)</b>		
Non-operating income	14.5	6.6
Non-operating expenses	(13.2)	(15.4)
Total	1.3	(8.8)
Interest charges	(48.1)	(66.6)
Income (loss) before income tax (expense) benefit and income from equity investments	39.5	(16.3)
Income tax (expense) benefit	(5.5)	5.8
Income from equity investments, net of income taxes	1.0	0.9
Net income (loss)	35.0	(9.6)
Preferred stock dividend requirements	—	15.1
Earnings (loss) available for common shareholders	\$ 35.0	\$ (24.7)
Average number of basic common shares outstanding	215.7	215.3
Average number of diluted common shares outstanding	216.0	215.3
Basic and diluted earnings (loss) per common share	\$ 0.16	\$ (0.11)
Cash dividends per common share	\$ 0.275	\$ 0.275
<b>Comprehensive Income (Loss)</b>		
Net income (loss)	\$ 35.0	\$ (9.6)
Other comprehensive income		
Derivative hedging activity		
Reclassification to expenses, net of tax	0.9	1.4
Derivative hedging activity, net of tax	0.9	1.4
Defined benefit pension plans		
Amortization of net losses included in net periodic benefit costs, net of tax	0.1	0.1
Change in unrecognized pension expense, net of tax	0.1	0.1
Total other comprehensive income	1.0	1.5
Comprehensive income (loss)	\$ 36.0	\$ (8.1)

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

**GREAT PLAINS ENERGY INCORPORATED**  
**Consolidated Statements of Cash Flows**  
(Unaudited)

Three Months Ended March 31	2018	2017
<b>Cash Flows from Operating Activities</b>	(millions)	
Net income (loss)	\$ 35.0	\$ (9.6)
Adjustments to reconcile income (loss) to net cash from operating activities:		
Depreciation and amortization	93.7	90.3
Amortization of:		
Nuclear fuel	7.7	8.0
Other	8.7	24.9
Deferred income taxes, net	5.8	(5.6)
Investment tax credit amortization	(0.3)	(0.4)
Income from equity investments, net of income taxes	(1.0)	(0.9)
Fair value impacts of interest rate swaps	(7.0)	(12.1)
Other operating activities (Note 4)	(29.1)	(7.0)
Net cash from operating activities	113.5	87.6
<b>Cash Flows from Investing Activities</b>		
Utility capital expenditures	(119.7)	(116.6)
Allowance for borrowed funds used during construction	(2.4)	(1.5)
Purchases of nuclear decommissioning trust investments	(12.1)	(5.9)
Proceeds from nuclear decommissioning trust investments	11.3	5.0
Proceeds from time deposit	—	1,000.0
Other investing activities	(17.1)	(12.5)
Net cash from investing activities	(140.0)	868.5
<b>Cash Flows from Financing Activities</b>		
Issuance of common stock	—	1.5
Issuance of long-term debt	299.7	4,291.9
Issuance fees	(3.1)	(31.2)
Repayment of long-term debt	(351.1)	(1.1)
Net change in short-term borrowings	159.0	119.9
Net change in collateralized short-term borrowings	—	(0.2)
Dividends paid	(59.3)	(74.3)
Other financing activities	(2.0)	(3.4)
Net cash from financing activities	43.2	4,303.1
<b>Net Change in Cash and Cash Equivalents</b>	<b>16.7</b>	<b>5,259.2</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>1,125.4</b>	<b>1,293.1</b>
<b>Cash and Cash Equivalents at End of Period</b>	<b>\$ 1,142.1</b>	<b>\$ 6,552.3</b>

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

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

Three Months Ended March 31	2018		2017	
	Shares	Amount	Shares	Amount
<b>Common Stock</b>		(millions, except share amounts)		
Beginning balance	215,801,723	\$ 4,233.1	215,479,105	\$ 4,217.0
Issuance of common stock	85,121	3.3	249,170	9.5
Equity compensation expense, net of forfeitures		1.3		1.1
Unearned Compensation				
Issuance of restricted common stock		(2.0)		(2.3)
Forfeiture of restricted common stock		—		0.2
Compensation expense recognized		0.5		0.7
Other		(4.1)		(0.7)
Ending balance	215,886,844	4,232.1	215,728,275	4,225.5
<b>Preference Stock</b>	—	—	862,500	836.2
<b>Retained Earnings</b>				
Beginning balance		737.9		1,119.2
Net income (loss)		35.0		(9.6)
Dividends:				
Common stock (\$0.275 per share)		(59.3)		(59.2)
Preferred stock - at required rates		—		(15.1)
Performance shares		—		(0.1)
Ending balance		713.6		1,035.2
<b>Treasury Stock</b>				
Beginning balance	(137,589)	(4.0)	(128,087)	(3.8)
Treasury shares acquired	(56,589)	(1.7)	(104,129)	(3.0)
Treasury shares reissued	103,218	3.0	103,094	3.0
Ending balance	(90,960)	(2.7)	(129,122)	(3.8)
<b>Accumulated Other Comprehensive Income (Loss)</b>				
Beginning balance		(2.2)		(6.6)
Derivative hedging activity, net of tax		0.9		1.4
Change in unrecognized pension expense, net of tax		0.1		0.1
Ending balance		(1.2)		(5.1)
<b>Total Great Plains Energy Shareholders' Equity</b>		<b>\$ 4,941.8</b>		<b>\$ 6,088.0</b>

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

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

	March 31	December 31
	2018	2017
(millions, except share amounts)		
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 13.8	\$ 2.2
Receivables, net	74.3	106.3
Related party receivables	69.1	84.7
Accounts receivable pledged as collateral	130.0	130.0
Fuel inventories, at average cost	72.0	71.0
Materials and supplies, at average cost	127.8	126.0
Deferred refueling outage costs	5.9	6.8
Refundable income taxes	7.2	5.4
Prepaid expenses and other assets	31.3	27.6
Total	531.4	560.0
<b>Utility Plant, at Original Cost</b>		
Electric	10,251.8	10,213.2
Less - accumulated depreciation	4,130.0	4,070.3
Net utility plant in service	6,121.8	6,142.9
Construction work in progress	384.7	350.3
Nuclear fuel, net of amortization of \$211.9 and \$204.2	65.7	72.4
Total	6,572.2	6,565.6
<b>Investments and Other Assets</b>		
Nuclear decommissioning trust fund	255.3	258.4
Regulatory assets	681.9	691.9
Other	49.5	48.0
Total	986.7	998.3
Total	\$ 8,090.3	\$ 8,123.9

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

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

	March 31 2018	December 31 2017
<b>LIABILITIES AND CAPITALIZATION</b>		
(millions, except share amounts)		
<b>Current Liabilities</b>		
Collateralized note payable	\$ 130.0	\$ 130.0
Commercial paper	288.3	167.5
Current maturities of long-term debt	—	350.0
Accounts payable	147.6	249.0
Accrued taxes	55.8	29.0
Accrued interest	40.7	32.4
Accrued compensation and benefits	40.4	50.1
Pension and post-retirement liability	1.4	1.4
Other	50.7	46.8
Total	754.9	1,056.2
<b>Deferred Credits and Other Liabilities</b>		
Deferred income taxes	628.3	616.1
Deferred tax credits	121.5	121.8
Asset retirement obligations	227.0	231.4
Pension and post-retirement liability	509.7	512.2
Regulatory liabilities	782.7	779.2
Other	62.6	61.6
Total	2,331.8	2,322.3
<b>Capitalization</b>		
Common shareholder's equity		
Common stock - 1,000 shares authorized without par value		
1 share issued, stated value	1,563.1	1,563.1
Retained earnings	909.9	949.7
Accumulated other comprehensive income	1.3	0.4
Total	2,474.3	2,513.2
Long-term debt (Note 11)	2,529.3	2,232.2
Total	5,003.6	4,745.4
<b>Commitments and Contingencies (Note 12)</b>		
Total	\$ 8,090.3	\$ 8,123.9

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

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

Three Months Ended March 31	2018	2017
<b>Operating Revenues</b>	(millions)	
Electric revenues	\$ 397.1	\$ 395.9
<b>Operating Expenses</b>		
Fuel and purchased power	101.8	78.9
Transmission	15.7	14.3
Operating and maintenance expenses	121.0	119.6
Costs to achieve the anticipated merger with Westar Energy, Inc.	1.5	7.9
Depreciation and amortization	66.9	65.3
General taxes	29.0	44.6
Other	0.2	0.3
Total	336.1	330.9
Operating income	61.0	65.0
<b>Other Income (Expense)</b>		
Non-operating income	3.6	2.5
Non-operating expenses	(7.9)	(8.9)
Total	(4.3)	(6.4)
Interest charges	(33.0)	(35.6)
Income before income tax expense	23.7	23.0
Income tax expense	(3.5)	(8.8)
Net income	\$ 20.2	\$ 14.2
<b>Comprehensive Income</b>		
Net income	\$ 20.2	\$ 14.2
Other comprehensive income		
Derivative hedging activity		
Reclassification to expenses, net of tax	0.9	1.3
Derivative hedging activity, net of tax	0.9	1.3
Total other comprehensive income	0.9	1.3
Comprehensive income	\$ 21.1	\$ 15.5

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

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

Three Months Ended March 31	2018	2017
<b>Cash Flows from Operating Activities</b>	(millions)	
Net income	\$ 20.2	\$ 14.2
Adjustments to reconcile income to net cash from operating activities:		
Depreciation and amortization	66.9	65.3
Amortization of:		
Nuclear fuel	7.7	8.0
Other	6.6	8.1
Deferred income taxes, net	5.6	9.2
Investment tax credit amortization	(0.3)	(0.3)
Other operating activities (Note 4)	(1.7)	(21.1)
Net cash from operating activities	105.0	83.4
<b>Cash Flows from Investing Activities</b>		
Utility capital expenditures	(93.5)	(84.0)
Allowance for borrowed funds used during construction	(2.0)	(1.2)
Purchases of nuclear decommissioning trust investments	(12.1)	(5.9)
Proceeds from nuclear decommissioning trust investments	11.3	5.0
Other investing activities	(4.5)	(5.1)
Net cash from investing activities	(100.8)	(91.2)
<b>Cash Flows from Financing Activities</b>		
Issuance of long-term debt	299.7	—
Issuance fees	(3.1)	—
Repayment of long-term debt	(350.0)	—
Net change in short-term borrowings	120.8	62.4
Dividends paid to Great Plains Energy	(60.0)	(57.0)
Net cash from financing activities	7.4	5.4
<b>Net Change in Cash and Cash Equivalents</b>	11.6	(2.4)
<b>Cash and Cash Equivalents at Beginning of Year</b>	2.2	4.5
<b>Cash and Cash Equivalents at End of Period</b>	\$ 13.8	\$ 2.1

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

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

Three Months Ended March 31	2018		2017	
	Shares	Amount	Shares	Amount
		(millions, except share amounts)		
<b>Common Stock</b>	<b>1</b>	<b>\$ 1,563.1</b>	<b>1</b>	<b>\$ 1,563.1</b>
<b>Retained Earnings</b>				
Beginning balance		949.7		982.6
Net income		20.2		14.2
Cumulative effect of adoption of ASU 2016-09		—		(0.7)
Dividends:				
Common stock held by Great Plains Energy		(60.0)		(57.0)
Ending balance		909.9		939.1
<b>Accumulated Other Comprehensive Income (Loss)</b>				
Beginning balance		0.4		(4.2)
Derivative hedging activity, net of tax		0.9		1.3
Ending balance		1.3		(2.9)
<b>Total Common Shareholder's Equity</b>		<b>\$ 2,474.3</b>		<b>\$ 2,499.3</b>

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

**GREAT PLAINS ENERGY INCORPORATED  
KANSAS CITY POWER & LIGHT COMPANY**

**Notes to Unaudited Consolidated Financial Statements**

The notes to unaudited consolidated financial statements that follow are a combined presentation for Great Plains Energy Incorporated and Kansas City Power & Light Company, both registrants under this filing. The terms "Great Plains Energy," "Company," "KCP&L" and "Companies" are used throughout this report. "Great Plains Energy" and the "Company" refer to Great Plains Energy Incorporated and its consolidated subsidiaries, unless otherwise indicated. "KCP&L" refers to Kansas City Power & Light Company and its consolidated subsidiaries. "Companies" refers to Great Plains Energy Incorporated and its consolidated subsidiaries and KCP&L and its consolidated subsidiaries. The Companies' interim financial statements reflect all adjustments (which include normal, recurring adjustments) that are necessary, in the opinion of management, for a fair presentation of the results for the interim periods presented.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Great Plains Energy, a Missouri corporation incorporated in 2001, is a public utility holding company and does not own or operate any significant assets other than the stock of its subsidiaries and cash and cash equivalents. Great Plains Energy's wholly owned direct subsidiaries with significant operations are as follows:

- KCP&L is an integrated, regulated electric utility that provides electricity to customers primarily in the states of Missouri and Kansas. KCP&L has one active wholly owned subsidiary, Kansas City Power & Light Receivables Company (KCP&L Receivables Company).
- KCP&L Greater Missouri Operations Company (GMO) is an integrated, regulated electric utility that provides electricity to customers in the state of Missouri. GMO also provides regulated steam service to certain customers in the St. Joseph, Missouri area. GMO has one active wholly owned subsidiary, GMO Receivables Company.

Great Plains Energy also wholly owns GPE Transmission Holding Company, LLC (GPETHC). GPETHC owns 13.5% of Transource Energy, LLC (Transource) with the remaining 86.5% owned by AEP Transmission Holding Company, LLC, a subsidiary of American Electric Power Company, Inc. GPETHC accounts for its investment in Transource under the equity method. Transource is focused on the development of competitive electric transmission projects.

Each of Great Plains Energy's and KCP&L's consolidated financial statements includes the accounts of their subsidiaries. Intercompany transactions have been eliminated.

Great Plains Energy's sole reportable business segment is the electric utility segment (Electric Utility). See Note 17 for additional information.

**Basic and Diluted Earnings (Loss) per Common Share Calculation**

To determine basic earnings (loss) per common share (EPS), preferred stock dividend requirements are deducted from net income (loss) before dividing by the average number of common shares outstanding. To determine diluted EPS, preferred stock dividend requirements are added to earnings available for common shareholders for the periods in which the assumed conversion of Great Plains Energy's 7.00% Series B Mandatory Convertible Preferred Stock (Series B Preferred Stock) has a dilutive effect before dividing by the diluted average number of common shares outstanding. The effect of dilutive securities assumes the issuance of common shares applicable to performance shares and restricted stock calculated using the treasury stock method and the number of common shares that would be issued under an assumed conversion of Series B Preferred Stock using the if-converted method.

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

Three Months Ended March 31	2018	2017
<b>Income (loss)</b>	(millions, except per share amounts)	
Net income (loss)	\$ 35.0	\$ (9.6)
Less: preferred stock dividend requirements	—	15.1
Earnings (loss) available for common shareholders	\$ 35.0	\$ (24.7)
<b>Common Shares Outstanding</b>		
Average number of common shares outstanding	215.7	215.3
Add: effect of dilutive securities	0.3	—
Diluted average number of common shares outstanding	216.0	215.3
<b>Basic and diluted EPS</b>	\$ 0.16	\$ (0.11)

There were no anti-dilutive shares excluded from the computation of diluted EPS for the three months ended March 31, 2018. Anti-dilutive shares excluded from the computation of diluted EPS for the three months ended March 31, 2017 were 29,930,385 shares of Series B Preferred Stock assumed to be converted, 460,169 performance shares and 328,512 restricted stock shares.

#### Dividends Declared

In May 2018, Great Plains Energy's Board of Directors (Great Plains Energy Board) declared a quarterly dividend of \$0.275 per share on Great Plains Energy's common stock. The common dividend is payable June 20, 2018, to shareholders of record as of May 30, 2018.

In May 2018, KCP&L's Board of Directors declared a cash dividend payable to Great Plains Energy of \$60.0 million payable on June 19, 2018.

#### New Accounting Standards

In March 2017, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2017-07, *Compensation-Retirement Benefits*, which requires an employer to disaggregate the service cost component from the other components of net benefit cost. The service cost component is to be reported in the same line item or items as other compensation costs arising from services rendered by the pertinent employees during the period. The non-service cost components are to be reported separately from service costs and outside of a subtotal of income from operations. The amendments in this update allow only the service cost component to be eligible for capitalization as part of utility plant. The non-service cost components that are no longer eligible for capitalization as part of utility plant will be recorded as a regulatory asset. The new guidance is to be applied retrospectively for the presentation of service cost and non-service cost components in the income statement and prospectively for the capitalization of the service cost component and is effective for interim and annual periods beginning after December 15, 2017. The Companies adopted ASU No. 2017-07 on January 1, 2018, and accordingly have retrospectively adjusted prior periods.

The following table reflects the retrospective adjustments in the line items of Great Plains Energy's and KCP&L's consolidated statements of comprehensive income associated with the adoption of ASU No. 2017-07.

Three Months Ended March 31, 2017	As Previously Reported	Effect of Change	As Reported
<b>Great Plains Energy</b>			
		(millions)	
Utility operating and maintenance expenses	\$ 185.4	\$ (11.3)	\$ 174.1
Other operating expense	1.5	(0.4)	1.1
Operating expenses	523.3	(11.7)	511.6
Operating income	47.4	11.7	59.1
Non-operating expenses	(3.7)	(11.7)	(15.4)
Other income (expense)	2.9	(11.7)	(8.8)
<b>KCP&amp;L</b>			
Utility operating and maintenance expenses	\$ 126.4	\$ (6.8)	\$ 119.6
Operating expenses	337.7	(6.8)	330.9
Operating income	58.2	6.8	65.0
Non-operating expenses	(2.1)	(6.8)	(8.9)
Other income (expense)	0.4	(6.8)	(6.4)

In February 2016, the FASB issued ASU No. 2016-02, *Leases*, which requires an entity that is a lessee to record a right-of-use asset and a lease liability for lease payments on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new guidance is effective for interim and annual periods beginning after December 15, 2018, with early adoption permitted, and is required to be applied using a modified retrospective approach. Great Plains Energy and KCP&L plan to adopt the new guidance on January 1, 2019. The Companies expect that the new guidance will affect the balance sheet by increasing the assets and liabilities recorded related to operating leases and continue to evaluate the effect that ASU No. 2016-02 will have on their income statement, statement of cash flows and related disclosures.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. In August 2015, the FASB issued ASU No. 2015-14, deferring the effective date of ASU No. 2014-09 one year, from January 1, 2017, to January 1, 2018. The ASU replaced most existing revenue recognition guidance in Generally Accepted Accounting Principles (GAAP) when it became effective. The Companies adopted ASU No. 2014-09 and its related amendments (ASC 606) on January 1, 2018 using the modified retrospective transition method for all contracts not completed as of the date of adoption. Results for reporting periods beginning after January 1, 2018 are presented under ASC 606 while historical periods have not been adjusted and continue to be reported in accordance with the legacy guidance in ASC 605 - *Revenue Recognition*.

There was no cumulative effect adjustment to the opening balance of retained earnings in 2018 for Great Plains Energy or KCP&L as a result of the adoption of the new guidance. The impact to both electric revenues and general taxes on Great Plains Energy's and KCP&L's statements of comprehensive income in 2018 as a result of adopting ASC 606 was a decrease of \$17.9 million. This impact was related to sales taxes and franchise fees collected from KCP&L's Missouri customers, which prior to ASC 606, were recorded gross on Great Plains Energy's and KCP&L's statements of comprehensive income.

## 2. REVENUE RECOGNITION

Great Plains Energy's and KCP&L's revenues disaggregated by customer class and for Great Plains Energy's direct subsidiaries are summarized in the following table. All of Great Plains Energy's revenues pertain to Electric Utility.

Three Months Ended March 31, 2018	KCP&L	GMO	Great Plains Energy
Customer class	(millions)		
Residential	\$ 154.9	\$ 88.1	\$ 243.0
Commercial	181.8	64.2	246.0
Industrial	32.2	19.9	52.1
Other	2.7	1.8	4.5
Total electric retail	\$ 371.6	\$ 174.0	\$ 545.6
Wholesale	3.1	2.9	6.0
Transmission	3.3	4.6	7.9
Industrial steam	—	4.3	4.3
Total revenue from contracts with customers	\$ 378.0	\$ 185.8	\$ 563.8
Other revenue	19.1	1.0	20.1
<b>Electric revenue</b>	<b>\$ 397.1</b>	<b>\$ 186.8</b>	<b>\$ 583.9</b>

### Retail Revenues

Great Plains Energy's and KCP&L's retail revenues are generated by the regulated sale of electricity to KCP&L's and GMO's residential, commercial and industrial customers within their franchised service territories. Great Plains Energy and KCP&L recognize revenue on the sale of electricity to their customers over time as the service is provided in the amount they have a right to invoice. Retail customers are billed on a monthly basis at the tariff rates approved by the MPSC and KCC based on customer kWh usage.

Revenues recorded include electric services provided but not yet billed by KCP&L and GMO. Unbilled revenues are recorded for kWh usage in the period following the customers' billing cycle to the end of the month. KCP&L's and GMO's estimate is based on net system kWh usage less actual billed kWhs. KCP&L's and GMO's estimated unbilled kWhs are allocated and priced by regulatory jurisdiction across the rate classes based on actual billing rates.

KCP&L and GMO also collect sales taxes and franchise fees from customers concurrent with revenue-producing activities that are levied by state and local governments. These items are excluded from revenue upon the adoption of ASC 606 and thus presented net on Great Plains Energy's and KCP&L's statements of comprehensive income.

### Wholesale Revenues

Great Plains Energy's and KCP&L's wholesale revenue are generated by the sale of wholesale power and capacity in circumstances when the power that KCP&L and GMO generate is not required for customers in their service territory. These sales primarily occur within the Southwest Power Pool, Inc. (SPP) Integrated Marketplace. Great Plains Energy and KCP&L also purchase power from the SPP Integrated Marketplace and record sale and purchase activity on a net basis in wholesale revenue or purchased power. In addition, Great Plains Energy and KCP&L sell wholesale power and capacity through bilateral contracts between KCP&L and GMO and other counterparties, such as municipalities.

For both wholesale sales to the SPP Integrated Marketplace and through bilateral contracts, Great Plains Energy and KCP&L recognize revenue on the sale of wholesale electricity to their customers over time as the service is provided in the amount they have a right to invoice.

With regards to the SPP Integrated Marketplace, wholesale sales are billed weekly based on the fixed transaction price determined by the market at the time of the sale and the MWh quantity purchased. With regards to bilateral

contracts, wholesale sales are billed monthly based on the contractually determined transaction price and the kWh quantity purchased.

### **Transmission Revenues**

Great Plains Energy's and KCP&L's transmission revenues are generated by the use of KCP&L's and GMO's transmission network by the SPP, which operates the network, on behalf of other power providers. Great Plains Energy and KCP&L recognize revenue on the sale of transmission service to their customers over time as the service is provided in the amount they have a right to invoice. Transmission service to the SPP is billed monthly based on a fixed transaction price determined by KCP&L's and GMO's FERC formula transmission rates along with other SPP-specific charges and the MW quantity purchased.

### **Industrial Steam Revenues**

Great Plains Energy's industrial steam revenues are generated by the regulated sale of industrial steam to GMO's steam customers. Great Plains Energy recognizes revenue on the sale of industrial steam to its customers over time as the service is provided in the amount that it has the right to invoice. Steam customers are billed on a monthly basis at the tariff rate approved by the MPSC based on customer MMBtu usage.

### **Optional Exemption**

Great Plains Energy and KCP&L do not disclose the value of unsatisfied performance obligations on certain bilateral wholesale contracts with an original expected duration of greater than one year for which the Companies recognize revenue in the amount they have the right to invoice.

## **3. ANTICIPATED MERGER WITH WESTAR ENERGY, INC.**

In May 2016, Great Plains Energy entered into an Agreement and Plan of Merger dated as of May 29, 2016, by and among Great Plains Energy, Westar Energy, Inc. (Westar) and GP Star, Inc. (GP Star) (Original Merger Agreement). Pursuant to the Original Merger Agreement, Great Plains Energy would have acquired Westar for (i) \$51.00 in cash and (ii) a number of shares of Great Plains Energy common stock, equal to an exchange ratio for each share of Westar common stock issued and outstanding immediately prior to the effective time of the merger, with Westar becoming a wholly owned subsidiary of Great Plains Energy. The acquisition was subject to various shareholder and regulatory approvals, including from The State Corporation Commission of the State of Kansas (KCC), the Public Service Commission of the State of Missouri (MPSC) and The Federal Energy Regulatory Commission (FERC).

