Form 10-Q
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

For the quarterly period ended September 30, 2002

or

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

For the transition period from _______ to _______

Commission File Number	Registrant, State of Incorporation, Address and Telephone Number	I.R.S. Employer Identification Number
0-33207	GREAT PLAINS ENERGY INCORPORATED (A Missouri Corporation) 1201 Walnut Street Kansas City, Missouri 64106 (816) 556-2200	43-1916803
1-707	KANSAS CITY POWER & LIGHT COMPANY (A Missouri Corporation) 1201 Walnut Street Kansas City, Missouri 64106 (816) 556-2200	44-0308720

Each of the following classes or series of securities registered pursuant to Section 12(b) of the Act is registered on the New York Stock Exchange:

Registrant	Title of each class	
Great Plains Energy Incorporated	Cumulative Preferred Stock par value $100 per share	3.80%
	Cumulative Preferred Stock par value $100 per share	4.50%
	Cumulative Preferred Stock par value $100 per share	4.35%
	Common Stock without par value	

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

The number of shares outstanding of the registrant's Common stock at November 12, 2002, was 62,296,170 shares.

Great Plains Energy and KCP&L separately file this combined Quarterly Report on Form 10-Q. Information contained herein relating to an individual registrant and its subsidiaries is filed by such registrant on its own behalf. Each registrant makes representations only as to information relating to itself and its subsidiaries.

This report should be read in its entirety. No one section of the report deals with all aspects of the subject matter.

GLOSSARY OF TERMS

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

Abbreviation or Acronym	Definition
Clean Air Act	Clean Air Act Amendments of 1990
CO2	Carbon Dioxide
Consolidated KCP&L	KCP&L and its subsidiary HSS
COLI	Corporate Owned Life Insurance

DIP	Debtor-in-Possession
DTI	DTI Holdings, Inc. and its subsidiaries Digital Teleport, Inc. and Digital Teleport of Virginia, Inc.
EIRR	Environmental Improvement Revenue Refunding
EPA	Environmental Protection Agency
EPS	Earnings per share
ERISA	Employee Retirement Income Security Act
FASB	Financial Accounting Standards Board
FERC	Federal Energy Regulatory Commission
GPP	Great Plains Power Incorporated, a subsidiary of Great Plains Energy
HSS	Home Service Solutions Inc., a subsidiary of KCP&L
KCC	The State Corporation Commission of the State of Kansas
KCP&L	Kansas City Power & Light Company, a regulated, integrated electric utility subsidiary of Great Plains Energy
MACT	Maximum Achievable Control Technology
MISO	Midwest Independent System Operator
MPSC	Missouri Public Service Commission
NEIL	Nuclear Electric Insurance Limited
NRC	Nuclear Regulatory Commission
NOx	Nitrogen Oxide
PCBs	Polychlorinated biphenyls
RSAE	R.S. Andrews Enterprises, Inc. a consumer services company in which HSS owns a 72% equity interest
Receivables Company	Kansas City Power & Light Receivables Company
RTO	Regional Transmission Organization
SPP	Southwest Power Pool
SFAS	Statement of Financial Accounting Standards
WCNOC	Wolf Creek Nuclear Operating Corporation

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. In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, the registrants are providing a number of important factors that could cause actual results to differ materially from provided forward-looking information. These important factors include:

- future economic conditions in the regional, national and international markets
- state, federal and foreign regulation
- weather conditions including weather-related damage
- cost of fuel
- financial market conditions including, but not limited to, changes in interest rates
- inflation rates
- increased competition including, but not limited to, the deregulation of the electric utility industry and the entry of new competitors
- ability to carry out marketing and sales plans
- ability to achieve generation planning goals and the occurrence of unplanned generation outages
- nuclear operations
- ability to enter new markets successfully and capitalize on growth opportunities in nonregulated businesses
- adverse changes in applicable laws, regulations or rules governing environmental regulations including air quality, tax or accounting matters
- delays in the anticipated in-service dates of additional generating capacity
- performance of projects undertaken by our non-regulated businesses and the success of efforts to invest in and develop new opportunities
- non-performance of counterparties
- impact of terrorist acts
- availability and cost of capital and
- other risks and uncertainties.

This list of factors is not all-inclusive because it is not possible to predict all possible factors.

PART I - FINANCIAL INFORMATION
Item 1. Consolidated Financial Statements

GREAT PLAINS ENERGY
Consolidated Balance Sheets
(Unaudited)

	September 30 2002	December 31 2001
	(thousands)	
ASSETS		
Current Assets		
Cash and cash equivalents	$ 24,866	$ 29,034
Receivables	234,004	152,114
Fuel inventories, at average cost	19,534	22,246
Materials and supplies, at average cost	51,449	50,696
Current income taxes	-	31,031
Deferred income taxes	2,021	5,061
Other	13,020	19,167
Total	344,894	309,349
Nonutility Property and Investments		
Affordable housing limited partnerships	69,613	81,136
Gas property and investments	47,636	43,385
Nuclear decommissioning trust fund	60,628	61,766
Other	66,124	63,616
Total	244,001	249,903
Utility Plant, at Original Cost		
Electric	4,407,461	4,332,464
Less-accumulated depreciation	1,859,725	1,793,786
Net utility plant in service	2,547,736	2,538,678
Construction work in progress	38,578	51,265
Nuclear fuel, net of amortization of $118,343 and $127,101	25,076	33,771
Total	2,611,390	2,623,714
Deferred Charges		
Regulatory assets	139,725	124,406
Prepaid pension costs	86,543	88,337
Goodwill	34,066	37,066
Other deferred charges	38,466	30,724
Total	298,800	280,533
Total	$ 3,499,085	$ 3,463,499
LIABILITIES AND CAPITALIZATION		
Current Liabilities		
Notes payable	$ 165,561	$ 144,404
Commercial paper	29,580	62,000
Current maturities of long-term debt	29,393	238,767
EIRR bonds classified as current	31,000	177,500
Accounts payable	170,936	173,956
Accrued taxes	41,122	14,324
Accrued interest	13,877	13,262
Accrued payroll and vacations	28,856	26,422
Accrued refueling outage costs	5,183	12,979
Other	29,371	35,810
Total	544,879	899,424
Deferred Credits and Other Liabilities		
Deferred income taxes	609,086	594,704
Deferred investment tax credits	42,611	45,748
Accrued nuclear decommissioning costs	61,921	63,040
Other	118,588	114,085
Total	832,206	817,577
Capitalization (see statements)	2,122,000	1,746,498
Commitments and Contingencies (Note 7)		
Total	$ 3,499,085	$ 3,463,499

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

GREAT PLAINS ENERGY
Consolidated Statements of Capitalization
(Unaudited)

	September 30 2002	December 31 2001
	(thousands)	
Long-term Debt (excluding current maturities)		
General Mortgage Bonds		
Medium-Term Notes due 2004-08,		
7.37%* and 7.28%** weighted-average rate	$ 159,000	$ 179,000
3.07%* and 2.71%** EIRR bonds due 2012-23	158,768	158,768
EIRR bonds classified as current liabilities	(31,000)	(31,000)
Senior Notes		
7.125% due 2005	250,000	250,000
6.500% due 2011	150,000	150,000
6.000% due 2007	225,000	-
Unamortized discount	(971)	(660)
EIRR bonds		
2.81%* and 3.25%** Series A & B due 2015	109,157	106,500
2.81%* and 3.25%** Series D due 2017	41,037	40,000
EIRR bonds classified as current liabilities	-	(146,500)
4.50%*** Series C due 2017	50,000	50,000
Subsidiary Obligations		
R.S. Andrews Enterprises, Inc. long-term debt		
8.02%* and 8.14%** weighted-average rate due 2003-07	2,866	2,832
Affordable Housing Notes		
7.83%* and 8.16%** weighted-average rate due 2003-08	11,197	19,746
Total	1,125,054	778,686
Company-obligated Mandatorily Redeemable Preferred Securities		
of a trust holding solely KCP&L Subordinated Debentures	150,000	150,000
Cumulative Preferred Stock		
$100 Par Value		
3.80% - 100,000 shares issued	10,000	10,000
4.50% - 100,000 shares issued	10,000	10,000
4.20% - 70,000 shares issued	7,000	7,000
4.35% - 120,000 shares issued	12,000	12,000
Total	39,000	39,000
Common Stock Equity		
Common stock-150,000,000 shares authorized without par value		
61,908,726 shares issued, stated value	449,697	449,697
Capital stock premium and expense	(1,632)	(1,656)
Retained earnings (see statements)	365,427	344,815
Treasury stock	(4)	(903)
Accumulated other comprehensive loss		
Loss on derivative hedging instruments	(4,511)	(12,110)
Minimum pension liability	(1,031)	(1,031)
Total	807,946	778,812
Total	$ 2,122,000	$ 1,746,498

* Weighted-average rate as of September 30, 2002
** Weighted-average rate as of December 31, 2001
*** Weighted-average rate as of September 30, 2002 and December 31, 2001

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

GREAT PLAINS ENERGY
Consolidated Statements of Income
(Unaudited)

	Three Months Ended September 30 2002	Three Months Ended September 30 2001	Year to Date September 30 2002	Year to Date September 30 2001
	(thousands)			
Operating Revenues				
Electric revenues - KCP&L	$ 334,516	$ 323,233	$ 780,654	$ 759,619
Electric revenues - Strategic Energy	232,839	136,902	579,826	267,485
Other revenues	17,632	20,780	48,677	80,571
Total	584,987	480,915	1,409,157	1,107,675
Operating Expenses				
Fuel	48,732	52,533	118,089	124,836
Purchased power - KCP&L	15,618	21,016	38,850	59,061
Purchased power - Strategic Energy	205,455	109,359	506,328	218,532
Gas purchased and production expenses	966	339	2,555	17,454
Other	90,417	78,304	249,035	243,163
Maintenance	19,914	18,835	75,622	60,588
Depreciation and depletion	37,670	40,424	112,402	117,046
General taxes	29,768	28,839	76,169	74,253
Total	448,540	349,649	1,179,050	914,933
(Gain) Loss on property	610	(463)	543	(22,169)
Total	449,150	349,186	1,179,593	892,764
Operating income	135,837	131,729	229,564	214,911
Loss from equity investments	(248)	(389)	(880)	(501)
Minority interest in subsidiaries	(2,890)	(3,133)	(8,245)	(1,954)
Non-operating income	1,417	3,453	4,997	10,912
Non-operating expenses	(5,077)	(21,152)	(17,752)	(30,321)
Interest charges	22,867	28,645	67,205	78,481
Income before income taxes, extraordinary item and cumulative effect of a change in accounting principle	106,172	81,863	140,479	114,566
Income taxes	37,334	26,331	38,571	25,774
Income before extraordinary item and cumulative effect of a change in accounting principle	68,838	55,532	101,908	88,792
Early extinguishment of debt, net of income taxes	-	-	-	15,872
Cumulative effect to January 1, 2002, of a change in accounting principle	-	-	(3,000)	-
Net income	68,838	55,532	98,908	104,664
Preferred stock dividend requirements	411	412	1,234	1,236
Earnings available for common stock	$ 68,427	$ 55,120	$ 97,674	$ 103,428
Average number of common shares outstanding	61,909	61,870	61,901	61,860
Basic and diluted earnings per common share before extraordinary item and cumulative effect of a change in accounting principle	$ 1.11	$ 0.89	$ 1.63	$ 1.41
Early extinguishment of debt	-	-	-	0.26
Cumulative effect to January 1, 2002, of a change in accounting principle	-	-	(0.05)	-
Basic and diluted earnings per common share	$ 1.11	$ 0.89	$ 1.58	$ 1.67
Cash dividends per common share	$ 0.415	$ 0.415	$ 1.245	$ 1.245

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

GREAT PLAINS ENERGY
Consolidated Statements of Cash Flows
(Unaudited)

Year to Date September 30	2002	2001
	(thousands)	
Cash Flows from Operating Activities		
Net income	$ 98,908	$ 104,664
Adjustments to reconcile income to net cash from operating activities:		
Early extinguishment of debt, net of income taxes	-	(15,872)
Cumulative effect of a change in accounting principle	3,000	-
Depreciation and depletion	112,402	117,046
Amortization of:		
Nuclear fuel	9,501	12,757
Other	8,167	12,892
Deferred income taxes (net)	12,507	3,634
Investment tax credit amortization	(3,137)	(3,217)
Loss from equity investments	880	501
(Gain) Loss on property	543	(22,169)
Allowance for equity funds used during construction	(30)	(3,551)
Deferred storm costs	(20,124)	-
Minority Interest	8,245	1,954
Other operating activities (Note 3)	(9,842)	(70,027)
Net cash from operating activities	221,020	138,612
Cash Flows from Investing Activities		
Utility capital expenditures	(98,767)	(154,743)
Allowance for borrowed funds used during construction	(659)	(8,404)
Purchases of investments	(6,276)	(40,693)
Purchases of nonutility property	(8,567)	(49,202)
Proceeds from sale of assets	3,121	64,072
Hawthorn No. 5 partial insurance recovery	-	30,000
Loan to DTI prior to majority ownership	-	(94,000)
Other investing activities	(5,067)	8,382
Net cash from investing activities	(116,215)	(244,588)
Cash Flows from Financing Activities		
Issuance of long-term debt	224,573	99,500
Repayment of long-term debt	(237,923)	(63,366)
Net change in short-term borrowings	(11,263)	144,731
Dividends paid	(78,296)	(78,246)
Other financing activities	(6,064)	(3,583)
Net cash from financing activities	(108,973)	99,036
Net Change in Cash and Cash Equivalents	(4,168)	(6,940)
Cash and Cash Equivalents at Beginning of Year	29,034	34,877
Cash and Cash Equivalents at End of Period	$ 24,866	$ 27,937

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

GREAT PLAINS ENERGY
Consolidated Statements of Comprehensive Income
(Unaudited)

	Three Months Ended September 30		Year to Date September 30	
	2002	2001	2002	2001
	(thousands)			
Net income	$ 68,838	$ 55,532	$ 98,908	$104,664
Other comprehensive income:				
Gain (loss) on derivative hedging instruments	2,088	(5,537)	7,888	(39,705)
Income taxes	(507)	2,287	(2,885)	16,494
Net gain (loss) on derivative hedging instruments	1,581	(3,250)	5,003	(23,211)
Reclassification to revenues and expenses, net of tax	(211)	653	2,596	(7,687)
Comprehensive income before cumulative effect of a change in accounting principles, net of income taxes	70,208	52,935	106,507	73,766
Cumulative effect to January 1, 2001, of a change in accounting principles, net of income taxes	-	-	-	17,443
Comprehensive income	$ 70,208	$ 52,935	$106,507	$ 91,209

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

GREAT PLAINS ENERGY
Consolidated Statements of Retained Earnings
(Unaudited)

	Three Months Ended September 30		Year to Date September 30	
	2002	2001	2002	2001
	(thousands)			
Beginning balance (Note 9)	$322,693	$470,289	$344,815	$473,321
Net income	68,838	55,532	98,908	104,664
	391,531	525,821	443,723	577,985
Dividends declared				
Preferred stock - at required rates	411	411	1,234	1,235
Common stock	25,693	25,671	77,062	77,011
Ending balance	$365,427	$499,739	$365,427	$499,739

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

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

	September 30 2002	December 31 2001
	(thousands)	
ASSETS		
Current Assets		
Cash and cash equivalents	$ 2,013	$ 962
Receivables	92,625	62,511
Fuel inventories, at average cost	19,534	22,246
Materials and supplies, at average cost	51,449	50,696
Deferred income taxes	2,021	5,061
Other	9,114	11,484
Total	176,756	152,960
Nonutility Property and Investments		
Nuclear decommissioning trust fund	60,628	61,766
Other	43,116	40,797
Total	103,744	102,563
Utility Plant, at Original Cost		
Electric	4,407,461	4,332,464
Less-accumulated depreciation	1,859,725	1,793,786
Net utility plant in service	2,547,736	2,538,678
Construction work in progress	38,578	51,265
Nuclear fuel, net of amortization of $118,343 and $127,101	25,076	33,771
Total	2,611,390	2,623,714
Deferred Charges		
Regulatory assets	139,725	124,406
Prepaid pension costs	86,543	88,337
Goodwill	19,952	22,952
Other deferred charges	32,479	30,724
Total	278,699	266,419
Total	$ 3,170,589	$ 3,145,656
LIABILITIES AND CAPITALIZATION		
Current Liabilities		
Notes payable	$ 23,561	$ 20,404
Commercial paper	29,580	62,000
Current maturities of long-term debt	20,257	227,383
EIRR bonds classified as current	31,000	177,500
Accounts payable	68,584	113,029
Accrued taxes	78,693	15,895
Accrued interest	12,928	11,327
Accrued payroll and vacations	26,264	22,581
Accrued refueling outage costs	5,183	12,979
Other	12,793	14,562
Total	308,843	677,660
Deferred Credits and Other Liabilities		
Deferred income taxes	644,140	630,699
Deferred investment tax credits	42,611	45,748
Accrued nuclear decommissioning costs	61,921	63,040
Other	82,834	75,186
Total	831,506	814,673
Capitalization (see statements)	2,030,240	1,653,323
Commitments and Contingencies (Note 7)		
Total	$ 3,170,589	$ 3,145,656

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

KANSAS CITY POWER & LIGHT COMPANY
Consolidated Statements of Capitalization
(Unaudited)

	September 30 2002	December 31 2001
	(thousands)	
Long-term Debt (excluding current maturities)		
General Mortgage Bonds		
Medium-Term Notes due 2004-08,		
7.37%* and 7.28%** weighted-average rate	$ 159,000	$ 179,000
3.07%* and 2.71%** EIRR bonds due 2012-23	158,768	158,768
EIRR bonds classified as current liabilities	(31,000)	(31,000)
Senior Notes		
7.125% due 2005	250,000	250,000
6.500% due 2011	150,000	150,000
6.000% due 2007	225,000	-
Unamortized discount	(971)	(660)
EIRR bonds		
2.81%* and 3.25%** Series A & B due 2015	109,157	106,500
2.81%* and 3.25%** Series D due 2017	41,037	40,000
EIRR bonds classified as current liabilities	-	(146,500)
4.50%*** Series C due 2017	50,000	50,000
Subsidiary Obligations		
R.S. Andrews Enterprises, Inc. long-term debt		
8.02%* and 8.14%** weighted-average rate due 2003-07	2,866	2,832
Total	1,113,857	758,940
Company-obligated Mandatorily Redeemable Preferred Securities of a trust holding solely KCP&L Subordinated Debentures	150,000	150,000
Common Stock Equity		
Common stock-1,000 shares authorized without par value 1 share issued, stated value	562,041	526,041
Retained earnings (see statements)	205,373	219,524
Accumulated other comprehensive income (loss)		
Income (loss) on derivative hedging instruments	-	(151)
Minimum pension liability	(1,031)	(1,031)
Total	766,383	744,383
Total	$ 2,030,240	$ 1,653,323

* Weighted-average rate as of September 30, 2002
** Weighted-average rate as of December 31, 2001
*** Weighted-average rate as of September 30, 2002 and December 31, 2001

