



Collaborating with Customers for Mutual Advantage

KCP&L Brings Stakeholders into Its Long-Term Energy Planning Process

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Summary

As the utility industry works through its current historic capital construction cycle, familiar battle lines have been drawn. On one side, the utility claims that building a new power plant is the only way to keep the lights on. The other side features a collection of intervenors pushing for more renewables, energy efficiency, lifeline rates, and lower price increases. The regulators, caught in the middle, follow established procedure by opening a docket and waiting for the first wave of litigation to hit. It's a process no one likes—aside from the lawyers.

But a very different story is unfolding in Kansas City, Missouri—one that holds great promise for all electric and gas utilities. A few years back, Kansas City Power & Light (KCP&L) decided it was going to craft a long-term energy plan in collaboration with its stakeholders, which include employees, customers, environmental groups, regulators, investors, and community leaders. Rather than create a plan behind closed doors and then attempt to sell it to various external groups, KCP&L's leaders tore down the proverbial walls and invited the outsiders in so they could work together to create a long-term energy plan that balanced the interest of various stakeholder groups.

KCP&L officials tell E SOURCE that their resulting five-year, \$1.3 billion comprehensive energy plan greatly benefited from the public input. The utility's leaders report that their perspectives were broadened by direct contact with these stakeholders. In addition to helping create a better finished product, KCP&L officials say their collaborative process has generated a set of other important ancillary benefits, including potentially lower regulatory risks and a better image among its customers. It's an approach we think other utilities should consider before they become overly committed to an in-house long-term energy plan.

Contents

Which Is More Effective: Confrontation or Collaboration?	1	Delivering on a Brand Promise	8
Creating Strategic Intent at KCP&L	3	Collaboration as Strategic Risk Management	9
Stakeholder Engagement Leads to a Better Product	5	Notes	14