BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of KCP&L Greater Missouri Operations Company's Application To Suspend Payment Of Certain Solar Rebates.	))))	File No. ET-2014-0059 Tariff No. JE-2014-0112
In the matter of Kansas City Power & Light Company's Application To Suspend Payment Of Certain Solar Rebates.	))))	File No. ET-2014-0071 Tariff No. JE-2014-0120

NON-UNANIMOUS STIPULATION AND AGREEMENT

COME NOW Kansas City Power & Light Company ("KCP&L"), KCP&L Greater Missouri Operations Company ("GMO" or "Company"), the Staff of the Missouri Public Service Commission ("Staff"), Office of the Public Counsel, Missouri Division of Energy ("MDOE"), Earth Island Institute d/b/a Renew Missouri ("Renew Missouri"), Missouri Solar Energy Industry Association ("MOSEIA")[1], Brightergy, LLC ("Brightergy"), and Missouri Industrial Energy Consumers ("MIEC")[2] (collectively "Signatories")[3] and for their Non-Unanimous Stipulation and Agreement[4] ("Agreement"), respectfully state as follows:

I. BACKGROUND OF PROCEEDING

1. On November 4, 2008, Proposition C was adopted by the voters of Missouri and later codified as Section 393.1030 RSMo. (Cum.Supp. 2009) which

[1] MOSEIA is executing this agreement on behalf of itself and in a representative capacity on behalf of its members.
[2] MIEC is executing this agreement on behalf of itself and in a representative capacity on behalf of its members.
[3] KCP&L is only a party to ET-2014-0071. All parties to ET-2014-0059 were made parties to ET-2014-0071 by Commission order issued September 11, 2013. The Commission granted intervention to Wind on the Wires in an order issued in ET-2014-0059 on September 20, 2014.
[4] Rule 4 CSR 240-2.115(C) states: "If no party timely objects to a nonunanimous stipulation and agreement, the commission may treat the nonunanimous stipulation and agreement as a unanimous stipulation and agreement." The non-signatories, named in paragraph 14 below, state herein that

Exhibit A

mandated, *inter alia*, that the "commission shall, in consultation with the department, prescribe by rule a portfolio requirement for all electric utilities to generate or purchase electricity generated from renewable energy resources. . . ."

2. In compliance with Section 393.1030 RSMo., the Missouri Public Service Commission ("Commission") adopted 4 CSR 240-20.100 Electric Utility Renewable Energy Standard Requirements.

3. On May 28, 2013, KCP&L and GMO filed their 2013 Annual Renewable Energy Standard Compliance Plans in File Nos. EE-2013-0452 and EE-2013-0453, respectively, pursuant to 4 CSR 240-20.100.

4. On July 3, 2013, Governor Jeremiah (Jay) Nixon signed into law HB 142 which became effective on August 28, 2013 and amends Section 393.1030. HB 142 states in part (codified in Section 393.1030(3)):

> If the electric utility determines the maximum average retail rate increase provided for in subdivision (1) of subsection 2 of this section will be reached in any calendar year, the electric utility shall be entitled to cease paying rebates to the extent necessary to avoid exceeding the maximum average retail rate increase if the electrical corporation files with the commission to suspend its rebate tariff for the remainder of that calendar year at least sixty days prior to the change taking effect. The filing with the commission to suspend the electrical corporation's rebate tariff shall include the calculation reflecting that the maximum average retail rate increase will be reached and supporting documentation reflecting that the maximum average retail rate increase will be reached. The commission shall rule on the suspension filing within sixty days of the date it is filed. . .

5. In the application filed by KCP&L on September 10, 2013, KCP&L requested that the Commission authorize KCP&L to suspend solar rebate payments pursuant to the provisions of Section 393.1030(3). In the application filed by GMO

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they will not oppose the Agreement or request a hearing in this matter. Thus, the Commission may treat this Agreement as unanimous.

on September 4, 2013, GMO requested that the Commission authorize GMO to suspend solar rebate payments pursuant to the provisions of Section 393.1030(3).

6. The Commission granted the intervention requests of Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri"), MDOE, Renew Missouri, MOSEIA, Brightergy, MIEC, and Wind on the Wires.