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

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

	Three Months Ended September 30		Year to Date September 30	
	2002	2001	2002	2001
	(thousands)			
Operating Revenues				
Electric revenues	$ 334,516	$ 460,135	$ 780,654	$ 1,027,104
Other revenues	16,927	20,780	47,221	80,571
Total	351,443	480,915	827,875	1,107,675
Operating Expenses				
Fuel	48,732	52,533	118,089	124,836
Purchased power	15,618	130,375	38,850	277,593
Gas purchased and production expenses	-	339	-	17,454
Other	75,891	78,304	211,236	243,163
Maintenance	19,903	18,835	75,541	60,588
Depreciation and depletion	37,034	40,424	110,853	117,046
General taxes	29,063	28,839	74,813	74,253
Total	226,241	349,649	629,382	914,933
(Gain) Loss on property	609	(463)	304	(22,169)
Total	226,850	349,186	629,686	892,764
Operating income	124,593	131,729	198,189	214,911
Loss from equity investments	-	(389)	-	(501)
Minority interest in subsidiaries	-	(3,133)	-	(1,954)
Non-operating income	1,084	3,453	3,834	10,912
Non-operating expenses	(2,922)	(21,152)	(7,925)	(30,321)
Interest charges	20,587	28,645	61,542	78,481
Income before income taxes, extraordinary item and cumulative effect of a change in accounting principle	102,168	81,863	132,556	114,566
Income taxes	39,817	26,331	51,155	25,774
Income before extraordinary item and cumulative effect of a change in accounting principle	62,351	55,532	81,401	88,792
Early extinguishment of debt, net of income taxes	-	-	-	15,872
Cumulative effect to January 1, 2002, of a change in accounting principle	-	-	(3,000)	-
Net income	62,351	55,532	78,401	104,664
Preferred stock dividend requirements	-	412	-	1,236
Earnings available for common stock	$ 62,351	$ 55,120	$ 78,401	$ 103,428

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

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

Year to date September 30	2002	2001
	(thousands)	
Cash Flows from Operating Activities		
Net income	$ 78,401	$104,664
Adjustments to reconcile income to net cash from operating activities:		
Early extinguishment of debt, net of income taxes	-	(15,872)
Cumulative effect of a change in accounting principle	3,000	-
Depreciation and depletion	110,853	117,046
Amortization of:		
Nuclear fuel	9,501	12,757
Other	5,980	12,892
Deferred income taxes (net)	16,385	3,634
Investment tax credit amortization	(3,137)	(3,217)
Loss from equity investments	-	501
(Gain) Loss on property	304	(22,169)
Allowance for equity funds used during construction	(30)	(3,551)
Deferred storm costs	(20,124)	-
Other operating activities (Note 3)	366	(68,073)
Net cash from operating activities	201,499	138,612
Cash Flows from Investing Activities		
Utility capital expenditures	(99,667)	(154,743)
Allowance for borrowed funds used during construction	(659)	(8,404)
Purchases of investments	(2,566)	(40,693)
Purchases of nonutility property	(1,148)	(49,202)
Proceeds from sale of assets	-	64,072
Hawthorn No. 5 partial insurance recovery	-	30,000
Loan to DTI prior to majority ownership	-	(94,000)
Other investing activities	(5,393)	8,382
Net cash from investing activities	(109,433)	(244,588)
Cash Flows from Financing Activities		
Issuance of long-term debt	224,573	99,500
Repayment of long-term debt	(227,126)	(63,366)
Net change in short-term borrowings	(29,263)	144,731
Dividends paid	-	(78,246)
Dividends paid to Great Plains Energy	(92,552)	-
Equity contribution from Great Plains Energy	36,000	-
Other financing activities	(2,647)	(3,583)
Net cash from financing activities	(91,015)	99,036
Net Change in Cash and Cash Equivalents	1,051	(6,940)
Cash and Cash Equivalents at Beginning of Year	962	34,877
Cash and Cash Equivalents at End of Period	$ 2,013	$ 27,937

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

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

	Three Months Ended September 30		Year to Date September 30	
	2002	2001	2002	2001
	(thousands)			
Net income	$ 62,351	$ 55,532	$ 78,401	$104,664
Other comprehensive income:				
Gain (loss) on derivative hedging instruments	-	(5,537)	422	(39,705)
Income taxes	-	2,287	(165)	16,494
Net gain (loss) on derivative hedging instruments	-	(3,250)	257	(23,211)
Reclassification to revenues and expenses, net of tax	(39)	653	(106)	(7,687)
Comprehensive income before cumulative effect of a change in accounting principles, net of income taxes	62,312	52,935	78,552	73,766
Cumulative effect to January 1, 2001, of a change in accounting principles, net of income taxes	-	-	-	17,443
Comprehensive income	$ 62,312	$ 52,935	$ 78,552	$ 91,209

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

KANSAS CITY POWER & LIGHT COMPANY
Consolidated Statements of Retained Earnings
(Unaudited)

	Three Months Ended September 30		Year to Date September 30	
	2002	2001	2002	2001
	(thousands)			
Beginning balance (Note 9)	$199,897	$470,289	$219,524	$473,321
Net income	62,351	55,532	78,401	104,664
	262,248	525,821	297,925	577,985
Dividends declared				
Preferred stock - at required rates	-	411	-	1,235
Common stock	-	25,671	-	77,011
Common stock held by Great Plains Energy	56,875	-	92,552	-
Ending balance	$205,373	$499,739	$205,373	$499,739

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

In management's opinion, the consolidated interim financial statements reflect all adjustments (which include only normal recurring adjustments) necessary to present fairly the results of operations for the interim periods presented. These statements and notes should be read in connection with the financial statements and related notes included in our combined 2001 annual report on Form 10-K.

The notes to consolidated financial statements that follow are a combined presentation for Great Plains Energy and consolidated KCP&L, both registrants under this filing.

1. ORGANIZATION

Great Plains Energy (The Company)
Great Plains Energy's consolidated financial statements include consolidated KCP&L, KLT Inc. and GPP. KLT Inc.'s major holdings consist of Strategic Energy, KLT Gas, and investments in affordable housing limited partnerships. GPP's assets and results of operations are insignificant to Great Plains Energy's financial position and results of operations for all periods presented.

During the second quarter of 2002, the Company's management revised its corporate business strategy. As a result of this revision, management has decided to limit the operations of GPP until market conditions improve, or the Company makes changes in its business strategy.

Effective October 1, 2001, KCP&L distributed, as a dividend, its 100% ownership of KLT Inc. and GPP to Great Plains Energy. As a result, those companies are subsidiaries of Great Plains Energy and are not included in consolidated KCP&L's results of operations and financial position since that date. The presentation of the prior year results of operations for Great Plains Energy is provided for comparative purposes and is identical to the results of operations for consolidated KCP&L, prior to formation of the holding company, presented for that year. Intercompany balances and transactions have been eliminated in consolidation.

Consolidated KCP&L
KCP&L's consolidated financial statements include its wholly owned subsidiary HSS. HSS has two subsidiaries: Worry Free Service, Inc. and RSAE. In addition, KCP&L's consolidated results of operations include KLT Inc. and GPP for all periods prior to the October 1, 2001, formation of the holding company.

Strategic Energy Revenues and Purchased Power Reclassified

Great Plains Energy retail electric revenues and purchased power have been reduced by $5.8 million for the three months ended March 31, 2002 to reflect Strategic Energy's policy of reflecting customer credits as a reduction of electricity energy sales when such credits are determined to be payable. The table below details the originally reported amounts and the reclassification.

	Three Months Ended March 30 2002 (millions)
Operating revenues- Strategic Energy, as reported (a)	$ 152.2
Reclassification	(5.8)
Operating revenues - Strategic Energy	$ 146.4
Purchased power - Strategic Energy, as reported (a)	$ 130.8
Reclassification	(5.8)
Purchased power - Strategic Energy	$ 125.0

(a) As reported in Form 10-Q for the period ended March 31, 2002 and on Form 8-K dated April 24, 2002.

2. RESTRICTED CASH

Strategic Energy has entered into performance assurance agreements with selected electricity power suppliers. As part of the agreements, Strategic Energy has directed selected retail customers to remit payment to lockboxes that are held in trust and managed by a Trustee, agreed upon by both the supplier and Strategic Energy. As part of the trust administration, the Trustee remits payment to the supplier for electricity purchased by Strategic Energy during the month according to the supplier payment terms. Any excess remittances into the lockboxes are remitted back to Strategic Energy after the disbursement to the supplier has been made. The assets of the Trust are included in cash and cash equivalents in the Great Plains Energy consolidated balance sheets and totaled $13.8 million at September 30, 2002 and $2.2 million at December 31, 2001.

3. SUPPLEMENTAL CASH FLOW INFORMATION

Great Plains Energy Other Operating Activities

	Year to Date September 30	
	2002	2001
Cash flows affected by changes in:	(thousands)	
Receivables	$ (81,890)	$(101,179)
Fuel inventories	3,116	752
Materials and supplies	(753)	(2,425)
Accounts payable	(3,020)	(61,674)
Accrued taxes and current income taxes	57,829	60,157
Accrued interest	615	2,873
Wolf Creek refueling outage accrual	(7,796)	8,636
Pension and postretirement benefit obligations	883	(17,997)
Other	21,174	40,830
Total other operating activities	$ (9,842)	$(70,027)
Cash paid during the period:		
Interest	$ 65,003	$ 61,984
Income taxes	$ 7,318	$ 7,822

Consolidated KCP&L Other Operating Activities

	Year to Date September 30	
	2002	2001
Cash flows affected by changes in:	(thousands)	
Receivables	$ (30,114)	$(101,179)
Fuel inventories	3,116	752
Materials and supplies	(753)	(2,425)
Accounts payable	(44,445)	(61,674)
Accrued taxes	62,798	60,157
Accrued interest	1,601	2,873
Wolf Creek refueling outage accrual	(7,796)	8,636
Pension and postretirement benefit obligations	883	(17,997)
Other	15,076	42,784
Total other operating activities	$ 366	$ (68,073)
Cash paid during the period:		
Interest	$ 58,354	$ 61,984
Income taxes	$ 1,800	$ 7,822

During the first quarter of 2001, KLT Telecom, a wholly owned subsidiary of KLT Inc., increased its equity ownership in DTI to a majority ownership and HSS increased its equity ownership in RSAE to a majority ownership. The effect of these transactions is summarized in the tables that follow. The initial consolidation of DTI (February 8, 2001) and RSAE (January 1, 2001) are excluded from both Great

Plains Energy and KCP&L's consolidated statement of cash flows
year to date September 30, 2001. See Note 7 for discussion of DTI's bankruptcy.

	DTI	RSAE
	(thousands)	
Cash paid to obtain majority ownership	$ (39,855)	$ (560)
Subsidiary cash	4,557	1,053
Purchase of DTI and RSAE, net of cash received	$ (35,298)	$ 493
Initial consolidation of subsidiaries:		
Assets		
Cash	$ 4,557	$ 1,053
Receivables	1,012	4,078
Other nonutility property and investments	363,825	6,267
Goodwill	62,974	24,496
Other assets	5,143	3,919
Eliminate equity investment	(67,660)	(7,200)
Total assets	$ 369,851	$ 32,613
Liabilities		
Notes payable	$ 5,300	$ 10,057
Accounts payable	31,299	6,219
Accrued taxes	2,414	24
Deferred income taxes	7,437	-
Other liabilities and deferred credits	46,531	13,418
Loan from KLT Telecom (a)	94,000	-
Long-term debt	182,870	2,895
Total liabilities	$ 369,851	$ 32,613

(a) KLT Telecom provided a $94 million loan to DTI for the completion of the tender offer of 50.4 percent of DTI's Senior Discount Notes prior to increasing its DTI investment to a majority ownership.

4. CAPITALIZATION

KCP&L Financing I (Trust) has previously issued $150.0 million of 8.3% preferred securities. The sole asset of the Trust is the $154.6 million principal amount of 8.3% Junior Subordinated Deferrable Interest Debentures, due 2037, issued by KCP&L.

In March 2002, KCP&L issued $225 million of 6.0% unsecured senior notes, maturing in 2007, through a private placement. The proceeds from the issuance were primarily used to refinance maturing unsecured medium-term notes. KCP&L, pursuant to its obligations under a registration rights agreement entered into in connection with the private placement, filed an S-4 registration statement offering to exchange up to $225 million of 6.0% unsecured senior notes, maturing in 2007, registered under the Securities Act for the $225 million privately placed notes which became effective during the third quarter of 2002. All of the privately placed notes were exchanged.

During the first quarter of 2002, Great Plains Energy terminated its $129 million bridge revolving credit facility. Great Plains Energy replaced the bridge facility with a $205 million syndicated 364-day, revolving credit facility with a group of banks. During June 2002, Great Plains Energy entered into a separate $20 million 364-day revolving credit facility with a bank. At September 30, 2002, Great Plains Energy had $142 million of borrowings, at an average interest rate of 2.72%, outstanding under the facilities.

In the third quarter of 2002, KCP&L remarketed its 1998 Series A, B, and D EIRR bonds totaling $146.5 million to a 5-year fixed interest rate of 4.75% ending October 1, 2007. The final maturity for Series A and B bonds is 2015 and the final maturity for Series D is 2017. At the end of the fixed interest rate period, the bonds will be subject to mandatory redemption or purchase and KCP&L anticipates remarketing the bonds at which time a new interest rate period and mode will be determined. KCP&L has classified the EIRR bonds as long-term debt consistent with the 5-year term of the remarketing. Under the previous, one-year remarketing term, the EIRR bonds were classified as current liabilities.

Simultaneously with the remarketing, KCP&L entered into an interest rate swap for the $146.5 million based on LIBOR to effectively create a floating interest rate obligation. The transaction is a fair value hedge with the assumption of no ineffectiveness under SFAS No. 133. The fair value of the swap is recorded on KCP&L's balance sheet as an asset with an offset to the respective debt balances and has no impact on earnings. Future changes in the fair market value of the swap will be similarly recorded on the balance sheet with no impact on earnings. At September 30, 2002, the fair value of the swap was $3.7 million.

In March 2002, Great Plains Energy made a $36 million capital contribution to KCP&L increasing capital stock premium and expense to $75 million, which is reflected in Common Stock in the KCP&L consolidated statement of capitalization.

Great Plains Energy filed an S-3 registration statement, for the issuance of an aggregate amount up to $300 million of any combination of senior debt securities, subordinated debt securities, trust preferred securities, convertible securities, or common stock. The registration statement became effective in November 2002. Great Plains Energy expects to issue additional common equity. However, the timing and amount of this transaction are dependent on a number of factors, including overall and sector-specific equity market conditions.

5. SEGMENT AND RELATED INFORMATION

Great Plains Energy

Great Plains Energy has three reportable segments based on its method of internal reporting, which generally segregates the reportable segments based on products and services, management responsibility and regulation. During the second quarter of 2002, the Company's management revised its corporate business strategy focusing on the following three primary business segments: (1) KCP&L, an integrated electric utility, generates, transmits and distributes electricity; (2) Strategic Energy earns a management fee on the direct delivery to retail customers under long-term contracts of wholesale power purchased under long-term contracts, operating in several deregulated electricity markets; and (3) KLT Gas acquires and develops early stage coalbed methane properties. "Other" includes the operations of HSS and GPP, all KLT Inc. operations other than Strategic Energy and KLT Gas, unallocated corporate charges and intercompany eliminations. The summary of significant accounting policies applies to all of the reportable segments. Segment performance is evaluated based on net income.

The tables below reflect summarized financial information concerning Great Plains Energy's reportable segments. Prior year information has been restated to conform to the current presentation.

For the three months ended September 30, 2002	KCP&L	Strategic Energy	KLT Gas (millions)	Other	Great Plains Energy
Operating revenues	$ 334.6	$ 233.1	$ 0.5	$ 16.8	$ 585.0
Depreciation and depletion	(36.2)	(0.2)	(0.3)	(1.0)	(37.7)
Interest charges	(20.2)	(0.1)	(0.1)	(2.5)	(22.9)
Loss from equity investments	-	-	-	(0.3)	(0.3)
Income taxes	(40.1)	(7.2)	2.6	7.3	(37.4)
Net income (loss)	63.7	6.7	0.3	(1.9)	68.8

For the three months ended September 30, 2001	KCP&L	Strategic Energy	KLT Gas (millions)	Other	Great Plains Energy
Operating revenues	$ 323.2	$ 137.0	$ (0.5)	$ 21.2	$ 480.9
Depreciation and depletion	(34.4)	(0.1)	(0.4)	(5.5)	(40.4)
Interest charges	(21.6)	-	-	(7.1)	(28.7)
Loss from equity investments	-	-	-	(0.4)	(0.4)
Income taxes	(37.0)	(7.1)	2.7	15.1	(26.3)
Net income (loss)	59.7	10.0	0.3	(14.4)	55.6

Year to date September 30, 2002	KCP&L	Strategic Energy	KLT Gas (millions)	Other	Great Plains Energy
Operating revenues	$ 780.7	$ 580.7	$ 0.6	$ 47.2	$1,409.2
Depreciation and depletion	(108.1)	(0.6)	(0.7)	(3.0)	(112.4)
Interest charges	(60.3)	(0.3)	(0.1)	(6.5)	(67.2)
Loss from equity investments	-	-	-	(0.9)	(0.9)
Income taxes	(51.4)	(17.8)	7.4	23.2	(38.6)
Cumulative effect of a change in accounting principle	-	-	-	(3.0)	(3.0)
Net income (loss)	84.1	21.8	(0.1)	(6.9)	98.9

Year to date September 30, 2001	KCP&L	Strategic Energy	KLT Gas (millions)	Other	Great Plains Energy
Operating revenues	$ 759.6	$ 283.0	$ 1.4	$ 63.6	$1,107.6
Depreciation and depletion	(100.9)	(0.2)	(1.4)	(14.5)	(117.0)
Interest charges	(59.3)	(0.1)	-	(19.1)	(78.5)
Income (loss) from equity investments	-	-	1.0	(1.5)	(0.5)
Income taxes	(47.1)	(12.2)	(0.8)	34.3	(25.8)
Early extinguishment of debt	-	-	-	15.9	15.9
Net income (loss)	81.0	17.3	13.6	(7.2)	104.7

September 30, 2002	KCP&L	Strategic Energy	KLT Gas (millions)	Other	Great Plains Energy
Assets	$ 3,116.5	$ 191.1	$ 52.6	$ 138.9	$ 3,499.1
Capital and investment expenditures (a)	102.3	0.8	6.1	4.4	113.6
December 31, 2001					
Assets(b)	$ 3,089.4	$ 129.1	$ 57.6	$ 187.4	$ 3,463.5
Capital and investment expenditures (a)	265.8	1.5	25.0	82.0	374.3

(a) Capital and investment expenditures reflect year to date amounts for the periods presented.
(b) KCP&L assets do not match the KCP&L assets in the consolidated KCP&L segment table due to the reclassification of accrued taxes to current income taxes during consolidation with Great Plains Energy.

Consolidated KCP&L
On October 1, 2001, consolidated KCP&L distributed, as a dividend, its ownership interest in KLT Inc. and GPP to Great Plains Energy. As a result, those companies are direct subsidiaries of Great Plains Energy and have not been included in consolidated KCP&L's results of operations and financial position since October 1, 2001.

The table below reflects summarized financial information for the three months ended and year to date September 30, 2002, concerning consolidated KCP&L's reportable segment. For the three months ended and year to date September 30, 2001, consolidated KCP&L's segment information is identical to the Great Plains Energy segment information presented above. Other includes the operations of HSS and immaterial intercompany eliminations.

For the three months ended September 30, 2002	KCP&L	Other (millions)	Consolidated KCP&L
Operating revenues	$ 334.6	$ 16.9	$ 351.5
Depreciation and depletion	(36.2)	(0.9)	(37.1)
Interest charges	(20.2)	(0.3)	(20.5)
Income taxes	(40.1)	0.2	(39.9)
Net income (loss)	63.7	(1.4)	62.3

Year to date September 30, 2002	KCP&L	Other (millions)	Consolidated KCP&L
Operating revenues	$ 780.7	$ 47.2	$ 827.9
Depreciation and depletion	(108.1)	(2.8)	(110.9)
Interest charges	(60.3)	(1.2)	(61.5)
Income taxes	(51.4)	0.2	(51.2)
Cumulative effect of a change in accounting principle	-	(3.0)	(3.0)
Net income (loss)	84.1	(5.7)	78.4

September 30, 2002	KCP&L	Other (millions)	Consolidated KCP&L
Assets	$ 3,116.5	$ 54.1	$ 3,170.6
Capital and investment expenditures (a)	102.3	1.1	103.4
December 31, 2001			
Assets	$ 3,092.5	$ 53.1	$ 3,145.6
Capital and investment expenditures (a)	265.8	87.0	352.8

(a) Capital and investment expenditures reflect year to date amounts for the periods presented.