In April 2017, KCC issued an order denying Great Plains Energy's, KCP&L's and Westar's joint application for approval of the acquisition of Westar by Great Plains Energy citing concerns with the purchase price, Great Plains Energy's capital structure, quantifiable and demonstrable customer benefits and staffing levels in Westar's service territory, among other items.

In July 2017, Great Plains Energy entered into an Amended and Restated Agreement and Plan of Merger dated as of July 9, 2017, by and among Great Plains Energy, Westar, Monarch Energy Holding, Inc., a Missouri corporation (Holdco), and King Energy, Inc., a Kansas corporation and wholly owned subsidiary of Holdco (Merger Sub) (Amended Merger Agreement). Pursuant to the Amended Merger Agreement, subject to the satisfaction or waiver of certain conditions, Great Plains Energy will merge with and into Holdco, with Holdco surviving such merger, and Merger Sub will merge with and into Westar, with Westar surviving such merger. Pursuant to the Amended Merger Agreement, at closing each outstanding share of Great Plains Energy's and Westar's common stock will be converted into the right to receive 0.5981 and 1.0, respectively, of validly issued, fully paid and nonassessable shares of common stock, no par value, of Holdco. Following the mergers, Holdco, with a new name that has yet to be publicly announced, will be the parent of Great Plains Energy's direct subsidiaries, including KCP&L, and Westar.

The anticipated merger with Westar has been structured as a merger of equals in a tax-free exchange of shares that involves no premium paid or received with respect to either Great Plains Energy or Westar. Following the

completion of the anticipated merger, Westar shareholders will own approximately 52.5 percent and Great Plains Energy shareholders will own approximately 47.5 percent of the combined company.

### **Regulatory and Shareholder Approvals**

Great Plains Energy's anticipated merger with Westar was unanimously approved by Great Plains Energy's Board of Directors (Great Plains Energy Board) and Westar's Board of Directors (Westar Board). In November 2017, shareholders of Great Plains Energy and Westar approved all proposals necessary for the merger of Great Plains Energy and Westar at each company's respective shareholder meeting. In the first quarter of 2018, regulatory approvals were obtained from the Nuclear Regulatory Commission (NRC), FERC and The Federal Communications Commission (FCC). The anticipated merger remains subject to regulatory approvals from KCC and the MPSC as well as other contractual conditions.

#### ***KCC Approval***

In August 2017, Great Plains Energy, KCP&L and Westar filed a joint application with KCC for approval of the anticipated merger with Westar. In March 2018, Great Plains Energy, KCP&L and Westar reached a non-unanimous settlement agreement with KCC staff and certain other intervenors in the case recommending the approval of the merger subject to certain conditions included in the settlement agreement. The conditions include \$7.5 million of one-time bill credits to be paid following the close of the merger to KCP&L's Kansas retail electric customers; \$2.8 million in annual bill credits to be paid in each of 2019 through 2022 to KCP&L's Kansas retail electric customers; a 5-year base rate moratorium following KCP&L's 2018 Kansas rate case, subject to certain conditions; an Earnings Review and Sharing Plan for the years 2019 through 2022 which may result in KCP&L being subject to refunding 50% of earned return on equity in excess of authorized return on equity to its Kansas retail electric customers; the recovery of certain merger transition costs; and other organizational, financing, customer service and social responsibility commitments. The non-unanimous settlement agreement must still be approved by KCC.

A decision from KCC on the joint application is expected by June 5, 2018.

#### ***MPSC Approval***

In August 2017, Great Plains Energy, KCP&L, GMO and Westar filed a joint application with the MPSC for approval of the anticipated merger with Westar. In January 2018 and March 2018, Great Plains Energy, KCP&L, GMO and Westar reached stipulations and agreements with the MPSC staff and certain other intervenors in the case recommending the approval of the merger subject to certain conditions included in the stipulations and agreements. The stipulations and agreements impose certain conditions on Holdco, KCP&L and GMO in the areas of financing, ratemaking, customer service, corporate social responsibility and also include other general provisions. The stipulations and agreements with the MPSC staff, among other things, provides that retail rates for KCP&L Missouri and GMO customers will not increase as a result of the merger and that in the event KCP&L's or GMO's credit ratings are downgraded below investment grade as a result of their affiliation with Holdco or any of Holdco's affiliates, KCP&L and GMO will be restricted from paying a dividend unless approved by the MPSC or until their credit ratings are restored to investment grade. The stipulations and agreements also provide upfront bill credits of \$14.9 million and \$14.2 million to KCP&L's and GMO's Missouri retail electric customers, respectively. The stipulations and agreements must still be approved by the MPSC.

While there is not a statutory deadline for an MPSC ruling on the joint application, a decision from the MPSC is expected in the second quarter of 2018.

#### ***Other Approvals***

In September 2017, Great Plains Energy and Westar filed applications with FERC and the NRC for approval of the merger. In October 2017, the Securities and Exchange Commission (SEC) declared effective a registration statement on Form S-4 of Holdco including a joint proxy statement of Great Plains Energy and Westar that was used in connection with Great Plains Energy's and Westar's special shareholder meetings on November 21, 2017, and the registration of shares of Holdco common stock to be issued to Great Plains Energy's and Westar's shareholders at the closing of the anticipated merger. In November 2017, Great Plains Energy and Westar filed their respective Pre-Merger Notification and Report forms with the Federal Trade Commission (FTC) and the

Department of Justice under the Hart-Scott-Rodino (HSR) Act. In December 2017, the FTC granted Great Plains Energy's request for early termination of the waiting period under the HSR Act with respect to the anticipated merger. In February 2018, FERC issued an order authorizing the merger. In March 2018, the NRC issued an order approving the indirect ownership transfer of Wolf Creek Generating Station (Wolf Creek) and FCC consented to Transfer of Control applications that were filed by Great Plains Energy, KCP&L, GMO and Westar.

### Termination Fees

The Amended Merger Agreement provides that in connection with a termination of the agreement under specified circumstances relating to a failure to obtain regulatory approvals by July 9, 2018 (which date may be extended to January 9, 2019), a final and nonappealable order enjoining the consummation of the anticipated merger in connection with regulatory approvals or failure by Great Plains Energy to comply with its obligations under the Amended Merger Agreement to consummate the closing of the anticipated merger once all of the conditions have been satisfied, Great Plains Energy may be required to pay Westar a termination fee of \$190 million. In addition, in the event that the Amended Merger Agreement is terminated by Westar under certain circumstances to enter into a definitive acquisition agreement with respect to a superior proposal, Westar may be required to pay Great Plains Energy a termination fee of \$190 million. Similarly, in the event that the Amended Merger Agreement is terminated by Great Plains Energy under certain circumstances to enter into a definitive acquisition agreement with respect to a superior proposal, Great Plains Energy may be required to pay Westar a termination fee of \$190 million.

## 4. SUPPLEMENTAL CASH FLOW INFORMATION

### *Great Plains Energy Other Operating Activities*

<b>Three Months Ended March 31</b>	<b>2018</b>	<b>2017</b>
Cash flows affected by changes in:	(millions)	
Receivables	\$ 43.2	\$ 55.5
Accounts receivable pledged as collateral	—	0.2
Fuel inventories	(1.8)	1.8
Materials and supplies	(1.1)	(4.2)
Accounts payable	(142.1)	(136.8)
Accrued taxes	37.6	36.3
Accrued interest	14.6	26.5
Deferred refueling outage costs	0.9	4.0
Pension and post-retirement benefit obligations	10.5	11.6
Allowance for equity funds used during construction	(1.4)	(1.0)
Fuel recovery mechanisms	(3.5)	(14.1)
ARO settlements	(4.5)	(4.3)
Other	18.5	17.5
Total other operating activities	\$ (29.1)	\$ (7.0)
Cash paid during the period:		
Interest	\$ 31.3	\$ 34.2
Non-cash investing activities:		
Liabilities accrued for capital expenditures	\$ 25.4	\$ 22.6

**KCP&L Other Operating Activities**

Three Months Ended March 31	2018	2017
(millions)		
Cash flows affected by changes in:		
Receivables	\$ 47.9	\$ 36.2
Fuel inventories	(1.0)	(0.5)
Materials and supplies	(1.8)	(3.1)
Accounts payable	(90.0)	(88.8)
Accrued taxes	25.0	35.5
Accrued interest	8.3	10.1
Deferred refueling outage costs	0.9	4.0
Pension and post-retirement benefit obligations	9.0	10.3
Allowance for equity funds used during construction	(1.4)	(1.0)
Fuel recovery mechanisms	1.2	(10.8)
ARO settlements	(3.6)	(3.9)
Other	3.8	(9.1)
<b>Total other operating activities</b>	<b>\$ (1.7)</b>	<b>\$ (21.1)</b>
Cash paid during the period:		
Interest	\$ 22.7	\$ 22.5
Non-cash investing activities:		
Liabilities accrued for capital expenditures	\$ 19.5	\$ 19.9

**5. RECEIVABLES**

Great Plains Energy's and KCP&L's receivables are detailed in the following table.

	March 31 2018	December 31 2017
(millions)		
<b>Great Plains Energy</b>		
Customer accounts receivable - billed	\$ —	\$ 3.7
Customer accounts receivable - unbilled	80.3	103.2
Allowance for doubtful accounts - customer accounts receivable	(5.0)	(4.7)
Other receivables	32.9	49.5
<b>Total</b>	<b>\$ 108.2</b>	<b>\$ 151.7</b>
<b>KCP&amp;L</b>		
Customer accounts receivable - billed	\$ —	\$ 1.6
Customer accounts receivable - unbilled	50.4	67.6
Allowance for doubtful accounts - customer accounts receivable	(2.3)	(2.2)
Other receivables	26.2	39.3
<b>Total</b>	<b>\$ 74.3</b>	<b>\$ 106.3</b>

Great Plains Energy's and KCP&L's other receivables at March 31, 2018 and December 31, 2017, consisted primarily of receivables from partners in jointly owned electric utility plants and wholesale sales receivables. As of March 31, 2018, other receivables for Great Plains Energy included \$2.7 million of receivables from contracts with customers. As of March 31, 2017, other receivables for KCP&L included \$1.1 million of receivables from contracts with customers.

Great Plains Energy's and KCP&L's impairment losses recognized on receivables were \$2.4 million and \$1.7 million, respectively, for the three months ended March 31, 2018 and \$2.2 million and \$1.5 million, respectively, for the three months ended March 31, 2017.

### **Sale of Accounts Receivable – KCP&L and GMO**

KCP&L and GMO sell all of their retail electric accounts receivable to their wholly owned subsidiaries, KCP&L Receivables Company and GMO Receivables Company, respectively, which in turn sell an undivided percentage ownership interest in the accounts receivable to Victory Receivables Corporation, an independent outside investor. Each of KCP&L Receivables Company's and GMO Receivables Company's sale of the undivided percentage ownership interest in accounts receivable to Victory Receivables Corporation is accounted for as a secured borrowing with accounts receivable pledged as collateral and a corresponding short-term collateralized note payable recognized on the balance sheets. At March 31, 2018 and December 31, 2017, Great Plains Energy's accounts receivable pledged as collateral and the corresponding short-term collateralized note payable were \$180.0 million. At March 31, 2018 and December 31, 2017, KCP&L's accounts receivable pledged as collateral and the corresponding short-term collateralized note payable were \$130.0 million. KCP&L's agreement expires in September 2018 and allows for \$130 million in aggregate outstanding principal amount of borrowings at any time. GMO's agreement expires in September 2018 and allows for \$50 million in aggregate outstanding principal amount of borrowings from mid-November through mid-June and then \$65 million from mid-June through mid-November.

## **6. NUCLEAR PLANT**

KCP&L owns 47% of Wolf Creek, its only nuclear generating unit. Wolf Creek is located in Coffey County, Kansas, just northeast of Burlington, Kansas. Wolf Creek's operating license expires in 2045. Wolf Creek is regulated by the NRC with respect to licensing, operations and safety-related requirements.

### **Spent Nuclear Fuel and High-Level Radioactive Waste**

Under the Nuclear Waste Policy Act of 1982, the Department of Energy (DOE) is responsible for the permanent disposal of spent nuclear fuel. Wolf Creek historically paid the DOE a quarterly fee of one-tenth of a cent for each kWh of net nuclear generation delivered and sold for the future disposal of spent nuclear fuel. In May 2014, this fee was set to zero.

In 2010, the DOE filed a motion with the NRC to withdraw its then pending application to the NRC to construct a national repository for the disposal of spent nuclear fuel and high-level radioactive waste at Yucca Mountain, Nevada. An NRC board denied the DOE's motion to withdraw its application. In 2011, the NRC announced that it was evenly divided on whether to take affirmative action to overturn or uphold the board's decision and ordered the licensing board, consistent with budgetary limitations, to close out its work on the DOE's application. In August 2013, a federal court of appeals ruled that the NRC must resume its review of the DOE's application to the extent of appropriated funds. With the available funds, the NRC was able to complete its technical review of the Yucca Mountain application but was not able to resume the licensing hearing.

Wolf Creek has elected to build a dry cask storage facility to expand its existing on-site spent nuclear fuel storage to provide additional capacity prior to 2025. Wolf Creek has finalized a settlement agreement through 2019 with the DOE for reimbursement of a significant portion of the costs to construct this facility that would not have otherwise been incurred had the DOE begun accepting spent nuclear fuel. Management expects the majority of the remaining cost to construct the dry cask storage facility that would not have otherwise been incurred will ultimately be reimbursed by the DOE. Management cannot predict when, or if, an off-site storage site or alternative disposal site will be available to receive Wolf Creek's spent nuclear fuel and will continue to monitor this activity.

### **Low-Level Radioactive Waste**

Wolf Creek disposes of most of its low-level radioactive waste (Class A waste) at an existing third-party repository in Utah. Management expects that the site located in Utah will remain available to Wolf Creek for disposal of its Class A waste. Wolf Creek has contracted with a waste processor that will process, take title and dispose in another state most of the remainder of Wolf Creek's low-level radioactive waste (Classes B and C waste, which is higher in radioactivity but much lower in volume). Should on-site waste storage be needed in the future, Wolf Creek has current storage capacity on site for about four years' generation of Classes B and C waste and believes it will be able to expand that storage capacity as needed if it becomes necessary to do so.

**Nuclear Decommissioning Trust Fund**

Great Plains Energy's and KCP&L's nuclear decommissioning trust fund is reported at fair value on the balance sheets and is invested in equity and debt securities. The following table summarizes the unrealized gains and losses for equity and debt securities in the nuclear decommissioning trust fund.

Three Months Ended March 31	2018	2017
	(millions)	
Net unrealized gains - equity securities	\$ 83.7	\$ 67.8
Net unrealized gains - debt securities	0.7	2.0
Total	\$ 84.4	\$ 69.8

**7. REGULATORY MATTERS****KCP&L Missouri 2018 Rate Case Proceedings**

In January 2018, KCP&L filed an application with the MPSC to request an increase to its retail revenues of \$8.9 million before rebasing fuel and purchased power expense, with a return on equity of 9.85% and a rate-making equity ratio of 50.03%. The request reflects the impact of the Tax Cuts and Jobs Act and increases in infrastructure investment costs, transmission related costs and property tax costs. KCP&L also requested an additional \$7.5 million increase associated with rebasing fuel and purchased power expense. An evidentiary hearing in the case is expected to occur in September 2018 with new rates expected to go into effect in December 2018.

**GMO Missouri 2018 Rate Case Proceedings**

In January 2018, GMO filed an application with the MPSC to request a decrease to its retail revenues of \$2.4 million before rebasing fuel and purchased power expense, with a return on equity of 9.85% and a rate-making equity ratio of 54.4%. The request reflects the impact of the Tax Cuts and Jobs Act and increases in infrastructure investment costs and transmission related costs. GMO also requested a \$21.7 million increase associated with rebasing fuel and purchased power expense. An evidentiary hearing in the case is expected to occur in September 2018 with new rates expected to go into effect in December 2018.

**KCP&L Kansas 2018 Rate Case Proceedings**

In May 2018, KCP&L filed an application with KCC to request an increase to its retail revenues of \$26.2 million before rebasing property tax expense, with a return on equity of 9.85% and a rate-making equity ratio of 49.8%. The request reflects the impact of the Tax Cuts and Jobs Act and increases in infrastructure investment costs. KCP&L also requested an additional \$6.7 million increase associated with rebasing property tax expense. An evidentiary hearing in the case is expected in the fourth quarter of 2018 with new rates expected to go into effect in December 2018.

**8. PENSION PLANS AND OTHER EMPLOYEE BENEFITS**

Great Plains Energy maintains defined benefit pension plans for the majority of KCP&L's and GMO's active and inactive employees, including officers, and its 47% ownership share of Wolf Creek Nuclear Operating Corporation (WCNOC) defined benefit plans. For the majority of employees, pension benefits under these plans reflect the employees' compensation, years of service and age at retirement. Effective in 2014, the non-union plan was closed to future employees. Great Plains Energy also provides certain post-retirement health care and life insurance benefits for substantially all retired employees of KCP&L, GMO and its 47% ownership share of WCNOC.

KCP&L and GMO record pension and post-retirement expense in accordance with rate orders from the MPSC and KCC that allow the difference between pension and post-retirement costs under GAAP and costs for ratemaking to be recognized as a regulatory asset or liability. This difference between financial and regulatory accounting methods is due to timing and will be eliminated over the life of the plans.

The following table provides Great Plains Energy's components of net periodic benefit costs prior to the effects of capitalization and sharing with joint owners of power plants.

Three Months Ended March 31	Pension Benefits		Other Benefits	
	2018	2017	2018	2017
<b>Components of net periodic benefit costs</b>	(millions)			
Service cost	\$ 12.2	\$ 11.0	\$ 0.5	\$ 0.5
Interest cost	12.7	13.4	1.2	1.3
Expected return on plan assets	(13.9)	(12.8)	(0.7)	(0.6)
Prior service cost	0.2	0.2	—	—
Recognized net actuarial (gain)/loss	11.4	12.4	—	(0.1)
Net periodic benefit costs before regulatory adjustment	22.6	24.2	1.0	1.1
Regulatory adjustment	0.6	0.8	—	1.3
Net periodic benefit costs	\$ 23.2	\$ 25.0	\$ 1.0	\$ 2.4

The components of net periodic benefit costs other than the service cost component are included in non-operating expenses on Great Plains Energy's and KCP&L's consolidated statements of comprehensive income.

For the three months ended March 31, 2018, Great Plains Energy contributed \$13.7 million to the pension plans and expects to contribute an additional \$70.3 million in 2018 to satisfy the Employee Retirement Income Security Act of 1974, as amended (ERISA) funding requirements and the MPSC and KCC rate orders, the majority of which is expected to be paid by KCP&L. Also in 2018, Great Plains Energy expects to make contributions of \$4.6 million to the post-retirement benefit plans, the majority of which is expected to be paid by KCP&L.

## 9. EQUITY COMPENSATION

Great Plains Energy's Long-Term Incentive Plan is an equity compensation plan approved by Great Plains Energy's shareholders. The Long-Term Incentive Plan permits the grant of restricted stock, restricted stock units, bonus shares, stock options, stock appreciation rights, director shares, director deferred share units, performance shares and other stock-based awards to directors, officers and other employees of Great Plains Energy and KCP&L. Forfeiture rates are based on historical forfeitures and future expectations and are reevaluated annually.

The following table summarizes Great Plains Energy's and KCP&L's equity compensation expense and the associated income tax benefit.

Three Months Ended March 31	2018	2017
<b>Great Plains Energy</b>	(millions)	
Equity compensation expense	\$ 1.8	\$ 1.2
Income tax benefit	0.4	0.6
<b>KCP&amp;L</b>		
Equity compensation expense	\$ 1.2	\$ 0.8
Income tax benefit	0.2	0.4

**Performance Shares**

Performance share activity for the three months ended March 31, 2018, is summarized in the following table.

	Performance Shares	Grant Date Fair Value*
Beginning balance January 1, 2018	545,087	\$ 29.12
Granted	209,937	29.35
Earned	(115,833)	24.01
Forfeited	(2,097)	30.65
Performance adjustment	(49,052)	24.01
Ending balance March 31, 2018	588,042	30.63

\* weighted-average

At March 31, 2018, the remaining weighted-average contractual term was 1.8 years. The weighted-average grant-date fair value of shares granted was \$29.35 and \$31.26 for the three months ended March 31, 2018, and 2017, respectively. At March 31, 2018, there was \$10.7 million of total unrecognized compensation expense, net of forfeiture rates, related to performance shares granted under the Long-Term Incentive Plan, which will be recognized over the remaining weighted-average contractual term. The total fair value of performance shares earned and paid was \$2.8 million and \$5.3 million for the three months ended March 31, 2018, and 2017, respectively.

The fair value of performance share awards is estimated using the market value of the Company's stock at the valuation date and a Monte Carlo simulation technique that incorporates assumptions for inputs of expected volatilities, dividend yield and risk-free rates. Expected volatility is based on daily stock price change during a historical period commensurate with the remaining term of the performance period of the grant. The risk-free rate is based upon the rate at the time of the evaluation for zero-coupon government bonds with a maturity consistent with the remaining performance period of the grant. The dividend yield is based on the most recent dividends paid and the actual closing stock price on the valuation date. For shares granted in 2018, inputs for expected volatility, dividend yield and risk-free rates were 17%, 3.72% and 2.34%, respectively.

**Restricted Stock**

Restricted stock activity for the three months ended March 31, 2018, is summarized in the following table.

	Nonvested Restricted Stock	Grant Date Fair Value*
Beginning balance January 1, 2018	192,402	\$ 27.87
Granted and issued	70,001	29.08
Vested	(56,878)	26.12
Forfeited	(700)	28.87
Ending balance March 31, 2018	204,825	28.77

\* weighted-average

At March 31, 2018, the remaining weighted-average contractual term was 1.9 years. The weighted-average grant-date fair value of shares granted was \$29.08 and \$28.60 for the three months ended March 31, 2018, and 2017, respectively. At March 31, 2018, there was \$3.5 million of total unrecognized compensation expense, net of forfeiture rates, related to nonvested restricted stock granted under the Long-Term Incentive Plan, which will be recognized over the remaining weighted-average contractual term. Total fair value of shares vested was \$1.5 million and \$2.3 million for the three months ended March 31, 2018, and 2017, respectively.

**10. SHORT-TERM BORROWINGS AND SHORT-TERM BANK LINES OF CREDIT****Great Plains Energy's \$200 Million Revolving Credit Facility**

Great Plains Energy's \$200 million revolving credit facility with a group of banks expires in October 2019. The facility's terms permit transfers of unused commitments between this facility and the KCP&L and GMO facilities

discussed below, with the total amount of the facility not exceeding \$400 million at any one time. A default by Great Plains Energy or any of its significant subsidiaries on other indebtedness totaling more than \$50.0 million is a default under the facility. Under the terms of this facility, Great Plains Energy is required to maintain a consolidated indebtedness to consolidated capitalization ratio, as defined in the facility, not greater than 0.65 to 1.00 at all times. At March 31, 2018, Great Plains Energy was in compliance with this covenant. At March 31, 2018, Great Plains Energy had \$23.0 million of outstanding cash borrowings at a weighted-average interest rate of 3.23% and had issued \$1.0 million in letters of credit under the credit facility. At December 31, 2017, Great Plains Energy had \$11.0 million of outstanding cash borrowings at a weighted-average interest rate of 2.94% and had issued \$1.0 million in letters of credit under the credit facility.