II. AGREEMENTS AMONG THE SIGNATORIES

7. On several occasions, the Signatories to this case met to discuss the Application and related matters. As a result of these discussions, the Signatories agree that:

a. GMO will not suspend payment of solar rebates in 2013 and beyond unless the solar rebate payments reach an aggregate level of $50 million incurred subsequent to August 31, 2012. KCP&L will not suspend payment of solar rebates in 2013 and beyond unless the solar rebate payments reach an aggregate level of $36.5 million incurred subsequent to August 31, 2012. For each company, these levels are referred to herein as the "specified level." Upon approval of the Agreement, GMO and KCP&L agree to withdraw their pending tariff sheets in these matters and re-file tariff sheets that will be consistent with this Agreement. If and when the solar rebate payments are anticipated to reach the specified level, GMO or KCP&L will file with the Commission an application under the 60-day process as outlined in §393.1030.3 RSMo. to cease payments beyond the specified level in the year in which the specified level is reached and all future calendar

years. The Signatories agree that they will not object to an application that is designed to cease payments beyond the specified level. The starting point for measurement of the specified level will be the current balance of all solar rebates paid to date which have been included in the deferred account from September 1, 2012. As of August 31, 2013, the balance in GMO's account is approximately $16 million attributable to paid solar rebates, and the similar balance in KCP&L's account is $5.9 million. This represents solar rebate payments made between September 1, 2012 and August 31, 2013. Other compliance costs[5] directly related to Renewable Energy Standard ("RES") compliance are also included in these accounts.

b. While this Agreement resolves the aggregate amount of solar rebates to be paid after August 31, 2012, the Agreement has not resolved the method that will be utilized in the future to calculate the one percent (1%) cap in the retail rate impact in future RES compliance filings. The Signatories agree to work to resolve this issue in a rulemaking to implement the provisions of HB 142. GMO and KCP&L, however, represent that they will utilize the Staff's methodology in future RES compliance filings until the RES rule[6] is changed. Provided, however, other Signatories reserve the right to assert any position related to GMO's or KCP&L's use of the Staff's methodology in future RES compliance filings, and to propose alternative methodologies.

[5] RES Compliance costs used throughout this Agreement are defined in 4 CSR 240-20.100(1)(N).
[6] 4 CSR 240-20.100(5) (effective September 30, 2010).

c. All solar rebates, subject to this Agreement, will be paid according to applicable statutes, rules and tariffs. The Signatories also agree to cooperate in the development of all aspects of an orderly process to cease or conclude the solar rebate payments to solar customers, including updating KCP&L's website for applied for applications, the level of solar rebate payments, and approved applications for both KCP&L and GMO.

d. Solar rebate amounts paid and other RES compliance costs by GMO and KCP&L shall be included in regulatory assets to be considered for recovery in rates after December 31, 2013, either in a general rate case or through an approved Renewable Energy Standard Rate Adjustment Mechanism ("RESRAM"). Signatories agree not to argue that the solar rebate payments should have been suspended in 2013. Signatories agree not to object to GMO's or KCP&L's recovery in retail rates of prudently-incurred solar rebates and prudently-incurred RES compliance costs. The Signatories reserve the right to raise prudence issues related to the solar rebates and RES compliance costs in future general rate cases, RESRAM cases, or other proceedings in which recovery of these costs are considered by the Commission. GMO and KCP&L agree to propose a cost recovery approach in a future general rate case or other proceedings involving the implementation of a RESRAM mechanism which is consistent with the provisions of 4 CSR

240-20.100.[7]

e. GMO and KCP&L shall include monthly carrying costs for prudently-incurred cumulative unrecovered RES compliance costs from the period that the costs were incurred to the period that the costs are recovered. Carrying costs will be based on the Company's monthly short-term borrowing rate. GMO and KCP&L agree that any cost recovery in future general rate proceedings or RESRAM proceedings will be consistent with 4 CSR 240-20.100(6), and that any recovery of RES compliance costs related to solar rebate payments will not exceed one percent (1%) of the Commission-determined annual revenue requirement in the proceeding.