6. RELATED PARTY TRANSACTIONS AND RELATIONSHIPS

In January of 1997, KLT Energy Services, a wholly-owned subsidiary of KLT Inc., acquired approximately 71% of Custom Energy from Environmental Lighting Concepts. In February of 1999, Custom Energy acquired 100% of the outstanding ownership interest in Strategic Energy from SE Holdings, L.L.C. (SE Holdings) in exchange for 25% of the ownership interest in Custom Energy. In a December 1999 reorganization, Custom Energy changed its name to Custom Energy Holdings and transferred all of its operations to a new wholly owned subsidiary called Custom Energy. After the reorganization, Custom Energy Holdings' assets consisted of its ownership interests in Strategic Energy and Custom Energy. Through a series of transactions, KLT Energy Services has increased its indirect ownership position in Strategic Energy to approximately 83% as of December 31, 2001. In a July 2002 transaction, Custom Energy was distributed to KLT Energy Services and a third-party investor, resulting in Strategic Energy being the sole subsidiary of Custom Energy Holdings. Environmental Lighting Concepts continued to own a 5.8% indirect ownership interest in Strategic Energy. Gregory Orman, Executive Vice President of Corporate Development and Strategic Planning of Great Plains Energy and President and CEO of KLT Inc., held a 67% interest in Environmental Lighting Concepts. The other 33% interest in Environmental Lighting Concepts was held by an employee of a Great Plains Energy subsidiary. Both persons were officers and shareholders of Environmental Lighting Concepts before they became officers or employees of the Company.

On November 5, 2002, the Board of Directors of the Company approved the merger of Environmental Lighting Concepts into Innovative Energy Consultants, Inc., a recently created wholly-owned subsidiary of the Company. The merger was consummated on November 7, 2002, with Innovative Energy Consultants being the surviving company after the merger. In exchange for their entire ownership interest in Environmental Lighting Concepts, the two shareholders received $15.1 million in Great Plains Energy common stock and notes issued by Great Plains Energy and Innovative Energy Consultants. Great Plains Energy issued 387,596 common shares of Great Plains Energy common stock, valued at $8 million, which was distributed to the Environmental Lighting Concepts shareholders in proportion to their interests in that company. Great Plains Energy also issued a promissory note to Mr. Orman in the principal amount of approximately $4.7 million, and Innovative Energy Consultants issued a promissory note to the other shareholder of Environmental Lighting Concepts in the principal amount of approximately $2.4 million. Both notes mature on January 1, 2003, and bear interest at 2.48% per annum.

As a result of the merger, Great Plains Energy now indirectly holds an approximate 89% indirect ownership interest in Strategic Energy through KLT Energy Services and Innovative Energy Consultants. Certain employees of Strategic Energy and other investors indirectly hold, through SE Holdings, the remaining ownership interest in Strategic Energy.

Custom Energy Holdings' business and affairs are controlled and managed by a three member Management Committee composed of one representative designated by KLT Energy Services, one representative designated by Innovative Energy Consultants and one representative designated by SE Holdings. Certain actions (including amendment of Custom Energy Holdings' operating agreement, approval of actions in contravention of the operating agreement, approval of a dissolution of Custom Energy Holdings, additional capital contributions and assumption of recourse indebtedness) require the unanimous consent of all the members of Custom Energy Holdings. Certain other actions (including mergers with Custom Energy Holdings, acquisitions by Custom Energy Holdings, assumption of non-recourse indebtedness, sales of substantial assets, approval of distributions, filing of registration statements, partition of assets, admission of new members and transfers of interests in Custom Energy Holdings) can be approved by the Management Committee, but to the extent they affect the rights, obligations, assets or business of Strategic Energy, the approval of the Strategic Energy Management Committee is also required.

Strategic Energy's business and affairs are controlled and managed exclusively by a four member Management Committee composed of two representatives designated by KLT Energy Services, one representative designated by Innovative Energy Consultants and one representative designated by SE Holdings. Certain actions (including amendment of Strategic Energy's operating agreement, approval of actions in contravention of the operating agreement, approval of transactions between Strategic Energy and affiliates of its members, approval of a dissolution of Strategic Energy, and assumption of recourse indebtedness) require the unanimous consent of all the Management Committee representatives of Strategic Energy.

7. COMMITMENTS AND CONTINGENCIES

Nuclear Liability and Insurance

Liability Insurance

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

Under Secondary Financial Protection, if there were a catastrophic nuclear incident involving any of the nation's licensed reactors, the Owners would be subject to a maximum retrospective assessment per incident of up to $88 million ($41 million, KCP&L's 47% share). The Owners are jointly and severally liable for these charges, payable at a rate not to exceed $10 million ($5 million, KCP&L's 47% share) per incident per year, excluding applicable premium taxes. The assessment, most recently revised in 1998, is subject to an inflation adjustment every five years based on the Consumer Price Index.

Property, Decontamination, Premature Decommissioning and Extra Expense Insurance

The Owners also carry $2.8 billion ($1.3 billion, KCP&L's 47% share) of property damage, decontamination and premature decommissioning insurance for loss resulting from damage to the Wolf Creek facilities. NEIL provides this insurance.

In the event of an accident, insurance proceeds must first be used for reactor stabilization and NRC mandated site decontamination. KCP&L's share of any remaining proceeds can be used for further decontamination, property damage restoration and premature decommissioning costs. Premature decommissioning coverage applies only if an accident at Wolf Creek exceeds $500 million in property damage and decontamination expenses, and only after trust funds have been exhausted.

The Owners also carry additional insurance from NEIL to cover costs of replacement power and other extra expenses incurred in the event of a prolonged outage resulting from accidental property damage at Wolf Creek.

Under all NEIL policies, KCP&L is subject to retrospective assessments if NEIL losses, for each policy year, exceed the accumulated funds available to the insurer under that policy. The estimated maximum amount of retrospective assessments to KCP&L under the current policies could total about $10.7 million.

In the event of a catastrophic loss at Wolf Creek, the insurance coverage may not be adequate to cover property damage and extra expenses incurred. Uninsured losses, to the extent not recovered through rates, would be assumed by KCP&L and could have a material, adverse effect on its financial condition, results of operations and cash flows.

Low-Level Waste

The Low-Level Radioactive Waste Policy Amendments Act of 1985 mandated that the various states, individually or through interstate compacts, develop alternative low-level radioactive waste disposal facilities. The states of Kansas, Nebraska, Arkansas, Louisiana and Oklahoma formed the Central Interstate Low-Level Radioactive Waste Compact and selected a site in northern Nebraska to locate a disposal facility. WCNOC and the owners of the other five nuclear units in the compact provided most of the pre-construction financing for this project. KCP&L's net investment in the Central Interstate Low-Level Radioactive Waste Compact was $7.4 million at September 30, 2002 and December 31, 2001.

Significant opposition to the project has been raised by Nebraska officials and residents in the area of the proposed facility and attempts have been made through litigation and proposed legislation in Nebraska to slow down or stop development of the facility. On December 18, 1998, the application for a license to construct this project was denied. After the license denial, WCNOC and others filed a lawsuit in federal court contending Nebraska officials acted in bad faith while handling the license application. In September 2002, the U.S. District Court Judge presiding over the Central Interstate Compact Commission's federal "bad faith" lawsuit against the State of Nebraska issued his decision in the case finding clear evidence that the State of Nebraska acted in bad faith in processing the license application for a low-level radioactive waste disposal site in Nebraska. He rendered a judgment in the amount of $151.4 million against the state. The state has appealed this decision. Based on the favorable outcome of this trial, in KCP&L's opinion, there is a greater possibility of reversing the state's license denial once the decision in this case is final.

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

Environmental Matters

KCP&L's operations are subject to regulation by federal, state and local authorities with regard to air and other environmental matters. The generation and transmission of electricity produces and requires disposal of certain hazardous products which are subject to these laws and regulations. In addition to imposing continuing compliance obligations, these laws and regulations authorize the imposition of substantial penalties for noncompliance, including fines, injunctive relief and other sanctions. Failure to comply with these laws and regulations could have a material adverse effect on KCP&L.

KCP&L operates in an environmentally responsible manner and seeks to use current technology to avoid and treat contamination. KCP&L regularly conducts environmental audits designed to ensure compliance with governmental regulations and to detect contamination. Governmental bodies, however, may impose additional or more rigid environmental regulations that could require substantial changes to operations or facilities at a significant cost. At September 30, 2002, and December 31, 2001, KCP&L had $1.9 million accrued for environmental remediation expenses covering water monitoring at one site and unasserted claims for remediation at a second site. The amounts accrued were established on an undiscounted basis and KCP&L does not currently have an estimated time frame over which the accrued amounts may be paid out. Expenditures to comply with environmental laws and regulations have not been material in amount during the periods presented and are not expected to be material in the upcoming years with the exception of the issues discussed below.

Certain Air Toxic Substances

In July 2000, the National Research Council published its findings of a study under the Clean Air Act which stated that power plants that burn fossil fuels, particularly coal, generate the greatest amount of mercury emissions. As a result, in December 2000, the EPA announced it would propose Maximum Achievable Control Technology (MACT) requirements by December 2003 to reduce mercury emissions and issue final rules by December 2004. Until the rules are proposed, KCP&L cannot predict the likelihood or compliance costs of such regulations.

Air Particulate Matter

In July 1997, the EPA revised ozone and particulate matter air quality standards creating a new eight-hour ozone standard and establishing a new standard for particulate matter less than 2.5 microns (PM-2.5) in diameter. These standards were challenged in the U. S. Court of Appeals for the District of Columbia (Appeals Court) that decided against the EPA. Upon further appeal, the U. S. Supreme Court reviewed the standards and remanded the case back to the Appeals Court for further review, including a review of whether the standards were arbitrary and capricious. On March 26, 2002, the Appeals Court issued its 3 to 0 decision on challenges to the 8-hour ozone and PM-2.5 national ambient air quality standards (NAAQS). This ruling denies all state, industry and environmental groups petitions for review and thus upheld as valid the EPA's new 8-hour ozone and PM-2.5 NAAQS. In so doing, the court held that the EPA acted consistently with the Clean Air Act in setting the standards at the levels it chose and the EPA's actions were reasonable and not arbitrary and capricious, and cited the deference given the Agency's decision-making authority. The court stated that the extensive records established for each rule supported the EPA's actions in both rulemakings.

This ruling by the Appeals Court removed the last major hurdle to the EPA's implementation of stricter ambient air quality standards for ozone and fine particles. The EPA has not yet issued regulations incorporating the new standards. Until new regulations are issued, KCP&L is unable to estimate the impact of the new standards. However, the impact on KCP&L and all other utilities that use fossil fuels could be substantial. In addition, the EPA is conducting a three-year study of fine particulate ambient air levels. Until this testing and review period has been completed, KCP&L cannot determine additional compliance costs, if any, associated with the new particulate regulations.

Nitrogen Oxide

The EPA announced in 1998 regulations implementing reductions in NOx emissions. These regulations initially called for 22 states, including Missouri, to submit plans for controlling NOx emissions. The regulations require a significant reduction in NOx emissions from 1990 levels at KCP&L's Missouri coal-fired plants by the year 2003.

In December 1998, KCP&L and several other western Missouri utilities filed suit against the EPA over the inclusion of western Missouri in the NOx reduction program based on the 1-hour NOx standard. On March 3, 2000, a three-judge panel of the District of Columbia Circuit of the U.S. Court of Appeals sent the NOx rules related to Missouri back to the EPA, stating the EPA failed to prove that fossil plants in the western part of Missouri significantly contribute to ozone formation in downwind states. On March 5, 2001, the U.S. Supreme Court denied certiorari, making the decision of the Court of Appeals final.

In the February 22, 2002, Federal Register, the EPA issued proposed Phase II NOx SIP Call regulation which specifically excludes the fossil plants in the western part of Missouri from the NOx SIP Call. To date, the EPA has not issued its final Phase II NOx SIP Call regulation.

If required to be implemented, KCP&L would need to incur significant capital costs, purchase power or purchase NOx emission allowances. Preliminary analysis of the regulations indicates that selective catalytic reduction technology, as well as other changes, may be required for some of the KCP&L units. Currently, KCP&L estimates that additional capital expenditures to comply with these regulations could range from $40 million to $60 million. Operations and maintenance expenses could also increase by more than $2.5 million per year. KCP&L continues to refine these preliminary estimates and explore alternatives. The ultimate cost of these regulations, if any, could be significantly different from the amounts estimated above.

Carbon Dioxide

At a December 1997 meeting in Kyoto, Japan, delegates from 167 nations, including the United States, agreed to a treaty (Kyoto Protocol) that would require a seven percent reduction in United States carbon dioxide (CO_2) emissions below 1990 levels. Although the United States agreed to the Kyoto Protocol, the treaty has not been sent to Congress for ratification. The financial impact on KCP&L of future requirements in the reduction of CO_2 emissions cannot be determined until specific regulations are adopted.

Proposed Water Use Regulations

In February 2002, the EPA issued proposed rules related to certain existing power producing facilities that employ cooling water intake structures that withdraw 50 million gallons or more per day and use 25% or more of that water for cooling purposes. The proposed rules establish national minimum performance requirements designed to minimize adverse environmental impact. The EPA must take final action by August 2003. KCP&L will continue to monitor the progress of this rulemaking. The impact of these proposed rules has not yet been quantified, however, KCP&L's generating stations would be affected.

KCP&L Leases

In 2001, KCP&L entered into a synthetic lease arrangement with a Trust (Lessor) to finance the purchase, installation, assembly and construction of five combustion turbines and related property and equipment that will add 385 megawatts of peaking capacity (the "Project). The Trust is a special-purpose entity and has an aggregate financing commitment from third-party equity and debt participants (Investors) of $176 million, amended during the third quarter 2002 to adjust the amount financed from the previously estimated $200 million to reflect a reduction in the estimated cost for the purchase, installation, assembly and construction of the five combustion turbines. In accordance with SFAS No. 13 "Accounting for Leases," and related EITF issues (including EITF Issue No. 90-15, "Impact of Non-substantive Lessors, Residual Value Guarantees, and Other Provisions in Leasing Transactions" and EITF Issue No. 97-10, "The Effect of Lessee Involvement in Asset Construction"), the Project and related lease obligations are not included in KCP&L's consolidated balance sheet. The Lessor has appointed KCP&L as supervisory agent responsible for completing construction of the Project by no later than June 2004. The initial lease term is approximately three and one quarter years, beginning at the date of construction completion, which is expected to be June 2003. At the end of the lease term (October 2006), KCP&L may choose to sell the Project for the Lessor, guaranteeing to the Lessor a residual value for the Project in an amount which may be up to 83.21% of the project cost. If KCP&L does not elect the sale option, KCP&L must either extend the lease, if it can obtain the consent of the Lessor, or purchase the Project for the then outstanding project cost. KCP&L also has contingent obligations to the Lessor upon an event of a default during both the construction period and lease period. Upon a default in the construction period, KCP&L's maximum obligation to the Lessor equals (i) in the circumstances of bankruptcy, fraud, illegal acts, misapplication of funds and willful misconduct, 100% of then-incurred project costs, and (ii) in all other circumstances, an amount which may be up to 89.9% of then-incurred project costs that are capitalizable in accordance with GAAP. At September 30, 2002, cumulative project costs were approximately $107.2 million. Upon a default during the lease period, KCP&L's maximum obligation to the Lessor equals 100% of project costs. KCP&L's rental obligation, which reflects interest payments only, is expected to be approximately $25.8 million in the aggregate.

During the second quarter of 2002, the FASB issued an exposure draft related to identifying and accounting for special-purpose entities. The proposed interpretation would require consolidation of special-purpose entities by a business that has a controlling financial interest. The proposed interpretation explains how to determine if a business has a controlling financial interest through a variable interest such as financial instruments, service contracts, nonvoting ownership interest, or other arrangements. The provisions of the proposed interpretation would apply immediately to special-purpose entities created after the date of the final interpretation and would apply to special-purpose entities already in existence as of the beginning of the first fiscal year or interim period beginning after March 15, 2003. The final interpretation is expected to be issued in the fourth quarter of 2002 and would require KCP&L to apply the guidance on April 1, 2003. If the interpretation is issued as currently proposed, the Company believes the synthetic lease discussed above would be consolidated beginning April 1, 2003.

Strategic Energy Purchased Power Energy Commitments

Strategic Energy has entered into agreements to purchase electricity at various fixed prices to meet estimated supply requirements. Commitments at September 30, 2002, under these agreements total $1,057.2 million through 2010. Commitments for the remainder of 2002 total $123.1 million and for the years 2003 through 2006 total $390.5 million, $267.6 million, $205.7 million, and $50.1 million, respectively. See Note 11 for further discussion.

Put Option Held by Minority Interests in Strategic Energy

As of November 7, 2002, Great Plains Energy indirectly owns approximately 89% of Strategic Energy. SE Holdings has a put option to sell all or part of its interest in Strategic Energy (approximately 11%) to Custom Energy Holdings at any time within the 90 days following January 31, 2004, under certain circumstances, at fair market value. Fair market value would be determined by the mutual agreement of the parties, or if an agreement cannot be reached, by third party appraisal.

DTI Holdings, Inc. and Subsidiaries

On December 31, 2001, DTI, a subsidiary of KLT Telecom, filed voluntary petitions for bankruptcy. DTI's reorganization under Chapter 11 of the U.S. Bankruptcy Code continues in process. Timing of completion of the bankruptcy process has yet to be determined. During the first quarter of 2002, the bankruptcy court approved $5 million in DIP financing to be provided by KLT Telecom. As of September 30, 2002, none of the DIP financing has been borrowed by DTI. As a result of DTI's filing for bankruptcy protection and KLT Telecom's ensuing loss of control, KLT Telecom has not included the ongoing earnings or loss incurred by DTI in its results for the three months ended and year to date September 30, 2002.

Consistent with the fiduciary obligation of the creditors' committee to investigate potential sources of recovery for the DTI bankruptcy estate, the creditors' committee served a request for the production of documents by the Company and its affiliates relating to the issue of whether DTI should have been compensated for the use by the Company of its tax losses. The Company believes that it would have meritorious defenses to any such claim that ultimately might be asserted by the creditors' committee. Since the legal and factual basis for any such unasserted claim have not yet been established, the Company is currently unable to estimate the amount of liability or loss, if any, that might arise if a claim is asserted.

The Company has performed an evaluation of the recoverability of deferred tax assets relating to the write-off of its investment in DTI. In December 2001, the Company established a $15.8 million income tax valuation allowance reflecting the uncertainty of when the Company will recognize future tax deductions while DTI is in the bankruptcy process. The Company is unable to project the outcome of the bankruptcy proceedings. Since the uncertainty of recognizing future tax deductions still exists, the Company has not adjusted the valuation allowance.

Internal Revenue Service Settlement - Corporate-Owned Life Insurance
During 2000, KCP&L recorded a $12.7 million charge for the Federal and states income tax impact of the proposed disallowance of interest deductions on COLI loans and assessed interest on the disallowance for tax years 1994 to 1998. In the fourth quarter of 2002, KCP&L will accept a settlement offer related to COLI from the IRS. The offer allows 20% of the interest originally deducted and taxes only 20% of the gain on surrender of the COLI policies. Acceptance of the offer will require a cash payment to the IRS of approximately $11.2 million to satisfy the liability, but will have an immaterial impact on earnings. KCP&L paid $1.5 million to the IRS in 2001 related to the disallowance of the COLI deduction.

