

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Kansas City Power & Light)	
Company's Request for Variance from Portions)	<u>File No. ET-2014-0027</u>
Of 4 CSR 240-20.065)	Tariff No. JE-2014-0058

**BRIGHTERGY, LLC'S
MOTION TO REJECT MODIFIED TARIFFS**

Brightergy, LLC ("Brightergy") hereby files its Motion to Reject Modified Tariffs in response to Kansas City Power & Light Company's ("KCP&L") request that the Missouri Public Service Commission ("Commission" or "MPSC") approve KCP&L's revised Net Metering Rider Electric and Rules and Regulations Electric tariffs ("Revised Tariffs"). Brightergy objects to the Revised Tariffs proposed by KCP&L and respectfully requests the Commission reject the tariffs, as filed. The Revised Tariffs seek to add certain provisions that are: (1) uncertain and ambiguous; (2) contrary to 4 C.S.R. 240-20.065; and (3) unreasonably harmful to renewable, distributed generation in the state of Missouri.

By this objection and in support of its request that the Commission reject KCP&L's Revised Tariffs, Brightergy will individually identify and discuss each objectionable tariff provision. Where appropriate, Brightergy will also propose alternative tariff language in an attempt to clarify specific provisions and to remove harmful limitations placed on the installation and interconnection of solar generating equipment.

TARIFF OBJECTIONS

1. Permanent Electric Service Requirement:

On Revised Sheet No. 34F, KCP&L proposes to add three additional provisions to its Net Metering "Application Standards." These standards define what constitutes an acceptable Net Metering Interconnection Agreement and Solar Rebate Application. KCP&L states that it will

only review an application that adheres to all listed application standards. Among the proposed additions, KCP&L seeks to mandate that “[p]ermanent electric service must be present prior to submitting an application for interconnection.”

KCP&L’s proposal that permanent electric service be present prior to the submission of an interconnection application unreasonably limits the availability of net metering. Essentially, KCP&L’s proposal would prevent any new construction project, completed after December 31, 2013, from qualifying for the \$2.00/watt rebate. Typically, new construction clients install solar generating equipment at the beginning of a project, as the roof is usually one of the first building components completed. Permanent electric service, on the other hand, is generally one of the final tasks completed on a new construction project. In many cases, permanent electric service may not be installed until months or years after the start of a project.

Requiring permanent electric service is also contrary to the Net Metering Rule set forth at 4 C.S.R. 240-20.065. As provided by 4 C.S.R. 240-20.065(9)(A)1.A, “[t]he interconnection agreement on the electric utility’s website *shall substantially be the same* as the interconnection agreement included herein.” (emphasis added.) In turn, the first page of the interconnection agreement included within 4 C.S.R. 240-20.065 (and, similarly, KCP&L’s existing tariff) states:

[Utility Name] will complete the utility portion of section G and, upon receipt of a completed Application/Agreement form and payment of any applicable fees, schedule a date for interconnection of the Customer-Generator System to [Utility Name]’s electrical system within fifteen days of receipt by [Utility Name] *if electric service already exists to the premises*, unless the Customer-Generator and [Utility Name] agree to a later date. Similarly, *upon receipt of a completed Application/Agreement form and payment of any applicable fees, if electric service does not exist to the premises, [Utility Name] will schedule a date for interconnection of the Customer-Generator System to [Utility Name]’s electrical system no later than fifteen days after service is established to the premises*, unless the Customer-Generator and [Utility Name] agree to a later date.

(emphasis added.)

The above section of the Net Metering Rule, and KCP&L’s existing Net Metering tariff, clearly allows for applications to be *submitted before* a property has permanent electric service in place. In fact, the interconnection application provided with the Net Metering Rule—to which KCP&L’s application must “substantially be the same”—states that applications may be *approved before* installation of permanent electric service.

Ameren, the largest electric utility in Missouri, currently allows submission and approval of net metering applications prior to installation of permanent electric service. While not reflected in Ameren’s net metering tariff, Ameren has developed an internal procedure to permit new construction projects to participate in its net metering program. Ameren will issue a new construction project without permanent electric service a “Premise Number”¹ that can be utilized by the customer in lieu of a permanent account number. Ameren then requires the customer, or customer’s installer, conduct and submit a load analysis—typically required for new electric service—to calculate the expected electric usage and solar system size.