f. Renew Missouri agrees to dismiss its complaint cases filed against GMO and KCP&L pertaining to the disclosure of the one percent (1%) cap calculation in the 2012 RES Compliance Plan filing consolidated into File No. EC-2013-0379. In addition, GMO and KCP&L agree to perform the retail rate impact limit calculation annually, as provided in 4 CSR 240-20.100(5) in future annual RES compliance plans. GMO and KCP&L agree to include a detailed explanation of such calculation in their annual RES compliance plans, as provided in 4 CSR 240-20.100(7)(B)1f. GMO and KCP&L agree not to seek an exemption of this requirement under 4 CSR 240.20.100(5)(B). If the RES rules are changed, GMO and KCP&L will follow the new rules.

[7] KCP&L's proposal will be consistent with its Regulatory Plan approved in Case No. EO-2005-0329.

g. GMO and KCP&L and their affiliates agree to retain all documents pertaining to solar rebate payments so the documents will be available for use in future ratemaking proceedings that address possible recovery of expenditures related to compliance with §393.1030 RSMo and 4 CSR 240-20.100.

III. GENERAL PROVISIONS OF AGREEMENT

8. This Agreement is being entered into solely for the purpose of settling the issues in this case explicitly set forth above. Unless otherwise explicitly provided herein, none of the Signatories to this Agreement shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any cost of service methodology or determination, depreciation principle or method, method of cost determination or cost allocation or revenue-related methodology. Except as explicitly provided herein, none of the Signatories shall be prejudiced or bound in any manner by the terms of this Agreement in this or any other proceeding, regardless of whether this Agreement is approved.

9. This Agreement is a negotiated settlement. Except as specified herein, the Signatories to this Agreement shall not be prejudiced, bound by, or in any way affected by the terms of this Agreement: (a) in any future proceeding; (b) in any proceeding currently pending under a separate docket; and/or (c) in this proceeding should the Commission decide not to approve this Agreement, or in any way condition its approval of same.

10. This Agreement has resulted from extensive negotiations among the Signatories, and the terms hereof are interdependent. If the Commission does not approve this Agreement unconditionally and without modification, then this Agreement shall be void and no Signatory shall be bound by any of the agreements or provisions hereof.

11. If approved and adopted by the Commission, this Agreement shall constitute a binding agreement among the Signatories. The Signatories shall cooperate in defending the validity and enforceability of this Agreement and the operation of this Agreement according to its terms.

12. If the Commission does not approve this Agreement without condition or modification, and notwithstanding the provision herein that it shall become void, (a) neither this Agreement nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any Signatory has for a decision in accordance with RSMo. §536.080 or Article V, Section 18 of the Missouri Constitution, and (b) the Signatories shall retain all procedural and due process rights as fully as though this Agreement had not been presented for approval, and any suggestions, memoranda, testimony, or exhibits that have been offered or received in support of this Agreement shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any purpose whatsoever.

13. If the Commission accepts the specific terms of this Agreement without condition or modification, only as to the issues in these cases explicitly set forth

above, the Signatories each waive their respective rights to present oral argument and written briefs pursuant to RSMo. §536.080.1, their respective rights to the reading of the transcript by the Commission pursuant to §536.080.2, their respective rights to seek rehearing pursuant to §536.500, and their respective rights to judicial review pursuant to §386.510. This waiver applies only to a Commission order approving this Agreement without condition or modification issued in this proceeding and only to the issues that are resolved hereby. It does not apply to any matters raised in any prior or subsequent Commission proceeding nor any matters not explicitly addressed by this Agreement.

14. The following parties are not Signatories, but have indicated that they will not oppose this Agreement, or request a hearing in this matter: Wind on the Wires and Ameren Missouri.

WHEREFORE, for the foregoing reasons, the Signatories respectfully request that the Commission issue an Order approving the terms and conditions of this Non-Unanimous Stipulation and Agreement.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document has been emailed, hand-delivered or mailed, First Class, U.S. Mail, postage prepaid this 3rd day of October, 2013 to all counsel of record.

/s/ James M. Fischer
James M. Fischer