8. GUARANTEES

As part of normal business, Great Plains Energy and certain of its subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries. Such agreements include, for example, guarantees, stand-by letters of credit and surety bonds. These agreements are entered into primarily to support or enhance the creditworthiness otherwise attributed to a subsidiary on a stand-alone basis, thereby facilitating the extension of sufficient credit to accomplish the subsidiaries' intended business purposes.

FASB issued an exposure draft of a proposed interpretation, Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others, during the second quarter of 2002. The final interpretation is expected to be issued in the fourth quarter of 2002 and take effect beginning January 1, 2003. For guarantees issued after December 31, 2002, the interpretation would require the Company to record a liability for the fair value of the obligation it has undertaken in issuing the guarantees. Additionally, specific disclosures about obligations under guarantees would be required. Until the final interpretation is issued, the Company cannot complete the quantification of the effects of the interpretation on the Company's financial condition and results of operation.

9. GOODWILL

SFAS No. 142, "Goodwill and Other Intangible Assets"
The Company adopted SFAS No. 142 on January 1, 2002. Under the new standard, goodwill is no longer amortized, but rather is tested for impairment upon adoption and at least annually thereafter. The annual test may be performed anytime during the year, but must be performed at the same time each year.

Strategic Energy's initial valuation and annual impairment test have been completed and there was no impairment of the $14.0 million of goodwill.

In accordance with SFAS No. 142, the Company completed its initial impairment test of RSAE during the second quarter of 2002 and recorded a $3.0 million write-down of goodwill. The goodwill write-down is reflected as a cumulative effect to January 1, 2002, of a change in accounting principle. RSAE completed its first annual impairment test in September and no additional write-down was necessary. At September 30, 2002, RSAE had $20.0 million of goodwill. First quarter 2002 income statement information as reported in the March 31, 2002, report on Form 10-Q has been restated below to reflect the cumulative effect to January 1, 2002, of a change in accounting principle as follows:

For the three months ended March 31, 2002 (in thousands, except per share amounts)	Great Plains Energy	KCP&L
Net loss, as originally reported	$ (2,897)	$ (7,981)
Cumulative effect to January 1, 2002, of a change in accounting principle	(3,000)	(3,000)
Net loss, as restated	(5,897)	(10,981)
Preferred stock dividend requirements	412	-
Loss available for common stock, as restated	$ (6,309)	$ (10,981)
Basic and diluted loss per common share, as originally reported	$ (0.05)	
Cumulative effect to January 1, 2002, of a change in accounting principle	(0.05)	
Basic and diluted loss per common share, as restated	$ (0.10)	
Retained earnings at March 31, 2002, as originally reported	$ 315,829	$ 185,866
Cumulative effect to January 1, 2002, of a change in accounting principle	(3,000)	(3,000)
Retained earnings at March 31, 2002, as restated	$ 312,829	$ 182,866

The following table adjusts the reported 2001 Great Plains Energy and Consolidated KCP&L income statement information to add back goodwill amortization as if the provisions of SFAS No. 142 had been applied during all periods presented.

(in thousands, except per share amounts)	Three Months Ended September 30 2001	Year to Date September 30 2001
Income before extraordinary item, as reported	$ 55,532	$ 88,792
Add back: Goodwill amortization	987	2,729
Income before extraordinary item	56,519	91,521
Early extinguishment of debt, net of income taxes	-	15,872
Income, as adjusted	56,519	107,393
Preferred stock dividend requirements	412	1,236
Earnings available for common stock, as adjusted	$ 56,107	$ 106,157
Basic and diluted earnings per common share before extraordinary item, as reported	$ 0.89	$ 1.41
Add back: Goodwill amortization	0.02	0.04
Basic and diluted earnings per common share before extraordinary item, as adjusted	0.91	1.45
Early extinguishment of debt	-	0.26
Basic and diluted earnings per common share, as adjusted	$ 0.91	$ 1.71

10. RECEIVABLES

The Company's accounts receivables are comprised of the following:

	September 30 2002	December 31 2001
	(thousands)	
Kansas City Power & Light Receivables Company	$ 51,269	$ 25,723
KCP&L other receivables	41,356	36,788
Consolidated KCP&L receivables	92,625	62,511
Great Plains Energy other receivables	141,379	89,603
Great Plains Energy receivables	$ 234,004	$ 152,114

In 1999, KCP&L entered into a revolving agreement to sell all of its right, title and interest in the majority of its customer accounts receivable to Receivables Company, a special purpose entity established to purchase customer accounts receivable from KCP&L expiring in October 2003. KCP&L expects the agreement to be renewed annually. Receivables Company has sold receivable interests to outside investors. Accounts receivable sold under the revolving agreement between Receivables Company and KCP&L totaled $121.3 million at September 30, 2002 and $95.7 million at December 31, 2001. These sales included unbilled receivables of $37.5 million at September 30, 2002, and $28.9 million at December 31, 2001. In consideration of the sale, KCP&L received $70 million in cash and the remaining balance in the form of a subordinated note from Receivables Company. The agreement is structured as a true sale under which the creditors of Receivables Company are entitled to be satisfied out of the assets of Receivables Company prior to any value being returned to KCP&L or its creditors.

KCP&L sells its receivables at a fixed price based upon the expected cost of funds and charge-offs. These costs comprise KCP&L's loss on the sale of accounts receivable and are included in non-operating expenses. KCP&L services the receivables and receives an annual servicing fee of 0.25% of the outstanding principal amount of the receivables sold and retains any late fees charged to customers. As currently proposed, the FASB exposure draft related to identifying and accounting for special-purpose entities would not require consolidation of the Receivables Company.

Information regarding KCP&L's sale of accounts receivable is reflected in the following table.

	Three Months Ended September 30		Year to Date September 30	
	2002	2001	2002	2001
	(thousands)			
Gross proceeds on sale of accounts receivable	$330,458	$321,025	$763,407	$755,507
Collections	326,344	296,893	745,370	721,470
Loss on sale of accounts receivable	1,104	1,943	3,457	7,602
Late fees	887	976	2,002	2,356

KCP&L other receivables at September 30, 2002, and December 31, 2001, consist primarily of receivables from partners in jointly-owned electric utility plants, bulk power sales receivables and accounts receivable held by RSAE and Worry Free. Great Plains Energy other receivables at September 30, 2002, and December 31, 2001, are primarily the accounts receivable held by Strategic Energy which include unbilled receivables of $61.8 million at September 30, 2002, and $48.5 million at December 31, 2001.

11. DERIVATIVE FINANCIAL INSTRUMENTS

On January 1, 2001, the Company adopted SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities", as amended. SFAS No. 133 requires that every derivative instrument be recorded on the balance sheet as an asset or liability measured at its fair value and that changes in the fair value be recognized currently in earnings unless specific hedge accounting criteria are met.

SFAS No. 133 requires that as of the date of initial adoption, the difference between the fair market value of derivative instruments recorded on the balance sheet and the previous carrying amount of those derivatives be reported in net income or other comprehensive income, as appropriate, as a cumulative effect of a change in accounting principle. The adoption of SFAS No. 133 on January 1, 2001, required the Company to record a $0.2 million expense, net of $0.1 million of income tax. The Company did not reflect this immaterial amount as a cumulative effect. This entry increased interest expense by $0.6 million and reduced purchased power expense by $0.3 million. The Company also recorded $17.4 million, net of $12.6 million of income tax, as a cumulative effect of a change in accounting principle applicable to comprehensive income for its cash flow hedges. Cash flow hedges are derivative instruments used to mitigate the exposure to variability in expected future cash flows attributable to a particular risk.

Derivative Instruments and Hedging Activities

The Company's activities expose it to a variety of market risks including interest rates and commodity prices. Management has established risk management policies and strategies to reduce the potentially adverse effects that the volatility of the markets may have on its operating results.

The Company's interest rate risk management strategy uses derivative instruments to adjust the Company's liability portfolio to optimize the mix of fixed and floating rate debt within an established range. The Company maintains commodity-price risk management strategies that use derivative instruments to minimize significant, unanticipated earnings fluctuations caused by commodity price volatility.

The Company's risk management activities, including the use of derivatives, are subject to the management, direction and control of internal Risk Management Committees.

Interest Rate Risk Management
KCP&L utilizes interest rate management derivatives to adjust the Company's liability portfolio to optimize the mix of fixed and floating rate debt within an established range.

In the third quarter, KCP&L remarketed its 1998 Series A, B, and D EIRR bonds totaling $146.5 million to a 5-year fixed interest rate of 4.75% ending October 1, 2007. Simultaneously with the remarketing, KCP&L entered into an interest rate swap for the $146.5 million based on LIBOR to effectively create a floating interest rate obligation. The transaction is a fair value hedge with the assumption of no ineffectiveness under SFAS No. 133. The fair value of the swap is recorded on KCP&L's balance sheet as an asset with an offset to the respective debt balances and has no impact on earnings. Future changes in the fair market value of the swap will be similarly recorded on the balance sheet with no impact on earnings. At September 30, 2002, the fair value of the swap was $3.7 million.

KCP&L has two interest rate swap agreements in place to fix the interest rate on $30 million of floating-rate long-term debt. These swaps do not meet the criteria to qualify for hedge accounting. The swap agreements terminate in 2003 and effectively fix the interest at a weighted-average rate of 3.88%. The fair market values of these agreements are recorded as current assets or liabilities and adjustments to interest expense. Changes in the fair market value of these instruments are recorded in the income statement.

Commodity Risk Management
KCP&L's risk management policy is to use derivative hedge instruments to mitigate its exposure to market price fluctuations on its projected gas generation requirements for retail and firm wholesale sales. These hedging instruments are designated as cash flow hedges. The fair market value of these instruments is recorded as current assets or current liabilities. When the gas is purchased and to the extent the hedge is effective at mitigating the impact of a change in the purchase price of gas, the amounts in other comprehensive income are reclassified to the consolidated income statement. To the extent that the hedges are not effective, the ineffective portion of the changes in fair market value are recorded directly in fuel expense. As of September 30, 2002, all of KCP&L's gas hedging instruments have expired.

Strategic Energy maintains a commodity-price risk management strategy that uses forward physical energy purchases and derivative instruments to minimize significant, unanticipated earnings fluctuations caused by commodity-price volatility. An option that was designated as a cash flow hedge expired on December 31, 2001. The option allowed Strategic Energy to purchase up to 270 megawatts of power at a fixed rate of $21 per mwh. The fair market value of this option and swap agreements designated as cash flow hedges at January 1, 2001, was recorded as a current asset and a cumulative effect of a change in accounting principle in comprehensive income.

As a result of supplying electricity to retail customers under fixed rate contracts, Strategic Energy's policy is to match customers' demand with fixed price purchases. In certain markets where Strategic Energy operates, entering into forward fixed price contracts is cost prohibitive. By entering into swap contracts for a portion of its forecasted purchases in these markets, the future purchase price of electricity is effectively fixed under these swap contracts protecting Strategic Energy from price volatility. The swap contracts limit the unfavorable effect that price increases will have on electricity purchases. Under SFAS No. 133, the majority of the swap agreements are designated as cash flow hedges resulting in the difference between the market value of energy and the hedge value being recorded as comprehensive income (loss). To the extent that the hedges are not effective, the ineffective portion of the changes in fair market value will be recorded directly in purchased power. At September 30, 2002, the accumulated comprehensive loss, net of income taxes and minority interest, reflected in Great Plains Energy's consolidated statement of capitalization reflected a $4.5 million loss related to such cash flow hedges. However, substantially all of the energy hedged with the swaps has been sold to customers through contracts at prices different than the fair market value used to value the swaps. Therefore, Strategic Energy does not anticipate incurring any of the losses represented in comprehensive income.

At January 1, 2001, Strategic Energy also had a few swap agreements that did not qualify for hedge accounting. The fair market value of these swaps at January 1, 2001, was recorded as an asset or liability on the consolidated balance sheet and an adjustment to the cost of purchased power. The change in the fair market value was recorded in purchased power. As of September 30, 2002, all of these swaps have expired.

KLT Gas' risk management policy is to use firm sales agreements or financial hedge instruments to mitigate its exposure to market price fluctuations on up to 85% of its daily natural gas production. These hedging instruments are designated as cash flow hedges. The fair market value of these instruments at January 1, 2001, was recorded as current assets or current liabilities, as applicable, and the cumulative effect of a change in accounting principle in comprehensive income. When the gas is sold and to the extent the hedge is effective at mitigating the impact of a change in the sales price of gas, the amounts in other comprehensive income are reclassified to the consolidated income statement. To the extent that the hedges are not effective, the ineffective portion of the changes in fair market value are recorded directly in gas revenues. KLT Gas is currently developing gas properties; therefore, no production is hedged at September 30, 2002.

The amounts recorded related to the cash flow hedges in other comprehensive income (OCI) are summarized below. Consolidated KCP&L activity for the three months ended September 30, 2002, was insignificant.

Great Plains Energy activity for the three months ended September 30, 2002

	June 30 2002	Increase (Decrease) in OCI	Reclassified	September 30 2002
		(millions)		
Assets				
Other current assets	$ 0.1	$ (0.3)	$ 0.4	$ 0.2
Other deferred debits	0.5	(0.5)	-	-
Liabilities and capitalization				
Other current liabilities	(7.9)	2.7	(0.5)	(5.7)
Accumulated OCI	5.9	(1.6)	0.2	4.5
Deferred income taxes	4.1	(0.5)	-	3.6
Other deferred credits	(2.7)	0.2	(0.1)	(2.6)

Great Plains Energy and Consolidated KCP&L activity for the three months ended September 30, 2001

	June 30 2001	Increase (Decrease) in OCI	Reclassified	September 30 2001
		(millions)		
Assets				
Other current assets	$ 6.0	$ (3.1)	$ (2.9)	$ -
Liabilities and capitalization				
Other current liabilities	(28.0)	8.8	4.2	(15.0)
Accumulated OCI	10.8	3.3	(0.7)	13.4
Deferred income taxes	7.5	2.3	(0.4)	9.4
Other deferred credits	3.7	(11.3)	(0.2)	(7.8)

Great Plains Energy activity year to date September 30, 2002

	December 31 2001	Increase (Decrease) in OCI	Reclassified	September 30 2002
		(millions)		
Assets				
Other current assets	$ (0.2)	$ 0.1	$ 0.3	$ 0.2
Liabilities and capitalization				
Other current liabilities	(12.7)	1.7	5.3	(5.7)
Accumulated OCI	12.1	(5.0)	(2.6)	4.5
Deferred income taxes	8.5	(2.9)	(2.0)	3.6
Other deferred credits	(7.7)	6.1	(1.0)	(2.6)

Consolidated KCP&L activity year to date September 30, 2002

	December 31 2001	Increase (Decrease) in OCI	Reclassified	September 30 2002
		(millions)		
Assets				
Other current assets	$ (0.2)	$ 0.3	$ (0.1)	$ -
Liabilities and capitalization				
Other current liabilities	(0.1)	0.1	-	-
Accumulated OCI	0.2	(0.2)	-	-
Deferred income taxes	0.1	(0.2)	0.1	-

Great Plains Energy and Consolidated KCP&L activity year to date September 30, 2001

	Cumulative Effect to January 1, 2001	Increase (Decrease) in OCI	Reclassified	September 30 2001
		(millions)		
Assets				
Other current assets	$ 44.5	$(20.4)	$(24.1)	$ -
Liabilities and capitalization				
Other current liabilities	(6.8)	(15.6)	7.4	(15.0)
Accumulated OCI	(17.4)	23.2	7.6	13.4
Deferred income taxes	(12.7)	16.5	5.6	9.4
Other deferred credits	(7.6)	(3.7)	3.5	(7.8)

Reclassified to earnings for the three months ended September 30,

	Great Plains Energy 2002	Great Plains Energy 2001	Consolidated KCP&L 2002	Consolidated KCP&L 2001
	(millions)			
Gas revenues	$ -	$ (0.6)	$ -	$ (0.6)
Purchased power expense	0.1	(0.7)	-	(0.7)
Minority interest	0.1	0.2	-	0.2
Income taxes	-	0.4	-	0.4
OCI	$ 0.2	$ (0.7)	$ -	$ (0.7)

Reclassified to earnings year to date September 30,

	Great Plains Energy 2002	Great Plains Energy 2001	Consolidated KCP&L 2002	Consolidated KCP&L 2001
	(millions)			
Gas revenues	$ (0.2)	$ (3.7)	$ -	$ (3.7)
Fuel expense	0.1	-	0.1	-
Purchased power expense	(5.5)	20.4	-	20.4
Minority interest	1.0	(3.5)	-	(3.5)
Income taxes	2.0	(5.6)	(0.1)	(5.6)
OCI	$ (2.6)	$ 7.6	$ -	$ 7.6

12. KCP&L JANUARY ICE STORM

At the end of January 2002, the most damaging ice storm in Kansas City history caused roughly 285,000 customer outages throughout the KCP&L territory. Incremental costs incurred through September 30, 2002, related to the January ice storm were approximately $51.3 million of which $14.7 million were capital expenditures and therefore recorded to utility plant. KCP&L expensed $16.5 million ($0.16 per share) for the Kansas jurisdictional portion of the storm costs and deferred as a regulatory asset $20.1 million of the storm costs applicable to Missouri.

In the second quarter of 2002, the KCC approved the stipulation and agreement that KCP&L had reached with the Commission staff and the Citizens Utility Ratepayers Board with regard to treatment of the Kansas portion of the ice storm costs. Under this stipulation and agreement, KCP&L received a rate moratorium until 2006 in exchange for KCP&L's agreement to not seek recovery of the $16.5 million expense for the Kansas jurisdictional portion of the storm costs and reduce rates by $12 - $13 million in 2003. Additionally, KCP&L agreed to determine depreciation expense of the Wolf Creek nuclear generating station using a 60 year life instead of a 40 year life effective January 2003, which results in a reduction of expense by approximately $7 - $8 million in 2003. KCP&L also agreed to file a rate case by May 15, 2006.

Effective August 2002, the MPSC approved KCP&L's application for an accounting authority order related to the Missouri jurisdictional portion of the storm costs. The order allows KCP&L to defer and amortize $20.1 million, representing the Missouri impact of the storm, through January 2007. The amortization began in September 2002 and is expected to be approximately $1.5 million in 2002 and approximately $4.6 million annually for the remainder of the amortization period.

13. ASSET RETIREMENT OBLIGATIONS

In 2001, the FASB issued SFAS No. 143, "Accounting for Asset Retirement Obligations". SFAS No. 143 is effective for fiscal years beginning after June 15, 2002. Under the new pronouncement, an entity must recognize as a liability the fair value of legal obligations associated with the retirement of longlived assets. The Company has substantially completed the identification of its retirement obligations and is currently evaluating the effects on the Company's financial condition. Management believes that nuclear decommissioning cost is its most significant legal retirement obligation.

After adoption of SFAS No. 143 in 2003, the additional obligation for nuclear decommissioning will increase liabilities, currently estimated to be less than $100 million, with offsets to net utility plant and a regulatory asset. The amount recorded to the electric plant accounts will be depreciated over the remaining life of Wolf Creek. The associated liability will be increased for the passage of time (accretion) to operating expense. Trust fund income and losses from the external decommissioning trusts would be reported as investment income or loss. KCP&L does not anticipate results of operations to be significantly affected by the adoption of SFAS No. 143 as long as KCP&L is regulated. Regulatory assets or liabilities will be recorded when SFAS No. 143 is first adopted and then yearly for the difference between decommissioning expense determined by regulation and amounts required by SFAS No. 143.