**KCP&L's \$600 Million Revolving Credit Facility and Commercial Paper**

KCP&L's \$600 million revolving credit facility with a group of banks provides support for its issuance of commercial paper and other general corporate purposes and expires in October 2019. Great Plains Energy and KCP&L may transfer up to \$200 million of unused commitments between Great Plains Energy's and KCP&L's facilities. A default by KCP&L on other indebtedness totaling more than \$50.0 million is a default under the facility. Under the terms of this facility, KCP&L is required to maintain a consolidated indebtedness to consolidated capitalization ratio, as defined in the facility, not greater than 0.65 to 1.00 at all times. At March 31, 2018, KCP&L was in compliance with this covenant. At March 31, 2018, KCP&L had \$288.3 million of commercial paper outstanding at a weighted-average interest rate of 2.39%, had issued letters of credit totaling \$2.7 million and had no outstanding cash borrowings under the credit facility. At December 31, 2017, KCP&L had \$167.5 million of commercial paper outstanding at a weighted-average interest rate of 1.95%, had issued letters of credit totaling \$2.7 million and had no outstanding cash borrowings under the credit facility.

**GMO's \$450 Million Revolving Credit Facility and Commercial Paper**

GMO's \$450 million revolving credit facility with a group of banks provides support for its issuance of commercial paper and other general corporate purposes and expires in October 2019. Great Plains Energy and GMO may transfer up to \$200 million of unused commitments between Great Plains Energy's and GMO's facilities. A default by GMO or any of its significant subsidiaries on other indebtedness totaling more than \$50.0 million is a default under the facility. Under the terms of this facility, GMO is required to maintain a consolidated indebtedness to consolidated capitalization ratio, as defined in the facility, not greater than 0.65 to 1.00 at all times. At March 31, 2018, GMO was in compliance with this covenant. At March 31, 2018, GMO had \$235.5 million of commercial paper outstanding at a weighted-average interest rate of 2.38%, had issued letters of credit totaling \$2.1 million and had no outstanding cash borrowings under the credit facility. At December 31, 2017, GMO had \$209.3 million of commercial paper outstanding at a weighted-average interest rate of 1.85%, had issued letters of credit totaling \$2.1 million and had no outstanding cash borrowings under the credit facility.

## 11. LONG-TERM DEBT

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

	Year Due	March 31 2018	December 31 2017
(millions)			
<b>KCP&amp;L</b>			
General Mortgage Bonds			
2.95% EIRR bonds	2023	\$ 79.5	\$ 79.5
7.15% Series 2009A (8.59% rate) <sup>(a)</sup>	2019	400.0	400.0
Senior Notes			
6.375% Series (7.49% rate) <sup>(a)</sup>	2018	—	350.0
3.15% Series	2023	300.0	300.0
3.65% Series	2025	350.0	350.0
6.05% Series (5.78% rate) <sup>(a)</sup>	2035	250.0	250.0
5.30% Series	2041	400.0	400.0
4.20% Series	2047	300.0	300.0
4.20% Series	2048	300.0	—
EIRR Bonds			
1.349% Series 2007A and 2007B <sup>(b)</sup>	2035	146.5	146.5
2.875% Series 2008	2038	23.4	23.4
Current maturities		—	(350.0)
Unamortized discount and debt issuance costs		(20.1)	(17.2)
Total KCP&L excluding current maturities <sup>(c)</sup>		2,529.3	2,232.2
<b>Other Great Plains Energy</b>			
GMO First Mortgage Bonds 9.44% Series	2019-2021	3.4	4.6
GMO Senior Notes			
8.27% Series	2021	80.9	80.9
3.49% Series A	2025	125.0	125.0
4.06% Series B	2033	75.0	75.0
4.74% Series C	2043	150.0	150.0
GMO Medium Term Notes			
7.33% Series	2023	3.0	3.0
7.17% Series	2023	7.0	7.0
Great Plains Energy Senior Notes			
4.85% Series	2021	350.0	350.0
5.292% Series	2022	287.5	287.5
Current maturities		(1.1)	(1.1)
Unamortized discount and premium, net and debt issuance costs		(1.5)	(1.5)
Total Great Plains Energy excluding current maturities <sup>(c)</sup>		\$ 3,608.5	\$ 3,312.6

<sup>(a)</sup> Rate after amortizing gains/losses recognized in other comprehensive income (OCI) on settlements of interest rate hedging instruments

<sup>(b)</sup> Variable rate

<sup>(c)</sup> At March 31, 2018 and December 31, 2017, does not include \$50.0 million and \$21.9 million of secured Series 2005 Environmental Improvement Revenue Refunding (EIRR) bonds because the bonds were repurchased in September 2015 and are held by KCP&L

### KCP&L Senior Notes

In March 2018, KCP&L issued, at a discount, \$300.0 million of 4.20% unsecured Senior Notes, maturing in 2048. KCP&L also repaid its \$350.0 million of 6.375% unsecured Senior Notes at maturity in March 2018.

**12. COMMITMENTS AND CONTINGENCIES****Environmental Matters**

Great Plains Energy and KCP&L are subject to extensive federal, state and local environmental laws, regulations and permit requirements relating to air and water quality, waste management and disposal, natural resources and health and safety. In addition to imposing continuing compliance obligations and remediation costs, these laws, regulations and permits authorize the imposition of substantial penalties for noncompliance, including fines, injunctive relief and other sanctions. The cost of complying with current and future environmental requirements is expected to be material to Great Plains Energy and KCP&L. Failure to comply with environmental requirements or to timely recover environmental costs through rates could have a material effect on Great Plains Energy's and KCP&L's results of operations, financial position and cash flows.

Great Plains Energy's and KCP&L's current estimates of capital expenditures (exclusive of Allowance for Funds Used During Construction (AFUDC) and property taxes) over the next five years to comply with environmental regulations are in the following table. The total cost of compliance with any existing, proposed or future laws and regulations may be significantly different from these cost estimates provided.

	2018	2019	2020	2021	2022
	(millions)				
Great Plains Energy	\$ 14.6	\$ 2.8	\$ 7.7	\$ 20.1	\$ 63.1
KCP&L	14.5	2.8	7.7	20.1	63.1

The Companies expect to seek recovery of the costs associated with environmental requirements through rate increases; however, there can be no assurance that such rate increases would be granted. The Companies may be subject to materially adverse rate treatment in response to competitive, economic, political, legislative or regulatory factors and/or public perception of the Companies' environmental reputation.

The following discussion groups environmental and certain associated matters into the broad categories of air and climate change, water, solid waste and remediation.

***Clean Air Act and Climate Change Overview***

The Clean Air Act Amendments of 1990 (Clean Air Act) and associated regulations enacted by the Environmental Protection Agency (EPA) form a comprehensive program to preserve and enhance air quality. States are required to establish regulations and programs to address all requirements of the Clean Air Act and have the flexibility to enact more stringent requirements. All of Great Plains Energy's and KCP&L's generating facilities, and certain of their other facilities, are subject to the Clean Air Act.

***Climate Change***

The Companies' current baseload generation capacity is primarily coal-fired and is estimated to produce about one ton of carbon dioxide (CO<sub>2</sub>) per MWh, or approximately 17 million tons and 13 million tons per year for Great Plains Energy and KCP&L, respectively. The Companies are subject to existing greenhouse gas reporting regulations and certain greenhouse gas emission requirements. Federal or state legislation concerning the reduction of emissions of greenhouse gases, including CO<sub>2</sub>, could be enacted in the future. At the international level, the Paris Agreement was adopted in December 2015 by nearly 200 countries and became effective in November 2016. The Paris Agreement does not result in any new, legally binding obligations on the U.S. to meet a particular greenhouse gas emissions target, but establishes a framework for international cooperation on climate change. In June 2017, U.S. President Donald Trump announced the U.S. would withdraw from the Paris Agreement. Under the rules of the Paris Agreement, the earliest any country can withdraw is November 2020. Other international agreements legally binding on the U.S. may be reached in the future. Greenhouse gas legislation has the potential of having significant financial and operational impacts on Great Plains Energy and KCP&L; however, the ultimate financial and operational consequences to Great Plains Energy and KCP&L cannot be determined until such legislation is passed. In the absence of new Congressional mandates, the EPA is proceeding with the regulation of greenhouse gases under the existing Clean Air Act.

In August 2015, the EPA finalized CO<sub>2</sub> emission standards for new, modified and reconstructed affected fossil-fuel-fired electric utility generating units. The standards would not apply to Great Plains Energy's and KCP&L's existing units unless the units were modified or reconstructed in the future. Also in August 2015, the EPA finalized its Clean Power Plan which sets CO<sub>2</sub> emission performance rates for existing affected fossil-fuel-fired electric generating units. Nationwide, by 2030, the EPA projects the Clean Power Plan would achieve CO<sub>2</sub> emission reductions from the power sector of approximately 32% from CO<sub>2</sub> emission levels in 2005.

In February 2016, the U.S. Supreme Court granted a stay of the Clean Power Plan putting the rule on hold pending review in the U.S. Court of Appeals for the District of Columbia Circuit and any subsequent review by the U.S. Supreme Court if such review is sought. In October 2017, the EPA proposed to repeal the Clean Power Plan on the basis that it exceeded the EPA's statutory authority. In December 2017, the EPA issued an advance notice of proposed rulemaking (ANPRM) to solicit comments as the agency considers proposing a future rule to replace the Clean Power Plan. In the ANPRM, the EPA is considering proposing emission guidelines to limit greenhouse gas emissions from existing electric utility generating units. Compliance with the Clean Power Plan or any replacement rule has the potential of having significant financial and operational impacts on Great Plains Energy and KCP&L; however, the ultimate financial and operational consequences to Great Plains Energy and KCP&L cannot be determined until the outcome of the EPA's proposal to repeal the Clean Power Plan and pending litigation is known.

### ***Clean Water Act***

The Clean Water Act and associated regulations enacted by the EPA form a comprehensive program to restore and preserve water quality. Like the Clean Air Act, states are required to establish regulations and programs to address all requirements of the Clean Water Act, and have the flexibility to enact more stringent requirements. All of Great Plains Energy's and KCP&L's generating facilities, and certain of their other facilities, are subject to the Clean Water Act.

In May 2014, the EPA finalized regulations pursuant to Section 316(b) of the Clean Water Act regarding cooling water intake structures pursuant to a court approved settlement. KCP&L generation facilities with cooling water intake structures are subject to the best technology available standards based on studies completed to comply with such standards. The rule provides flexibility to work with the states to develop the best technology available to minimize aquatic species impacted by being pinned against intake screens (impingement) or drawn into cooling water systems (entrainment). Estimated costs to comply with Section 316(b) of the Clean Water Act are included in the estimated capital expenditures table above.

KCP&L holds a permit from the Missouri Department of Natural Resources (MDNR) covering water discharge from its Hawthorn Station. The permit authorizes KCP&L to, among other things, withdraw water from the Missouri River for cooling purposes and return the heated water to the Missouri River. KCP&L has applied for a renewal of this permit and the EPA has submitted an interim objection letter regarding the allowable amount of heat that can be contained in the returned water. Until this matter is resolved, KCP&L continues to operate under its current permit. Great Plains Energy and KCP&L cannot predict the outcome of this matter; however, while less significant outcomes are possible, this matter may require a reduction in generation, installation of cooling towers or other technology to cool the water, or both, any of which could have a significant impact on Great Plains Energy's and KCP&L's results of operations, financial position and cash flows.

### ***Solid Waste***

Solid and hazardous waste generation, storage, transportation, treatment and disposal are regulated at the federal and state levels under various laws and regulations. In December 2014, the EPA finalized regulations to regulate coal combustion residuals (CCRs) under the Resource Conservation and Recovery Act (RCRA) subtitle D to address the risks from the disposal of CCRs generated from the combustion of coal at electric generating facilities. The Companies use coal in generating electricity and dispose of the CCRs in both on-site facilities and facilities owned by third parties. KCP&L's Iatan, La Cygne, and Montrose Stations and GMO's Sibley Station have on-site facilities affected by the rule. The rule requires periodic assessments; groundwater monitoring; location restrictions; design and operating requirements; recordkeeping and notifications; and closure, among other

requirements, for CCR units. The rule took effect in October 2015 with various obligations effective at specified times within the rule. Estimated capital costs to comply with the CCR rule are included in the estimated capital expenditures table above. Certain requirements of the rule would require Great Plains Energy or KCP&L to expedite or incur additional capital expenditures in the future.

Great Plains Energy and KCP&L have AROs on their balance sheets for closure and post-closure of ponds and landfills containing CCRs. Certain requirements of the rule could in the future require further evaluation of the expected method of compliance and refinement of assumptions underlying the cost estimates for closure and post-closure. Great Plains Energy's and KCP&L's AROs could increase from the amounts presently recorded.

### ***Remediation***

Certain federal and state laws, including the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), hold current and previous owners or operators of contaminated facilities and persons who arranged for the disposal or treatment of hazardous substances liable for the cost of investigation and cleanup. CERCLA and other laws also authorize the EPA and other agencies to issue orders compelling potentially responsible parties to clean up sites that are determined to present an actual or potential threat to human health or the environment. GMO retains some environmental liability for several operations and investments it no longer owns. In addition, GMO also owns, or has acquired liabilities from companies that once owned or operated, former manufactured gas plant (MGP) sites, which are subject to the supervision of the EPA and various state environmental agencies.

At March 31, 2018 and December 31, 2017, KCP&L had \$0.3 million accrued for environmental remediation expenses, which covers ground water monitoring at a former MGP site. The amount accrued was established on an undiscounted basis and KCP&L does not currently have an estimated time frame over which the accrued amount may be paid.

In addition to the \$0.3 million accrual above, at March 31, 2018 and December 31, 2017, Great Plains Energy had \$1.5 million accrued for the future investigation and remediation of certain additional GMO identified MGP sites and retained liabilities. This estimate was based upon review of the potential costs associated with conducting investigative and remedial actions at identified sites, as well as the likelihood of whether such actions will be necessary. This estimate could change materially after further investigation, and could also be affected by the actions of environmental agencies and the financial viability of other potentially responsible parties; however, given the uncertainty of these items the possible loss or range of loss in excess of the amount accrued is not estimable.

GMO has pursued recovery of remediation costs from insurance carriers and other potentially responsible parties. As a result of a settlement with an insurance carrier, approximately \$1.6 million in insurance proceeds less an annual deductible is available to GMO to recover qualified MGP remediation expenses. GMO would seek recovery of additional remediation costs and expenses through rate increases; however, there can be no assurance that such rate increases would be granted.

### **13. RELATED PARTY TRANSACTIONS AND RELATIONSHIPS**

KCP&L employees manage GMO's business and operate its facilities at cost, including GMO's 18% ownership interest in KCP&L's Iatan Nos. 1 and 2. The operating expenses and capital costs billed from KCP&L to GMO were \$46.4 million and \$47.9 million, respectively, for the three months ended March 31, 2018 and 2017.

KCP&L and GMO are also authorized to participate in the Great Plains Energy money pool, an internal financing arrangement in which funds may be lent on a short-term basis to KCP&L and GMO from Great Plains Energy and between KCP&L and GMO. At March 31, 2018 and December 31, 2017, KCP&L had no outstanding receivables or payables under the money pool.

The following table summarizes KCP&L's related party net receivables.

	<b>March 31</b>	<b>December 31</b>
	<b>2018</b>	<b>2017</b>
	(millions)	
Net receivable from GMO	\$ 50.5	\$ 65.8
Net receivable from Great Plains Energy	18.6	18.9

#### 14. FAIR VALUE MEASUREMENTS

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. GAAP establishes a fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value into three broad categories, giving the highest priority to quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs. A definition of the various levels, as well as discussion of the various measurements within the levels, is as follows:

Level 1 – Unadjusted quoted prices for identical assets or liabilities in active markets that Great Plains Energy and KCP&L have access to at the measurement date.

Level 2 – Market-based inputs for assets or liabilities that are observable (either directly or indirectly) or inputs that are not observable but are corroborated by market data.

Level 3 – Unobservable inputs, reflecting Great Plains Energy's and KCP&L's own assumptions about the assumptions market participants would use in pricing the asset or liability.

Great Plains Energy and KCP&L record cash and cash equivalents and short-term borrowings on the balance sheet at cost, which approximates fair value due to the short-term nature of these instruments.

##### Interest Rate Derivatives

In June 2016, Great Plains Energy entered into four interest rate swaps, with a total notional amount of \$4.4 billion, to hedge against interest rate fluctuations on future issuances of long-term debt expected to be issued to finance a portion of the cash consideration for the acquisition of Westar under the Original Merger Agreement. The interest rate swaps were designated as economic hedges (non-hedging derivatives). Settlement of the interest rate swaps was contingent on the consummation of the acquisition of Westar. In March 2017, in connection with Great Plains Energy's \$4.3 billion senior note issuance, the settlement value of the interest rate swaps to Great Plains Energy of \$140.6 million was fixed.

In July 2017, the interest rate swap agreements were amended to make their cash settlement contingent on the consummation of the anticipated merger with Westar under the Amended Merger Agreement by November 30, 2018. Also in July 2017, Great Plains Energy redeemed its \$4.3 billion senior notes that the interest rate swaps were entered into to hedge.

The fair value of the interest rate swaps recorded on Great Plains Energy's balance sheets reflects a contingency factor that management believes is representative of what a market participant would use in valuing these instruments in order to account for the contingent nature of the cash settlement of the interest rate swaps. The contingency factor was 0.3 and 0.35 at March 31, 2018 and December 31, 2017, respectively. At March 31, 2018 and December 31, 2017, the fair value of the interest rate swaps was \$98.4 million and \$91.4 million, respectively, and was recorded on Great Plains Energy's consolidated balance sheets in interest rate derivative instruments.

Due to the redemption of Great Plains Energy's \$4.3 billion senior notes in July 2017 and the fact that the interest rate swaps no longer serve as economic hedges, Great Plains Energy recorded changes in the fair value of the interest rate swaps after July 2017 in non-operating income on Great Plains Energy's consolidated statements of comprehensive income (loss). All changes in the fair value of the interest rate swaps prior to July 2017 were recorded in interest charges. For the three months ended March 31, 2018, Great Plains Energy recognized a \$7.0 million gain for the change in fair value of the interest rate swaps in non-operating income. For the three months ended March 31, 2017, Great Plains Energy recognized a \$12.1 million gain for the change in fair value of the interest rate swaps in interest charges.

#### **Fair Value of Long-Term Debt**

Great Plains Energy and KCP&L record long-term debt on the balance sheet at amortized cost. The fair value of long-term debt is measured as a Level 2 liability. At March 31, 2018, the book value and fair value of Great Plains Energy's long-term debt, including current maturities, were \$3.6 billion and \$3.8 billion, respectively. At December 31, 2017, the book value and fair value of Great Plains Energy's long-term debt, including current maturities, were \$3.7 billion and \$4.0 billion, respectively. At March 31, 2018, the book value and fair value of KCP&L's long-term debt, including current maturities, were \$2.5 billion and \$2.7 billion, respectively. At December 31, 2017, the book value and fair value of KCP&L's long-term debt, including current maturities, were \$2.6 billion and \$2.8 billion, respectively.

#### **Supplemental Executive Retirement Plan**

At March 31, 2018 and December 31, 2017, GMO's Supplemental Executive Retirement Plan (SERP) rabbi trusts included \$14.2 million and \$14.7 million, respectively, of fixed income funds valued at net asset value per share (or its equivalent) that are not categorized in the fair value hierarchy. The fixed income fund invests primarily in intermediate and long-term debt securities, can be redeemed immediately and is not subject to any restrictions on redemptions.

The following tables include Great Plains Energy's and KCP&L's balances of financial assets and liabilities measured at fair value on a recurring basis.

Description	March 31 2018	Level 1	Level 2	Level 3
<b>KCP&amp;L</b>				
(millions)				
Assets				
Nuclear decommissioning trust <sup>(a)</sup>				
Equity securities	\$ 179.6	\$ 179.6	\$ —	\$ —
Debt securities				
U.S. Treasury	35.0	35.0	—	—
U.S. Agency	0.4	—	0.4	—
State and local obligations	2.1	—	2.1	—
Corporate bonds	32.7	—	32.7	—
Foreign governments	0.1	—	0.1	—
Cash equivalents	4.4	4.4	—	—
Other	1.0	1.0	—	—
Total nuclear decommissioning trust	255.3	220.0	35.3	—
Self-insured health plan trust <sup>(b)</sup>				
Equity securities	0.4	0.4	—	—
Debt securities	2.1	0.1	2.0	—
Cash and cash equivalents	8.6	8.6	—	—
Total self-insured health plan trust	11.1	9.1	2.0	—
Total	\$ 266.4	\$ 229.1	\$ 37.3	\$ —
<b>Other Great Plains Energy</b>				
Assets				
Interest rate derivative instruments <sup>(c)</sup>	\$ 98.4	\$ —	\$ —	\$ 98.4
Total	\$ 98.4	\$ —	\$ —	\$ 98.4
<b>Great Plains Energy</b>				
Assets				
Nuclear decommissioning trust <sup>(a)</sup>	\$ 255.3	\$ 220.0	\$ 35.3	\$ —
Self-insured health plan trust <sup>(b)</sup>	11.1	9.1	2.0	—
Interest rate derivative instruments <sup>(c)</sup>	98.4	—	—	98.4
Total	\$ 364.8	\$ 229.1	\$ 37.3	\$ 98.4

Description	December 31 2017	Level 1	Level 2	Level 3
(millions)				
<b>KCP&amp;L</b>				
Assets				
Nuclear decommissioning trust <sup>(a)</sup>				
Equity securities	\$ 183.8	\$ 183.8	\$ —	\$ —
Debt securities				
U.S. Treasury	35.3	35.3	—	—
U.S. Agency	0.4	—	0.4	—
State and local obligations	2.1	—	2.1	—
Corporate bonds	34.1	—	34.1	—
Foreign governments	0.1	—	0.1	—
Cash equivalents	2.5	2.5	—	—
Other	0.1	0.1	—	—
Total nuclear decommissioning trust	258.4	221.7	36.7	—
Self-insured health plan trust <sup>(b)</sup>				
Equity securities	0.5	0.5	—	—
Debt securities	2.7	0.3	2.4	—
Cash and cash equivalents	7.7	7.7	—	—
Total self-insured health plan trust	10.9	8.5	2.4	—
Total	\$ 269.3	\$ 230.2	\$ 39.1	\$ —
<b>Other Great Plains Energy</b>				
Assets				
Interest rate derivative instruments <sup>(c)</sup>	\$ 91.4	\$ —	\$ —	\$ 91.4
Total	\$ 91.4	\$ —	\$ —	\$ 91.4
<b>Great Plains Energy</b>				
Assets				
Nuclear decommissioning trust <sup>(a)</sup>	\$ 258.4	\$ 221.7	\$ 36.7	\$ —
Self-insured health plan trust <sup>(b)</sup>	10.9	8.5	2.4	—
Interest rate derivative instruments <sup>(c)</sup>	91.4	—	—	91.4
Total	\$ 360.7	\$ 230.2	\$ 39.1	\$ 91.4

<sup>(a)</sup> Fair value is based on quoted market prices of the investments held by the fund and/or valuation models.

<sup>(b)</sup> Fair value is based on quoted market prices of the investments held by the trust. Debt securities classified as Level 1 are comprised of U.S. Treasury securities. Debt securities classified as Level 2 are comprised of corporate bonds, U.S. Agency, state and local obligations, and other asset-backed securities.

<sup>(c)</sup> The fair value of interest rate derivative instruments is based on a settlement value, discounted by a contingency factor that management believes is representative of what a market participant would use in valuing these instruments in order to account for the contingent nature of the cash settlement of these instruments. At March 31, 2018 and December 31, 2017, the settlement value was \$140.6 million with a contingency factor of 0.3 and 0.35, respectively. A decrease in the contingency factor would result in a higher fair value measurement. The contingency factor will increase or decrease in response to facts and circumstances that in the view of a market participant, would increase or decrease the likelihood that the merger with Westar is not consummated. Because of the unobservable nature of the contingency factor, the interest rate derivatives have been classified as Level 3.

The following table reconciles the beginning and ending balances for all Level 3 assets measured at fair value on a recurring basis.

**Great Plains Energy**

**Fair Value Measurements Using Significant Unobservable Inputs (Level 3)**

	<b>Derivative Instruments</b>	
	<b>2018</b>	<b>2017</b>
	(millions)	
Net asset at January 1	\$ 91.4	\$ 79.3
Total realized/unrealized gains:		
included in interest charges	—	12.1
included in non-operating income	7.0	—
Net asset at March 31	\$ 98.4	\$ 91.4
Total unrealized gains relating to assets still on the consolidated balance sheet at March 31:		
included in interest charges	\$ —	\$ 12.1
included in non-operating income	7.0	—

**15. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)**

The following tables reflect the change in the balances of each component of accumulated other comprehensive income (loss) for Great Plains Energy and KCP&L.