Brightergy respectfully requests that the Commission order KCP&L to remove any language requiring permanent electric service be installed prior to submission of a Net Metering Application from any subsequent KCP&L tariff submissions. This language directly contradicts the MPSC’s Net Metering Rule set forth in 4 C.S.R. 240-20.065, and bars much of the new construction on the KCP&L system from participating in the Net Metering program. Brightergy recommends that the Commission order KCP&L to develop a formal process for reviewing new construction projects and their interconnection ability. All KCP&L ratepayers would benefit if

¹See <http://www.ameren.com/sites/ae/ConstructionServices/Pages/ElectricToolboxFAQ1.aspx>.

this process was set forth in writing and included with any subsequent KCP&L Net Metering Tariff.

2. Preapproval of Systems Before Solar Installation

KCP&L, on Revised Sheet 34G, proposes a modification of the “Pre-approval notification” section of its Application Standards. The existing KCP&L “Pre-approval notification” section provides:

(2) Pre-approval of projects prior to installation is preferred but not required.

(a) Projects installed prior to pre-approval may be subject to rework to bring the systems into compliance with this tariff.

(b) Rework resulting from early installation will be the responsibility of the Customer-Generator.

P.S.C. MO. No. 1, 1st Revised Sheet No. 34G.

The Revised Tariffs proposed by KCP&L deletes subsections (a) and (b) above and now state that “[p]re-approval of projects prior to installation is required.” The Revised Tariff language proposed by KCP&L bars installation of a net metering project prior to KCP&L approval. Such a bar is not supported by Missouri statute or MPSC Rule and unreasonably limits ratepayers’ ability to interconnect with KCP&L’s electric system.

Brightergy firmly believes that the Missouri Net Metering statute and MPSC Net Metering rule allow for project construction (and any necessary rework) prior to utility interconnect approval. § 386.890.15, RSMo, provides that “[n]o consumer shall *connect or operate* an electric generation unit in parallel phase and synchronization with any retail electric supplier without written approval by said supplier” (emphasis added.) Similarly, 4 C.S.R. 240-20.065(6)(C) states that “[n]o consumer shall *connect or operate* an electric generation unit

in parallel phase and synchronization with any electric utility without written approval by said electric utility” (emphasis added.) The Net Metering statute and MPSC rule do not foreclose a consumer’s ability to install an electric generation unit without utility approval.

KCP&L cannot dictate exactly what (and when) private building owners can and cannot construct on their private property. While it is reasonable to require a net metering project to meet certain standards prior to interconnection, the timing of installation by the property owner is the sole decision of each property owner.

As a practical matter, and in Brightergy’s experience, the *average* time it takes KCP&L to provide its ratepayers with interconnect approval is ninety days—with many approvals granted well after ninety days.² Requiring a private building owner to wait three months before starting construction is not reasonable, practical, or efficient. Disallowing rework of an installed project in order to meet any interconnection requirements is also not reasonable, practical, or efficient.

Brightergy respectfully requests that the Commission order KCP&L to include its existing language, allowing both installation prior to pre-approval and rework prior to approval, in any Revised Tariff. Alternatively, Brightergy recommends the Commission order any KCP&L net metering language provide that “pre-approval of application prior to interconnection is required.” This language would reasonably allow property owners to install solar panels and equipment while waiting for utility interconnection approval.

3. Definition of “Complete and Accurate Rebate Application”

KCP&L proposes to add language outlining the application requirements of its Solar Photovoltaic Rebate Program on Revised Sheet No. 46A. Included with this language, KCP&L proposes the Commission approve the requirement that “[c]omplete and accurate rebate

² In contrast, Ameren averages a thirty-three day approval time of Brightergy customers’ interconnection applications. In no case has Ameren taken longer than ninety days to approve any Brightergy customer application.

applications received by the Company on or before December 31st of any year and for which the system becomes operational on or before June 30th of the following year, will be eligible for a solar rebate” (emphasis added.)

This language proposed by KCP&L fails to define what constitutes a “complete and accurate rebate application.” If left undefined, one could interpret this term to mean that all sections and attachments mentioned by the tariff must be received by the utility before any project would be eligible for a solar rebate. Such an interpretation would be unreasonable, as it would require any system to be completely installed by December 31, 2013 to qualify for a \$2.00/watt solar rebate.

The above solar rebate language proposed by KCP&L is ambiguous and may be interpreted in a manner that unreasonably limits the availability of solar rebates. Accordingly, Brightergy respectfully requests the Commission order KCP&L define—by specific Section and attachment—precisely what constitutes a “complete and accurate rebate application.”³ Brightergy also recommends that KCP&L be required to distinguish between the terms “rebate application” and “interconnection application” in its proposed language. The “rebate applications” referenced in KCP&L’s proposed language should be referred to as “Section H.” This would prevent any application or design issues, which may arise during utility review, from affecting a ratepayers’ rebate application.