14. Subsequent Event

On November 7, 2002, Great Plains Energy entered into an Agreement and Plan of Merger (Agreement) with Environmental Lighting Concepts, Inc. (ELC), Gregory J. Orman and Mark R. Schroeder (ELC Shareholders), and Innovative Energy Consultants Inc., a recently created, wholly-owned subsidiary of Great Plains Energy. Mr. Orman is Executive Vice President of Corporate Development and Strategic Planning of Great Plains Energy, and Mr. Schroeder is an employee of a Great Plains Energy subsidiary. ELC indirectly owned 5.8% of Strategic Energy, a Great Plains Energy majority-owned subsidiary that is an energy management company. As provided for in the Agreement, ELC was acquired and merged with and into Innovative Energy Consultants, whereupon the existence of ELC ceased and Innovative Energy Consultants continued as the surviving corporation and a wholly-owned subsidiary of Great Plains Energy. The merger increased Great Plains Energy's indirect ownership interest in Strategic Energy from 82.75% to 88.55%. Certain employees of Strategic Energy and other investors indirectly hold the remaining ownership interest in Strategic Energy.

In exchange for their entire ownership interest in ELC, the ELC Shareholders received an aggregate amount of $15.1 million in Great Plains Energy common stock and notes issued by Great Plains Energy and Innovative Energy Consultants. Great Plains Energy issued 387,596 common shares, valued at $8 million, which were distributed to the ELC Shareholders in proportion to their ownership interests in that company. Great Plains Energy also issued a promissory note to Mr. Orman in the principal amount of approximately $4.7 million and Innovative Energy Consultants issued a promissory note to Mr. Schroeder in the principal amount of approximately $2.4 million. Both notes mature on January 1, 2003, and bear interest at 2.48% per annum. See Note 6. Related Party Transactions and Relationships, which has been updated for this subsequent event, for further discussion of this transaction.

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

The Management's Discussion and Analysis of Financial Condition and Results of Operations that follow are a combined presentation for Great Plains Energy and KCP&L, both registrants under this filing. The discussion and analysis by management focuses on those factors that had a material effect on the financial condition and results of operations of the registrants during the periods presented. It should be read in conjunction with the accompanying Financial Statements and Notes and with the management's discussion and analysis included in the Company's 2001 annual report on Form 10-K.

Great Plains Energy Incorporated
Effective October 1, 2001, Great Plains Energy became the holding company of KCP&L, GPP and KLT Inc. and subsidiaries. As a diversified energy company, its primary segments of business include:

- KCP&L, an integrated electric utility in the states of Missouri and Kansas, provides reliable, affordable electricity to retail customers;
- Strategic Energy provides power supply coordination services in several deregulated electricity markets, including Pennsylvania, southern California, Ohio, New York, Massachusetts and Texas; and
- KLT Gas acquires and develops early stage coalbed methane natural gas properties.

Effective October 1, 2001, all outstanding KCP&L shares were exchanged one for one for shares of Great Plains Energy. The Great Plains Energy trading symbol "GXP" replaced the KCP&L trading symbol "KLT" on the New York Stock Exchange.

During the second quarter of 2002, the Company's management revised its corporate business strategy. The goal is to become a premier diversified energy company that achieves annual growth in earnings per share in a financially disciplined manner. To achieve this goal, Great Plains Energy intends to focus on its three primary segments of business and identify synergistic energy investments by:

- Developing KCP&L into an operationally excellent electric utility,
- Continuing to grow Strategic Energy's business model into new markets,
- Developing KLT Gas into a premier brand in the unconventional natural gas exploration market, and
- Identifying synergistic energy investments that drive earnings growth while supporting the Company's core strategies.

Great Plains Energy Results of Operations

	Three Months Ended September 30 2002	2001	Year to Date September 30 2002	2001
	(millions)			
Operating revenues	$ 585.0	$ 480.9	$ 1,409.2	$ 1,107.6
Fuel	(48.7)	(52.5)	(118.1)	(124.8)
Purchased power	(221.1)	(130.5)	(545.2)	(277.6)
Revenues, net of fuel and purchased power	315.2	297.9	745.9	705.2
Other operating expenses	(141.0)	(126.3)	(403.4)	(395.5)
Depreciation and depletion	(37.7)	(40.4)	(112.4)	(117.0)
Gain on property	(0.6)	0.5	(0.5)	22.2
Operating income	135.9	131.7	229.6	214.9
Loss from equity investments	(0.3)	(0.4)	(0.9)	(0.5)
Non-operating income (expenses)	(6.5)	(20.7)	(21.0)	(21.3)
Interest charges	(22.9)	(28.7)	(67.2)	(78.5)
Income taxes	(37.4)	(26.3)	(38.6)	(25.8)
Early extinguishment of debt	-	-	-	15.9
Cumulative effect of a change in accounting principle	-	-	(3.0)	-
Net income	68.8	55.6	98.9	104.7
Preferred dividends	(0.3)	(0.5)	(1.2)	(1.3)
Earnings applicable to common	$ 68.5	$ 55.1	$ 97.7	$ 103.4

Three months ended September 30, 2002, compared to September 30, 2001
Great Plains Energy's earnings for the three months ended, as detailed in the table below, increased $13.4 million, or $0.22 per share, compared to the same period of 2001.

	Three Months Ended September 30 2002 Earnings	2001 Earnings	2002 EPS	2001 EPS
	(millions)			
KCP&L	$ 63.7	$ 59.3	$ 1.03	$ 0.96
Subsidiary operations	(1.4)	(0.3)	(0.02)	(0.01)
Consolidated KCP&L	62.3	59.0	1.01	0.95
Strategic Energy	6.7	10.0	0.11	0.16
KLT Gas	0.3	0.3	-	-
Other non-regulated operations	(0.8)	(14.2)	(0.01)	(0.22)
Total	$ 68.5	$ 55.1	$ 1.11	$ 0.89

KCP&L's increase in earnings for the three months ended September 30, 2002, compared to the same period of 2001, is primarily the result of warmer summer 2002 weather compared to 2001, continued load growth, lower average fuel cost per mmbtu and a significantly lower purchased power price per mwh. These factors combined to more than offset increased administrative and general expenses including pension costs and other benefit costs. Strategic Energy's earnings increased $6.0 million, excluding earnings during the three months ended September 30, 2001, of $9.3 million from the sale of power purchased from one supplier under very favorable wholesale contracts that expired at the end of 2001. The increase is due to continued growth in retail electric sales resulting from increases in customer accounts and mwh's served. This was partially offset by increased salaries and benefits and an effective state income tax rate true-up for the first six months of 2002 and higher state income tax rates due to higher sales in states with higher income tax rates for the quarter. Other non-regulated operations includes, among other things, earnings from affordable housing of $3.2 million for the three months ended September 30, 2002, compared to a loss of $2.1 million for the same period of 2001. Additionally, the three months ended September 30, 2001, reflects DTI losses of $10.1 million.

Year to date September 30, 2002, compared to September 30, 2001
Great Plains Energy's earnings year to date September 30, 2002, compared to 2001 increased $13.2 million, or $0.22 per share, excluding the cumulative effect of a change in accounting principle in 2002 and the early extinguishment of debt in 2001.

	Year to Date September 30			
	2002 Earnings	2001 Earnings	2002 EPS	2001 EPS
	(millions)			
KCP&L	$ 84.1	$ 79.8	$ 1.36	$ 1.28
Subsidiary operations	(2.7)	(3.7)	(0.04)	(0.06)
Cumulative effect to January 1, 2002 of a change in accounting principle	(3.0)	-	(0.05)	-
Consolidated KCP&L	78.4	76.1	1.27	1.22
Strategic Energy	21.8	17.3	0.35	0.28
KLT Gas	(0.1)	13.6	-	0.22
Other non-regulated operations	(2.4)	(19.5)	(0.04)	(0.31)
Earnings excluding extraordinary item	97.7	87.5	1.58	1.41
Early extinguishment of debt	-	15.9	-	0.26
Total	$ 97.7	$ 103.4	$ 1.58	$ 1.67

KCP&L earnings increased $4.3 million year to date September 30, 2002, compared to the same period of 2001. Warmer summer 2002 weather combined with the positive impact of the return to service of Hawthorn No. 5 in June 2001 and significantly lower cost per mwh of purchased power were partially offset by the impact of expensing the Kansas jurisdictional portion of the January 2002 ice storm costs and increased administrative and general expenses including pension costs and other benefit costs. Strategic Energy's earnings increased $19.0 million, excluding earnings during year to date September 30, 2001, of $14.5 million from the sale of power purchased from one supplier under very favorable wholesale contracts that expired at the end of 2001. The increase is due to continued growth in the retail markets including increases in customer accounts and mwh's served partially offset by increased salaries and benefits and higher state income tax rates. KLT Gas is currently developing gas properties following its most recent sale of property during the second quarter of 2001 which resulted in an after tax gain of $12.0 million. Other non-regulated operations includes earnings from affordable housing of $6.4 million and $5.8 million year to date September 30, 2002 and 2001, respectively. Additionally, year to date September 30, 2001, reflects DTI losses of $24.0 million, excluding the early extinguishment of debt.

On December 31, 2001, DTI filed voluntary petitions for bankruptcy. As a result of DTI's filing for bankruptcy protection, and KLT Telecom's ensuing loss of control, KLT Telecom has not included in its results for the three months ended and year to date September 30, 2002, the ongoing earnings or loss incurred by DTI.

The Company adopted SFAS No. 142, "Goodwill and Other Intangible Assets" effective January 1, 2002. In accordance with SFAS No. 142, the Company completed its initial impairment test of RSAE during the second quarter of 2002 and determined that a $3.0 million write-down of goodwill was required. As a result, year to date September 30, 2002, Great Plains Energy net income reflects the $3.0 million cumulative effect to January 1, 2002, of a change in accounting principle. Ongoing annual impairment tests are required by SFAS No. 142. RSAE completed its first annual impairment test in September and no additional write-down was necessary.

On February 1, 2001, DTI, an equity investment of KLT Telecom on that date, completed a tender offer for 50.4% of its outstanding senior discount notes. This transaction resulted in a $15.9 million ($0.26 per share) extraordinary gain on the early extinguishment of debt.

For further discussion regarding each segment's results of operations, see its respective section below.

Consolidated KCP&L

The following discussion of consolidated KCP&L results of operations includes KCP&L, an integrated electric utility and HSS, an unregulated subsidiary of KCP&L. References to KCP&L, in the discussion that follows, reflect only the operations of the integrated electric utility. The discussion excludes the results of operations for GPP and KLT Inc. and subsidiaries, which were transferred to Great Plains Energy on October 1, 2001.

Consolidated KCP&L Business Overview

KCP&L consists of two business units - power and delivery.

The power business unit has over 3,700 megawatts of generating capacity. During 2001, KCP&L entered into a $200 million, five-year construction and synthetic operating lease transaction for five combustion turbines that will add 385 megawatts of peaking capacity. During the third quarter of 2002, the lease was amended to reduce the amount financed from the previously estimated $200 million to $176 million to reflect changes in the estimated cost for the purchase, installation, assembly and construction of the five combustion turbines. Construction began in the third quarter of 2002 with the expected commercial operation of the five combustion turbines in the spring and summer 2003.

The delivery business unit consists of transmission and distribution facilities that serve over 480,000 customers as of September 30, 2002. KCP&L continues to experience load growth approximating the historical average of 2.0% to 2.5% annually through increased customer usage and additional customers. Rates charged for electricity are below the national average.

Under FERC Order 2000, KCP&L, as an investor-owned utility, is strongly encouraged to join a FERC approved RTO. RTOs combine regional transmission operations of utility businesses into a regional organization that schedules transmission services and monitors the energy market to ensure regional transmission reliability and non-discriminatory access. KCP&L is a member of the SPP. During the first quarter of 2002, the SPP and the MISO voted to consolidate the two organizations to create a larger Midwestern RTO, a non-profit organization that will operate in twenty states and one Canadian province. The consolidation is expected to be completed during the first quarter of 2003 and has received FERC approval. FERC has already approved an RTO proposal submitted by the MISO.

During the third quarter of 2002, FERC issued a Notice of Proposed Rulemaking to Remedy Undue Discrimination through Open Access Transmission Service and Standard Electricity Market Design. The proposed rulemaking is designed to establish a single non-discriminatory open access transmission tariff with a single transmission service that is applicable to all users of the interstate transmission grid. All public utilities that own, control or operate interstate transmission facilities would be required to become an independent transmission provider, turn over the operation of their transmission facilities to an RTO that meets the definition of an independent transmission provider or contract with an entity that meets the definition of an independent transmission provider. KCP&L is in the process of evaluating the impact of the proposed rulemaking on its operations and providing comments on the proposed rulemaking to FERC. Additionally, regulatory approvals would have to be received from the MPSC and the KCC prior to KCP&L's participation in an independent transmission provider.

KCP&L also has a wholly-owned unregulated subsidiary, HSS, that holds investments in businesses primarily in residential services. HSS is comprised of two subsidiaries, RSAE and Worry Free Services, Inc.

Consolidated KCP&L Results of Operations

The following table summarizes consolidated KCP&L's comparative results of operations. For comparative purposes only, the 2001 periods presented below have been restated to exclude the results of operations for KLT Inc. and subsidiaries and GPP, which were transferred to Great Plains Energy on October 1, 2001. Therefore, the 2001 periods presented below do not agree with the 2001 periods presented in KCP&L's consolidated statements of income and should only be used in the context of the discussion and analysis that follows.

	Three Months Ended September 30		Year to Date September 30	
	2002	2001	2002	2001
	(millions)			
Operating revenues	$ 351.5	$ 339.8	$ 827.9	$ 811.6
Fuel	(48.7)	(52.5)	(118.1)	(124.8)
Purchased power	(15.7)	(21.1)	(38.9)	(59.1)
Revenues, net of fuel and purchased power	287.1	266.2	670.9	627.7
Other operating expenses	(124.8)	(108.6)	(361.5)	(334.8)
Depreciation and depletion	(37.1)	(34.9)	(110.9)	(102.7)
Gain on property	(0.6)	(0.1)	(0.3)	(1.5)
Operating income	124.6	122.6	198.2	188.7
Loss from equity investments	-	-	-	(0.1)
Non-operating income (expenses)	(1.9)	(3.6)	(4.1)	(4.1)
Interest charges	(20.5)	(22.0)	(61.5)	(60.4)
Income taxes	(39.9)	(37.5)	(51.2)	(46.7)
Cumulative effect of a change in accounting principle	-	-	(3.0)	-
Net income	62.3	59.5	78.4	77.4
Preferred dividends	-	(0.5)	-	(1.3)
Earnings applicable to common	$ 62.3	$ 59.0	$ 78.4	$ 76.1

Consolidated KCP&L's earnings increased $3.3 million for the three months ended September 30, 2002, and $2.3 million year to date September 30, 2002, compared to the same periods of 2001.

For the three months ended September 30, 2002, KCP&L earnings increased $4.4 million, compared to the same period of 2001. Warmer summer 2002 weather, continued load growth, lower average fuel cost per mmbtu and a significantly lower purchased power cost per mwh combined to more than offset increased administrative and general expenses including pension costs of $4.3 million and other employee-related costs of $5.6 million. KCP&L's increased earnings were also offset by continued operating losses of HSS.

Year to date September 30, 2002, KCP&L earnings increased $4.3 million, compared to the same period of 2001. The positive impact of the return to service of Hawthorn No. 5 in June 2001 and significantly lower cost per mwh of purchased power were offset by the impact of expensing the Kansas jurisdictional portion of the January 2002 ice storm costs and increased administrative and general expenses including pension costs of $12.3 million and other employee-related costs of $2.5 million.

The Company adopted SFAS No. 142, "Goodwill and Other Intangible Assets" effective January 1, 2002. In accordance with SFAS No. 142, the Company completed its initial impairment test of RSAE during the second quarter of 2002 and determined that a $3.0 million write-down of goodwill was required. As a result, year to date September 30, 2002, Great Plains Energy net income reflects the $3.0 million cumulative effect to January 1, 2002, of a change in accounting principle. Ongoing annual impairment tests are required by SFAS No. 142. RSAE completed its first annual impairment test in September and no additional write-down was necessary.

Consolidated KCP&L Sales Revenues and Megawatt-hour (mwh) Sales

	Three Months Ended September 30		%	Year to Date September 30		%
	2002	2001	Change	2002	2001	Change
	(millions)			(millions)		
Retail revenues						
Residential	$ 146.1	$ 137.0	7 %	$ 300.1	$ 286.1	5 %
Commercial	131.9	130.2	1 %	328.6	322.1	2 %
Industrial	26.0	27.4	(5)%	72.2	80.4	(10)%
Other retail revenues	2.3	2.2	3 %	6.6	6.3	3 %
Total retail	306.3	296.8	3 %	707.5	694.9	2 %
Sales for resale revenues						
Bulk power sales	23.3	20.9	11 %	60.2	49.8	21 %
Other sales for resale revenues	1.3	1.3	(3)%	3.0	3.3	(10)%
Other revenues	3.7	4.2	(15)%	10.0	11.6	(14)%
KCP&L electric revenues	334.6	323.2	3 %	780.7	759.6	3 %
Subsidiary revenues	16.9	16.6	2 %	47.2	52.0	(9)%
Consolidated KCP&L revenues	$ 351.5	$ 339.8	3 %	$ 827.9	$ 811.6	2 %

	Three Months Ended September 30		%	Year to Date September 30		%
	2002	2001	Change	2002	2001	Change
	(thousands)			(thousands)		
Retail mwh sales						
Residential	1,821	1,686	8 %	3,970	3,812	4 %
Commercial	1,991	1,920	4 %	5,273	5,185	2 %
Industrial	548	532	3 %	1,496	1,614	(7)%
Other retail mwh sales	20	19	6 %	61	58	7 %
Total retail	4,380	4,157	5 %	10,800	10,669	1 %
Sales for resale mwh						
Bulk power sales	1,110	924	20 %	2,903	2,051	41 %
Other sales for resale	38	37	7 %	98	97	2 %
KCP&L electric mwh sales	5,528	5,118	8 %	13,801	12,817	8 %

Total revenues increased $11.7 million for the three months ended and $16.3 million year to date September 30, 2002, compared to the same periods of 2001. Warmer summer 2002 weather and continued load growth increased retail revenues $9.5 million for the three months ended September 30, 2002. For the year to date comparison, the increased retail revenues due to the warmer summer 2002 weather and continued load growth were partially offset by the mild weather in the first quarter of 2002 and the bankruptcy of one major industrial customer in early 2001 ($4.4 million of revenues year to date

September 30, 2001). Load growth consists of higher usage-per-customer and the addition of new customers. Less than 1% of revenues include an automatic fuel adjustment provision.

Bulk power sales vary with system requirements, generating unit and purchased power availability, fuel costs and requirements of other electric systems. The significant increases in bulk power mwh sales were partially offset by a decline of approximately 4% in prices per bulk power mwh sold for the three months ended and 13% year to date September 30, 2002, compared to the same periods in 2001.

In October 2002, the Staff of the MPSC concluded its review of the Missouri jurisdictional earnings for KCP&L and determined that the current rate levels do not warrant action at this time.

In the second quarter 2002, the KCC approved the stipulation and agreement that KCP&L had reached with the Commission staff and the Citizens Utility Ratepayers Board with regard to treatment of the Kansas portion of the ice storm costs. Under this stipulation and agreement, KCP&L received a rate moratorium until 2006 in exchange for KCP&L's agreement to not seek recovery of the $16.5 million expense for the Kansas jurisdictional portion of the storm costs and reduce rates by $12 - $13 million in 2003. Additionally, KCP&L agreed to determine depreciation expense of the Wolf Creek nuclear generating station using a 60 year life instead of a 40 year life effective January 2003, which results in a reduction of expense by approximately $7 - $8 million in 2003. KCP&L also agreed to file a rate case by May 15, 2006.

KCP&L Fuel and Purchased Power

KCP&L fuel costs decreased $3.8 million for the three months ended and $6.7 million year to date September 30, 2002, compared to the same periods of 2001, even though generation increased 7% and 10%, respectively. Lower fuel cost per mmBtu due to additional coal and less natural gas and oil in the generation fuel mix was the primary reason for the decline in fuel costs. The return to service of Hawthorn No. 5, a low cost coal-fired unit, in June 2001 contributed to the change in generation fuel mix. Significantly lower natural gas prices and lower cost of uranium in the 2002 periods also contributed to the lower fuel cost.