**Great Plains Energy**

	<b>Gains and Losses on Cash Flow Hedges<sup>(a)</sup></b>	<b>Defined Benefit Pension Items<sup>(a)</sup></b>	<b>Total<sup>(a)</sup></b>
	(millions)		
<b>Three Months Ended March 31, 2018</b>			
Beginning balance January 1	\$ 0.4	\$ (2.6)	\$ (2.2)
Amounts reclassified from accumulated other comprehensive loss	0.9	0.1	1.0
Net current period other comprehensive income	0.9	0.1	1.0
Ending balance March 31	\$ 1.3	\$ (2.5)	\$ (1.2)
<b>Three Months Ended March 31, 2017</b>			
Beginning balance January 1	\$ (4.5)	\$ (2.1)	\$ (6.6)
Amounts reclassified from accumulated other comprehensive loss	1.4	0.1	1.5
Net current period other comprehensive income	1.4	0.1	1.5
Ending balance March 31	\$ (3.1)	\$ (2.0)	\$ (5.1)

<sup>(a)</sup> Net of tax

**KCP&L**

	<b>Gains and Losses on Cash Flow Hedges<sup>(a)</sup></b>
<b>Three Months Ended March 31, 2018</b>	(millions)
Beginning balance January 1	\$ 0.4
Amounts reclassified from accumulated other comprehensive income	0.9
Net current period other comprehensive income	0.9
Ending balance March 31	\$ 1.3
<b>Three Months Ended March 31, 2017</b>	
Beginning balance January 1	\$ (4.2)
Amounts reclassified from accumulated other comprehensive loss	1.3
Net current period other comprehensive income	1.3
Ending balance March 31	\$ (2.9)

<sup>(a)</sup> Net of tax

The following tables reflect the effect on certain line items of net income from amounts reclassified out of each component of accumulated other comprehensive income (loss) for Great Plains Energy and KCP&L.

**Great Plains Energy**

Details about Accumulated Other Comprehensive Loss Components	Amount Reclassified from Accumulated Other Comprehensive Loss		Affected Line Item in the Income Statement
	2018	2017	
<b>Three Months Ended March 31</b>	<b>2018</b>	<b>2017</b>	
	(millions)		
Gains (losses) on cash flow hedges (effective portion)			
Interest rate contracts	\$ (1.2)	\$ (2.3)	Interest charges
	(1.2)	(2.3)	Income before income tax expense and income from equity investments
	0.3	0.9	Income tax benefit
	\$ (0.9)	\$ (1.4)	Net income (loss)
Amortization of defined benefit pension items			
Net losses included in net periodic benefit costs	\$ (0.1)	\$ (0.2)	Non-operating expenses
	(0.1)	(0.2)	Income before income tax expense and income from equity investments
	—	0.1	Income tax benefit
	\$ (0.1)	\$ (0.1)	Net income (loss)
Total reclassifications, net of tax	\$ (1.0)	\$ (1.5)	Net income (loss)

**KCP&L**

Details about Accumulated Other Comprehensive Loss Components	Amount Reclassified from Accumulated Other Comprehensive Income (Loss)		Affected Line Item in the Income Statement
	2018	2017	
<b>Three Months Ended March 31</b>			
	(millions)		
Gains (losses) on cash flow hedges (effective portion)			
Interest rate contracts	\$ (1.2)	\$ (2.2)	Interest charges
	(1.2)	(2.2)	Income before income tax expense
	0.3	0.9	Income tax benefit
Total reclassifications, net of tax	\$ (0.9)	\$ (1.3)	Net income

**16. TAXES**

Components of income tax expense are detailed in the following tables.

<b>Great Plains Energy</b>		
<b>Three Months Ended March 31</b>	<b>2018</b>	<b>2017</b>
Current income taxes	(millions)	
Federal	\$ —	\$ —
State	—	0.2
Total	—	0.2
Deferred income taxes		
Federal	3.2	(4.5)
State	2.6	(1.1)
Total	5.8	(5.6)
Investment tax credit amortization	(0.3)	(0.4)
Income tax expense (benefit)	\$ 5.5	\$ (5.8)

<b>KCP&amp;L</b>		
<b>Three Months Ended March 31</b>	<b>2018</b>	<b>2017</b>
Current income taxes	(millions)	
Federal	\$ (1.3)	\$ (0.1)
State	(0.5)	—
Total	(1.8)	(0.1)
Deferred income taxes		
Federal	3.6	7.8
State	2.0	1.4
Total	5.6	9.2
Investment tax credit amortization	(0.3)	(0.3)
Income tax expense	\$ 3.5	\$ 8.8

**Effective Income Tax Rates**

Effective income tax rates reflected in the financial statements and the reasons for their differences from the statutory federal rates are detailed in the following tables.

<b>Great Plains Energy</b>		
<b>Three Months Ended March 31</b>	<b>2018</b>	<b>2017</b>
Federal statutory income tax rate	21.0 %	35.0 %
Effect of regulatory treatment of book and tax differences	(9.6)	—
Amortization of investment tax credits	(0.4)	(0.4)
Federal income tax credits	(4.1)	(1.5)
State income taxes	5.2	4.2
Transaction-related costs	0.1	3.1
Other	1.4	(2.5)
Effective income tax rate	13.6 %	37.9 %

  

<b>KCP&amp;L</b>		
<b>Three Months Ended March 31</b>	<b>2018</b>	<b>2017</b>
Federal statutory income tax rate	21.0 %	35.0 %
Effect of regulatory treatment of book and tax differences	(7.2)	(0.1)
Amortization of investment tax credits	(0.4)	(0.3)
Federal income tax credits	(5.3)	(1.8)
State income taxes	5.1	4.0
Other	1.7	1.5
Effective income tax rate	14.9 %	38.3 %

The decrease in Great Plains Energy's and KCP&L's effective income tax rates for the three months ended March 31, 2018, compared to the same period in 2017, is primarily driven by the impacts of the Tax Cuts and Jobs Act which reduced the federal statutory income tax rate from 35% to 21% beginning in 2018.

**Tax Reform**

In December 2017, the U.S. Congress passed and President Donald Trump signed Public Law No. 115-97, commonly referred to as the Tax Cuts and Jobs Act. The Tax Cuts and Jobs Act represents the first major reform in U.S. income tax law since 1986. Most notably, the Tax Cuts and Jobs Act reduces the current top corporate income tax rate from 35% to 21% beginning in 2018, repeals the corporate Alternative Minimum Tax (AMT), makes existing AMT tax credit carryforwards refundable, and changes the deductibility and taxability of certain items, among other things.

KCP&L and GMO currently recover the cost of income taxes in rates from their customers based on the 35% federal corporate income tax rate. Both KCP&L and GMO have announced their intentions to pass the income tax savings generated by the tax rate change, currently estimated at approximately \$100 million annually, through to customers as part of general rate cases recently filed in both Missouri and Kansas. In January 2018, KCC issued an order requiring certain regulated public utilities, including KCP&L, to begin recording a regulatory liability for the difference between the new corporate tax rate and amounts currently collected in rates. The treatment of the regulatory liability will be addressed by KCC in future orders.

As a result of the KCC order discussed above and the probability that KCP&L and GMO will be required to make similar refunds to their Missouri customers, Great Plains Energy and KCP&L have recorded regulatory liabilities as of March 31, 2018 of \$21.9 million and \$15.2 million, respectively. The actual regulatory treatment of tax reform and these regulatory liabilities will not be known until orders specifying the treatment are received from the MPSC and KCC and any amounts ultimately refunded to customers could differ from the amounts recorded.

## 17. SEGMENTS AND RELATED INFORMATION

Great Plains Energy has one reportable segment based on its method of internal reporting, which segregates reportable segments based on products and services, management responsibility and regulation. The one reportable business segment is Electric Utility, consisting of KCP&L, GMO's regulated utility operations and GMO Receivables Company. Other includes GMO activity other than its regulated utility operations, GPETHC and unallocated corporate charges including certain costs to achieve the anticipated merger with Westar. The summary of significant accounting policies applies to the reportable segment. Segment performance is evaluated based on net income (loss).

The following tables reflect summarized financial information concerning Great Plains Energy's reportable segment.

Three Months Ended March 31, 2018	Electric Utility	Other	Eliminations	Great Plains Energy
	(millions)			
Operating revenues	\$ 583.9	\$ —	\$ —	\$ 583.9
Depreciation and amortization	(93.7)	—	—	(93.7)
Interest (charges) income	(47.8)	(8.3)	8.0	(48.1)
Income tax expense	(2.9)	(2.6)	—	(5.5)
Net income	28.0	7.0	—	35.0

Three Months Ended March 31, 2017	Electric Utility	Other	Eliminations	Great Plains Energy
	(millions)			
Operating revenues	\$ 570.7	\$ —	\$ —	\$ 570.7
Depreciation and amortization	(90.3)	—	—	(90.3)
Interest (charges) income	(50.1)	(24.5)	8.0	(66.6)
Income tax (expense) benefit	(10.1)	15.9	—	5.8
Net income (loss)	16.1	(25.7)	—	(9.6)

	Electric Utility	Other	Eliminations	Great Plains Energy
	(millions)			
<b>March 31, 2018</b>				
Assets	\$ 11,529.0	\$ 1,304.1	\$ (384.7)	\$ 12,448.4
Capital expenditures <sup>(a)</sup>	119.7	—	—	119.7
<b>December 31, 2017</b>				
Assets	\$ 11,508.1	\$ 1,285.7	\$ (335.9)	\$ 12,457.9
Capital expenditures <sup>(a)</sup>	573.5	—	—	573.5

<sup>(a)</sup> Capital expenditures reflect year to date amounts for the periods presented.

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

### GREAT PLAINS ENERGY INCORPORATED

#### EXECUTIVE SUMMARY

##### Description of Business

Great Plains Energy is a public utility holding company and does not own or operate any significant assets other than the stock of its subsidiaries and cash and cash equivalents.

Great Plains Energy's sole reportable business segment is Electric Utility. Electric Utility consists of KCP&L, a regulated utility, GMO's regulated utility operations and GMO Receivables Company. Electric Utility has approximately 6,500 MWs of owned generating capacity and engages in the generation, transmission, distribution

and sale of electricity to approximately 870,500 customers in the states of Missouri and Kansas. Electric Utility's retail electricity rates are comparable to the national average of investor-owned utilities.

Great Plains Energy's corporate and other activities not included in the sole reportable business segment includes GMO activity other than its regulated utility operations, GPETHC and unallocated corporate charges including certain costs to achieve the anticipated merger with Westar.

#### **Anticipated Merger with Westar Energy, Inc.**

On July 9, 2017, Great Plains Energy entered into an Amended Merger Agreement by and among Great Plains Energy, Westar, Holdco, and Merger Sub. Pursuant to the Amended Merger Agreement, subject to the satisfaction or waiver of certain conditions, Great Plains Energy will merge with and into Holdco, with Holdco surviving such merger, and Merger Sub will merge with and into Westar, with Westar surviving such merger. Upon closing, pursuant to the Amended Merger Agreement, each outstanding share of Great Plains Energy's and Westar's common stock will be converted into the right to receive 0.5981 and 1.0, respectively, of validly issued, fully paid and nonassessable shares of common stock, no par value, of Holdco. Following the mergers, Holdco, with a new name that has yet to be publicly announced, will be the parent of Great Plains Energy's direct subsidiaries, including KCP&L, and Westar.

The anticipated merger has been structured as a merger of equals in a tax-free exchange of shares that involves no premium paid or received with respect to either Great Plains Energy or Westar. Following the completion of the anticipated merger, Westar shareholders will own approximately 52.5 percent and Great Plains Energy shareholders will own approximately 47.5 percent of the combined company.

Great Plains Energy's anticipated merger with Westar was unanimously approved by the Great Plains Energy Board and Westar Board of Directors, has received the approvals of each of Great Plains Energy's and Westar's shareholders, the NRC, FERC and FCC and has received early termination of the waiting period under the HSR Act with respect to antitrust review. The anticipated merger remains subject to regulatory approvals from KCC and the MPSC as well as other contractual conditions.

See Note 3 to the consolidated financial statements for more information regarding the anticipated merger.

#### **Earnings Overview**

Great Plains Energy had earnings available for common shareholders of \$35.0 million or \$0.16 per share for the three months ended March 31, 2018, compared to a loss of \$24.7 million or \$0.11 per share for the same period in 2017. This increase in earnings was largely driven by colder weather; an increase in weather-normalized retail demand; a decrease in costs to achieve the anticipated merger with Westar; lower interest charges and preferred stock dividend requirements; partially offset by a provision for rate refund related to the Tax Cuts and Jobs Act and higher income tax expense.

For additional information regarding the change in earnings (loss), refer to the Great Plains Energy Results of Operations and the Electric Utility Results of Operations sections within this Management's Discussion and Analysis of Financial Condition and Results of Operations.

#### **Adjusted Earnings (Non-GAAP) and Adjusted Earnings Per Share (Non-GAAP)**

Great Plains Energy's adjusted earnings (non-GAAP) and adjusted earnings per share (non-GAAP) for the three months ended March 31, 2018, were \$29.4 million or \$0.19 per share, respectively. Great Plains Energy's adjusted earnings (non-GAAP) and adjusted earnings per share (non-GAAP) for the three months ended March 31, 2017, were \$19.9 million and \$0.13, respectively. In addition to earnings (loss) available for common shareholders and diluted earnings (loss) per common share, Great Plains Energy's management uses adjusted earnings (non-GAAP) and adjusted earnings per share (non-GAAP) to evaluate earnings and earnings per share without the impact of the anticipated merger with Westar.

Adjusted earnings (non-GAAP) and adjusted earnings per share (non-GAAP) excludes certain costs, expenses, gains, losses and the per share dilutive effect of equity issuances resulting from the anticipated merger and the

previous plan to acquire Westar. This information is intended to enhance an investor's overall understanding of results. Adjusted earnings (non-GAAP) and adjusted earnings per share (non-GAAP) are used internally to measure performance against budget and in reports for management and the Great Plains Energy Board. Adjusted earnings (non-GAAP) and adjusted earnings per share (non-GAAP) are financial measures that are not calculated in accordance with GAAP and may not be comparable to other companies' presentations or more useful than the GAAP information provided elsewhere in this report.

The following table provides a reconciliation between earnings (loss) available for common shareholders and diluted earnings (loss) per common share as determined in accordance with GAAP and adjusted earnings (non-GAAP) and adjusted earnings per share (non-GAAP):

Reconciliation of GAAP to Non-GAAP	Earnings (Loss)		Earnings (Loss) per Diluted Share	
	2018	2017	2018	2017
<b>Three Months Ended March 31</b>				
	(millions, except per share amounts)			
Earnings (loss) available for common shareholders	\$ 35.0	\$ (24.7)	\$ 0.16	\$ (0.11)
Costs to achieve the anticipated merger with Westar:				
Operating expense, pre-tax <sup>(a)</sup>	2.9	39.4	0.02	0.25
Financing, pre-tax <sup>(b)</sup>	—	26.6	—	0.17
Mark-to-market impacts of interest rate swaps, pre-tax <sup>(c)</sup>	(7.0)	(12.1)	(0.05)	(0.08)
Interest income, pre-tax <sup>(d)</sup>	(3.5)	(4.6)	(0.02)	(0.03)
Income tax expense (benefit) <sup>(e)</sup>	2.0	(19.8)	0.02	(0.13)
Preferred stock <sup>(f)</sup>	—	15.1	—	0.10
Impact of October 2016 share issuance <sup>(g)</sup>	N/A	N/A	0.06	(0.04)
Adjusted earnings (non-GAAP)	\$ 29.4	\$ 19.9	\$ 0.19	\$ 0.13
<b>Average Shares Outstanding</b>			(millions)	
Shares used in calculating diluted earnings (loss) per common share			216.0	215.3
Adjustment for October 2016 share issuance <sup>(g)</sup>			(60.5)	(60.5)
Shares used in calculating adjusted earnings per share (non-GAAP)			155.5	154.8

<sup>(a)</sup> Reflects legal, advisory and consulting fees and certain severance expenses and are included in Costs to achieve the anticipated merger with Westar on the consolidated statements of comprehensive income (loss).

<sup>(b)</sup> Reflects fees for a bridge term loan facility and interest on Great Plains Energy's \$4.3 billion senior notes and are included in Interest charges on the consolidated statements of comprehensive income (loss).

<sup>(c)</sup> Reflects the mark-to-market impacts of interest rate swaps and is included in Interest charges and Non-operating income on the consolidated statements of comprehensive income (loss).

<sup>(d)</sup> Reflects interest income earned on the proceeds from Great Plains Energy's October 2016 equity offerings and March 2017 issuance of \$4.3 billion senior notes and is included in Non-operating income on the consolidated statements of comprehensive income (loss).

<sup>(e)</sup> Reflects an income tax effect calculated at a 25.74% statutory rate for 2018 and a 38.9% statutory rate for 2017, with the exception of certain non-deductible legal and financing fees.

<sup>(f)</sup> Reflects reductions to earnings available for common shareholders related to preferred stock dividend requirements for Great Plains Energy's Series B Preferred Stock and are included in Preferred stock dividend requirements on the consolidated statements of comprehensive income (loss).

<sup>(g)</sup> Reflects the average share impact of Great Plains Energy's issuance of 60.5 million shares of common stock in October 2016.

### Regulatory Proceedings

See Note 7 to the consolidated financial statements for information regarding regulatory proceedings.

### Impact of Recently Issued Accounting Standards

See Note 1 to the consolidated financial statements for information regarding the impact of recently issued accounting standards.

### Wolf Creek Refueling Outage

Wolf Creek's most recent refueling outage began on March 31, 2018 and the unit is expected to return to service in May 2018. Wolf Creek's next refueling outage is planned to begin in the third quarter of 2019.

**ENVIRONMENTAL MATTERS**

See Note 12 to the consolidated financial statements for information regarding environmental matters.

**RELATED PARTY TRANSACTIONS**

See Note 13 to the consolidated financial statements for information regarding related party transactions.

**GREAT PLAINS ENERGY RESULTS OF OPERATIONS**

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

<b>Three Months Ended March 31</b>	<b>2018</b>	<b>2017</b>
	(millions)	
Operating revenues	\$ 583.9	\$ 570.7
Fuel and purchased power	(154.3)	(126.5)
Transmission	(25.4)	(23.1)
Other operating expenses	(221.3)	(232.3)
Costs to achieve the anticipated merger with Westar	(2.9)	(39.4)
Depreciation and amortization	(93.7)	(90.3)
Operating income	86.3	59.1
Non-operating income and expenses	1.3	(8.8)
Interest charges	(48.1)	(66.6)
Income tax (expense) benefit	(5.5)	5.8
Income from equity investments	1.0	0.9
Net income (loss)	35.0	(9.6)
Preferred dividends	—	(15.1)
Earnings (loss) available for common shareholders	\$ 35.0	\$ (24.7)
<b>Reconciliation of gross margin to operating revenues:</b>		
Operating revenues	\$ 583.9	\$ 570.7
Fuel and purchased power	(154.3)	(126.5)
Transmission	(25.4)	(23.1)
Gross margin <sup>(a)</sup>	\$ 404.2	\$ 421.1

<sup>(a)</sup> Gross margin is a non-GAAP financial measure. See explanation of gross margin below.

**Electric Utility Segment**

Electric Utility's net income increased \$11.9 million for the three months ended March 31, 2018, compared to the same period in 2017 primarily due to:

- a \$16.9 million decrease in gross margin driven by a provision for rate refund related to the Tax Cuts and Jobs Act and the income statement presentation of sales taxes and franchise fees collected from KCP&L Missouri customers; partially offset by colder weather and an increase in weather-normalized retail demand;
- a \$10.7 million decrease in other operating expense primarily driven by the income statement presentation of sales taxes and franchise fees collected from KCP&L Missouri customers; partially offset by an increase in program costs for energy efficiency programs under the Missouri Energy Efficiency Investment Act (MEEIA) and an increase in plant operating and maintenance expenses at coal units;
- a \$9.5 million decrease in costs to achieve the anticipated merger with Westar primarily due to decreased consulting fees and severance expenses; and
- a \$7.2 million decrease in income tax expense primarily driven by a decrease in the federal statutory income tax rate in 2018 and an increase in flow-through items primarily consisting of amortization of

regulatory liabilities for excess deferred income taxes generated as a result of the enactment of the Tax Cuts and Jobs Act in December 2017.

### **Corporate and Other Activities**

Great Plains Energy's corporate and other activities earnings increased \$47.8 million for the three months ended March 31, 2018, compared to the same period in 2017 primarily due to:

- a \$27.0 million decrease in operating expenses for costs to achieve the anticipated merger with Westar;
- a \$14.5 million decrease in interest charges primarily due to:
  - \$26.6 million of costs incurred to finance the acquisition of Westar under the Original Merger Agreement in 2017, including fees for a bridge term loan facility and interest on Great Plains Energy's \$4.3 billion senior notes issued in March 2017 and redeemed in July 2017; and
  - a \$12.1 million mark-to-market gain in 2017 on deal contingent interest rate swaps entered into in June 2016 to hedge against interest rate fluctuations prior to Great Plains Energy's issuance of \$4.3 billion senior notes in March 2017;
- a \$5.9 million increase in non-operating income due to a \$7.0 million mark-to-market gain on deal contingent interest rate swaps in 2018, partially offset by a decrease of \$1.1 million of interest income earned on decreased cash and cash equivalents at Great Plains Energy in 2018;
- a \$17.7 million increase in income tax expense related to these items; and
- a \$15.1 million decrease in reductions to earnings available for common shareholders related to preferred stock dividend requirements for Great Plains Energy's Series B Preferred Stock that was redeemed in August 2017.

### **Gross Margin**

Gross margin is a financial measure that is not calculated in accordance with GAAP. Gross margin, as used by Great Plains Energy and KCP&L, is defined as operating revenues less fuel and purchased power and transmission. Expenses for fuel and purchased power and certain transmission costs, offset by wholesale sales margin, are subject to recovery through cost adjustment mechanisms. As a result, operating revenues increase or decrease in relation to a significant portion of these expenses. Management believes that gross margin provides a meaningful basis for evaluating Electric Utility's operations across periods because gross margin excludes the revenue effect of fluctuations in these expenses. Gross margin is used internally to measure performance against budget and in reports for management and the Great Plains Energy Board. The Companies' definition of gross margin may differ from similar terms used by other companies.

## **ELECTRIC UTILITY RESULTS OF OPERATIONS**

The following table summarizes Electric Utility's results of operations.

<b>Three Months Ended March 31</b>	<b>2018</b>		<b>2017</b>	
	(millions)			
Operating revenues	\$	583.9	\$	570.7
Fuel and purchased power		(154.3)		(126.5)
Transmission		(25.4)		(23.1)
Other operating expenses		(220.7)		(231.4)
Costs to achieve the anticipated merger with Westar		(2.2)		(11.7)
Depreciation and amortization		(93.7)		(90.3)
Operating income		87.6		87.7
Non-operating income and expenses		(8.9)		(11.4)
Interest charges		(47.8)		(50.1)
Income tax expense		(2.9)		(10.1)
Net income	\$	28.0	\$	16.1
<b>Reconciliation of gross margin to operating revenues</b>				
Operating revenues	\$	583.9	\$	570.7
Fuel and purchased power		(154.3)		(126.5)
Transmission		(25.4)		(23.1)
Gross margin <sup>(a)</sup>	\$	404.2	\$	421.1

<sup>(a)</sup> Gross margin is a non-GAAP financial measure. See explanation of gross margin under Great Plains Energy's Results of Operations.

### **Electric Utility Gross Margin and MWh Sales**

The following tables summarize Electric Utility's gross margin and MWhs sold.

