

WOLF CREEK

NUCLEAR OPERATING CORPORATION

Annette F. Stull
Vice President and Chief Financial Officer

April 14, 2011

CO 11-0001

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, D.C. 20555


Subject: Docket No. 50-482: Guarantee of Payment of Deferred Premiums,
10 CFR 140.21

Gentlemen:

Pursuant to the requirements of 10 CFR 140.21, each operating reactor licensee is required to maintain financial protection through guarantees of payment of deferred premiums. The owners of Wolf Creek Generating Station (WCGS) are providing the enclosed documentation of their ability to pay deferred premiums in the amount of seventeen million five hundred thousand dollars, as determined by 10 CFR 140.11(a)(4).

Kansas Gas and Electric Company (KGE), a wholly-owned subsidiary of Westar Energy, Inc., Kansas City Power & Light Company (KCPL), a wholly-owned subsidiary of Great Plains Energy Incorporated, and Kansas Electric Power Cooperative, Inc. (KEPCo), have each provided audited Consolidated Statements of Cash Flows in order to demonstrate sufficient funds are available to meet their share of the deferred premiums.

If you have any questions concerning this matter, please contact me at (620) 364-4004, or Mr. Gautam Sen at (620) 364-4175.

Sincerely,

for
Annette Stull
Annette F. Stull

AFS/rlt

Enclosures (3)

cc: E. E. Collins (NRC) w/e
J. R. Hall (NRC), w/e
G. B. Miller (NRC), w/e
Senior Resident Inspector (NRC), w/e

MOO#
NR



March 29, 2011

Mr. Todd N. Laflin
Wolf Creek Nuclear Operating Corporation
PO Box 411
Burlington, KS 66839

Dear Todd:

Pursuant to the requirements of 10 CFR 140.21, we are providing the attached audited 2010 Consolidated Statements of Cash Flows, with independent auditor's opinion, for Kansas Gas & Electric. The statement is provided to access Kansas Gas & Electric's ability to make payment of its share of deferred premiums in an amount of \$8.23 million.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lee Wages".

Lee Wages
Vice President, Controller
Westar Energy, Inc.

attachment

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholder of
Kansas Gas and Electric Company
Topeka, Kansas

We have audited the accompanying consolidated balance sheets of Kansas Gas and Electric Company (the "Company"), a wholly-owned subsidiary of Westar Energy, Inc., as of December 31, 2010 and 2009, and the related consolidated statements of income, stockholder's equity, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the generally accepted auditing standards as established by the Auditing Standards Boards (United States) and in accordance with the auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Kansas Gas and Electric Company at December 31, 2010 and 2009, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 15 to the consolidated financial statements, the Company adopted a new accounting standard with respect to the consolidation of variable interest entities effective January 1, 2010.

/s/ Deloitte & Touche LLP

Kansas City, Missouri
February 24, 2011

KANSAS GAS AND ELECTRIC COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in Thousands)

	Year Ended December 31,	
	2010	2009
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:		
Net income	\$ 52,701	\$ 55,879
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	128,724	117,547
Amortization of nuclear fuel	25,089	16,161
Amortization of deferred regulatory gain from sale-leaseback	(5,495)	(5,495)
Amortization of corporate-owned life insurance	16,657	17,449
Net deferred income taxes and credits	23,766	9,127
Net changes in energy marketing assets and liabilities	—	4,138
Allowance for equity funds used during construction	(1,355)	(1,741)
Changes in working capital items:		
Accounts receivable	(185)	(17,017)
Inventories and supplies	(1,663)	4,750
Prepaid expenses and other	19,055	(24,396)
Accounts payable	(3,271)	8,957
Other current liabilities	(73,701)	8,974
Changes in other assets	(6,788)	(10,613)
Changes in other liabilities	5,778	(5,965)
Cash Flows from Operating Activities	179,312	177,755
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:		
Additions to property, plant and equipment	(203,545)	(172,435)
Purchase of securities within the nuclear decommissioning trust fund	(190,687)	(64,016)
Sale of securities within the nuclear decommissioning trust fund	189,939	61,096
Investment in corporate-owned life insurance	(18,884)	(17,724)
Proceeds from investment in corporate-owned life insurance	1,073	798
Advance to parent	49,660	(222,615)
Other investing activities	709	2,920
Cash Flows used in Investing Activities	(171,735)	(411,976)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:		
Proceeds from long-term debt	—	347,507
Retirements of long-term debt	(120)	(50,000)
Retirements of long-term debt of variable interest entity	(17,036)	—
Repayment of borrowings to parent	—	(22,403)
Borrowings against cash surrender value of corporate-owned life insurance	74,134	10,299
Repayment of borrowings against cash surrender value of corporate-owned life insurance	(1,055)	(1,182)
Dividends to parent company	(63,500)	(50,000)
Cash Flows (used in) from Financing Activities	(7,577)	234,221
NET INCREASE IN CASH AND CASH EQUIVALENTS	—	—
CASH AND CASH EQUIVALENTS:		
Beginning of period	—	—
End of period	\$ —	\$ —
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
CASH PAID FOR:		
Interest on financing activities, net of amount capitalized	\$ 57,776	\$ 46,539
Interest on financing activities of variable interest entity	16,005	—
NON-CASH INVESTING TRANSACTIONS:		
Property, plant and equipment additions	30,071	3,966
Property, plant and equipment additions of variable interest entity (a)	233,199	—
NON-CASH FINANCING TRANSACTIONS:		
Debt of variable interest entity (a)	283,429	—

(a) These transactions result from the consolidation of the variable interest entity discussed in Note 15, "Variable Interest Entities."