Purchased power expenses decreased $5.4 million for the three months ended and $20.2 million year to date September 30, 2002, compared to the same periods of 2001. Cost per mwh purchased decreased approximately 40% in 2002 compared to 2001 due to regional energy availability and a less volatile energy market. The significantly lower cost per mwh purchased more than offset the effect on purchased power expense of a 5% increase in the quantity of power purchased during the three months ended. Also contributing to the year to date decrease was a 9% decrease in the quantity of power purchased due to the availability of KCP&L generating units.

The fuel cost per mmBtu and the purchased power cost per mwh have a significant impact on the results of operations for KCP&L. Generation fuel mix can change the fuel cost per mmBtu substantially. Nuclear fuel costs per mmBtu remain substantially less than the mmBtu price of coal. Replacement power costs for planned Wolf Creek outages are accrued evenly over the unit's operating cycle, as discussed below. KCP&L expects its cost of nuclear fuel to remain fairly constant through the year 2003. Coal has a significantly lower cost per mmBtu than natural gas and oil. KCP&L's procurement strategies continue to provide delivered coal costs below the regional average. The cost per mwh for purchased power is still significantly higher than the fuel cost per mwh of coal and nuclear generation. KCP&L continually evaluates its system requirements, the availability of generating units, availability and cost of fuel supply, availability and cost of purchased power and the requirements of other electric systems to provide reliable power economically.

Montrose Unit No. 3, a 176-mw unit, returned to service at the end of the third quarter 2002 following a forced outage due to damage to the turbine blades in the combined high and intermediate pressure section of the turbine. Additional maintenance including replacing blades in the low pressure section of the turbine to mitigate a long outage in the next few years and maintenance originally scheduled for October was also completed during the three-month outage. The unanticipated outage costs were approximately $4.3 million of capital expenditures, $0.9 million in additional operations and maintenance expense and $4.0 million in net fuel and purchased power expense in 2002. These amounts do not reflect the $1.0 million expected to be recovered from insurance.

Consolidated KCP&L Other Operating Expenses
KCP&L's other operating expenses increased $15.8 million for the three months ended September 30, 2002, compared to the same period of 2001 primarily due to increased administrative and general expenses including a $4.3 million increase in pension expense, a $5.6 million increase in other employee-related costs, and increased legal and injuries and damages expenses. KCP&L's other operating expenses increased $36.2 million year to date September 30, 2002, compared to the same period of 2001 primarily due to expensing $16.5 million for the Kansas jurisdictional portion of the January ice storm and increased administrative and general expenses including a $12.3 million increase in pension expense, a $2.5 million increase in other employee-related costs, and increased legal and injuries and damages expenses. The increased pension expense for both periods is mostly due to a significant decline in the market value of plan assets at the end of the plan's year, September 30, 2001.

HSS's other expenses decreased $9.5 million year to date September 30, 2002, compared to the same periods of 2001 due to the closure of some locations and the implementation of cost saving strategies at RSAE.

Consolidated KCP&L Depreciation
Consolidated KCP&L's depreciation expense increased $2.2 million for the three months ended and $8.2 million year to date September 30, 2002, compared to the same periods of 2001, primarily due to increased capital additions relating to Hawthorn No. 5, which was returned to service in 2001, and the purchase of the previously leased Hawthorn No. 6 turbine at the end of the third quarter of 2001.

Consolidated KCP&L Interest Charges
Consolidated KCP&L's interest charges decreased $1.5 million for the three months ended and increased $1.1 million year to date September 30, 2002, compared to the same periods of 2001. A portion of the proceeds from long-term debt issuances have been used to pay down short-term debt.

Long-term debt interest expense
KCP&L's long-term debt interest expense increased $1.7 million for the three months ended and $1.0 million year to date September 30, 2002, compared to 2001, primarily due to higher average levels of long-term debt outstanding. Year to date, lower average rates on variable rate debt partially offset the higher average levels of long-term debt. The higher average levels of long-term debt primarily reflect the issuances of $375.0 million of unsecured, fixed-rate senior notes partially offset by $257.0 million of scheduled debt repayments since September 30, 2001.

Short-term debt interest expense
KCP&L's short-term debt interest expense decreased $2.1 million for the three months ended and $6.6 million year to date September 30, 2002, compared to the same periods of 2001. Average interest rates are down more than 50% and average levels of outstanding commercial paper are down more than 70% for the 2002 periods compared to the same periods of 2001. KCP&L had $29.6 million of commercial paper outstanding at September 30, 2002, and $193.2 million of commercial paper outstanding at September 30, 2001.

Capitalized interest
Allowance for borrowed funds used during construction decreased $7.7 million year to date September 30, 2002, compared to the same periods of 2001 because of decreased construction work in progress primarily due to the return to service of Hawthorn No. 5 in 2001.

Wolf Creek
Wolf Creek, a nuclear generating station, represents about 15% of KCP&L's generating capacity. The plant's operating performance has remained strong over the last three years, contributing an average of 27% of KCP&L's annual mwh generation while operating at an average capacity of 92%. Wolf Creek has the lowest fuel cost per mmBtu of any of KCP&L's generating units.

KCP&L accrues the incremental operating, maintenance and replacement power costs for planned outages evenly over the unit's operating cycle, normally 18 months. As actual outage expenses are incurred, the refueling liability and related deferred tax asset are reduced. Wolf Creek returned to service on April 27, 2002, following a 35-day refueling and maintenance outage that began on March 23, 2002. During the outage, a complete inspection of the reactor vessel head indicated no corrosion or other problems of the type experienced at the Davis-Besse nuclear plant in Ohio. The next outage is scheduled for the fall of 2003.

Ownership and operation of a nuclear generating unit exposes KCP&L to risks regarding decommissioning costs at the end of the unit's life and to potential retrospective assessments and property losses in excess of insurance coverage.

Strategic Energy

Strategic Energy Business Overview
Strategic Energy provides power supply coordination services for a management fee by purchasing electricity and reselling it to retail customers in several deregulated electricity markets, including Pennsylvania, California, Ohio, New York, Massachusetts and Texas. As part of its process of managing electricity portfolios for retail customers, Strategic Energy occasionally sells unsold power back into the wholesale market. Strategic Energy also provides strategic planning and consulting services in the natural gas and electricity markets. During the first three quarters of 2002, power supply coordination services provided to retail customers accounted for substantially all of Strategic Energy's operating income.

In the first quarter of 2001, KLT Energy Services exchanged its ownership of $4.7 million of preferred stock in another energy service company for additional ownership in Strategic Energy. This transaction increased KLT Energy Services' ownership of Strategic Energy from 72% to 83%. As of September 30, 2002, KLT Energy Services has invested $17.0 million in cash and securities to acquire its 83% ownership position.

In 2000, Strategic Energy also provided retail gas services to commercial, institutional and small manufacturing customers. Strategic Energy elected to exit this business in the first quarter of 2001 to focus on power supply coordination services and had phased out of retail gas services at the end of 2001. Strategic Energy made this decision after evaluating the organizational demands, growth prospects and relative levels of profitability of both businesses. As the marketplace and Strategic Energy's business evolves, Strategic Energy may elect to re-enter the market for retail gas services.

Strategic Energy currently provides power supply coordination services on behalf of approximately 29,100 commercial, institutional and small manufacturing accounts. Strategic Energy's customer base is very diverse. Customers include numerous Fortune 500 companies, school districts, and governmental entities. Based on current signed contracts and expected usage, Strategic Energy forecasts a peak load of 2,560 megawatts in 2002. The largest concentration of the forecasted load, 959 megawatts, is in California. The largest customer of the forecasted peak load, 199 megawatts, is a retail grocery chain. Strategic Energy enters into full-requirements contracts (usually one to five years in duration) with customers to supply electricity and manage their energy needs. In return, Strategic Energy receives an ongoing management fee which is included in the contracted price for the electricity. Based on current signed contracts and expected usage, Strategic Energy anticipates future mwh sales of 3.3 million for the remainder of 2002 and 10.4 million, 6.9 million, 4.5 million and 1.2 million for the years 2003 through 2006, respectively.

To supply its retail contracts, Strategic Energy purchases blocks of electricity under forward contracts to purchase fixed quantities at fixed prices from power suppliers based on projected peak demand under one to five year contracts. When Strategic Energy has excess supply in the on-peak period, the excess is sold in the wholesale market. The savings generated by the sale of excess supply of on-peak electricity is used to reduce the cost of providing energy to Strategic Energy's retail customers and is recorded as a reduction of purchased power.

At September 30, 2002, Strategic Energy had entered into forward contracts with multiple suppliers. Should the supplier default and not deliver, Strategic Energy would be exposed to market fluctuations, and possible losses to the extent that the then current market price was higher than the fixed forward contract price. Strategic Energy monitors this risk by evaluating the credit quality and performance of its suppliers on a routine basis as part of its risk management policy and practices. At September 30, 2002, Strategic Energy's five largest suppliers under forward supply contracts represented 77% of the total future committed purchases. Based on current wholesale electricity market prices, management believes that replacement power could be obtained without a significant impact on Strategic Energy's results of operations in the event of a default by a major supplier.

Strategic Energy maintains a commodity-price risk management strategy that uses forward physical energy purchases and derivative instruments to minimize significant, unanticipated earnings fluctuations caused by commodity-price volatility. As a result of supplying electricity to retail customers under fixed rate contracts, Strategic Energy's policy is to match customers' demand with fixed price purchases. In certain markets where Strategic Energy operates, entering into forward fixed price contracts is cost prohibitive. By entering into swap contracts for a portion of its forecasted purchases in these markets, the future purchase price of electricity is effectively fixed under these swap contracts. The swap contracts limit the unfavorable effect that price increases will have on electricity purchases. Under SFAS No. 133, the majority of the swap agreements are designated as cash flow hedges resulting in the difference between the market value of energy and the hedge value being recorded as comprehensive income (loss). At September 30, 2002, the accumulated comprehensive loss, net of income taxes and minority interest, reflected in Great Plains Energy's consolidated statement of capitalization included a $4.5 million loss related to such cash flow hedges. However, substantially all of the energy hedged with the swaps has been sold to customers through contracts at prices different than the fair market value used to value the swaps. Therefore, Strategic Energy does not anticipate incurring the losses represented in comprehensive income.

During the third quarter of 2002, FERC issued a Notice of Proposed Rulemaking to Remedy Undue Discrimination through Open Access Transmission Service and Standard Electricity Market Design. The proposed rulemaking is designed to establish a single non-discriminatory open access transmission tariff with a single transmission service that is applicable to all users of the interstate transmission grid. All public utilities that own, control or operate interstate transmission facilities would be required to become an independent transmission provider, turn over the operation of their transmission facilities to an RTO that meets the definition of an independent transmission provider or contract with an entity that meets the definition of an independent transmission provider. Strategic

Energy is in the process of evaluating the impact of the proposed rulemaking on its operations and providing comments on the proposed rulemaking to FERC.

Strategic Energy Results of Operations

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

	Three Months Ended September 30		Year to Date September 30	
	2002	2001	2002	2001
	(millions)			
Operating revenues	$ 233.1	$ 137.0	$ 580.7	$ 283.0
Purchased power	(205.4)	(109.4)	(506.3)	(218.5)
Revenues, net of purchased power	27.7	27.6	74.4	64.5
Other operating expenses	(10.8)	(6.7)	(26.0)	(29.8)
Depreciation	(0.2)	(0.1)	(0.6)	(0.2)
Operating income	16.7	20.8	47.8	34.5
Non-operating income (expenses)	(2.7)	(3.7)	(7.9)	(4.9)
Interest charges	(0.1)	-	(0.3)	(0.1)
Income taxes	(7.2)	(7.1)	(17.8)	(12.2)
Net income	$ 6.7	$ 10.0	$ 21.8	$ 17.3

Strategic Energy's net income increased $6.0 million for the three months ended and $19.0 million year to date September 30, 2002, compared to the same periods of 2001, excluding earnings during the three months ended and year to date September 30, 2001, of $9.3 million and $14.5 million, respectively, resulting from the sale of power purchased from one supplier under wholesale contracts that expired at the end of 2001. The increased net income for the three months ended and year to date is primarily due to continued growth in retail electric sales from the expansion into new markets and continued sales efforts, partially offset by increased labor and benefits as well as other general and administrative expenses.

Strategic Energy Operating Revenues
Operating revenues from Strategic Energy increased $96.1 million for the three months ended and $297.7 million year to date September 30, 2002, compared to the same periods of 2001. The following table reflects the operating revenues of Strategic Energy for the three months ended and year to date September 30, 2002 and 2001.

	Three Months Ended September 30		%	Year to Date September 30		%
	2002	2001	Change	2002	2001	Change
	(millions)			(millions)		
Electric - Retail	$ 225.1	$ 101.6	122 %	$ 558.2	$ 194.8	187 %
Electric - Wholesale	7.7	35.3	(78)%	21.6	72.6	(70)%
Gas and other	0.3	0.1	200 %	0.9	15.6	(94)%
Total Operating Revenues	$ 233.1	$ 137.0	70 %	$ 580.7	$ 283.0	105 %

Strategic Energy currently serves approximately 29,100 commercial and small manufacturing accounts, compared to about 15,000 accounts at September 30, 2001. Strategic Energy added approximately 1,600 accounts during the third quarter of 2002 for a total of approximately 9,600 accounts added since the beginning of 2002.

Retail electric revenues increased $123.5 million for the three months ended September 30, 2002, compared to the same period of 2001, primarily due to an increase in retail mwh sales, partially offset by a decrease in average retail revenues per mwh. Retail mwh's sold increased 155% to 3,386,750 for the three months ended September 30, 2002, compared to the same period in 2001. Several factors contributed to the decrease in the average retail revenues per mwh, including, the mix in the underlying price of the commodity, the nature and type of products offered and the markets participated in. Retail electric revenues increased $363.4 million year to date September 30, 2002, compared to the same period of 2001, primarily due to a 194% increase in retail mwh sales to 8,566,975.

Wholesale electric revenues decreased $27.6 million for the three months ended and $51.0 million year to date September 30, 2002, compared to the same periods of 2001. The decline in wholesale electric revenues was primarily due to large block sales of power during 2001 purchased from one supplier under very favorable wholesale contracts that expired at the end of 2001.

Strategic Energy provides periodic billing credits to its customers resulting from favorable experience in its power supply coordination efforts. The amounts credited back to the customer are treated as a reduction of electricity energy sales when determined to be payable.

During the third quarter of 2001, Strategic Energy began to phase out its natural gas retail supply service, which was completely phased out during the fourth quarter of 2001. This is the primary reason for the decrease in gas and other sales revenues for year to date September 30, 2002, compared to the same period of 2001.

Strategic Energy Purchased Power
Purchased power increased $96.0 million for the three months ended and $287.8 million year to date September 30, 2002, compared to the same periods of 2001, primarily due to the increase in electric sales as discussed above, partially offset by a decrease in the average cost per mwh purchased for retail sales. Purchased power expense as a percentage of electric sales revenue increased for both the three months ended and year to date September 30, 2002, compared to the same periods of 2001, primarily due to purchases of power from one supplier during 2001 under very favorable wholesale contracts that expired at the end of 2001.

Strategic Energy Other Operating Expenses
Strategic Energy has experienced increased labor and benefits as well as other general and administrative expenses during 2002, following the growth in retail electric sales, expansion into new markets and increased fuel management and consulting activities. As a result, other operating expenses increased $4.1 million for the three months ended September 30, 2002, compared to the same period of 2001. Other operating expenses year to date September 30, 2001, include the cost of commercial gas sales of about $14.9 million, from Strategic Energy's natural gas retail supply service which was phased out by the end of 2001. As a result, year to date September 30, 2002, other operating expenses decreased $3.8 million, compared to the same period of 2001. Other operating expenses (excluding the cost of commercial gas sales) increased $11.1 million year to date September 30, 2002, compared to the same period of 2001, primarily due to increased labor and benefits as well as other general and administrative expenses during 2002, as discussed above.

Strategic Energy Non-operating Income (Expenses)
Non-operating income (expenses) includes non-operating income less minority interest expense and non-operating expenses. For the three months ended September 30, 2002, compared to the same period of 2001, non-operating income (expenses) decreased $1.0 million primarily due to a decrease in minority interest expense, which represents the share of Strategic Energy's net income not attributable to KLT Energy Services' indirect ownership interest in Strategic Energy. Non-operating income (expenses) increased $3.0 million year to date September 30, 2002, compared to the same period of

2001, primarily due to a gain of $1.4 million recognized on the sale of gas contracts during the second quarter of 2001 and an increase year to date September 30, 2002, of $1.9 million in minority interest expense.

KLT Gas

KLT Gas Business Overview

KLT Gas' business strategy is to acquire and develop early stage coalbed methane properties. KLT Gas believes that coalbed methane production provides an economically attractive alternative source of supply to meet the growing demand for natural gas in North America. KLT Gas has built a knowledge base in coalbed methane production and reserves evaluation. Therefore, KLT Gas focuses on coalbed methane - a niche in the natural gas industry where it believes its expertise provides a competitive advantage. Because it has a longer, predictable reserve life and lower development cost, management believes coalbed methane is inherently lower risk than conventional gas exploration.

Although gas prices have been volatile recently, KLT Gas continues to believe that the long-term future price scenarios for natural gas appear strong. Environmental concerns and the increased demand for natural gas for new electric generating capacity are contributing to this projected growth in demand.

KLT Gas' properties are located in Colorado, Texas, Wyoming, Kansas, and Nebraska. These leased properties cover approximately 254,000 undeveloped acres. The development of this acreage is in accordance with KLT Gas' exploration plan and capital budget. KLT Gas has revised its capital expenditure estimates, based on changes in market conditions to approximately $4 million for the remainder of 2002 and $30 million, $40 million and $34 million for the years 2003 through 2005, respectively. The timing of the development may vary from current plans based upon obtaining the required environmental and regulatory approvals and permits and future changes in market conditions. During the third quarter of 2002, KLT Gas began the pilot phase of a new prospect in Colorado and continued pilot development at a Powder River Basin project and two additional projects in the Rocky Mountain region. KLT Gas continued production at its South Texas property.

KLT Gas Results of Operations

The following table summarizes KLT Gas' comparative results of operations.

	Three Months Ended September 30		Year to Date September 30	
	2002	2001	2002	2001
	(millions)			
Operating revenues	$ 0.5	$ (0.5)	$ 0.6	$ 1.4
Other operating expenses	(2.4)	(2.3)	(7.4)	(8.3)
Depreciation and depletion	(0.3)	(0.4)	(0.7)	(1.4)
Gain (loss) on property	-	0.6	(0.2)	21.5
Operating income (loss)	(2.2)	(2.6)	(7.7)	13.2
Income from equity investments	-	-	-	1.0
Non-operating income	-	0.2	0.3	0.2
Interest charges	(0.1)	-	(0.1)	-
Income taxes	2.6	2.7	7.4	(0.8)
Net income (loss)	$ 0.3	$ 0.3	$ (0.1)	$ 13.6

KLT Gas is currently developing gas properties following its most recent sale of property during the second quarter of 2001. Year to date September 30, 2001, net income included KLT Gas' second quarter 2001 Patrick KLT Gas, LLC, sale which resulted in a $20.1 million before tax gain ($12.0 million after tax).

KLT Gas Operating Revenues
Operating revenues increased $1.0 million for the three months ended September 30, 2002, compared to the same period of 2001, primarily due to the effect of gas hedging activities during the third quarter of 2001. Operating revenues decreased $0.8 million year to date September 30, 2002, compared to the same period of 2001, primarily due to declining production at KLT Gas' South Texas property during 2002, partially offset by the effect of gas hedging activities during 2001.