<b>Three Months Ended March 31</b>	<b>Revenues and Costs</b>		<b>% Change</b>	<b>MWhs Sold</b>		<b>% Change</b>
	<b>2018</b>	<b>2017</b>		<b>2018</b>	<b>2017</b>	
Retail revenues	(millions)			(thousands)		
Residential	\$ 243.0	\$ 221.9	10	2,320	2,028	14
Commercial	246.0	244.5	1	2,653	2,541	4
Industrial	52.1	52.8	(1)	725	739	(2)
Other retail revenues	4.5	4.6	(3)	26	27	(2)
Total electric retail	545.6	523.8	4	5,724	5,335	7
Wholesale revenues	6.0	23.7	(75)	1,521	1,948	(22)
Other revenues	32.3	23.2	40	N/A	N/A	N/A
Operating revenues	583.9	570.7	2	7,245	7,283	(1)
Fuel and purchased power	(154.3)	(126.5)	22			
Transmission	(25.4)	(23.1)	10			
Gross margin <sup>(a)</sup>	\$ 404.2	\$ 421.1	(4)			

<sup>(a)</sup> Gross margin is a non-GAAP financial measure. See explanation of gross margin under Great Plains Energy's Results of Operations.

Electric Utility's gross margin decreased \$16.9 million for the three months ended March 31, 2018, compared to the same period in 2017 primarily driven by:

- a \$21.9 million decrease due to a provision for rate refund in 2018 at KCP&L and GMO for Missouri and Kansas customers for the difference in federal income taxes collected in current rates at 35% and the new federal corporate income tax rate of 21% effective in January 2018 as a result of the Tax Cuts and Jobs Act;
- \$16.0 million of sales taxes and franchise fees collected from KCP&L Missouri customers in 2017, which as part of the Company's adoption of ASC 606, *Revenue from Contracts with Customers*, these items are now presented net in revenue in 2018;

- an estimated \$18 million increase due to colder weather driven by a 27% increase in heating degree days in the first quarter of 2018;
- an estimated \$6 million increase due to weather-normalized retail demand; and
- a \$1.8 million increase for recovery of program costs for energy efficiency programs under MEEIA, which have a direct offset in utility operating and maintenance expense.

**Electric Utility Other Operating Expenses (including utility operating and maintenance expenses, general taxes and other)**

Electric Utility's other operating expenses decreased \$10.7 million for the three months ended March 31, 2018, compared to the same period in 2017 primarily driven by:

- a \$16.1 million decrease in general taxes primarily due to sales taxes and franchise fees collected from KCP&L Missouri customers in 2017, which as part of the Company's adoption of ASC 606, *Revenue from Contracts with Customers*, these items are now presented net in revenue in 2018;
- a \$1.8 million increase in program costs for energy efficiency program under MEEIA, which have a direct offset in revenue; and
- a \$1.1 million increase in plant operating and maintenance expense at coal units, primarily due to outages.

**Electric Utility Costs to Achieve the Anticipated Merger with Westar**

Electric Utility's costs to achieve the anticipated merger with Westar decreased \$9.5 million for the three months ended March 31, 2018, compared to the same period in 2017 primarily due to a \$5.3 million decrease in consulting fees and a \$4.0 million decrease in certain severance expenses related to the anticipated merger with Westar.

**Electric Utility Income Tax Expense**

Electric Utility's income tax expense decreased \$7.2 million for the three months ended March 31, 2018, compared to the same period in 2017 primarily driven by an \$8.1 million decrease in income tax expense related to the enactment of the Tax Cuts and Jobs Act consisting of:

- a \$4.1 million decrease in income tax expense as a result of the decrease in the federal statutory income tax rate in 2018; and
- a \$4.0 million decrease in income tax expense due to an increase in flow-through items primarily consisting of amortization of regulatory liabilities for excess deferred income taxes generated as a result of the enactment of the Tax Cuts and Jobs Act in December 2017.

**GREAT PLAINS ENERGY SIGNIFICANT BALANCE SHEET CHANGES**

**(March 31, 2018 compared to December 31, 2017)**

- Great Plains Energy's receivables, net decreased \$43.5 million primarily due to seasonal decreases in customer accounts receivable.
- Great Plains Energy's commercial paper increased \$147.0 million due to an increase in commercial paper of \$120.8 million at KCP&L and \$26.2 million at GMO due to borrowings for general corporate purposes.
- Great Plains Energy's current maturities of long-term debt decreased \$350.0 million due to the repayment of KCP&L's \$350.0 million of 6.375% unsecured Senior Notes at maturity in March 2018.
- Great Plains Energy's accounts payable decreased \$154.0 million primarily due to the timing of cash payments.
- Great Plains Energy's accrued taxes increased \$37.6 million primarily due to the timing of property tax payments.
- Great Plains Energy's long-term debt increased \$295.9 million primarily due to KCP&L's issuance of \$300.0 million of 4.20% unsecured Senior Notes in March 2018.

## **CAPITAL REQUIREMENTS AND LIQUIDITY**

Great Plains Energy operates through its subsidiaries and has no material assets other than the stock of its subsidiaries and cash and cash equivalents. Great Plains Energy's ability to make payments on its debt securities and its ability to pay dividends is dependent on its receipt of dividends or other distributions from its subsidiaries, proceeds from the issuance of its securities and borrowing under its revolving credit facility.

Great Plains Energy's capital requirements are principally comprised of debt maturities and Electric Utility's construction and other capital expenditures. These items as well as additional cash and capital requirements, including requirements related to the anticipated merger with Westar, are discussed below.

Great Plains Energy's liquid resources at March 31, 2018, consisted of \$1.1 billion of cash and cash equivalents on hand and \$697.4 million of available borrowing capacity from unused bank lines of credit and receivable sale agreements. The available borrowing capacity consisted of \$176.0 million from Great Plains Energy's revolving credit facility, \$309.0 million from KCP&L's credit facilities and \$212.4 million from GMO's credit facilities. See Notes 5 and 10 to the consolidated financial statements for more information regarding the receivable sale agreements and revolving credit facilities, respectively. Generally, Great Plains Energy uses these liquid resources to meet its day-to-day cash flow requirements, and from time to time issues equity and/or long-term debt to repay short-term debt or increase cash balances.

The \$1.1 billion of cash and cash equivalents on hand at March 31, 2018, is primarily the result of Great Plains Energy's common stock offering in October 2016, the proceeds of which were to be used to fund a portion of the cash consideration for the acquisition of Westar under the Original Merger Agreement. Great Plains Energy also expects to receive \$140.6 million in proceeds from its deal contingent interest rate swaps upon the closing of the anticipated merger with Westar. Under the Amended Merger Agreement, Great Plains Energy is required to have not less than \$1.25 billion in cash and cash equivalents on its balance sheet at the closing of the anticipated merger with Westar. It is expected that this excess cash will be returned to shareholders of the combined company through the repurchase of common stock over time after the closing of the anticipated merger.

Great Plains Energy intends to meet day-to-day cash flow requirements including interest payments, retirement of maturing debt, construction requirements, dividends and pension benefit plan funding requirements with a combination of internally generated funds and proceeds from short-term debt. Great Plains Energy's intention to meet a portion of these requirements with internally generated funds may be impacted by the effect of inflation on operating expenses, the level of MWh sales, regulatory actions, compliance with environmental regulations and the availability of generating units. Great Plains Energy does not anticipate issuing equity, equity-linked securities and/or long-term debt to meet cash needs prior to the closing of the anticipated merger with Westar.

### **Cash Flows from Operating Activities**

Great Plains Energy generated positive cash flows from operating activities for the periods presented. The \$25.9 million increase in cash flows from operating activities for Great Plains Energy for the three months ended March 31, 2018, compared to the same period in 2017 was primarily due to a \$44.6 million increase in net income partially offset by a \$28.9 million decrease in working capital. The changes in working capital are detailed in Note 4 to the consolidated financial statements. The individual components of working capital vary with normal business cycles and operations.

### **Cash Flows from Investing Activities**

Great Plains Energy's cash used for investing activities varies with the timing of utility capital expenditures and purchases of investments and nonutility property.

Great Plains Energy's cash flows from investing activities decreased \$1.0 billion for the three months ended March 31, 2018, compared to the same period in 2017 due to \$1.0 billion of proceeds from the maturity of a time deposit in 2017. Great Plains Energy had purchased the \$1.0 billion time deposit in 2016 with a portion of the proceeds from its October 2016 common stock and depositary share offerings.

### **Cash Flows from Financing Activities**

Great Plains Energy's cash flows from financing activities decreased \$4.3 billion for the three months ended March 31, 2018, compared to the same period in 2017 driven by proceeds from Great Plains Energy's March 2017 issuance of \$4.3 billion senior notes.

### **Financing Authorization**

Under stipulations with the MPSC and KCC, Great Plains Energy and KCP&L maintain common equity at not less than 30% and 35%, respectively, of total capitalization (including only the amount of short-term debt in excess of the amount of construction work in progress).

KCP&L's long-term financing activities are subject to the authorization of the MPSC. In February 2018, the MPSC authorized KCP&L to issue up to \$750.0 million of long-term debt through September 30, 2019. At March 31, 2018, KCP&L had utilized \$300.0 million of this authorization.

KCP&L's and GMO's short-term financing activities are subject to the authorization of FERC. In November 2016, FERC authorized KCP&L to have outstanding at any one time up to a total of \$1.0 billion in short-term debt instruments through December 2018. At March 31, 2018, there was \$711.7 million available under this authorization. In December 2017, FERC authorized GMO to have outstanding at any one time up to a total of \$750.0 million in short-term debt instruments through March 2020. At March 31, 2018, there was \$514.5 million available under this authorization.

KCP&L and GMO are also authorized by FERC to participate in the Great Plains Energy money pool, an internal financing arrangement in which funds may be lent on a short-term basis to KCP&L and GMO. At March 31, 2018, there were no outstanding payables under the money pool.

### **Significant Financing Activities**

#### ***Great Plains Energy***

Great Plains Energy had a shelf registration statement that expired in March 2018. Great Plains Energy does not expect to replace this shelf registration statement prior to the closing of the anticipated merger with Westar.

#### ***KCP&L***

KCP&L has an effective shelf registration statement providing for the sale of \$1.1 billion in aggregate principal amount of notes and mortgage bonds which expires in April 2021.

In March 2018, KCP&L issued, at a discount, \$300.0 million of 4.20% unsecured Senior Notes, maturing in 2048. KCP&L also repaid its \$350.0 million of 6.375% unsecured Senior Notes at maturity in March 2018.

### **Debt Agreements**

See Note 10 to the consolidated financial statements for information regarding revolving credit facilities.

### **Pensions**

The Company incurs significant costs in providing defined benefit plans for substantially all active and inactive employees of KCP&L and GMO and its 47% ownership share of WCNO's defined benefit plans. Funding of the plans follows legal and regulatory requirements with funding equaling or exceeding the minimum requirements of ERISA.

For the three months ended March 31, 2018, the Company contributed \$13.7 million to the pension plans and expects to contribute an additional \$70.3 million in 2018 to satisfy ERISA funding requirements and the MPSC and KCC rate orders, the majority of which is expected to be paid by KCP&L.

Additionally, the Company provides post-retirement health and life insurance benefits for certain retired employees and expects to make benefit contributions of \$4.6 million under the provisions of these plans in 2018, the majority of which is expected to be paid by KCP&L.

Management believes the Company has adequate access to capital resources through cash flows from operations or through existing lines of credit to support these funding requirements.

## KANSAS CITY POWER & LIGHT COMPANY

### MANAGEMENT'S NARRATIVE ANALYSIS OF RESULTS OF OPERATIONS

The following table summarizes KCP&L's consolidated comparative results of operations.

Three Months Ended March 31	2018	2017
	(millions)	
Operating revenues	\$ 397.1	\$ 395.9
Fuel and purchased power	(101.8)	(78.9)
Transmission	(15.7)	(14.3)
Other operating expenses	(150.2)	(164.5)
Costs to achieve the anticipated merger with Westar	(1.5)	(7.9)
Depreciation and amortization	(66.9)	(65.3)
Operating income	61.0	65.0
Non-operating income and expenses	(4.3)	(6.4)
Interest charges	(33.0)	(35.6)
Income tax expense	(3.5)	(8.8)
Net income	\$ 20.2	\$ 14.2
<b>Reconciliation of gross margin to operating revenues:</b>		
Operating revenues	\$ 397.1	\$ 395.9
Fuel and purchased power	(101.8)	(78.9)
Transmission	(15.7)	(14.3)
Gross margin <sup>(a)</sup>	\$ 279.6	\$ 302.7

<sup>(a)</sup> Gross margin is a non-GAAP financial measure. See explanation of gross margin under Great Plains Energy's Results of Operations.

### **KCP&L Gross Margin and MWh Sales**

The following table summarizes KCP&L's gross margin and MWhs sold.

Three Months Ended March 31	Revenues and Costs		%	MWhs Sold		%
	2018	2017		Change	2018	
Retail revenues	(millions)			(thousands)		
Residential	\$ 154.9	\$ 141.5	9	1,346	1,190	13
Commercial	181.8	181.4	—	1,859	1,784	4
Industrial	32.2	32.9	(2)	410	421	(3)
Other retail revenues	2.7	2.7	(2)	19	19	1
Total electric retail	371.6	358.5	4	3,634	3,414	6
Wholesale revenues	3.1	23.5	(87)	1,380	1,884	(27)
Other revenues	22.4	13.9	60	N/A	N/A	N/A
Operating revenues	397.1	395.9	—	5,014	5,298	(5)
Fuel and purchased power	(101.8)	(78.9)	29			
Transmission	(15.7)	(14.3)	9			
Gross margin <sup>(a)</sup>	\$ 279.6	\$ 302.7	(8)			

<sup>(a)</sup> Gross margin is a non-GAAP financial measure. See explanation of gross margin under Great Plains Energy's Results of Operations.

KCP&L's gross margin decreased \$23.1 million for the three months ending March 31, 2018, compared to the same period in 2017 primarily driven by:

- a \$15.2 million decrease due to a provision for rate refund in 2018 at KCP&L for Missouri and Kansas customers for the difference in federal income taxes collected in current rates at 35% and the new federal corporate income tax rate of 21% effective in January 2018 as a result of the Tax Cuts and Jobs Act;
- \$16.0 million of sales taxes and franchise fees collected from KCP&L Missouri customers in 2017, which as part of the Company's adoption of ASC 606, *Revenue from Contracts with Customers*, these items are now presented net in revenue in 2018;
- a \$1.0 million decrease for recovery of program costs for energy efficiency programs under MEEIA, which have a direct offset in utility operating and maintenance expense;
- an estimated \$10 million increase due to colder weather driven by a 27% increase in heating degree days in the first quarter of 2018; and
- an estimated \$2 million increase due to weather-normalized retail demand.

**KCP&L Other Operating Expenses (including utility operating and maintenance expenses, general taxes and other)**

KCP&L's other operating expenses decreased \$14.3 million for the three months ended March 31, 2018, compared to the same period in 2017 primarily driven by:

- a \$15.6 million decrease in general taxes primarily due to sales taxes and franchise fees collected from KCP&L Missouri customers in 2017, which as part of the Company's adoption of ASC 606, *Revenue from Contracts with Customers*, these items are now presented net in revenue in 2018;
- a \$1.0 million decrease in program costs for energy efficiency programs under MEEIA, which have a direct offset in revenue; and
- a \$1.9 million increase in plant operating and maintenance expense at coal units, primarily due to outages.

**KCP&L Costs to Achieve the Anticipated Merger with Westar**

KCP&L's costs to achieve the anticipated merger with Westar decreased \$6.4 million for the three months ended March 31, 2018, compared to the same period in 2017 primarily due to a \$3.6 million decrease in consulting fees and a \$2.6 million decrease in certain severance expenses related to the anticipated merger with Westar.

**KCP&L Interest Charges**

KCP&L's interest charges decreased \$2.6 million for the three months ended March 31, 2018, compared to the same period in 2017 primarily due to the repayment of \$350.0 million of 6.375% unsecured Senior Notes at maturity in March 2018.

**KCP&L Income Tax Expense**

KCP&L's income tax expense decreased \$5.3 million for the three months ended March 31, 2018, compared to the same period in 2017 primarily driven by a \$4.9 million decrease in income tax expense related to the enactment of the Tax Cuts and Jobs Act consisting of:

- a \$3.1 million decrease in income tax expense as a result of the decrease in the federal statutory income tax rate in 2018; and
- a \$1.8 million decrease in income tax expense due to an increase in flow-through items primarily consisting of amortization of regulatory liabilities for excess deferred income taxes generated as a result of the enactment of the Tax Cuts and Jobs Act in December 2017.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Great Plains Energy and KCP&L are exposed to market risks associated with commodity price and supply, interest rates and equity prices. Market risks are handled in accordance with established policies, which may include entering into various derivative transactions. In the normal course of business, Great Plains Energy and KCP&L also face risks that are either non-financial or non-quantifiable. Such risks principally include business, legal, compliance, operational and credit risks and are discussed elsewhere in this document as well as in the 2017 Form 10-K and therefore are not represented here.

Great Plains Energy's and KCP&L's interim period disclosures about market risk included in quarterly reports on Form 10-Q address material changes, if any, from the most recently filed annual report on Form 10-K. Therefore, these interim period disclosures should be read in connection with Item 7A Quantitative and Qualitative Disclosures About Market Risk included in the 2017 Form 10-K of each of Great Plains Energy and KCP&L, incorporated herein by reference.

### **ITEM 4. CONTROLS AND PROCEDURES**

#### **GREAT PLAINS ENERGY**

##### **Disclosure Controls and Procedures**

Great Plains Energy carried out an evaluation of its disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act)). This evaluation was conducted under the supervision, and with the participation, of Great Plains Energy's management, including the chief executive officer and chief financial officer, and Great Plains Energy's disclosure committee. Based upon this evaluation, the chief executive officer and chief financial officer of Great Plains Energy have concluded as of the end of the period covered by this report that the disclosure controls and procedures of Great Plains Energy were effective at a reasonable assurance level.

##### **Changes in Internal Control Over Financial Reporting**

There has been no change in Great Plains Energy's internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) of the Exchange Act) that occurred during the quarterly period ended March 31, 2018, that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting.

#### **KCP&L**

##### **Disclosure Controls and Procedures**

KCP&L carried out an evaluation of its disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Exchange Act). This evaluation was conducted under the supervision, and with the participation, of KCP&L's management, including the chief executive officer and chief financial officer, and KCP&L's disclosure committee. Based upon this evaluation, the chief executive officer and chief financial officer of KCP&L have concluded as of the end of the period covered by this report that the disclosure controls and procedures of KCP&L were effective at a reasonable assurance level.

##### **Changes in Internal Control Over Financial Reporting**

There has been no change in KCP&L's internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) of the Exchange Act) that occurred during the quarterly period ended March 31, 2018, that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting.

**PART II - OTHER INFORMATION****ITEM 1. LEGAL PROCEEDINGS****Other Proceedings**

The Companies are parties to various lawsuits and regulatory proceedings in the ordinary course of their respective businesses. For information regarding material lawsuits and proceedings, see Notes 3, 7 and 12 to the consolidated financial statements. Such information is incorporated herein by reference.

**ITEM 1A. RISK FACTORS**

Actual results in future periods for Great Plains Energy and KCP&L could differ materially from historical results and the forward-looking statements contained in this report. The Companies' business is influenced by many factors that are difficult to predict, involve uncertainties that may materially affect actual results and are often beyond their control. Additional risks and uncertainties not presently known or that the Companies' management currently believes to be immaterial may also adversely affect the Companies. Factors that might cause or contribute to such differences include, but are not limited to, those discussed in Item 1A Risk Factors included in the 2017 Form 10-K for each of Great Plains Energy and KCP&L. There have been no material changes with regards to those risk factors. This information, as well as the other information included in this report and in the other documents filed with the SEC, should be carefully considered before making an investment in the securities of Great Plains Energy or KCP&L. Risk factors of KCP&L are also risk factors of Great Plains Energy.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS****Purchases of Equity Securities**

The following table provides information regarding purchases by Great Plains Energy of its equity securities that are registered pursuant to Section 12 of the Exchange Act during the three months ended March 31, 2018.

<b>Issuer Purchases of Equity Securities</b>					
<b>Month</b>	<b>Total Number of Shares (or Units) Purchased <sup>(a)</sup></b>	<b>Average Price Paid per Share (or Unit)</b>	<b>Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs</b>	<b>Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs</b>	
January 1 - 31	3,871	\$ 30.96	—	N/A	
February 1 - 28	1,580	30.14	—	N/A	
March 1 - 31	19,041	30.64	—	N/A	
Total	24,492	\$ 30.66	—	N/A	

<sup>(a)</sup> Represents open market purchases for Great Plains Energy's Dividend Reinvestment and Direct Stock Purchase Plan and defined contribution savings plan (401(k)).

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None.

**ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

**ITEM 5. OTHER INFORMATION**

None.

**ITEM 6. EXHIBITS**

<u>Exhibit Number</u>		<u>Description of Document</u>	<u>Registrant</u>
4.1	*	<a href="#">Supplemental Indenture No. 7 dated as of March 1, 2018 between KCP&amp;L and The Bank of New York Mellon Trust Company, N.A., as trustee (Exhibit 4.1 to Form 8-K filed on March 1, 2018).</a>	Great Plains Energy KCP&L
10.1	+	<a href="#">Form of 2018 three-year Performance Share Agreement.</a>	Great Plains Energy KCP&L
10.2	+	<a href="#">Form of 2018 Restricted Stock Agreement.</a>	Great Plains Energy KCP&L
10.3	+	<a href="#">Great Plains Energy Incorporated Long-Term Incentive Plan Awards Standards and Performance Criteria Effective as of January 1, 2018.</a>	Great Plains Energy KCP&L
10.4	+	<a href="#">Great Plains Energy Incorporated, Kansas City Power &amp; Light Company and KCP&amp;L Greater Missouri Operations Company Annual Incentive Plan amended effective as of January 1, 2018.</a>	Great Plains Energy KCP&L
10.5		<a href="#">Limited Consent and Fourth Amendment to the Credit Agreement, dated as of March 26, 2018, among Great Plains Energy Incorporated, Certain Lenders, and Wells Fargo Bank, National Association, as Administrative Agent.</a>	Great Plains Energy
10.6		<a href="#">Limited Consent and Third Amendment to the Credit Agreement, dated as of March 26, 2018, among Kansas City Power &amp; Light Company, Certain Lenders, and Wells Fargo Bank, National Association, as Administrative Agent.</a>	Great Plains Energy KCP&L
10.7		<a href="#">Limited Consent and Third Amendment to Credit Agreement, dated as of March 26, 2018, among KCP&amp;L Greater Missouri Operations Company, Certain Lenders, and Wells Fargo Bank, National Association, as Administrative Agent.</a>	Great Plains Energy
10.8		<a href="#">Fifth Amendment dated as of April 6, 2018 to the Receivables Sales Agreement dated as of May 31, 2012, among GMO Receivables Company, as the Seller, KCP&amp;L Greater Missouri Operations Company, as the Initial Collection Agent, The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch, as the Agent and Victory Receivables Corporation, as the Purchaser.</a>	Great Plains Energy
31.1		<a href="#">Rule 13a-14(a)/15d-14(a) Certification of Terry Bassham.</a>	Great Plains Energy
31.2		<a href="#">Rule 13a-14(a)/15d-14(a) Certification of Kevin E. Bryant.</a>	Great Plains Energy
31.3		<a href="#">Rule 13a-14(a)/15d-14(a) Certification of Terry Bassham.</a>	KCP&L
31.4		<a href="#">Rule 13a-14(a)/15d-14(a) Certification of Kevin E. Bryant.</a>	KCP&L
32.1	**	<a href="#">Section 1350 Certifications.</a>	Great Plains Energy
32.2	**	<a href="#">Section 1350 Certifications.</a>	KCP&L
101.INS		XBRL Instance Document.	Great Plains Energy KCP&L

101.SCH	XBRL Taxonomy Extension Schema Document.	Great Plains Energy KCP&L
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.	Great Plains Energy KCP&L
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.	Great Plains Energy KCP&L
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document.	Great Plains Energy KCP&L
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.	Great Plains Energy KCP&L

\* Filed with the SEC as exhibits to prior SEC filings and are incorporated herein by reference and made a part hereof. The SEC filings and the exhibit number of the documents so filed, and incorporated herein by reference, are stated in parenthesis in the description of such exhibit.