The accompanying notes are an integral part of these consolidated financial statements.



March 28, 2011

Mr. Todd N. Laflin
Wolf Creek Nuclear Operating Corporation
PO Box 411
Burlington, KS 66839

Dear Todd:

Pursuant to the requirements of 10 CFR 140.21(e), Kansas City Power & Light Company, is providing the attached audited Consolidated Statements of Cash Flows as evidence of the ability to make payment of its share of deferred premiums in an amount of \$8.23 million.

The undersigned certifies that the foregoing memorandum with respect to Kansas City Power & Light Company's cash flow for the year 2010 is true and correct to the best of their knowledge and belief.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wright".

Lori Wright
Vice President and Controller

attachment

KANSAS CITY POWER & LIGHT COMPANY
Consolidated Statements of Cash Flows

Year Ended December 31	2010
Cash Flows from Operating Activities	(millions)
Net income	\$ 163.2
Adjustments to reconcile income to net cash from operating activities:	
Depreciation and amortization	256.4
Amortization of:	
Nuclear fuel	25.1
Other	24.2
Deferred income taxes, net	83.2
Investment tax credit amortization	(2.1)
Other operating activities (Note 2)	(127.8)
Net cash from operating activities	422.2
Cash Flows from Investing Activities	
Utility capital expenditures	(463.1)
Allowance for borrowed funds used during construction	(22.4)
Purchases of nuclear decommissioning trust investments	(83.3)
Proceeds from nuclear decommissioning trust investments	79.6
Net money pool lending	(6.1)
Other investing activities	(13.4)
Net cash from investing activities	(508.7)
Cash Flows from Financing Activities	
Issuance of long-term debt	-
Repayment of long-term debt	(0.2)
Net change in short-term borrowings	76.9
Net change in collateralized short-term borrowings	95.0
Net money pool borrowings	1.1
Dividends paid to Great Plains Energy	(95.0)
Equity contribution from Great Plains Energy	-
Issuance fees	(5.1)
Net cash from financing activities	72.7
Net Change in Cash and Cash Equivalents	(13.8)
Cash and Cash Equivalents at Beginning of Year	17.4
Cash and Cash Equivalents at End of Year	\$ 3.6

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



Kansas Electric Power Cooperative, Inc.

March 29, 2011

Mr. Todd N. Laffin
Wolf Creek Nuclear Operating Corporation
P.O. Box 411
Burlington, KS 66839

Dear Todd:

Pursuant to the requirements of 10 CFR 140.21(e), Kansas Electric Power Cooperative, Inc. is providing the attached audited Statement of Cash Flows as evidence of the ability to make payment of its share of deferred premiums in an amount of \$1.5 million.

The undersigned certifies that the foregoing memorandum with respect to Kansas Electric Power Cooperative, Inc.'s. Cash flow for the year 2010 is true and correct to the best of her knowledge and belief.

Sincerely yours,

Coleen M. Wells
VP Finance, and CFO
Enclosure (1)

Phone: 785.273.7010
Fax: 785.271.4888
www.kepco.org

P.O. Box 4877
Topeka, KS 66604-0877

600 Corporate View
Topeka, KS 66615

KANSAS ELECTRIC POWER COOPERATIVE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended December 31, 2010 and 2009

	2010	2009
Cash Flow From Operating Activities		
Net margin	\$ 7,646,619	\$ 9,338,290
Adjustments to reconcile net margin to net cash flows from operating activities		
Depreciation and amortization	3,933,791	3,889,826
Decommissioning	1,726,544	1,833,811
Amortization of nuclear fuel	3,072,155	2,013,679
Amortization of deferred charges	4,354,224	4,348,006
Amortization or deferred incremental outage costs	3,946,016	4,099,003
Amortization of debt issuance costs	102,686	109,275
Changes in		
Member accounts receivable	(653,666)	(951,170)
Materials and supplies	(291,350)	(84,641)
Other assets and prepaid expense	69,423	(304,548)
Accounts payable	1,173,474	2,049,237
Payroll and payroll-related liabilities	33,679	(22,116)
Accrued property tax	12,299	23,038
Accrued interest payable	431,717	11,087
Accrued income taxes	1,937	
Other long-term liabilities	426,336	440,601
	25,985,884	26,793,378
Net cash flows from operating activities		
Cash Flows From Investing Activities		
Additions to electrical plant	(18,792,039)	(23,937,741)
Additions to nuclear fuel	(4,469,736)	(2,474,774)
Additions to deferred incremental outage costs	(982,345)	(5,331,381)
Investments in decommissioning fund assets	(1,791,141)	(2,358,279)
Investments in National Rural Utilities Cooperative Finance Corporation	1,381,901	(6,781,554)
Investments in bond reserve assets	5,674	(89,996)
	(24,647,686)	(40,973,725)
Net cash flows from investing activities		
Cash Flows From Financing Activities		
Net borrowing (payment) under line of credit agreement	-	(13,178,203)
Principal payments on long-term debt	(13,709,763)	(13,209,153)
Proceeds from issuance of long-term debt	16,602,177	40,052,226
	2,892,414	13,664,870
Net cash flows from financing activities		
Net Increase/(Decrease) in cash and cash equivalents	4,230,612	(515,477)
Cash and Cash Equivalents, Beginning of year	118,631	634,108
Cash and Cash Equivalents, End of Year	\$ 4,349,243	\$ 118,631

See Notes to the Financial Statements