KLT Gas Income Taxes
KLT Gas recorded tax credits related to its investment in natural gas properties of $1.3 million and $4.1 million for the three months ended and year to date September 30, 2002, respectively, compared to $1.7 million and $5.1 million for the three months ended and year to date September 30, 2001, respectively. The law that allows these credits will expire at the end of 2002 unless extended by legislation.

Other Non Regulated Activities

Investments in Affordable Housing Limited Partnerships - KLT Investments
At September 30, 2002, KLT Investments had $69.6 million in affordable housing limited partnerships. About 66% of these investments were recorded at cost; the equity method was used for the remainder. Tax expense is reduced in the year tax credits are generated. The investments generate future cash flows from tax credits and tax losses of the partnerships. The investments also generate cash flows from the sales of the properties. For most investments, tax credits are received over ten years. KLT Investments projects tax credits to run through 2008. A change in accounting principle relating to investments made after May 19, 1995, requires the use of the equity method when a company owns more than 5% in a limited partnership investment. Of the investments recorded at cost, $44.2 million exceed this 5% level but were made before May 19, 1995. KLT Investments' management does not anticipate making additional investments in affordable housing limited partnerships at this time.

On a quarterly basis, KLT Investments compares the cost of those properties accounted for by the cost method to the total of projected residual value of the properties and remaining tax credits to be received. Estimated residual values are based on studies performed by an independent firm. Based on the latest comparison, KLT Investments reduced its investments in affordable housing limited partnerships by $1.8 million in the three months ended September 30, 2002, bringing the year to date reductions to $8.9 million. KLT Investments estimates that additional reductions in affordable housing investments, primarily as a result of ongoing utilization of tax credits, will be minimal for the remainder of 2002. Projected annual reductions of the carrying value for the years 2003 through 2006 total $14 million, $6 million, $7 million and $6 million, respectively. Even after these reductions, earnings from affordable housing are expected to be positive for the next five years.

These projections are based on the latest information available but the ultimate amount and timing of actual reductions made could be significantly different from the above estimates.

KLT Investments accrued tax credits related to its investments in affordable housing limited partnerships of $4.7 million and $14.3 million for the three months ended and year to date September 30, 2002, respectively, compared to $4.8 million and $14.4 million for the three months ended and year to date September 30, 2001, respectively.

DTI Bankruptcy Update

On December 31, 2001, a subsidiary of KLT Telecom, DTI filed voluntary petitions for bankruptcy. DTI's reorganization under Chapter 11 of the U.S. Bankruptcy Code continues in process. Timing of completion of the bankruptcy process has yet to be determined. During the first quarter of 2002, the bankruptcy court approved $5 million DIP financing to be provided by KLT Telecom. As of September 30, 2002, none of the DIP financing has been borrowed by DTI. As a result of DTI's filing for bankruptcy protection and KLT Telecom's ensuing loss of control, KLT Telecom has not included in its results for the three months ended and year to date September 30, 2002, the ongoing earnings or loss incurred by DTI. KLT Telecom's results for the three months ended September 30, 2001, reflected DTI losses of $10.1 million and its results year to date September 30, 2001, reflected DTI losses of $24.0 million, excluding the early extinguishment of debt.

Other Consolidated Discussion

Significant Balance Sheet Changes
(September 30, 2002 compared to December 31, 2001)

- Great Plains Energy's receivables increased $81.9 million primarily due to a $62.2 million increase in Strategic Energy's receivables as a result of the strong growth in its power supply coordination services and a $30.1 million increase in consolidated KCP&L's receivables. Consolidated KCP&L's receivables increased primarily due to a $25.5 million increase in KCP&L's receivables resulting from the seasonal nature of the utility business.
- Great Plains Energy's affordable housing limited partnerships decreased $11.5 million primarily due to a reduction in the valuation of the properties held by KLT Investments, Inc.
- Great Plains Energy's and consolidated KCP&L's regulatory assets increased $15.3 million primarily due to deferral of $20.1 million of the January ice storm costs applicable to KCP&L's Missouri customers partially offset by scheduled amortization of the assets.
- Great Plains Energy's notes payable increased $21.2 million due to increased borrowings by Great Plains Energy of $18.0 million on its short-term credit facility for the KCP&L equity infusion and general corporate purposes and a $3.2 million increase in consolidated KCP&L's notes payable. Consolidated KCP&L's notes payable increased due to additional borrowing by RSAE on its short-term credit facility for general corporate purposes.
- Great Plains Energy's and consolidated KCP&L's commercial paper decreased $32.4 million primarily due to KCP&L paying down commercial paper with cash flow from operations.
- Great Plains Energy's current maturities of long-term debt decreased $209.4 million primarily due to a $207.1 million decrease in consolidated KCP&L's current maturities of long-term debt. Consolidated KCP&L's decrease is primarily due to refinancing $200.0 million of maturing KCP&L medium-term notes with the issuance of KCP&L unsecured senior notes and a $27.0 million decrease due to KCP&L retiring medium-term notes partially offset by a $20.0 million increase in the current portion of KCP&L's medium-term notes.
- Great Plains Energy's and consolidated KCP&L's EIRR bonds classified as current decreased $146.5 million due to the remarketing of the series 1998 A, B and D bonds for a five-year period ending October 1, 2007.
- Great Plains Energy's accounts payable decreased $3.0 million primarily due to a $47.5 million increase in Strategic Energy's accounts payable as a result of the strong growth in its power supply coordination services, mostly offset by a $44.4 million decrease in consolidated KCP&L's accounts payable and a $5.8 million decrease in KLT Gas' accounts payable. Consolidated KCP&L's accounts payable decreased primarily due to the timing of KCP&L's cash payments.
- Great Plains Energy's combined accrued taxes and current income tax increased $57.8 million to a liability of $41.1 million primarily due to a $62.8 million increase in consolidated KCP&L's accrued income tax. Consolidated KCP&L's accrued income tax increase primarily due to a

$41.8 million increase in accrued income tax and a $22.5 million increase in property taxes due to the timing of tax payments.

Capital Requirements and Liquidity

Great Plains Energy operates through its subsidiaries and has no material assets other than the stock of its subsidiaries. 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 from its subsidiaries or proceeds from the sale of its securities.

Great Plains Energy's liquid resources at September 30, 2002, included cash flows from operations of subsidiaries and $209.4 million of unused bank lines of credit. The unused lines consisted of $96.4 million from KCP&L's short-term bank lines of credit, $30.0 million from Strategic Energy's bank line of credit, and $83.0 million from Great Plains Energy's revolving credit facilities.

During the first quarter of 2002, Great Plains Energy terminated its $129 million bridge revolving credit facility and replaced it with a $205 million 364-day revolving credit facility syndicated with a group of banks. The revolving credit facility contains a Material Adverse Change (MAC) clause that requires Great Plains Energy to represent, prior to receiving any funding, that no MAC has occurred. Great Plains Energy's available liquidity under this facility is not impacted by a decline in credit ratings unless the downgrade occurs in the context of a merger, consolidation or sale.

During the second quarter of 2002, Great Plains Energy entered into a $20 million 364-day revolving credit facility with a bank. The revolving credit facility does not contain a MAC clause. Great Plains Energy's available liquidity under this facility is not impacted by a decline in credit ratings unless the downgrade occurs in the context of a merger, consolidation or sale.

During the third quarter of 2002, Strategic Energy increased its bank line of credit to $30 million from $10 million. The line of credit contains a MAC clause. This agreement requires Strategic Energy to represent, prior to receiving any funding, that no MAC has occurred.

KCP&L's primary sources of liquidity are cash flows from operations and bilateral credit lines totaling $126.0 million with six banks (as of September 30, 2002). KCP&L uses these lines to provide support for its issuance of commercial paper, $29.6 million of which was outstanding at September 30, 2002. During October 2002, KCP&L repaid the $29.6 million. These bank facilities are each for a 364-day term and mature at various times throughout the year. KCP&L has MAC clauses in two agreements covering $50.0 million of available bilateral credit lines. These two agreements require KCP&L to represent, prior to receiving any funding, that no MAC has occurred. KCP&L's available liquidity under these facilities is not impacted by a decline in credit ratings unless the downgrade occurs in the context of a merger, consolidation or sale.

Great Plains Energy has agreements with KLT Investments Inc., a wholly owned subsidiary of KLT Inc., associated with notes KLT Investments Inc. issued to acquire its affordable housing investments. Prior to forming Great Plains Energy, KCP&L had these agreements. Great Plains Energy agreed not to take certain actions including, but not limited to, merging, dissolving or causing the dissolution of KLT Investments Inc., or withdrawing amounts from KLT Investments Inc. if the withdrawals would result in KLT Investments Inc. to not be in compliance with minimum net worth and cash balance requirements. The amendment also gives KLT Investments Inc.'s lenders the right to have KLT Investments Inc. repurchase the notes if Great Plains Energy's senior debt rating falls below investment grade, or if Great Plains Energy ceases to own at least 80% of KCP&L's stock. At September 30, 2002, KLT Investments Inc. had $20.3 million in outstanding notes, including current maturities.

Pursuant to agreements with the MPSC and the KCC, KCP&L maintains its common equity at not less than 35 percent of total capitalization. Additionally, Great Plains Energy maintains its consolidated common equity at no less than 30 percent of total consolidated capitalization.

Great Plains Energy's consolidated statements of cash flows include consolidated KCP&L, KLT Inc. and GPP. KCP&L's consolidated statements of cash flows include its wholly owned subsidiary HSS. In addition, KCP&L's consolidated statements of cash flows include KLT Inc. and GPP for all the periods prior to the October 1, 2001 formation of the holding company. The presentation of the prior year statement of cash flows for Great Plains Energy is provided for comparative purposes and is identical to the statement of cash flows for consolidated KCP&L, prior to the formation of the holding company.

Great Plains Energy and consolidated KCP&L generated positive cash flows from operating activities year to date September 30, 2002. The increase for Great Plains Energy and consolidated KCP&L over the same period of 2001 is attributable to changes in working capital detailed in Note 3 to the consolidated financial statements. The individual components of working capital vary with normal business cycles and operations. Also, the timing of the Wolf Creek outage affects the refueling outage accrual, deferred income taxes and amortization of nuclear fuel.

Cash used for investing activities varies with the timing of utility capital expenditures and purchases of investments and nonutility property. Investing activities are offset by the proceeds from the sale of properties and insurance recoveries. Year to date September 30, 2002, utility capital expenditures decreased $55.0 million and allowance for borrowed funds used during construction decreased $7.7 million, compared to 2001, primarily due to the 2001 completion of the rebuild of Hawthorn No. 5. The decrease was partially offset by $14.7 million of capital expenditures as a result of the January 2002 ice storm. Cash used for purchases of investments and nonutility property year to date September 30, 2002, compared to the same period of 2001, decreased primarily reflecting KLT Telecom's 2001 investments in DTI and DTI's 2001 purchases of telecommunications property.

Cash from Great Plains Energy and consolidated KCP&L financing activities decreased year to date September 30, 2002, compared to the same period of 2001, primarily because of the net changes in short-term borrowings. Additionally, long-term debt issuances, net of repayments decreased $49.5 million for Great Plains Energy and $38.7 million for consolidated KCP&L. These decreases reflect decreased investing activities in utility capital expenditures, nonutility property and investments discussed above.

KCP&L expects to meet day-to-day operating requirements including interest payments, construction requirements (excluding new generating capacity) and dividends with internally-generated funds. However, it might not be able to meet these requirements with internally-generated funds because of the effect of inflation on operating expenses, the level of mwh sales, regulatory actions, compliance with future environmental regulations and the availability of generating units. The funds needed to retire the $394.8 million of Great Plains Energy's maturing long-term debt through the year 2006, which includes $375.5 million of consolidated KCP&L's maturing long-term debt, are expected to be provided from operations, the issuance of long and short-term debt and/or the issuance of equity or equity-linked instruments. In addition, the Company may issue debt, equity and/or equity-linked instruments to finance growth or take advantage of new opportunities.

In March 2002, KCP&L issued $225 million of 6.0% unsecured senior notes, maturing in 2007, through a private placement. The proceeds from the issuance were primarily used to refinance maturing unsecured medium-term notes. KCP&L, pursuant to its obligations under a registration rights agreement entered into in connection with the private placement, filed an S-4 registration statement offering to exchange up to $225 million of 6.0% unsecured senior notes, maturing in 2007, registered under the Securities Act for the $225 million privately placed notes. The registration statement became effective during the third quarter. All of the privately place notes were exchanged.

Great Plains Energy filed an S-3 registration statement for the issuance of an aggregate amount up to $300 million of any combination of senior debt securities, subordinated debt securities, trust preferred securities, convertible securities, or common stock. The registration statement became effective in November 2002. Great Plains Energy expects to issue additional common equity. However, the timing and amount of this transaction are dependent on a number of factors, including overall and sector-specific equity market conditions.

KCP&L maintains defined benefit pension plans. Under the terms of its pension plans, KCP&L reserves the right to amend or terminate the plans and, from time to time benefits have changed. Our policy is to fund amounts on an actuarial basis to provide assets sufficient to meet benefits to be paid to plan participants consistent with the funding requirements of ERISA. No contributions to the plans were necessary in 2002 or 2001.

Due to sharp declines in the debt and equity markets since the third quarter of 2000, the value of assets held in the trusts to satisfy the obligations of pension plans has decreased significantly. As a result, under minimum funding requirements of ERISA, we may be required to fund additional amounts to the plan trusts in future years. KCP&L will be required to fund approximately $7 million in 2003 based on funding requirements for the 2001-2002 plan year.

Participants in the plan may request a lump-sum cash payment upon the termination of their employment, which may result in increased cash requirements from pension plan assets. KCP&L may be required to accelerate future funding to the pension plans as a result of these increased cash requirements.

Supplemental Capital Requirements and Liquidity Information Update
Great Plains Energy's other long-term contractual cash obligations, net, have increased approximately 35% since December 31, 2001. The increase is primarily for new Strategic Energy purchased power contracts in the years 2003 through 2006 supporting the growth in their power supply coordination services.

As part of normal business, Great Plains Energy and certain of its subsidiaries enter into various agreements providing financial or performance assurance to third parties on behalf of certain subsidiaries. Such agreements include, for example, guarantees, stand-by letters of credit and surety bonds. These agreements are entered into primarily to support or enhance the creditworthiness otherwise attributed to a subsidiary on a stand-alone basis, thereby facilitating the extension of sufficient credit to accomplish the subsidiaries' intended business purposes.

FASB issued an exposure draft of a proposed interpretation, Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others, during the second quarter of 2002. The final interpretation is expected to be issued in the fourth quarter of 2002 and take effect beginning January 1, 2003. For guarantees issued after December 31, 2002, the interpretation would require the Company to record a liability for the fair value of the obligation it has undertaken in issuing the guarantees. Additionally, specific disclosures about obligations under guarantees would be required. Until the final interpretation is issued, the Company cannot complete the quantification of the effects of the interpretation on the Company's financial condition and results of operation.

The Company's guarantees in total are $257.7 million at September 30, 2002, relatively unchanged from December 31, 2001. However, year to date 2002, approximately $142.4 million of KLT Inc.'s guarantees related to Strategic Energy have been replaced by Great Plains Energy guarantees. There was also an increase to $25 million from $22 million at December 31, 2001, in RSAE's line of credit with a commercial bank, which Great Plains Energy supports through an agreement that ensures adequate capital to operate.

Environmental Matters

The Company's operations comply with federal, state and local environmental laws and regulations. The generation and transmission of electricity produces and requires disposal of certain products and by-products, including PCBs, asbestos and other hazardous materials. The Superfund law imposes strict joint and several liability for those who generate, transport or deposit hazardous waste. In addition, the current owner of contaminated property, as well as prior owners since the time of contamination, may be liable for cleanup costs.

Environmental audits are conducted to detect contamination and ensure compliance with governmental regulations. However, compliance programs need to meet new and future environmental laws, as well as regulations governing water and air quality, including carbon dioxide emissions, nitrogen oxide emissions, hazardous waste handling and disposal, toxic substances and the effects of electromagnetic fields. Therefore, compliance programs could require substantial changes to operations or facilities (see Note 7 to the consolidated financial statements).

Critical Accounting Policies Update

KCP&L is regulated and follows SFAS No. 71, "Accounting for Certain Types of Regulation", which applies to regulated entities with rates that are designed to recover the costs of providing service. Accordingly, KCP&L defers on the balance sheet items when allowed by a commission's rate order or when it is probable, based on regulatory past practices, that future rates will recover the amortization of the deferred costs. If SFAS No. 71 were not applicable, regulatory assets would be written off. At September 30, 2002, KCP&L had $139.7 million of unamortized regulatory assets including storm costs discussed below.

Effective August 2002, the MPSC approved KCP&L's application for an accounting authority order related to the Missouri jurisdictional portion of the storm costs. The order allows KCP&L to defer and amortize $20.1 million, representing the Missouri impact of the storm, through January 2007. The amortization began in September 2002 and is expected to be approximately $1.5 million in 2002 and approximately $4.6 million annually for the remainder of the amortization period.

The Company adopted SFAS No. 142 on January 1, 2002. Under the new standard, goodwill is no longer amortized, but rather is tested for impairment upon adoption and at least annually thereafter. The annual test may be performed anytime during the year, but must be performed at the same time each year. Any future impairment of goodwill would be reflected in continuing operations.

Strategic Energy's initial valuation has been completed and there was no impairment of the $14 million of goodwill. In accordance with SFAS No. 142, the Company completed its initial impairment test of RSAE during the second quarter of 2002 and recorded a $3.0 million write-down of goodwill. The goodwill write-down is reflected as a cumulative effect to January 1, 2002, of a change in accounting principle. As a result, year to date September 30, 2002, Great Plains Energy net income reflects the $3.0 million cumulative effect to January 1, 2002, of a change in accounting principle. Ongoing annual impairment tests are required by SFAS No. 142. RSAE and Strategic Energy completed this test in September and no additional write-down was necessary. At September 30, 2002, RSAE had $20 million of unamortized goodwill.

In the third quarter, the U.S. District Court Judge presiding over the Central Interstate Compact Commission's federal "bad faith" lawsuit against the State of Nebraska issued his decision in the case finding clear evidence that the State of Nebraska acted in bad faith in processing the license application for a low-level radioactive waste disposal site in Nebraska. He rendered a judgment in the amount of

$151.4 million against the state. The state has appealed this decision. Based on the favorable outcome of this trial, in KCP&L's opinion, there is a greater possibility of reversing the state's license denial once the decision in this case is final. KCP&L's investment in the Central States Compact at September 30, 2002, was $7.4 million.

KCP&L's reported costs of providing non-contributory defined pension benefits are dependent upon numerous factors resulting from actual plan experience and assumptions of future experience.

Pension costs, are impacted by actual employee demographics (including age, compensation levels, and employment periods), the level of contributions made to the plan, earnings on plan assets and plan amendments. In addition, pension costs may also be significantly affected by changes in key actuarial assumptions, including anticipated rates of return on plan assets and the discount rates used in determining the projected benefit obligation and pensions costs. In the 2002 actuarial valuation currently in process, the Company expects to decrease its discount rate from 7.25% in 2001 to 6.75% in 2002, and anticipates the assumed long term return on plan assets will remain unchanged at 9.0%.

In accordance with SFAS No. 87, Employers' Accounting for Pensions, changes in pension obligations associated with these factors may not be immediately recognized as pension costs on the income statement, but generally gains and losses are recognized by KCP&L by amortizing over a five-year period the rolling five-year average of unamortized gains and losses. Year to date September 30, 2002, KCP&L recorded non-cash expense of approximately $3.9 million and recorded non-cash income of $8.4 million year to date September 30, 2001. The recorded non-cash annual expense for 2003 is expected to be approximately $19 million.