\*\* Furnished and shall not be deemed filed for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act). Such document shall not be incorporated by reference into any registration statement or other document pursuant to the Exchange Act or the Securities Act of 1933, as amended, unless otherwise indicated in such registration statement or other document.

+ Indicates management contract or compensatory plan or arrangement.

Copies of any of the exhibits filed with the SEC in connection with this document may be obtained from Great Plains Energy or KCP&L, as applicable, upon written request.

The registrants agree to furnish to the SEC upon request any instrument with respect to long-term debt as to which the total amount of securities authorized does not exceed 10% of total assets of such registrant and its subsidiaries on a consolidated basis.

**SIGNATURES**

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

**GREAT PLAINS ENERGY INCORPORATED**

Dated: May 2, 2018

By: /s/ Terry Bassham  
(Terry Bassham)  
(Chief Executive Officer)

Dated: May 2, 2018

By: /s/ Steven P. Busser  
(Steven P. Busser)  
(Principal Accounting Officer)

**KANSAS CITY POWER & LIGHT COMPANY**

Dated: May 2, 2018

By: /s/ Terry Bassham  
(Terry Bassham)  
(Chief Executive Officer)

Dated: May 2, 2018

By: /s/ Steven P. Busser  
(Steven P. Busser)  
(Principal Accounting Officer)



## PERFORMANCE SHARE AGREEMENT

THIS PERFORMANCE SHARE AGREEMENT (the "Award Agreement") is entered into as of March 1, 2018 (the "Grant Date"), by and between Great Plains Energy Incorporated (the "Company") and \_\_\_\_\_ (the "Grantee"). All capitalized terms in this Award Agreement that are not defined herein shall have the meanings ascribed to such terms in the Company's Amended Long-Term Incentive Plan, effective as of May 3, 2016 (the "Plan").

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

WHEREAS, the Company wishes to grant to Grantee, and Grantee wishes to accept, an Award of Performance Shares as approved on February 13, 2018, pursuant to the terms and conditions of the Plan and this Award Agreement.

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

1. Performance Share Award. The Company hereby grants to the Grantee an Award of \_\_\_\_\_ Performance Shares for the **three-year period ending December 31, 2020** (the "Award Period"). The Performance Shares may be earned based upon the Company's performance as set forth in Appendix A.
2. Terms and Conditions. The Award of Performance Shares is subject to the following terms and conditions:
  - a. The Performance Shares shall be credited with a hypothetical cash credit equal to the per share dividend paid on the Company's common stock as of the date any such dividend was paid during the entire Award Period, and not just the period of time after the Grant Date. At the end of the Award Period and provided the Performance Shares have not been forfeited in accordance with the terms of the Plan, the Grantee shall be paid, in a lump sum cash payment, the aggregate amount of such hypothetical dividend equivalents.
  - b. No Company common stock will be delivered under this or any other outstanding awards of performance shares until either (i) the Grantee (or the Grantee's successor) has paid to the Company the amount that must be withheld under federal, state and local income and employment tax laws or (ii) the Grantee and the Company have made satisfactory provision for the payment of such taxes. Unless otherwise not permitted by the Compensation and Development Committee (which may disallow share withholding at any time), the Company shall first withhold such taxes (including any taxes due on the cash payment of dividend

equivalents) from the shares otherwise eligible to be delivered under this Award, if any. To the extent the withheld share portion of the Award, if any, is insufficient to satisfy fully the Company's tax withholding obligation, all of the Company's remaining tax withholding obligation will be satisfied through the Company's withholding of cash from the cash portion of any payment.

As an alternative to the Company retaining that number of shares (valued at their Fair Market Value) necessary to satisfy the Company's applicable tax withholding obligations, the Grantee or the Grantee's successor may elect to make a cash payment to the Company in an amount equal to the Company's applicable tax withholding obligation. If the Grantee desires to satisfy his or her remaining tax withholding liability through a cash payment to the Company, the Grantee must make an election on the form provided by the Corporate Secretary of the Company and return it to the designated person set forth on the form no later than the date specified thereon (which shall in no event be more than thirty (30) days from the Grant Date of the Award). Following satisfaction of all tax withholding liabilities, the Company will release or deliver, as applicable, the shares owed to the Grantee.

- c. The Company will, to the full extent permitted by law, have the discretion based on the particular facts and circumstances to require that the Grantee reimburse the Company for all or any portion of any awards if and to the extent the awards reflected the achievement of financial results that were subsequently the subject of a restatement, or the achievement of other objectives that were subsequently found to be inaccurately measured, and a lower award would have occurred based upon the restated financial results or inaccurately measured objectives. The Company may, in its discretion, (i) seek repayment from the Grantee; (ii) reduce the amount that would otherwise be payable to the Grantee under current or future awards; (iii) withhold future equity grants or salary increases; (iv) pursue other available legal remedies; or (v) any combination of these actions. The Company may take such actions against any Grantee, whether or not such Grantee engaged in any misconduct or was otherwise at fault with respect to such restatement or inaccurate measurement. The Company will not, however, seek reimbursement with respect to any awards paid more than three years prior to such restatement or the discovery of inaccurate measurements, as applicable.
  - d. Except as otherwise specifically provided herein, the Award of Performance Shares is subject to and governed by the applicable terms and conditions of the Plan, which are incorporated herein by reference.
3. Amendment. This Agreement may be amended only in the manner provided by the Company evidencing both parties' agreement to the amendment. This Agreement may also be amended, without prior notice to Grantee and without Grantee's consent prior to any Change in Control by the Committee if the Committee in good faith determines the amendment does not materially adversely affect any of Grantee's rights under this Agreement.
  4. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior agreements or understandings between the parties relating thereto.

By: \_\_\_\_\_

By: \_\_\_\_\_

**Grantee**

Dated: March \_\_\_\_\_, 2018

**APPENDIX A**

**2018 - 2020 Performance Criteria**

<b>Objectives</b>	<b>Weighting (Percent)</b>	<b>Threshold (50%)</b>	<b>Target (100%)</b>	<b>Stretch (150%)</b>	<b>Superior (200%)</b>
Total Shareholder Return (TSR) versus EEI Index <sup>1</sup> (Interpolation applicable)	100%	30 <sup>th</sup> Percentile	50 <sup>th</sup> Percentile	70 <sup>th</sup> Percentile	90 <sup>th</sup> Percentile

<sup>1</sup>TSR is compared to an industry peer group of the Edison Electric Institute (EEI) index of electric companies during the three-year measurement period. At the end of the three-year measurement period, the Company will assess its total shareholder return compared to the EEI index. Depending on the Company's percentile rank, the executive will receive a percentage of the performance share grants. Interpolation will be used to determine payouts if percentile rank of relative total shareholder return falls between the percentile ranks shown.

Cap on Negative TSR: If actual TSR performance is negative, payout would be capped at Target (100%).



## RESTRICTED STOCK AGREEMENT

THIS RESTRICTED STOCK AGREEMENT (the “Award Agreement”) is entered into as of March 1, 2018 (the “Grant Date”), by and between Great Plains Energy Incorporated (the “Company”) and \_\_\_\_\_ (the “Grantee”). All capitalized terms in this Award Agreement that are not defined herein shall have the meanings ascribed to such terms in the Company’s Amended Long-Term Incentive Plan, effective as of May 3, 2016 (the “Plan”).

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

WHEREAS, the Company wishes to grant to Grantee, and Grantee wishes to accept, an Award of Restricted Stock as approved on February 13, 2018, pursuant to the terms and conditions of the Plan and this Award Agreement.

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

1. Restricted Stock Award. The Company hereby grants to the Grantee an Award of Shares shares of Restricted Stock subject to the restrictions provided herein.
2. Terms and Conditions. The Award of Restricted Stock is subject to the following terms and conditions:
  - a. The Restricted Stock granted hereunder will be held in book entry and may not be sold, transferred, pledged, hypothecated or otherwise transferred other than as provided in the Plan. The restrictions will terminate on March 1, 2021 (the “Restriction Period”). If Grantee’s employment terminates for any reason before the end of the Restriction Period, the Restricted Stock (and any additional shares attributable to reinvested dividends) will be forfeited.
  - b. Dividends with respect to the Restricted Stock shall be paid and reinvested during the period under the Company’s Dividend Reinvestment and Direct Stock Purchase Plan. Such reinvested dividends shall be subject to the same restrictions as the Restricted Stock.
  - c. No Company common stock will be released from the restrictions under this or any other outstanding awards of restricted stock until either (i) the Grantee (or the Grantee’s successor) has paid to the Company the amount that must be withheld under federal, state and local income and employment tax laws or (ii) the Grantee and the Company have made satisfactory provision for the payment of such taxes. Unless otherwise elected by the Grantee or not

permitted by the Compensation and Development Committee (which may disallow share withholding at any time), all tax withholding will be accomplished through the Company's withholding of a number of shares having a Fair Market Value equal to the Company's applicable tax withholding obligation.

As an alternative to the Company retaining that number of shares (valued at their Fair Market Value) necessary to satisfy the Company's applicable tax withholding obligations, the Grantee or the Grantee's successor may elect to make a cash payment to the Company in an amount equal to the Company's applicable tax withholding obligation. If the Grantee desires to satisfy his or her tax withholding liability through a cash payment to the Company, the Grantee must make an election on the form provided by the Corporate Secretary of the Company and return it to the designated person set forth on the form no later than the date specified thereon (which shall in no event be more than thirty (30) days from the Grant Date of the Award). Following satisfaction of all tax withholding liabilities, the Company will release or deliver, as applicable, the shares owed to the Grantee.

- d. The Company will, to the full extent permitted by law, have the discretion based on the particular facts and circumstances to require that the Grantee reimburse the Company for all or any portion of any awards if and to the extent the awards reflected the achievement of financial results that were subsequently the subject of a restatement, or the achievement of other objectives that were subsequently found to be inaccurately measured, and a lower award would have occurred based upon the restated financial results or inaccurately measured objectives. The Company may, in its discretion, (i) seek repayment from the Grantee; (ii) reduce the amount that would otherwise be payable to the Grantee under current or future awards; (iii) withhold future equity grants or salary increases; (iv) pursue other available legal remedies; or (v) any combination of these actions. The Company may take such actions against the Grantee, whether or not the Grantee engaged in any misconduct or was otherwise at fault with respect to such restatement or inaccurate measurement. The Company will, however, not seek reimbursement with respect to any awards paid more than three years prior to such restatement or the discovery of inaccurate measurements, as applicable.
  - e. Except as otherwise specifically provided herein, the Award of Restricted Stock is subject to and governed by the applicable terms and conditions of the Plan, which are incorporated herein by reference.
3. Amendment. This Agreement may be amended only in the manner provided by the Company evidencing both parties' agreement to the amendment. This Agreement may also be amended, without prior notice to Grantee and without Grantee's consent prior to any Change in Control by the Committee if the Committee in good faith determines the amendment does not materially adversely affect any of Grantee's rights under this Agreement.
  4. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior agreements or understandings between the parties relating thereto.

By: \_\_\_\_\_

By: \_\_\_\_\_

Dated: March \_\_\_\_, 2018

Great Plains Energy Incorporated  
Long-Term Incentive Plan

Awards Standards and Performance Criteria  
Effective as of January 1, 2018

**Objective**

The purpose of the Great Plains Energy Incorporated (“Great Plains Energy” or the “Company”) Amended Long-Term Incentive Plan (the “Plan”) is to encourage officers and other key employees to acquire a proprietary and vested interest in the growth and performance of the Company; to generate an increased incentive to enhance the value of the Company for the benefit of its customers and shareholders; and to aid in the attraction and retention of the qualified individuals upon whom the Company’s success largely depends. The Plan provides equity incentives for the achievement of performance objectives over a multi-year period.

Eligible employees include officers and other key employees of Great Plains Energy, Kansas City Power & Light Company (“KCP&L”), and KCP&L Greater Missouri Operations Company (“GMO”) (“participants”), as approved by the Compensation and Development Committee (“Committee”) of the Board of Directors of the Company.

**Awards**

Awards generally are recommended by the Committee and approved by the independent members of the Board of Directors and set as a percentage of the participant’s base salary. Percentages will vary based on level of responsibility, market data, and internal comparisons. Awards generally will be based on a dollar amount which will then be converted to shares of restricted stock, performance shares, or a combination of both, as determined by the independent members of the Board of Directors, using the Fair Market Value as of the grant date.

**Performance Criteria**

The amount of an individual participant’s performance share award will be determined based on performance against the specific objectives and performance levels approved by the independent members of the Board of Directors. Each participant will receive an award agreement including, among other things, the applicable objectives and performance levels. These objectives and performance levels will also be attached as an appendix to this document.

**Payment and Awards**

Time-based restricted stock will be payable in shares of Company common stock unless otherwise determined by the Committee. Dividends accrued on the restricted stock will be reinvested during the period under the Company’s Dividend Reinvestment and Direct Stock Purchase Plan and will also be paid in stock at the end of the period. Restricted stock is issued in the name of the participant; consequently, the participant will have the right to vote the restricted stock during the period.

Performance shares will be settled in shares through delivery of a net number of shares after share withholding to satisfy all withholding tax obligations associated with both the performance share settlement and payment of all accrued cash dividend equivalents paid contemporaneously with the performance share settlement.

Earned performance share awards will be payable to each participant as soon as practicable after the end of the performance period, subject to Committee certification of performance. To the extent practicable, performance share payments shall occur during an “open window” period.

#### **Additional Terms and Conditions**

All awards will be subject to additional requirements and conditions, including, but not limited to, provisions relating to applicable tax withholding, potential recoupment of compensation in the event of financial error, accounting misstatements or accounting restatements, or any other requirements, terms or conditions set forth in the applicable award agreement.

#### **Administration**

The Committee has the full power and authority to administer, and interpret the provisions of, the Plan. The Committee has the power and authority to add, delete and modify the provisions of this document at any time. This document does not replace or change the provisions or terms of the Plan; in the event of conflicts between this document and the Plan, the Plan is controlling.

Adopted by the independent members of  
the Board of Directors on February 13, 2018

By: /s/ John J. Sherman  
John J. Sherman  
Chair, Compensation and Development Committee

## 2018-2020 Performance Criteria

Objective	Weighting (Percent)	Threshold (50%)	Target (100%)	Stretch (150%)	Superior (200%)
Total Shareholder Return (TSR) versus EEI Index <sup>1</sup> (Interpolation applicable)	100%	30 <sup>th</sup> Percentile	50 <sup>th</sup> Percentile	70 <sup>th</sup> Percentile	90 <sup>th</sup> Percentile

<sup>1</sup>TSR is compared to an industry peer group of the Edison Electric Institute (EEI) index of electric companies during the three-year measurement period. At the end of the three-year measurement period, the Company will assess its total shareholder return compared to the EEI index. Depending on the Company's percentile rank, the executive will receive a percentage of the performance share grants. Interpolation will be used to determine payouts if percentile rank of relative total shareholder return falls between the percentile ranks shown.

Cap on Negative TSR: If actual TSR performance is negative, payout would be capped at Target (100%).

Great Plains Energy Incorporated  
Kansas City Power & Light Company  
KCP&L Greater Missouri Operations Company

Annual Incentive Plan  
Amended effective as of January 1, 2018

**Objective**

The Great Plains Energy Incorporated (“Great Plains Energy” or the “Company”), Kansas City Power & Light Company (“KCP&L”), and KCP&L Greater Missouri Operations Company (“GMO”) Annual Incentive Plan (the “Plan”) is designed to motivate and reward officers for the achievement of specific key financial and business goals. By providing market-competitive target awards, the Plan supports the attraction and retention of senior executive talent critical to achieving Great Plains Energy’s strategic business objectives.

Eligible participants shall be those officers of Great Plains Energy, KCP&L and/or GMO (“participants”), as approved by the Compensation and Development Committee (“Committee”) of the Board of Directors.

**Awards**

Awards are recommended by the Committee and approved by the independent members of the Board of Directors, and set as a percentage of the participant’s base salary. Percentages will vary based on level of responsibility, market data and internal comparisons.

Notwithstanding anything herein to the contrary and even in the event that none of the Primary Goal(s) or none of the Secondary Goal(s) is achieved, the Committee shall nevertheless retain the full discretion to pay bonus compensation outside of the parameters of this Plan for the 2018 Plan Year.

**Plan Year and Incentive Objectives**

For 2018, the Plan Year will initially be the fiscal year beginning on January 1 and ending on December 31. Within the first 90 days of the 2018 Plan Year, the Committee will recommend for approval by the independent members of the Board of Directors specific annual objectives and performance levels that are applicable to each participant. The amount of an individual participant’s award will be determined based on performance against the specific objectives and performance levels approved by the independent members of the Board of Directors. Objectives and performance levels for the 2018 Plan Year will be fixed for the Plan Year and, in addition to any possible changes to account for the anticipated merger with Westar Energy, Inc. (the “Merger”) and the potential for two contingent Stub Periods (as defined below), will be changed only upon the approval of the independent members of the Board of Directors.

**Contingent Stub Period**

During 2018 and in connection with the Merger, the Committee may modify and bifurcate the Plan Year (and related incentive objectives) to be two Contingent Stub Periods (each a “Stub Period”). In the Committee’s discretion, one Stub Period may end on or shortly before the effective date of the Merger (the “First Stub Period”) and the second Stub Period may begin on or shortly following the effective date of the Merger and end on December 31, 2018 (the “Second Stub Period”). The Committee may modify and establish any incentive objectives and the performance levels applicable to any participant for the First Stub Period no later than February 28, 2018 and establish any incentive objectives and performance levels applicable to

any participant for the Second Stub Period no later than 60<sup>th</sup> day following the commencement date of the Second Stub Period.

Each participant will be provided a copy of the applicable objectives and performance levels within the first 90 days of the 2018 year or any Stub Period.

### **"Umbrella" Plan Funding for any Plan Year or Stub Periods**

The Committee will utilize an "umbrella" funding structure under the Plan to give the Committee additional structured flexibility with respect to determining bonus amounts. The Committee has elected to utilize this funding approach for the 2018 Plan Year, including for either or both of any Stub Period. Under this funding structure, if initial objective performance goal(s) are achieved, Plan award amounts will be "funded" at the superior (200%), subject to further reduction based on Company and individual performance. Individual awards under the Plan shall not exceed 200%. Umbrella funding allows the Committee to exercise negative discretion and to differentiate bonus amounts among executives based on individual performance and the Committee's assessment of the individual's achievements and overall contributions to the Company. If the achievement level of the Primary Goal(s) does not meet threshold performance, umbrella funding at the 200% level will not occur, and earned awards will be paid based on the actual performance level of the Plan objectives for the Plan Year or applicable Stub Period. Determination of final awards under the Plan are subject to Committee discretion.

For each Plan year (or any Stub Period), the Committee will establish one or more initial performance objective(s) (the "Primary Goal(s)") that must be met to fund the Plan at 200%. For 2018, there will be one Primary Goal: the Company's earnings per share (EPS). Achievement of the Primary Goal(s) at the threshold level will result in initial funding levels under the Plan at two hundred percent (200%) of all target bonus payout levels. All other Officer Annual Incentive Plan objective performance goals will be considered "Secondary Goals". The Committee will approve the Primary and Secondary goals after reviewing management's recommendations of objectives and targets and associated risks and discussing the applicable goals and goal levels with the independent members of the Board. The Committee will exercise negative discretion based on achievement levels of the Secondary Goals and any other subjective factors the Committee elects to take into account when determining earned awards.

### **Payment of Awards**

Earned awards will be payable to each participant after the completion of the Plan Year or Stub Period, as applicable, following the determination by the Committee of the achievement level for the Primary Goal(s), the Secondary Goal(s) and each of the relevant objectives relating thereto and the date payment will be made. The awards will be paid, in the sole discretion of the Committee, in cash, Company stock (in the form of "Bonus Shares" under the Company's Long-Term Incentive Plan, as may be amended or restated), or a combination of cash and stock, except to the extent receipt of payment is properly deferred under the Nonqualified Deferred Compensation Plan (the "NQDC Plan"). (Note that any earned award for which a deferral election has been made under the NQDC Plan will result in a cash award being deferred, as Bonus Shares are not eligible to be deferred under such plan.)

An award for a person who becomes a participant during a Plan Year or Stub Period, as applicable, will be prorated unless otherwise determined by the Committee. A participant who retires during a Plan Year or Stub Period, as applicable, will receive a prorated award unless otherwise determined by the Committee. Prorated awards will be payable in the event of death or disability of the participant. Proration shall be calculated using the number of months elapsed in the year or Stub Period, as applicable, prior to the event,

based on the following conventions: If the event occurs between the first and fifteenth day of a month, it shall be deemed to have occurred on the first of the month; and if the event occurs subsequent to the fifteenth day of a month, it shall be deemed to have occurred on the first day of the following month. A participant who terminates employment with the Company prior to the date awards are paid shall forfeit all awards unless otherwise determined by the Committee in its sole discretion.

The Company may deduct from the cash portion of the award all applicable withholding and other taxes applicable to the entire award. Such withheld amount must satisfy, but not exceed, the Company's minimum tax withholding obligations for federal and state income tax purposes. No Company common stock will be paid under an award until the participant (or the participant's successor) has paid to the Company the amount that must be withheld under federal, state and local income and employment tax laws or the participant and the Company have made satisfactory provision for the payment of such taxes. As an alternative to making a cash payment to satisfy the applicable withholding taxes, the participant or the participant's successor may elect to have the Company retain that number of shares (valued at their Fair Market Value, as that term is defined in the Company's Long-Term Incentive Plan, as may be amended or restated) that would satisfy the applicable withholding taxes, subject to the Committee's continuing authority to require cash payment notwithstanding participant's election.

To the extent the participant elects to have shares withheld to cover the applicable minimum withholding requirements, and has not already done so, the participant must complete a withholding election on the form provided by the Corporate Secretary of the Company and return it to the designated person set forth on the form no later than the date specified thereon (which shall in no event be more than thirty days from the grant date of the award). The participant may elect on such form to relinquish the minimum number of whole shares of Company common stock having an aggregate fair market value (as determined for tax purposes) on the applicable vesting or payment date that will fully cover the amount required to satisfy the Company's minimum tax withholding obligations for federal and state income tax purposes arising on the applicable vesting or payment date. To the extent no withholding election is made before the date specified, the participant is required to pay the Company the amount of federal, state and local income and employment tax withholdings by cash or check at the time the participant recognizes income with respect to such shares, or must make other arrangements satisfactory to the Company to satisfy the tax withholding obligations after which the Company will release or deliver, as applicable, to the participant the full number of shares.

The Company will, to the full extent permitted by law, have the discretion based on the particular facts and circumstances, to require that each participant reimburse the Company for all or any portion of any awards if and to the extent the awards reflected the achievement of financial results that were subsequently the subject of a restatement, or the achievement of other objectives that were subsequently found to be inaccurately measured, and a lower award would have occurred based upon the restated financial results or inaccurately measured objectives. The Company may, in its discretion, (i) seek repayment from the participants; (ii) reduce the amount that would otherwise be payable to the participants under current or future awards; (iii) withhold future equity grants or salary increases; (iv) pursue other available legal remedies; or (v) any combination of these actions. The Company may take such actions against any participant, whether or not such participant engaged in any misconduct or was otherwise at fault with respect to such restatement or inaccurate measurement. The Company will, however, not seek reimbursement with respect to any awards paid more than three years prior to such restatement or the discovery of inaccurate measurements, as applicable.

## **Administration**

The Committee has the full power and authority to interpret the provisions of the Plan. The independent members of the Board of Directors have the exclusive right to terminate, modify, change, or alter the plan at any time.