4. Definition of “Operational”

The solar rebate language proposed by KCP&L on Revised Sheet No. 46A and discussed in Section 4 *infra* provides that a solar generation system must “[become] *operational* on or

³ Ameren is posting on its website a clarification of what constitutes a completed application. Ameren does not require invoices, completed project photos, and customer affidavits as part of a solar rebate application. Brightergy believes that Ameren’s update is a reasonable example of what KCP&L should require for its solar rebate applications.

before June 30th of the following year” to be eligible for a solar rebate. (emphasis added.) In addition, Sheet No. 46A of KCP&L’s Revised Tariffs states that “[r]ebates will be paid on a first-come, first-served basis, as determined by the Solar Electric Systems *operational* date.” (emphasis added.) The Revised Tariffs do not define the term “operational.”

While KCP&L’s Revised Tariffs are silent regarding what constitutes an “operational” date, the KCP&L website defines “operational date” as the “date of the meter exchange.”⁴ This KCP&L definition is entirely inconsistent with the MPSC’s Electric Utility Renewable Energy Standard (“RES”) Requirements. Contrary to KCP&L’s website definition, 4 C.S.R. 240-20.100(4)(K) states that “full operation means the purchase and installation on the retail account holder’s premises of all major system components of the on-site solar electric system and production of rated electrical generation.”

Brightergy respectfully requests the Commission order KCP&L to clearly define “operational” within its Revised Tariffs in order to match the definition set forth in the MPSC RES requirements. Effectively, this definition would render the “operational date” of a solar system the day a ratepayer or solar installer submitted its meter request and supporting documents (i.e., invoices, completion photos, customer affidavit, AHJ inspection) for utility approval.

5. Additional Inspection Fees.

Following installation of a net metering project, KCP&L typically inspects the completed project to ensure it matches submitted plans and is safe for interconnection with the KCP&L

⁴ See http://www.kcplsave.com/residential/programs_and_services/solar_rebates/default.html. As a practical matter, and in Brightergy’s experience, meter exchange has been a difficult and inconsistent process. On average, KCP&L takes thirty-three days for meter exchange. In contrast, Ameren averages only twenty-two days to exchange meters. Ameren proposes to date and time stamp all final documents submitted for approval and considers this submission date as a system’s “operational date.” If the meter is not physically exchanged prior to June 30th, the customer still receives the \$2.00/watt solar rebate. If Ameren meter personnel find system deficiencies, Ameren reserves the right to refuse meter exchange and the customer forfeits its \$2.00/watt rebate. Brightergy believes this procedure is fair, if clearly outlined and implemented in a reasonable manner.

system. In subsection G(4) on Revised Sheet No. 34G, KCP&L proposes that the Company be authorized to “apply a service charge for additional inspections or site visits.”

While this language is not objectionable on its face, Brightergy is concerned that under KCP&L’s current operating procedures, it may lead to unnecessary and avoidable site visits and service charges. Specifically, KCP&L does not currently utilize uniform Engineering Standards that define exactly how each system must be installed. In addition, Brightergy believes that KCP&L lacks standardized customer-communication procedures to ensure successful site visits. With specific, written Engineering Standards and communication procedures, KCP&L and its Customer-Generators could avoid many unnecessary and costly re-inspections.

Brightergy and its Customer-Generators have observed several instances where uniform Engineering Standards and communication procedures would have streamlined the application approval process. For example, Brightergy recently submitted an interconnection application to KCP&L for an apartment complex utilizing two meters.⁵ KCP&L Engineering required Brightergy to label the meter disconnects “Disconnect #1” and “Disconnect #2.” Brightergy labeled the disconnects as instructed. However, upon inspection KCP&L meter personnel refused to approve interconnection of the system until the same disconnects were relabeled “PS” and “2W.”

Additionally, KCP&L inspection personnel seem to lack the proper communication and preparation needed to avoid unnecessary re-inspections. KCP&L personnel frequently do not know in advance if a meter is inside a building that may require keys or other access. The plans submitted by installers explicitly indicate the location of the meter, and any KCP&L inspector should be made aware of the meter location in advance. This failure of preparation and communication often results in unreasonable service charges for "additional inspections and site

⁵ See Exhibit A.

visits." In contrast, Brightergy customers who receive electric service from Ameren do not generally experience this frequent re-inspection. In Brightergy's experience, if a meter is located within a building, Ameren provides its personnel with the exact meter location, customer contact numbers, property keys, and any other access requirements.