KCP&L's pension plan assets are primarily made up of equity and fixed income investments. Fluctuations in actual equity market returns as well as changes in general interest rates may result in increased or decreased pension costs in future periods. The market value of the Company's plan assets has been affected by sharp declines in equity markets since the third quarter of 2000. During 2001, plan assets lost value of approximately $112 million. The plan continued to experience losses in 2002, with losses through September 30, 2002, totaling approximately $32 million. As a result of our plan asset return experience, at December 31, 2002, the Company could be required to increase the additional minimum liability as prescribed by SFAS No. 87. The liability would be recorded as a reduction to common equity through a charge to OCI, and would not affect net income for 2002. Excluding the WCNOC pension plan (plan year ends November 30), the Company anticipates a charge to OCI in the fourth quarter of 2002 of approximately $26 million. The OCI would be restored through common equity in future periods to the extent the fair value of trust assets exceeds the accumulated benefit obligation adjusted for the prepaid (accrued) benefit costs.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Great Plains Energy and consolidated 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 consolidated KCP&L also face risks that are either non-financial or non-quantifiable. Such risks principally include business, legal, operational and credit risks and are not represented in the following analysis.

Great Plains Energy and consolidated KCP&L 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, interim period disclosures should be read in connection with the quantitative and qualitative disclosures about market risk included in our 2001 combined annual report on Form 10-K. There have been no material changes in Great Plains Energy's or consolidated KCP&L's market risk since December 31, 2001.

ITEM 4. CONTROLS AND PROCEDURES

The chief executive officer and the chief financial officer of Great Plains Energy and KCP&L have evaluated those companies' disclosure controls and procedures within 90 days of the filing of this quarterly report. Based on this evaluation, the chief executive officer and chief financial officer have concluded that the disclosure controls and procedures of those companies are functioning effectively to provide reasonable assurance that the information required to be disclosed by those companies in the reports that they file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

There have been no significant changes to Great Plains Energy's or KCP&L's internal controls or in other factors that could significantly affect these controls subsequent to the date of the evaluation.

PART II - OTHER INFORMATION

ITEM 3. OTHER LEGAL PROCEEDINGS

DTI Chapter 11 Reorganization Proceedings.

Pending in the United States Bankruptcy Court for the Eastern District of Missouri (Bankruptcy Court) is the bankruptcy reorganization proceedings filed on December 31, 2001, by DTI and its Virginia subsidiary in Case Nos. 01-54369-399, 01-54370-399 and 01-54371-399. These proceedings have been consolidated for joint procedural administration. DTI is continuing to conduct its business operations while it restructures its financial obligations. KLT Telecom Inc. is a creditor in the proceedings. Timing of completion of the bankruptcy process has yet to be determined. During the first quarter of 2002, the bankruptcy court approved $5 million in DIP financing to be provided by KLT Telecom. As of September 30, 2002, none of the DIP financing has been borrowed by DTI.

Consistent with the fiduciary obligation of the creditors' committee to investigate potential sources of recovery for the DTI bankruptcy estate, the creditors' committee served a request for the production of documents by the Company and its affiliates relating to the issue of whether DTI should have been compensated for the use by the Company of its tax losses. The Company believes that it would have meritorious defenses to any such claim that ultimately might be asserted by the creditors' committee. Since the legal and factual basis for any such unasserted claim have not yet been established, the Company is currently unable to estimate the amount of liability or loss, if any, that might arise if a claim is asserted.

ITEM 5. OTHER INFORMATION

Rick Muench, vice president technical services of WCNOC, has been appointed President and Chief Executive Officer of WCNOC effective January 3, 2003. His predecessor, Otto Maynard, announced his retirement after 20 years of working at the Wolf Creek Nuclear Generating Station.

Lori Wright, Assistant Controller of Great Plains Energy and KCP&L, has been appointed Controller of those companies effective November 15, 2003. Her predecessor, Neil Roadman, will become a consultant to the companies and retire in 2003.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

EXHIBITS

Great Plains Energy Incorporated

Exhibit No.	
10.1.a.	Guaranty issued by Great Plains Energy Incorporated in favor of PG&E Trading-Power, L.P., dated July 26, 2002.
12	Computation of Ratios of Earnings to Fixed Charges.

99.1.a.	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.

Kansas City Power & Light Company

Exhibit No.	
4.2.a.*	Company Order and Officers' Certificate dated September 5, 2002, regarding the issuance of up to $225 million principal amount of 6.00% Senior Notes due 2007, Series B, registered under the Securities Act of 1933 for a like aggregate principal amount of 6.00% Senior Notes due 2007, Series A. (Exhibit 4(a) to Form 8-K dated September 5, 2002)
99.2.a.	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.

*Incorporated by reference and made a part hereof.

REPORTS ON FORM 8-K

Great Plains Energy Incorporated

Great Plains Energy Incorporated filed a report on Form 8-K dated August 12, 2002, including the Statements under Oath of its Principal Executive Officer and Principal Financial Officer, submitted to the Securities and Exchange Commission pursuant to Order No. 4-460.

Great Plains Energy Incorporated filed a report on Form 8-K dated August 26, 2002, including Great Plains Energy Incorporated's and Kansas City Power & Light Company's financial statements for the years ended December 31, 2001, 2000 and 1999 with a revised Note 9, "Segment and Related Information", containing reformatted segment information reflecting a revision in corporate business strategy.

Kansas City Power & Light Company

Kansas City Power & Light Company filed a report on Form 8-K dated August 26, 2002, including Great Plains Energy Incorporated's and Kansas City Power & Light Company's financial statements for the years ended December 31, 2001, 2000 and 1999 with a revised Note 9, "Segment and Related Information", containing reformatted segment information reflecting a revision in corporate business strategy.

Kansas City Power & Light Company filed a report on Form 8-K dated September 5, 2002, regarding the commencement of an offer to exchange up to $225 million principal amount of 6.00% Senior Notes due 2007, Series B registered under the Securities Act of 1933 for a like aggregate principal amount of 6.00% Senior Notes due 2007, Series A, and including a Company Order and Officers' Certificate respecting the Series B notes to be exchanged upon consummation of the exchange offer.

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 its behalf by the undersigned thereunto duly authorized.

GREAT PLAINS ENERGY INCORPORATED

Dated: November 13, 2002 By: /s/Bernard J. Beaudoin
(Bernard J. Beaudoin)
(Chief Executive Officer)

Dated: November 13, 2002 By: /s/Neil Roadman
(Neil Roadman)
(Principal Accounting Officer)

KANSAS CITY POWER & LIGHT COMPANY

Dated: November 13, 2002 By: /s/Bernard J. Beaudoin
(Bernard J. Beaudoin)
(Chief Executive Officer)

Dated: November 13, 2002 By: /s/Neil Roadman
(Neil Roadman)
(Principal Accounting Officer)

CERTIFICATION

I, Bernard J. Beaudoin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Great Plains Energy Incorporated;

2. Based on my knowledge, this quarterly 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

   a) designed such disclosure controls and procedures 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 quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 13, 2002

By: /s/Bernard J. Beaudoin
Bernard J. Beaudoin
Chairman of the Board, President
and Chief Executive Officer

CERTIFICATION

I, Andrea F. Bielsker, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Great Plains Energy Incorporated;

2. Based on my knowledge, this quarterly 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

   a) designed such disclosure controls and procedures 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 quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 13, 2002

By: /s/Andrea F. Bielsker
Andrea F. Bielsker
Senior Vice President -
Finance, Chief Financial
Officer and Treasurer

CERTIFICATION

I, Bernard J. Beaudoin, 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 quarterly 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

   a) designed such disclosure controls and procedures 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 quarterly report is being prepared;

   b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

   c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 13, 2002

By: /s/Bernard J. Beaudoin
Bernard J. Beaudoin
Chairman of the Board, President
and Chief Executive Officer

CERTIFICATION

I, Andrea F. Bielsker, 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 quarterly 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

    a) designed such disclosure controls and procedures 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 quarterly report is being prepared;

    b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

    c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

    a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 13, 2002

By: /s/Andrea F. Bielsker
Andrea F. Bielsker
Senior Vice President -
Finance, Chief Financial
Officer and Treasurer

GUARANTY

This Guaranty, dated as of July 26, 2002, is made by Great Plains Energy Incorporated (herein called "Guarantor"), a Missouri corporation with its principal place of business located at 1201 Walnut, Kansas City, Missouri 64106, in favor of PG&E Energy Trading - Power, L.P. (herein called "Creditor") with its principal place of business located at 7600 Wisconsin Ave., Bethesda, MD 20814

In order to induce Creditor to enter into, on the date hereof and from time to time thereafter, agreements or contracts (herein collectively called the "Agreements") with Strategic Energy, L.L.C. (herein called "Debtor"), a Delaware limited liability company and a related company of Guarantor (Guarantor has an indirect ownership interest in Debtor), with its principal place of business located at Two Gateway Center, Pittsburgh, PA 15222, Guarantor acknowledges adequate consideration and hereby agrees as follows:

Section 1. Guaranty. Guarantor hereby unconditionally guarantees the punctual and complete payment when due (whether at stated maturity, by acceleration or otherwise), of any and all indebtedness, liabilities, and obligations under the Agreements of Debtor to Creditor now or hereafter existing, whether absolute or contingent, joint and/or several, secured or unsecured, direct or indirect (all such indebtedness, liabilities and obligations are being herein collectively called the "Obligations"). This Guaranty is a guarantee of payment and not of collection. Guarantor acknowledges that it is jointly and severally liable for payment of the Obligations.

Section 2. Demands. If Debtor fails or refuses to pay any Obligations when due, and Creditor elects to exercise its rights under this Guaranty, Creditor shall make a demand upon Guarantor (hereinafter referred to as a "Payment Demand"). A Payment Demand shall be in writing and shall reasonably and briefly specify in what manner and what amount Debtor has failed to pay and an explanation of why such payment is due, with a specific statement that Creditor is calling upon Guarantor to pay under this Guaranty. A Payment Demand satisfying the foregoing requirements when delivered to Guarantor pursuant to Section 7 of this Guaranty shall be required with respect to Obligations before Guarantor is required to pay such Obligations hereunder and shall be deemed sufficient notice to Guarantor that it must pay the Obligations within ten (10) business days after its receipt of the Payment Demand. A single written Payment Demand that complies with the terms of this Section 2 shall be effective as to any specific failure to pay during the continuance of such failure to pay, until Debtor or Guarantor has cured such failure to pay, and additional written demands concerning such failure to pay shall not be required until such failure to pay is cured.

Section 3. Waiver. Except as otherwise provided in Sections 2 or 8 hereof, Guarantor hereby waives:

(a) notice of acceptance of this Guaranty, of the creation and/or existence of any of the Obligations and of any action by Creditor in reliance hereon or in connection herewith;

(b) promptness, diligence, presentment, demand for payment, notice of dishonor or nonpayment, protest and notice of protest with respect to the Obligations; and

(c) any requirement that suit be brought against, or any other action by Creditor be taken against, or any notice of default or other notice be given to, or any demand be made on, the Debtor or any other person, or that any other action be taken or not taken as a condition to Guarantor's obligations under this Guaranty or as a condition to enforcement of this Guaranty against Guarantor.

Except as to applicable statutes of limitation or repose, no delay of Creditor in the exercise of, or failure to exercise, any rights hereunder shall operate as a waiver of such rights, a waiver of any other rights or a release of Guarantor from any obligations hereunder.

Guarantor consents to the renewal, compromise, extension, acceleration or other changes in the time of payment of or other changes in the terms of the Obligations, or any part thereof or any changes or modifications to the terms of the Agreements (collectively, "Changes"); however, such consent shall not be deemed to add to, delete from, or modify any of the terms and conditions of this Guaranty.

Section 4. Representations and Warranties. Guarantor hereby represents and warrants to Creditor as follows:

(a) Guarantor is a corporation, duly organized, validly existing and in good standing under the laws of the state of its organization, and is duly qualified and in good standing in each jurisdiction where the nature of its business or the character of the assets and properties owned or held under lease by it requires such qualification, except where the failure to so qualify could not reasonably be expected to have a material adverse effect on Guarantor. Guarantor has all requisite power and authority, organizational or otherwise, to conduct in all material respects its business and to own, or hold under lease, its material assets or properties and to execute and deliver, and perform all of its obligations under this Guaranty;

(b) The execution, delivery and performance by Guarantor of this Guaranty are within the Guarantor's organizational powers, have been duly authorized by all necessary corporate action and do not contravene the organizing documents of Guarantor or any law or material contractual restriction binding on or affecting Guarantor; and

(c) This Guaranty is the legal, valid and binding obligation of Guarantor enforceable against the Guarantor in accordance with its terms except as the enforceability of this Guaranty may be limited by the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors rights generally and by general principles of equity.

Section 5. Setoffs and Counterclaims. Without limiting Guarantor's own defenses and rights hereunder, and except as provided in Section 3, Guarantor reserves to itself all rights, setoffs, counterclaims and other defenses to which Debtor or any other affiliate of Guarantor is or may be entitled to, relating to or arising from or out of the Agreements or otherwise, except for defenses relating to, arising from or out of the bankruptcy, insolvency, dissolution or liquidation of Debtor.

Section 6. Amendments, etc. No amendment or waiver of any provision of this Guaranty nor consent to any departure by Guarantor therefrom shall in any event be effective unless the same shall be in writing and signed by Creditor, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 7. Addresses for Notices. All notices and other communications provided for hereunder (collectively called "Notice") shall be in writing and delivered personally or mailed by certified mail, postage prepaid and return receipt requested, or by telegram or telecopier, as follows:

To Guarantor: Great Plains Energy Incorporated
1201 Walnut
Kansas City, MO 64106
Fax No.: (816) 556-2992
Attn: Treasurer

To Creditor: PG&E Energy Trading - Power, L.P.
7600 Wisconsin Ave.
Bethesda, MD 20814
301-280-6800
301-280-6913
Attn: Legal Group

Notice given by personal delivery or mail shall be effective upon actual receipt. Notice given by telegram or telecopier shall be effective upon actual receipt if received during the recipient's normal business hours, or at the beginning of the recipient's next business day after receipt if not received during the recipient's normal business hours. All Notices by telegram or telecopier shall be confirmed promptly after transmission in writing by certified mail or personal delivery. Any party may change any address to which Notice is to be given to it by giving notice as provided above of such change of address.

Section 8. No Waiver; Remedies. Except as to applicable statutes of limitation or repose, no failure on the part of Creditor to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Section 9. Continuing Guaranty; Termination. This Guaranty is an absolute and continuing guaranty, except as specifically set forth herein. This Guaranty shall terminate on the first to occur of (a) thirty (30) days after Creditor receives written notice from Guarantor of such termination and (b) the full payment of all Obligations and (c) July 26, 2003 (the "Termination Date"). Except as set forth in the next sentence, from and after the Termination Date, Guarantor shall have no liability whatsoever for any Obligations created or incurred after the Termination Date. Notwithstanding the preceding sentence, this Guaranty shall continue to be effective or reinstated, as the case may be, if at any time payment of the Obligations created or incurred on or before the Termination Date, or any part thereof, is rescinded or must otherwise be returned by Creditor upon the insolvency, bankruptcy or reorganization of Debtor or otherwise, all as though such payment had not been made. Guarantor's obligations hereunder may not be assigned without Creditor's written consent. This Guaranty shall be binding upon Guarantor, its successors and assigns, and shall inure to the benefit of and be enforceable by Creditor and its successors and assigns.

Section 10. Governing Law. This Guaranty and the rights and obligations of the parties hereunder shall be governed by and construed in accordance with the laws of the State of New York, without reference to conflict of laws principles of said state.

Section 11. Limitation on Guarantor's Liability. Notwithstanding anything herein to the contrary, the liability of Guarantor under this Guaranty shall be limited to the following:

(a) Guarantor's liability hereunder shall be and is specifically limited to payments expressly required to be made by Debtor under the Agreements, but in no event shall Guarantor be liable or otherwise subject hereunder to any indirect, special, incidental, consequential, exemplary, punitive or tort damages, costs, attorney's fees and expenses or loss of profits; and

(b) Guarantor's aggregate liability to Creditor under this Guaranty is limited to and shall not exceed Thirty Million Dollars ($30,000,000.00).

Section 12. Entire Agreement. This Guaranty embodies the entire agreement and understanding between Guarantor and Creditor and supersedes all prior and contemporaneous agreements and understandings relating to the subject matter hereof. The headings in this Guaranty are for purposes of reference only, and shall not affect the meaning hereof.

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be duly executed and delivered by its duly authorized officer as of the date first above written.

GREAT PLAINS ENERGY INCORPORATED

By: /s/Andrea F. Bielsker
Name: Andrea F. Bielsker
Title: Senior Vice President - Finance, Chief Financial Officer and Treasurer

Exhibit 12

GREAT PLAINS ENERGY

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

	Year to date September 30 2002	2001	2000	1999	1998	1997
			(Thousands)			
Income (loss) before extraordinary item and cumulative effect of changes in accounting principles	$ 101,908	$ (40,043)	$ 128,631	$ 81,915	$ 120,722	$ 76,560
Add:						
Equity investment losses	880	376	19,441	24,951	11,683	2,748
Minority interests in subsidiaries	-	(5,038)	-	1	(2,222)	(575)
Income subtotal	102,788	(44,705)	148,072	106,867	130,183	78,733
Add:						
Taxes on income	38,571	(35,914)	53,166	3,180	32,800	8,079
Kansas City earnings tax	441	583	421	602	864	392
Total taxes on income	39,012	(35,331)	53,587	3,782	33,664	8,471
Interest on value of leased property	5,229	10,679	11,806	8,577	8,482	8,309
Interest on long-term debt	50,504	84,995	60,956	51,327	57,012	60,298
Interest on short-term debt	5,229	9,915	11,537	4,362	295	1,382
Mandatorily redeemable Preferred Securities	9,337	12,450	12,450	12,450	12,450	8,853
Other interest expense and amortization	2,794	5,188	2,927	3,573	4,457	3,990
Total fixed charges	73,093	123,227	99,676	80,289	82,696	82,832
Earnings before taxes on income and fixed charges	214,893	43,191	301,335	190,938	246,543	170,036
Ratio of earnings to fixed charges	2.94	(a)	3.02	2.38	2.98	2.05

(a) An $80.0 million deficiency in earnings caused the ratio of earnings to fixed charges to be less than one-to-one coverage. A $195.8 million net write-off before income taxes related to the bankruptcy filing of DTI was recorded in 2001.

Exhibit 99.1.a

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 September 30, 2002, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Bernard J. Beaudoin, as Chairman of the Board, President and Chief Executive Officer of the Company, and Andrea F. Bielsker, as Senior Vice President - Finance, Chief Financial Officer and Treasurer of the Company, each hereby certifies, pursuant to 18 U.S.C. (Section symbol) 1350, as adopted pursuant to (Section symbol) 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his or her 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/Bernard J. Beaudoin

Bernard J. Beaudoin
Chairman of the Board, President
and Chief Executive Officer

Date: November 13, 2002

/s/Andrea F. Bielsker

Andrea F. Bielsker

Senior Vice President - Finance,
Chief Financial Officer and
Treasurer

Date: November 13, 2002

This certification accompanies the Report pursuant to (Section symbol) 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of (Section symbol) 18 of the Securities Exchange Act of 1934, as amended.

Exhibit 99.2.a

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 September 30, 2002, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Bernard J. Beaudoin, as Chairman of the Board and Chief Executive Officer of the Company, and Andrea F. Bielsker, as Senior Vice President - Finance, Chief Financial Officer and Treasurer of the Company, each hereby certifies, pursuant to 18 U.S.C. (Section symbol) 1350, as adopted pursuant to (Section symbol) 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his or her 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/Bernard J. Beaudoin

Bernard J. Beaudoin
Chairman of the Board and

Chief Executive Officer

Date: November 13, 2002

/s/Andrea F. Bielsker

Andrea F. Bielsker

Senior Vice President - Finance,
Chief Financial Officer and
Treasurer

Date: November 13, 2002

This certification accompanies the Report pursuant to (Section symbol) 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of (Section symbol) 18 of the Securities Exchange Act of 1934, as amended.