Adopted by the independent members of  
the Board of Directors on February 13, 2018

By: /s/John J. Sherman  
John J. Sherman  
Chair, Compensation and Development Committee

# Appendix

Officer Annual Incentive Plan - 2018									
Our Strategy: *Manage the Existing Business to deliver consistent and reliable customer service and returns. *Improve and expand customer experience to ensure we are the Provider of Choice and to deliver incremental earnings. *Pursue new and entrepreneurial opportunities primarily within the Energy Value Chain to provide material incremental earnings.									
STRATEGY OUTCOME	STRATEGIC OBJECTIVE	STRATEGIC ACTION	MEASURE	WEIGHTING	Targets				
					Threshold (50%)	Target (75%)	Stretch (100%)	Superior (200%+)	
GUIDING PRINCIPLES	GP. Culture that exemplifies the Guiding Principles	GP1. Safety improvement in all areas	GP1.1 Safety Audits & Training	10%	(1) Company-wide safety training 100% complete and (2) 15 Safety & Health self-audits completed per month with 95.0% of related correction plans to be completed within 45 days or a plan to achieve and (3) 10 Physical Conditions Audits with 90.0% of related correction plans to be completed within 45 days or a plan to achieve	(1) Company-wide safety training 100% complete and (2) 20 Safety & Health self-audits completed per month with 97.0% of related correction plans to be completed within 45 days or a plan to achieve and (3) 12 Physical Conditions Audits with 97.0% of related correction plans to be completed within 45 days or a plan to achieve	(1) Company-wide safety training 100% complete and (2) 25 Safety & Health self-audits completed per month with 100% of related correction plans to be completed within 45 days or a plan to achieve and (3) 14 Physical Conditions Audits with 100% of related correction plans to be completed within 45 days or a plan to achieve	(1) Company-wide safety training 100% complete and (2) 30 Safety & Health self-audits completed per month with 100% of related correction plans to be completed within 45 days or a plan to achieve and (3) 20 Physical Conditions Audits with 100% of related correction plans to be completed within 45 days or a plan to achieve	
MANAGE THE EXISTING BUSINESS	EB. Earn our regulated allowed return	EB1. Reliable Operations	EB1.1 SAIDI (System-wide Reliability in Minutes)	10%	113.75	97.23	94.05	90.28	
			EB1.2 Equivalent Availability % Coal Units (Winter & Summer Peak Months Only)	10%	78.1%	82.0%	87.1%	88.8%	
			EB1.3 Equivalent Availability % - Nuclear Unit	5%	80.0%	85.1%	86.8%	87.7%	
	EB2. Disciplined cost and capital management	EB2.1 Earnings Per Share	50%	(1)	(1)	(1)	(1)		
PROVIDER OF CHOICE	PC. Exceed the increasing needs and expectations of customers	PC1. Improve customer perception	PC1.1 JD Power Customer Satisfaction Index (Residential Customer Satisfaction)	10%	Ranked 12 out of 16	Ranked 11 out of 16	Ranked 10 out of 16	Ranked 9 out of 16	
NEW AND ENTREPRENEURIAL ACTIVITIES	EA. Earnings growth from new and innovative opportunities	EA1. Strategic investments in growth opportunities	EA1.1 Investment across the Energy Value Chain that is adjacent to our Existing Business	5%	(1) \$15 Million Investment in OXP Investments and (2) \$0.2 Million Investment in Transource	(1) \$18 Million Investment in OXP Investments and (2) \$7.0 Million Investment in Transource	(1) \$19 Million Investment in OXP Investments and (2) \$7.5 Million Investment in Transource	(1) \$20 Million Investment in OXP Investments and (2) \$8.1 Million Investment in Transource	
				100%	Total weighting				

(1) Omitted

LIMITED CONSENT AND  
FOURTH AMENDMENT TO CREDIT AGREEMENT

THIS LIMITED CONSENT AND FOURTH AMENDMENT TO CREDIT AGREEMENT dated as of March 26, 2018 (this "Agreement") is entered into among Great Plains Energy Incorporated, a Missouri corporation (the "Borrower"), the lenders party hereto and Wells Fargo Bank, National Association, as administrative agent (the "Administrative Agent"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement (defined below).

RECITALS

WHEREAS, the Borrower, the lenders party thereto and the Administrative Agent entered into that certain Credit Agreement dated as of August 9, 2010 (as amended by that certain First Amendment to Credit Agreement dated as of December 9, 2011, that certain Second Amendment to Credit Agreement dated as of October 17, 2013, that certain First Extension and Waiver dated as of December 17, 2014 and that certain Third Amendment to Credit Agreement dated as of June 13, 2016, the "Credit Agreement");

WHEREAS, the Borrower entered into that certain Amended and Restated Agreement and Plan of Merger dated as of July 9, 2017 (the "Westar Merger Agreement"), by and among Westar Energy, Inc., a Kansas corporation ("Westar"), the Borrower, Monarch Energy Holding, Inc., a Missouri corporation ("Monarch"), and King Energy, Inc., a Kansas corporation ("King");

WHEREAS, pursuant to the terms of the Westar Merger Agreement, Westar and the Borrower propose to consummate a series of transactions (the "Westar Merger Transactions") pursuant to which (i) the Borrower will merge with and into Monarch, with Monarch continuing as the surviving corporation assuming the Obligations of the Borrower under the Credit Agreement and the other Loan Documents, and (ii) Westar will merge with and into King, with Westar continuing as the surviving corporation and as a wholly-owned subsidiary of Monarch;

WHEREAS, the consummation of the Westar Merger Transactions would constitute a Change of Control under the Credit Agreement; and

WHEREAS, the Lenders party hereto have agreed to consent to the consummation of the Westar Merger Transactions and the other transactions contemplated by the Westar Merger Agreement on the terms and subject to the conditions set forth in the Westar Merger Agreement and to amend the Credit Agreement as set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Limited Consent. Subject to compliance with the terms of Section 6.11(d) of the Credit Agreement, the Lenders hereby offer their limited consent to the consummation of the Westar

Merger Transactions in accordance with the terms of the Westar Merger Agreement until the earliest of the following (each, a “Consent Termination Event”): (i) the day following the “End Date” as defined in the Westar Merger Agreement as of the Effective Date (after giving effect to any extension permitted under the Westar Merger Agreement as of the Effective Date); (ii) the date the Westar Merger Agreement is validly terminated in accordance with its terms; and (iii) the Westar Merger Agreement is amended or modified or a consent or waiver is provided thereunder in any case in a manner that is materially adverse to the interests of the Lenders after the date hereof. Upon the occurrence of any Consent Termination Event, (x) the limited consent set forth herein shall automatically terminate and be of no further force or effect, (y) all rights and remedies with respect to the matters set forth in this Section 1 of the Administrative Agent and the Lenders under the Credit Agreement and any other Loan Document shall, without any further action by any person, automatically be reinstated as if the limited consent set forth in this Section 1 hereof had not become effective and (z) clause (ii) of the definition of “Change of Control” (as amended by this Agreement) shall be deleted and given no further force or effect. This limited consent shall not constitute or be deemed to be a waiver of, consent to or departure from, any other term or provision in the Credit Agreement, which shall continue in full force and effect, nor shall this limited consent constitute a course of dealing among the parties.

2. Amendments. The Credit Agreement is hereby amended as follows:

(a) The definition of “Change of Control” in Section 1.1 of the Credit Agreement is hereby amended in its entirety to read as follows:

“Change of Control” means, (i) prior to the consummation of the Westar Merger, an event or series of events by which:

(A) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of the Borrower or its Subsidiaries, or any Person acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934), directly or indirectly, of thirty-three and one-third percent (33 1/3%) or more of the “voting equity interests” (meaning for this purpose the power under ordinary circumstances to vote for the election of members of the board of directors) of the Borrower; or

(B) during any period of twelve (12) consecutive months (or such lesser period of time as shall have elapsed since the formation of the Borrower), a majority of the members of the board of directors or other equivalent governing body of the Borrower ceases to be composed of individuals (x) who were members of that board or equivalent governing body on the first day of such period, (y) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (x) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (z) whose election or nomination to that board or other equivalent governing body was approved by

individuals referred to in clauses (x) and (y) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body;

and (ii) on or after the date of consummation of the Westar Merger, an event or series of events by which:

(A) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of Ultimate Parent or its Subsidiaries, or any Person acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934), directly or indirectly, of thirty-three and one-third percent (33 1/3%) or more of the “voting equity interests” (meaning for this purpose the power under ordinary circumstances to vote for the election of members of the board of directors) of Ultimate Parent; or

(B) during any period of twelve (12) consecutive months (or such lesser period of time as shall have elapsed since the formation of Ultimate Parent), commencing on the date of consummation of the Westar Merger, a majority of the members of the board of directors or other equivalent governing body of Ultimate Parent ceases to be composed of individuals (x) who were members of that board or equivalent governing body on the first day of such period, (y) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (x) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (z) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (x) and (y) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body.

(b) The definition of “Total Indebtedness” in Section 1.1 of the Credit Agreement is hereby amended in its entirety to read as follows:

“Total Indebtedness” means all Indebtedness of the Borrower and its Consolidated Subsidiaries on a consolidated basis (and without duplication) but without giving effect to the application of ASC Topic 860 with respect to transfers of accounts receivable by KCPL, KCPL GMO, Westar, or one or more of their respective Subsidiaries to a non-Subsidiary, excluding (a) Indebtedness arising under Swap Contracts entered into in the ordinary course of business to hedge bona fide transactions and business risks and not for speculation, (b) Indebtedness of Project Finance Subsidiaries, (c) Indebtedness of KLT Investments Inc. incurred in connection with the acquisition and maintenance of its interests (whether direct or indirect) in low income housing projects and (d) Indebtedness of any variable interest entity as to which (i) neither the Borrower nor any of its Subsidiaries provides credit support of any kind (including any undertaking, agreement or instruments that would constitute Indebtedness) and (ii) there is no recourse to the Capital Stock or assets

of the Borrower or any of its Subsidiaries and the relevant legal documents so provide).

(c) The following definition of “Ultimate Parent” is hereby added to Section 1.1 of the Credit Agreement in the appropriate alphabetical order to read as follows:

“Ultimate Parent” means Monarch Energy Holding, Inc., a Missouri corporation, or such other name ultimately given to the corporation resulting from the consummation of the merger of the Borrower with and into Monarch Energy Holding, Inc. under the terms of the Westar Merger Agreement.

(d) The following definition of “Westar Merger” is hereby added to Section 1.1 of the Credit Agreement in the appropriate alphabetical order to read as follows:

“Westar Merger” means the merger of (i) the Borrower with and into Monarch Energy Holding, Inc., a Missouri corporation, and (ii) Westar Energy, Inc., a Kansas corporation, with and into King Energy, Inc., a Kansas corporation, pursuant to the Westar Merger Agreement.

(e) The following definition of “Westar Merger Agreement” is hereby added to Section 1.1 of the Credit Agreement in the appropriate alphabetical order to read as follows:

“Westar Merger Agreement” means that certain Amended and Restated Agreement and Plan of Merger dated as of July 9, 2017, by and among Westar Energy, Inc., a Kansas corporation, the Borrower, Monarch Energy Holding, Inc., a Missouri corporation, and King Energy, Inc., a Kansas corporation.

(f) The proviso to Section 6.5 of the Credit Agreement is hereby amended to read as follows:

~~provided, however,~~ that nothing in this Section 6.5 shall prohibit (x) subject to the Borrower’s compliance with the terms of Section 6.11(d), consummation of the Westar Merger or (y) the termination of the corporate existence of a Subsidiary of the Borrower or a component of its business if the Borrower determines in good faith that such termination is in the best interest of the Borrower and is not materially disadvantageous to the Lenders.

(g) Section 6.15 of the Credit Agreement is hereby amended to read as follows:

The Borrower shall at all times cause the ratio of (i) Total Indebtedness to (ii) Total Capitalization to be less than or equal to 0.65 to 1.0.

3. Conditions Precedent. The limited consent set forth in Section 1 and the amendments set forth in Section 2 shall become effective as of the date (the “Effective Date”) when, and only when, each of the following conditions precedent shall have been satisfied:

(a) receipt by the Administrative Agent of counterparts of this Agreement duly executed by the Borrower, the Administrative Agent and the Required Lenders; and

(b) all fees required to be paid to the Administrative Agent on or before the date hereof shall have been paid.

4. Miscellaneous.

(a) The Credit Agreement, and the obligations of the Borrower thereunder and under the other Loan Documents, are hereby ratified and confirmed and shall remain in full force and effect according to their terms. The Borrower acknowledges and confirms that as of the date hereof the Borrower's obligation to repay the outstanding principal amount of the Loans and reimburse the Issuers for any drawing on a Letter of Credit is unconditional and not subject to any offsets, defenses or counterclaims. The Administrative Agent, each Lender party hereto and the Borrower acknowledge and confirm that by entering into this Agreement, each party does not waive or release any term or condition of the Credit Agreement or any of the other Loan Documents or any of their rights or remedies under such Loan Documents or applicable Law or any of the obligations of such party thereunder.

(b) The Borrower hereby represents and warrants to the Administrative Agent and the Lenders as follows:

(i) The Borrower has taken all necessary corporate action to authorize the execution, delivery and performance of this Agreement.

(ii) This Agreement has been duly executed and delivered by the Borrower and constitutes the Borrower's legal, valid and binding obligations, enforceable in accordance with its terms, except as such enforceability may be subject to (A) bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting creditors' rights generally and (B) general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity).

(iii) No consent, approval, authorization or order of, or filing, registration or qualification with, any court or governmental authority or third party is required in connection with the execution, delivery or performance by the Borrower of this Agreement.

(iv) The representations and warranties of the Borrower set forth in Article V of the Credit Agreement are true and correct as of the date hereof with the same effect as if made on and as of the date hereof, except to the extent such representations and warranties expressly relate solely to an earlier date.

(v) No event has occurred and is continuing which constitutes a Default or an Unmatured Default.

(c) This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall constitute one and the same instrument. Delivery of an executed counterpart of this Agreement by telecopy or electronic mail shall be effective as an original and shall constitute a representation that an executed original shall be delivered.

(d) THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

(e) Upon and after the execution of this Agreement by each of the parties hereto, each reference in the Credit Agreement to “this Agreement”, “hereunder”, “hereof” or words of like import referring to the Credit Agreement, and each reference in the other Loan Documents to “the Credit Agreement”, “thereunder”, “thereof” or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement as modified hereby. This Amendment shall constitute a Loan Document.

*[remainder of page intentionally left blank]*

Each of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered as of the date first above written.

BORROWER:

GREAT PLAINS ENERGY INCORPORATED,  
a Delaware corporation

By: /s/ Lori A. Wright

\_\_\_\_\_  
Name: Lori A. Wright

Title: Vice President - Corporate Planning,  
Investor Relations and Treasurer

ADMINISTRATIVE AGENT:

WELLS FARGO BANK, NATIONAL  
ASSOCIATION,  
as Administrative Agent

By: /s/ Frederick W. Price

\_\_\_\_\_  
Name: Frederick W. Price

Title: Managing Director

LENDERS:

Bank of America, N.A.,  
as a Lender

By: /s/ Jerry Wells

\_\_\_\_\_  
Name: Jerry Wells

Title: Director

LENDERS:

JPMORGAN CHASE BANK, N.A.,  
as a Lender

By: /s/ Helen D. Davis

\_\_\_\_\_  
Name: Helen D. Davis

Title: Executive Director

LENDERS:

MUFG Union Bank, N.A.,  
as a Lender

By: /s/ Cherese Joseph

\_\_\_\_\_  
Name: Cherese Joseph

Title: Vice President

GREAT PLAINS ENERGY INCORPORATED  
LIMITED CONSENT AND FOURTH AMENDMENT TO CREDIT AGREEMENT

LENDERS:

Barclays Bank PLC,  
as a Lender

By: /s/ Jake Lam

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Name: Jake Lam

Title: Assistant Vice President

LENDERS:

BNP Paribas,  
as a Lender

By: /s/ Theodore Sheen

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Name: Theodore Sheen

Title: Director

By: /s/ Karima Omar

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Name: Karima Omar

Title: Vice President

LENDERS:

SunTrust Bank,  
as a Lender

By: /s/ Yann Pirio

---

Name: Yann Pirio

Title: Managing Director

LENDERS:

MIZUHO BANK, LTD.,  
as a Lender

By: /s/ Nelson Chang

---

Name: Nelson Chang

Title: Authorized Signatory

LENDERS:

U.S. Bank National Association,  
as a Lender

By: /s/ Michael E. Temnick

---

Name: Michael E. Temnick

Title: Vice President

LENDERS:

GOLDMAN SACHS BANK USA,  
as a Lender

By: /s/ Chris Lam

---

Name: Chris Lam

Title: Authorized Signatory

LENDERS:

Keybank National Association  
as a Lender

By: /s/ Benjamin C Cooper

---

Name: Benjamin C Cooper

Title: Vice President

LENDERS:

THE BANK OF NEW YORK MELLON,  
as a Lender

By: /s/ Molly C. Homoki

---

Name: Molly C. Homoki

Title: Vice President

LENDERS:

UMB Bank, n.a.,  
as a Lender

By: /s/ Robert P. Elbert

---

Name: Robert P. Elbert

Title: Senior Vice President

LENDERS:

Commerce Bank,  
as a Lender

By: /s/ Aaron M. Siders

---

Name: Aaron M. Siders

Title: Senior Vice President

LENDERS:

National Cooperative Services Corporation,  
as a Lender

By: /s/ Uzma A. Rahman

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Name: Uzma A. Rahman

Title: Assistant Secretary - Treasurer

LIMITED CONSENT AND  
THIRD AMENDMENT TO CREDIT AGREEMENT

THIS LIMITED CONSENT AND THIRD AMENDMENT TO CREDIT AGREEMENT dated as of March 26, 2018 (this "Agreement") is entered into among Kansas City Power & Light Company, a Missouri corporation (the "Borrower"), the lenders party hereto and Wells Fargo Bank, National Association, as administrative agent (the "Administrative Agent"). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement (defined below).

RECITALS

WHEREAS, the Borrower, the lenders party thereto and the Administrative Agent entered into that certain Credit Agreement dated as of August 9, 2010 (as amended by that certain First Amendment to Credit Agreement dated as of December 9, 2011, that certain Second Amendment to Credit Agreement dated as of October 17, 2013 and that certain First Extension and Waiver dated as of December 17, 2014, the "Credit Agreement");

WHEREAS, the Borrower's parent company, Great Plains Energy Incorporated, a Missouri corporation ("Great Plains"), entered into that certain Amended and Restated Agreement and Plan of Merger dated as of July 9, 2017 (the "Westar Merger Agreement"), by and among Westar Energy, Inc., a Kansas corporation ("Westar"), Great Plains, Monarch Energy Holding, Inc., a Missouri corporation ("Monarch"), and King Energy, Inc., a Kansas corporation ("King");

WHEREAS, pursuant to the terms of the Westar Merger Agreement, Westar and Great Plains propose to consummate a series of transactions (the "Westar Merger Transactions") pursuant to which (i) Great Plains will merge with and into Monarch, with Monarch continuing as the surviving corporation, and (ii) Westar will merge with and into King, with Westar continuing as the surviving corporation and as a wholly-owned subsidiary of Monarch;

WHEREAS, the consummation of the Westar Merger Transactions would constitute a Change of Control under the Credit Agreement; and

WHEREAS, the Lenders party hereto have agreed to consent to the consummation of the Westar Merger Transactions and the other transactions contemplated by the Westar Merger Agreement on the terms and subject to the conditions set forth in the Westar Merger Agreement and to amend the Credit Agreement as set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Limited Consent. The Lenders hereby offer their limited consent to the consummation of the Westar Merger Transactions in accordance with the terms of the Westar Merger Agreement until the earliest of the following (each, a "Consent Termination Event"): (i) the day

following the “End Date” as defined in the Westar Merger Agreement as of the Effective Date (after giving effect to any extension permitted under the Westar Merger Agreement as of the Effective Date); (ii) the date the Westar Merger Agreement is validly terminated in accordance with its terms; and (iii) the Westar Merger Agreement is amended or modified or a consent or waiver is provided thereunder in any case in a manner that is materially adverse to the interests of the Lenders after the date hereof. Upon the occurrence of any Consent Termination Event, (x) the limited consent set forth herein shall automatically terminate and be of no further force or effect, (y) all rights and remedies with respect to the matters set forth in this Section 1 of the Administrative Agent and the Lenders under the Credit Agreement and any other Loan Document shall, without any further action by any person, automatically be reinstated as if the limited consent set forth in this Section 1 hereof had not become effective and (z) clause (ii) of the definition of “Change of Control” (as amended by this Agreement) shall be deleted and given no further force or effect. This limited consent shall not constitute or be deemed to be a waiver of, consent to or departure from, any other term or provision in the Credit Agreement, which shall continue in full force and effect, nor shall this limited consent constitute a course of dealing among the parties.

2. Amendments. The Credit Agreement is hereby amended as follows:

(a) The definition of “Change of Control” in Section 1.1 of the Credit Agreement is hereby amended in its entirety to read as follows:

“Change of Control” means, (i) prior to the consummation of the Westar Merger, an event or series of events by which:

(A) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of Great Plains or its Subsidiaries, or any Person acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934), directly or indirectly, of thirty-three and one-third percent (33 1/3%) or more of the “voting equity interests” (meaning for this purpose the power under ordinary circumstances to vote for the election of members of the board of directors) of Great Plains; or

(B) during any period of twelve (12) consecutive months (or such lesser period of time as shall have elapsed since the formation of Great Plains), a majority of the members of the board of directors or other equivalent governing body of Great Plains ceases to be composed of individuals (x) who were members of that board or equivalent governing body on the first day of such period, (y) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (x) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (z) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (x) and (y) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body;

and (ii) on or after the date of consummation of the Westar Merger, an event or series of events by which:

(A) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of Ultimate Parent or its Subsidiaries, or any Person acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934), directly or indirectly, of thirty-three and one-third percent (33 1/3%) or more of the “voting equity interests” (meaning for this purpose the power under ordinary circumstances to vote for the election of members of the board of directors) of Ultimate Parent; or

(B) during any period of twelve (12) consecutive months (or such lesser period of time as shall have elapsed since the formation of Ultimate Parent), commencing on the date of consummation of the Westar Merger, a majority of the members of the board of directors or other equivalent governing body of Ultimate Parent ceases to be composed of individuals (x) who were members of that board or equivalent governing body on the first day of such period, (y) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (x) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (z) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (x) and (y) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body.

(b) The definition of “Defaulting Lender” in Section 1.1 of the Credit Agreement is hereby amended by adding “or, (iv) become the subject of a Bail-In Action;” immediately prior to the last proviso therein.

(c) The definition of “Eurodollar Base Rate” in Section 1.1 of the Credit Agreement is hereby amended by adding the following sentence after subparagraph (b) therein:

“Notwithstanding the foregoing, in each of clauses (a) and (b), if the Eurodollar Base Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.”

(d) The definition of “Great Plains” in Section 1.1 of the Credit Agreement is hereby amended in its entirety to read as follows:

“Great Plains” means (i) prior to the consummation of the Westar Merger, Great Plains Energy Incorporated, a Missouri corporation, and (ii) on and at all times following the date of consummation of the Westar Merger, Ultimate Parent.

(e) The following definitions are hereby added to Section 1.1 of the Credit Agreement in the appropriate alphabetical order:

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

“Bail-In Legislation” means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.”

“Westar Merger” means the merger of (i) Great Plains with and into Monarch Energy Holding, Inc., a Missouri corporation, and (ii) Westar Energy, Inc., a Kansas corporation, with and into King Energy, Inc., a Kansas corporation, pursuant to the Westar Merger Agreement.

“Westar Merger Agreement” means that certain Amended and Restated Agreement and Plan of Merger dated as of July 9, 2017, by and among Westar Energy, Inc., a Kansas corporation, Great Plains, Monarch Energy Holding, Inc., a Missouri corporation, and King Energy, Inc., a Kansas corporation.

“Write-Down and Conversion Powers” means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

“Ultimate Parent” means Monarch Energy Holding, Inc., a Missouri corporation, or such other name ultimately given to the corporation resulting from the consummation of the merger of Great Plains with and into Monarch Energy Holding, Inc. under the terms of the Westar Merger Agreement.

(f) Article IX of the Credit Agreement is hereby amended by adding the following Section 9.15:

**Section 9.15. Acknowledgement and Consent to Bail-In of EEA Financial Institutions.**

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and
- (b) the effects of any Bail-In Action on any such liability, including, if applicable:
  - (i) a reduction in full or in part or cancellation of any such liability;
  - (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
  - (iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

3. Conditions Precedent. The limited consent set forth in Section 1 and the amendments set forth in Section 2 shall become effective as of the date (the “Effective Date”) when, and only when, each of the following conditions precedent shall have been satisfied:

- (a) receipt by the Administrative Agent of counterparts of this Agreement duly executed by the Borrower, the Administrative Agent and the Required Lenders; and
- (b) all fees required to be paid to the Administrative Agent on or before the date hereof shall have been paid.