Brightergy respectfully requests the Commission order KCP&L to implement written, uniform Engineering Standards and communication procedures. Brightergy has previously provided KCP&L personnel with recommended Engineering Standards⁶ that would improve the efficiency of KCP&L's net metering inspection and approval process. Alternatively, Brightergy requests the Commission cap the service charges assessed by KCP&L for site re-inspection. As envisioned by Brightergy, such a cap would allow KCP&L to charge its customers the actual cost of inspection. The cap would also prevent KCP&L from collecting a re-inspection fee if the cause for inspection failure was not previously identified to the customer.

6. Solar Utilization Requirement

On Revised Sheet No. 34Q of its Revised Tariffs, KCP&L proposes to add a requirement that a solar generation system must "be located in a location where a minimum of eighty-five percent (85%) of the solar resource is available to the system." Presumably, this language has been proposed by KCP&L to protect ratepayers from having solar panels improperly installed on shaded buildings.

While this protection of its ratepayers is admirable, KCP&L does not define how the solar resource will be measured or how the requirement will be enforced. Further, the MPSC RES Requirements provide:

As installed, the solar electric system shall be situated in a location where a minimum of eighty-five percent (85%) of the solar

⁶ Exhibit B.

resource is available to the system *as verified by the customer or the customer's installer at the time of installation.*

4 C.S.R. 240-20.100(4)(B) (emphasis added.)

Brightergy respectfully requests the Commission order KCP&L to further define its proposed solar utilization requirement in a manner that complies with the RES Requirements. Brightergy recommends KCP&L add language to its Revised Tariffs that states the “Company may request, from the customer or customer’s installer, a shade analysis report using commonly available shade analysis software, upon meter inspection.”

7. REC Ownership Language

KCP&L proposes that language concerning customers’ ownership of RECs be deleted from Revised Sheet No. 34A. In its place, KCP&L proposes language that indicates customers must transfer ownership of all RECs to the utility as a condition of receiving a solar rebate. These revisions are unclear and inconsistent with the remainder of KCP&L’s Revised Tariffs. According to recently enacted H.B. No. 142, which amended § 393.1030, RSMo, a customer’s RECs are only transferred to the Company if the customer elects to receive a solar rebate. KCP&L correctly articulates the terms of this exchange in Paragraph 4 on Revised Sheet No. 34L of its Revised Tariffs.

Brightergy respectfully requests the Commission order KCP&L to use the REC ownership language from Paragraph 4 of Revised Sheet No. 34L throughout its Revised Tariff. This language clearly and properly outlines the customers’ ownership of RECs and their transfer in exchange for receiving a solar rebate. Use of the language from Revised Sheet No. 34L throughout the Revised Tariff will also increase the consistency and cohesion of the entire KCP&L tariff.

8. Solar Rebate Language

On Revised Sheet No. 46A, KCP&L proposes the addition of a paragraph generally describing the solar rebate and solar rebate application process. The first sentence of this proposed language states: “Customers with installed and interconnected Solar Electric Systems may be eligible to receive a rebate up to a maximum of twenty-five (25) kilowatts (kW) per retail account.”

Brightergy believes that this sentence is unclear and incorrectly characterizes the solar rebate available to customers. Customers are paid a \$2.00/watt solar rebate. However, the descriptive language proposed by KCP&L appears to indicate that customers are eligible to receive a rebate in the amount of 25 kW.

Accordingly, Brightergy respectfully requests the Commission order KCP&L to clarify this proposed sentence. Brightergy recommends the sentence read: “Customers with installed and interconnected Solar Electric Systems may be eligible to receive a rebate payment based on the installed DC rated size of the system, up to a maximum of twenty-five (25) kilowatts (kW), per retail account.

CONCLUSION

WHEREFORE, Brightergy respectfully requests the Commission reject KCP&L’s Revised Tariffs. As described above, KCP&L’s Revised Tariffs contain multiple provisions that are: (1) uncertain and ambiguous; (2) contrary to Missouri law; and (3) unreasonably harmful to renewable, distributed generation in the state of Missouri. By rejecting the Revised Tariffs and incorporating Brightergy’s recommended revisions, the MPSC would ensure the fair and reasonable treatment of all Customer-Generators of solar electric energy.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been emailed this 19th day of August, 2013, to all parties on the Commission's service list in this case.

/s/ Carson M. Hinderks