4. Miscellaneous.

(a) The Credit Agreement, and the obligations of the Borrower thereunder and under the other Loan Documents, are hereby ratified and confirmed and shall remain in full force and effect according to their terms. The Borrower acknowledges and confirms that as of the date hereof the Borrower's obligation to repay the outstanding principal amount of the Loans and reimburse the Issuers for any drawing on a Letter of Credit is unconditional and not subject to any offsets, defenses or counterclaims. The Administrative Agent, each Lender party hereto and the Borrower acknowledge and confirm that by entering into this Agreement, each party does not waive or release any term or condition of the Credit Agreement or any of the other Loan Documents or any of their rights or remedies under such Loan Documents or applicable Law or any of the obligations of such party thereunder.

(b) The Borrower hereby represents and warrants to the Administrative Agent and the Lenders as follows:

(i) The Borrower has taken all necessary corporate action to authorize the execution, delivery and performance of this Agreement.

(ii) This Agreement has been duly executed and delivered by the Borrower and constitutes the Borrower's legal, valid and binding obligations, enforceable in accordance with its terms, except as such enforceability may be subject to (A) bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting creditors' rights generally and (B) general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity).

(iii) No consent, approval, authorization or order of, or filing, registration or qualification with, any court or governmental authority or third party is required in connection with the execution, delivery or performance by the Borrower of this Agreement.

(iv) The representations and warranties of the Borrower set forth in Article V of the Credit Agreement are true and correct as of the date hereof with the same effect as if made on and as of the date hereof, except to the extent such representations and warranties expressly relate solely to an earlier date.

(v) No event has occurred and is continuing which constitutes a Default or an Unmatured Default.

(c) This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall constitute one and the same instrument. Delivery of an executed counterpart of this Agreement by telecopy or electronic mail shall be effective as an original and shall constitute a representation that an executed original shall be delivered.

(d) THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

(e) Upon and after the execution of this Agreement by each of the parties hereto, each reference in the Credit Agreement to “this Agreement”, “hereunder”, “hereof” or words of like import referring to the Credit Agreement, and each reference in the other Loan Documents to “the Credit Agreement”, “thereunder”, “thereof” or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement as modified hereby. This Amendment shall constitute a Loan Document.

*[remainder of page intentionally left blank]*

Each of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered as of the date first above written.

BORROWER: KANSAS CITY POWER & LIGHT COMPANY,  
a Missouri corporation

By: /s/ Lori A. Wright

\_\_\_\_\_  
Name: Lori A. Wright

Title: Vice President - Corporate Planning,  
Investor Relations and Treasurer

ADMINISTRATIVE AGENT: WELLS FARGO BANK, NATIONAL  
ASSOCIATION,  
as Administrative Agent

By: /s/ Frederick W. Price

\_\_\_\_\_  
Name: Frederick W. Price

Title: Managing Director

LENDERS: Bank of America, N.A.,  
as a Lender

By: /s/ Jerry Wells

\_\_\_\_\_  
Name: Jerry Wells

Title: Director

LENDERS: JPMORGAN CHASE BANK, N.A.,  
as a Lender

By: /s/ Helen D. Davis

\_\_\_\_\_  
Name: Helen D. Davis

Title: Executive Director

LENDERS: MUFG Union Bank, N.A.,  
as a Lender

By: /s/ Cherese Joseph

\_\_\_\_\_  
Name: Cherese Joseph

Title: Vice President

KANSAS CITY POWER & LIGHT COMPANY  
LIMITED CONSENT AND THIRD AMENDMENT TO CREDIT AGREEMENT

LENDERS:

Barclays Bank PLC,  
as a Lender

By: /s/ Jake Lam

---

Name: Jake Lam

Title: Assistant Vice President

LENDERS:

BNP Paribas,  
as a Lender

By: /s/ Theodore Sheen

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Name: Theodore Sheen

Title: Director

By: /s/ Karima Omar

---

Name: Karima Omar

Title: Vice President

LENDERS:

SunTrust Bank,  
as a Lender

By: /s/ Yann Pirio

---

Name: Yann Pirio

Title: Managing Director

LENDERS:

MIZUHO BANK, LTD.,  
as a Lender

By: /s/ Nelson Chang

---

Name: Nelson Chang

Title: Authorized Signatory

LENDERS:

U.S. Bank National Association,  
as a Lender

By: /s/ Michael E. Temnick

---

Name: Michael E. Temnick

Title: Vice President

LENDERS:

GOLDMAN SACHS BANK USA,  
as a Lender

By: /s/ Chris Lam

---

Name: Chris Lam

Title: Authorized Signatory

LENDERS:

Keybank National Association  
as a Lender

By: /s/ Benjamin C Cooper

---

Name: Benjamin C Cooper

Title: Vice President

LENDERS:

THE BANK OF NEW YORK MELLON,  
as a Lender

By: /s/ Molly C. Homoki

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Name: Molly C. Homoki

Title: Vice President

LENDERS:

UMB Bank, n.a.,  
as a Lender

By: /s/ Robert P. Elbert

---

Name: Robert P. Elbert

Title: Senior Vice President

LENDERS:

Commerce Bank,  
as a Lender

By: /s/ Aaron M. Siders

---

Name: Aaron M. Siders

Title: Senior Vice President

LENDERS:

National Cooperative Services Corporation,  
as a Lender

By: /s/ Uzma A. Rahman

---

Name: Uzma A. Rahman

Title: Assistant Secretary - Treasurer

LIMITED CONSENT AND  
THIRD AMENDMENT TO CREDIT AGREEMENT

THIS LIMITED CONSENT AND THIRD AMENDMENT TO CREDIT AGREEMENT dated as of March 26, 2018 (this “Agreement”) is entered into among KCP&L Greater Missouri Operations Company, a Delaware corporation (the “Borrower”), the lenders party hereto and Wells Fargo Bank, National Association, as administrative agent (the “Administrative Agent”). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Credit Agreement (defined below).

RECITALS

WHEREAS, the Borrower, the lenders party thereto and the Administrative Agent entered into that certain Credit Agreement dated as of August 9, 2010 (as amended by that certain First Amendment to Credit Agreement dated as of December 9, 2011, that certain Second Amendment to Credit Agreement dated as of October 17, 2013 and that certain First Extension and Waiver dated as of December 17, 2014, the “Credit Agreement”);

WHEREAS, the Borrower’s parent company, Great Plains Energy Incorporated, a Missouri corporation (“Great Plains”), entered into that certain Amended and Restated Agreement and Plan of Merger dated as of July 9, 2017 (the “Westar Merger Agreement”), by and among Westar Energy, Inc., a Kansas corporation (“Westar”), Great Plains, Monarch Energy Holding, Inc., a Missouri corporation (“Monarch”), and King Energy, Inc., a Kansas corporation (“King”);

WHEREAS, pursuant to the terms of the Westar Merger Agreement, Westar and Great Plains propose to consummate a series of transactions (the “Westar Merger Transactions”) pursuant to which (i) Great Plains will merge with and into Monarch, with Monarch continuing as the surviving corporation, and (ii) Westar will merge with and into King, with Westar continuing as the surviving corporation and as a wholly-owned subsidiary of Monarch;

WHEREAS, the consummation of the Westar Merger Transactions would constitute a Change of Control under the Credit Agreement; and

WHEREAS, the Lenders party hereto have agreed to consent to the consummation of the Westar Merger Transactions and the other transactions contemplated by the Westar Merger Agreement on the terms and subject to the conditions set forth in the Westar Merger Agreement and to amend the Credit Agreement as set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Limited Consent. The Lenders hereby offer their limited consent to the consummation of the Westar Merger Transactions in accordance with the terms of the Westar Merger Agreement until the earliest of the following (each, a “Consent Termination Event”): (i) the day

following the “End Date” as defined in the Westar Merger Agreement as of the Effective Date (after giving effect to any extension permitted under the Westar Merger Agreement as of the Effective Date); (ii) the date the Westar Merger Agreement is validly terminated in accordance with its terms; and (iii) the Westar Merger Agreement is amended or modified or a consent or waiver is provided thereunder in any case in a manner that is materially adverse to the interests of the Lenders after the date hereof. Upon the occurrence of any Consent Termination Event, (x) the limited consent set forth herein shall automatically terminate and be of no further force or effect, (y) all rights and remedies with respect to the matters set forth in this Section 1 of the Administrative Agent and the Lenders under the Credit Agreement and any other Loan Document shall, without any further action by any person, automatically be reinstated as if the limited consent set forth in this Section 1 hereof had not become effective and (z) clause (ii) of the definition of “Change of Control” (as amended by this Agreement) shall be deleted and given no further force or effect. This limited consent shall not constitute or be deemed to be a waiver of, consent to or departure from, any other term or provision in the Credit Agreement, which shall continue in full force and effect, nor shall this limited consent constitute a course of dealing among the parties.

2. Amendments. The Credit Agreement is hereby amended as follows:

(a) The definition of “Change of Control” in Section 1.1 of the Credit Agreement is hereby amended in its entirety to read as follows:

“Change of Control” means, (i) prior to the consummation of the Westar Merger, an event or series of events by which:

(A) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of the Parent or its Subsidiaries, or any Person acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934), directly or indirectly, of thirty-three and one-third percent (33 1/3%) or more of the “voting equity interests” (meaning for this purpose the power under ordinary circumstances to vote for the election of members of the board of directors) of the Parent; or

(B) during any period of twelve (12) consecutive months (or such lesser period of time as shall have elapsed since the formation of the Parent), a majority of the members of the board of directors or other equivalent governing body of the Parent ceases to be composed of individuals (x) who were members of that board or equivalent governing body on the first day of such period, (y) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (x) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (z) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (x) and (y) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body;

and (ii) on or after the date of consummation of the Westar Merger, an event or series of events by which:

(A) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of Ultimate Parent or its Subsidiaries, or any Person acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934), directly or indirectly, of thirty-three and one-third percent (33 1/3%) or more of the “voting equity interests” (meaning for this purpose the power under ordinary circumstances to vote for the election of members of the board of directors) of Ultimate Parent; or

(B) during any period of twelve (12) consecutive months (or such lesser period of time as shall have elapsed since the formation of Ultimate Parent), commencing on the date of consummation of the Westar Merger, a majority of the members of the board of directors or other equivalent governing body of Ultimate Parent ceases to be composed of individuals (x) who were members of that board or equivalent governing body on the first day of such period, (y) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (x) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (z) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (x) and (y) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body.

(b) The definition of “Defaulting Lender” in Section 1.1 of the Credit Agreement is hereby amended by adding “or, (iv) become the subject of a Bail-In Action;” immediately prior to the last proviso therein.

(c) The definition of “Eurodollar Base Rate” in Section 1.1 of the Credit Agreement is hereby amended by adding the following sentence after subparagraph (b) therein:

“Notwithstanding the foregoing, in each of clauses (a) and (b), if the Eurodollar Base Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.”

(d) The definition of “Parent” in Section 1.1 of the Credit Agreement is hereby amended in its entirety to read as follows:

“Parent” means (i) prior to the consummation of the Westar Merger, Great Plains Energy Incorporated, a Missouri corporation, and (ii) on and at all times following the date of consummation of the Westar Merger, Ultimate Parent.

(e) The following definitions are hereby added to Section 1.1 of the Credit Agreement in the appropriate alphabetical order:

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

“Bail-In Legislation” means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“Ultimate Parent” means Monarch Energy Holding, Inc., a Missouri corporation, or such other name ultimately given to the corporation resulting from the consummation of the merger of the Parent with and into Monarch Energy Holding, Inc. under the terms of the Westar Merger Agreement.

“Westar Merger” means the merger of (i) the Parent with and into Monarch Energy Holding, Inc., a Missouri corporation, and (ii) Westar Energy, Inc., a Kansas corporation, with and into King Energy, Inc., a Kansas corporation, pursuant to the Westar Merger Agreement.

“Westar Merger Agreement” means that certain Amended and Restated Agreement and Plan of Merger dated as of July 9, 2017, by and among Westar Energy, Inc., a Kansas corporation, the Parent, Monarch Energy Holding, Inc., a Missouri corporation, and King Energy, Inc., a Kansas corporation.

“Write-Down and Conversion Powers” means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority

from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

(f) Article X of the Credit Agreement is hereby amended by adding the following Section 10.15:

**Section 10.15. Acknowledgement and Consent to Bail-In of EEA Financial Institutions.**

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and
- (b) the effects of any Bail-In Action on any such liability, including, if applicable:
  - (i) a reduction in full or in part or cancellation of any such liability;
  - (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
  - (iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

3. Conditions Precedent. The limited consent set forth in Section 1 and the amendments set forth in Section 2 shall become effective as of the date (the "Effective Date") when, and only when, each of the following conditions precedent shall have been satisfied:

- (a) receipt by the Administrative Agent of counterparts of this Agreement duly executed by the Borrower, the Administrative Agent and the Required Lenders; and
- (b) all fees required to be paid to the Administrative Agent on or before the date hereof shall have been paid.

4. Miscellaneous.

(a) The Credit Agreement, and the obligations of the Borrower thereunder and under the other Loan Documents, are hereby ratified and confirmed and shall remain in full force and effect according to their terms. The Borrower acknowledges and confirms that as of the date hereof the Borrower's obligation to repay the outstanding principal amount of the Loans and reimburse the Issuers for any drawing on a Letter of Credit is unconditional and not subject to any offsets, defenses or counterclaims. The Administrative Agent, each Lender party hereto and the Borrower acknowledge and confirm that by entering into this Agreement, each party does not waive or release any term or condition of the Credit Agreement or any of the other Loan Documents or any of their rights or remedies under such Loan Documents or applicable Law or any of the obligations of such party thereunder.

(b) The Borrower hereby represents and warrants to the Administrative Agent and the Lenders as follows:

(i) The Borrower has taken all necessary corporate action to authorize the execution, delivery and performance of this Agreement.

(ii) This Agreement has been duly executed and delivered by the Borrower and constitutes the Borrower's legal, valid and binding obligations, enforceable in accordance with its terms, except as such enforceability may be subject to (A) bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting creditors' rights generally and (B) general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity).

(iii) No consent, approval, authorization or order of, or filing, registration or qualification with, any court or governmental authority or third party is required in connection with the execution, delivery or performance by the Borrower of this Agreement.

(iv) The representations and warranties of the Borrower set forth in Article VI of the Credit Agreement are true and correct as of the date hereof with the same effect as if made on and as of the date hereof, except to the extent such representations and warranties expressly relate solely to an earlier date.

(v) No event has occurred and is continuing which constitutes a Default or an Unmatured Default.

(c) This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall constitute one and the same instrument. Delivery of an executed counterpart of this Agreement by telecopy or electronic mail shall be effective as an original and shall constitute a representation that an executed original shall be delivered.

(d) THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

(e) Upon and after the execution of this Agreement by each of the parties hereto, each reference in the Credit Agreement to “this Agreement”, “hereunder”, “hereof” or words of like import referring to the Credit Agreement, and each reference in the other Loan Documents to “the Credit Agreement”, “thereunder”, “thereof” or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement as modified hereby. This Amendment shall constitute a Loan Document.

*[remainder of page intentionally left blank]*

Each of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered as of the date first above written.

BORROWER:

KCP&L GREATER MISSOURI OPERATIONS  
COMPANY,  
a Delaware corporation

By: /s/ Lori A. Wright

\_\_\_\_\_  
Name: Lori A. Wright

Title: Vice President - Corporate Planning,  
Investor Relations and Treasurer

ADMINISTRATIVE AGENT:

WELLS FARGO BANK, NATIONAL  
ASSOCIATION,  
as Administrative Agent

By: /s/ Frederick W. Price

\_\_\_\_\_  
Name: Frederick W. Price

Title: Managing Director

LENDERS:

Bank of America, N.A.,  
as a Lender

By: /s/ Jerry Wells

\_\_\_\_\_  
Name: Jerry Wells

Title: Director

LENDERS:

JPMORGAN CHASE BANK, N.A.,  
as a Lender

By: /s/ Helen D. Davis

\_\_\_\_\_  
Name: Helen D. Davis

Title: Executive Director

LENDERS:

MUFG Union Bank, N.A.,  
as a Lender

By: /s/ Cherese Joseph

\_\_\_\_\_  
Name: Cherese Joseph

Title: Vice President

KCP&L GREATER MISSOURI OPERATIONS COMPANY  
LIMITED CONSENT AND THIRD AMENDMENT TO CREDIT AGREEMENT

LENDERS:

Barclays Bank PLC,  
as a Lender

By: /s/ Jake Lam

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Name: Jake Lam

Title: Assistant Vice President

LENDERS:

BNP Paribas,  
as a Lender

By: /s/ Theodore Sheen

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Name: Theodore Sheen

Title: Director

By: /s/ Karima Omar

---

Name: Karima Omar

Title: Vice President

LENDERS:

SunTrust Bank,  
as a Lender

By: /s/ Yann Pirio

---

Name: Yann Pirio

Title: Managing Director

LENDERS:

MIZUHO BANK, LTD.,  
as a Lender

By: /s/ Nelson Chang

---

Name: Nelson Chang

Title: Authorized Signatory

LENDERS:

U.S. Bank National Association,  
as a Lender

By: /s/ Michael E. Temnick

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Name: Michael E. Temnick

Title: Vice President

LENDERS:

GOLDMAN SACHS BANK USA,  
as a Lender

By: /s/ Chris Lam

---

Name: Chris Lam

Title: Authorized Signatory

LENDERS:

Keybank National Association  
as a Lender

By: /s/ Benjamin C Cooper

---

Name: Benjamin C Cooper

Title: Vice President

LENDERS:

THE BANK OF NEW YORK MELLON,  
as a Lender

By: /s/ Molly C. Homoki

---

Name: Molly C. Homoki

Title: Vice President

LENDERS:

UMB Bank, n.a.,  
as a Lender

By: /s/ Robert P. Elbert

---

Name: Robert P. Elbert

Title: Senior Vice President

LENDERS:

Commerce Bank,  
as a Lender

By: /s/ Aaron M. Siders

---

Name: Aaron M. Siders

Title: Senior Vice President

LENDERS:

National Cooperative Services Corporation,  
as a Lender

By: /s/ Uzma A. Rahman

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Name: Uzma A. Rahman

Title: Assistant Secretary - Treasurer

**Fifth Amendment**  
**Dated as of April 6, 2018**  
**to**  
**Receivables Sale Agreement**  
**Dated as of May 31, 2012**

This Fifth Amendment (the "*Amendment*"), dated as of April 6, 2018, is entered into among GMO Receivables Company (the "*Seller*"), KCP&L Greater Missouri Operations Company (the "*Initial Collection Agent*"), Victory Receivables Corporation (the "*Purchaser*"), and MUFG Bank, Ltd. f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch, as agent for the Purchaser (the "*Agent*").

Reference is hereby made to that certain Receivables Sale Agreement, dated as of May 31, 2012, as previously amended (the "*Sale Agreement*"), among the Seller, the Initial Collection Agent, the Purchaser and the Agent. Terms used herein and not otherwise defined herein which are defined in the Sale Agreement or the other Transaction Documents (as defined in the Sale Agreement) shall have the same meaning herein as defined therein.

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

*Section 1.* Upon execution by the parties hereto in the space provided for that purpose below, the Sale Agreement shall be, and it hereby is, amended as follows:

(a) The defined term "*Collection Account*" appearing in Schedule I to the Sale Agreement is hereby amended and restated in its entirety and as so amended and restated shall read as follows:

*"Collection Account"* means account numbers \_\_\_ and \_\_\_, each maintained with UMB Bank, N.A. ("*UMB*") in the name of the Agent or any other account so designated by the Seller to the Agent in writing.

(b) Exhibit F to the Sale Agreement is hereby amended in its entirety and as so amended shall read as set forth on Exhibit F attached hereto.

*Section 2.* The Sale Agreement, as amended and supplemented hereby or as contemplated herein, and all rights and powers created thereby and thereunder or under the other Transaction Documents and all other documents executed in connection therewith, are in all respects ratified and confirmed. From and after the date hereof, the Sale Agreement shall be amended and supplemented as herein provided, and, except as so amended and supplemented, the Sale Agreement, each of the other Transaction Documents and all other documents executed in connection therewith shall remain in full force and effect. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Agent or the Purchaser under, nor constitute a waiver of any provision of, the Sale Agreement.

*Section 3.* This Amendment shall be effective as of the date first above written upon satisfaction of the following conditions precedent:

(a) The Agent shall have received counterparts of this Amendment duly executed by the parties hereto.

(b) The Agent shall have received executed counterparts to the Amendment to Exhibit A (Accounts of the Company) of Deposit Account Control Agreement (Secured Party Notification).

(c) No Events of Default shall have occurred and be continuing either before or immediately after giving effect to this Amendment.

(d) The representations and warranties contained in the Sale Agreement shall be true and correct both as of the date hereof and immediately after giving effect to this Amendment.

*Section 4.* This Amendment may be executed in two or more counterparts, each of which shall constitute an original but both or all of which, when taken together, shall constitute but one instrument. Delivery of an executed counterpart hereof by facsimile or other electronic means shall be deemed to be an original.

*Section 5.* This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

*Section 6.* This Amendment shall be governed by and construed in accordance with the internal laws of the State of New York (including Section 5-1401-1 of the General Obligations Law), but without regard to any other conflict of laws provisions thereof.

*[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]*

In Witness Whereof, the parties have caused this Amendment to be executed and delivered by their duly authorized officers as of the date first above written.

MUFG Bank, Ltd. f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York  
Branch, as the Agent

By: /s/ Nicolas Mounie  
Title: Director

Victory Receivables Corporation

By: /s/ Kevin Corrigan  
Title: Vice President

GMO Receivables Company

By: /s/ James P. Gilligan  
Title: Director and President

KCP&L Greater Missouri Operations Company

By: /s/ Kevin E. Bryant  
Title: Senior Vice President - Finance & Strategy  
and Chief Financial Officer

## CERTIFICATIONS

I, Terry Bassham, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Great Plains Energy Incorporated;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 2, 2018

/s/ Terry Bassham

Terry Bassham  
Chairman, Chief Executive Officer and President

## CERTIFICATIONS

I, Kevin E. Bryant, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Great Plains Energy Incorporated;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 2, 2018

/s/Kevin E. Bryant

Kevin E. Bryant  
Senior Vice President - Finance and Strategy and Chief Financial  
Officer

## CERTIFICATIONS

I, Terry Bassham, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kansas City Power & Light Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 2, 2018

/s/ Terry Bassham

Terry Bassham  
Chairman, Chief Executive Officer and President

## CERTIFICATIONS

I, Kevin E. Bryant, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kansas City Power & Light Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 2, 2018

/s/ Kevin E. Bryant

Kevin E. Bryant  
Senior Vice President - Finance and Strategy and Chief Financial Officer

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

In connection with the Quarterly Report on Form 10-Q of Great Plains Energy Incorporated (the "Company") for the quarterly period ended March 31, 2018, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Terry Bassham, as Chairman, President and Chief Executive Officer of the Company, and Kevin E. Bryant, as Senior Vice President - Finance and Strategy and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Terry Bassham

Name: Terry Bassham  
Title: Chairman, President and Chief Executive Officer  
Date: May 2, 2018

/s/ Kevin E. Bryant

Name: Kevin E. Bryant  
Title: Senior Vice President - Finance and Strategy and Chief Financial Officer  
Date: May 2, 2018

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

In connection with the Quarterly Report on Form 10-Q of Kansas City Power & Light Company (the "Company") for the quarterly period ended March 31, 2018, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Terry Bassham, as Chairman, President and Chief Executive Officer of the Company, and Kevin E. Bryant, as Senior Vice President - Finance and Strategy and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Terry Bassham

Name: Terry Bassham  
Title: Chairman, President and Chief Executive Officer  
Date: May 2, 2018

/s/ Kevin E. Bryant

Name: Kevin E. Bryant  
Title: Senior Vice President - Finance and Strategy and Chief Financial Officer  
Date: May 2, 2018