



However, GMO already has a tariff sheet in effect with the same designation; therefore, Staff recommends the Commission reject the proposed tariff sheet. Since GMO filed its proposed tariff sheet with a proposed sixty (60) day effective date of September 3, 2013, it could file a new proposed tariff sheet with a proposed thirty (30) day effective date. A copy of the currently effective tariff sheet is attached. Staff notes that the proposed tariff sheet GMO filed has changes in the body of it that GMO did not capture in the redlined version it filed.

4. It is Staff's view that the last sentence in the following section of GMO's currently effective tariff sheet P.S.C. No. 1, 2<sup>nd</sup> Revised Sheet No. R-62.19 permits GMO to stop paying solar rebates, without a Commission determination that it has reached the one percent (1%) limits of rule 4 CSR 240-20.100(5), § 393.1030.2((1), RSMo. and § 393.1045, RSMo. That particular tariff section is quoted following:

**B. PURPOSE:**

The Program is available to any Customer that qualifies as a Customer-Generator under the Company's Net Metering Rider Electric tariff, is currently receiving service under any generally available retail rate schedule, with an account that is not delinquent or in default at the time of rebate processing, and has completed the required rebate application. Funds for the Program will be limited by the Company based on the limits of §393.1030, RSMo, 4CSR 240-20.100, or the Company's Net Metering Rider.

5. To approve GMO's proposed tariff sheet requires the Commission to determine that GMO has reached the one percent limit. GMO has not provided any evidence to the Commission yet that shows that GMO has reached that limit. As indicated by Staff's report on GMO's compliance plan filed in this case on July 12, Staff does not agree with GMO's calculation of the one percent (1%) limit.

6. Regardless of whether the Commission rejects GMO's proposed tariff sheet, the Commission should order GMO to provide evidence of its prudent costs of

renewable energy resources directly attributable to Renewable Energy Standard compliance.

7. Staff intends to collect and review information, and perform an independent analysis of GMO's ongoing audits of solar rebates GMO paid out to certain solar installers and for the purpose of determining both the rule 4 CSR 240-20.100(5) RES (Renewable Energy Standard) retail rate impact and the prudent costs of renewable energy resources directly attributable to RES compliance (including solar rebates). Staff presently anticipates it will take approximately sixty (60) days for it to do so. However, Staff's ability to do so depends on several externalities, for example, GMO's time frames for completing its audits of solar rebate payments made to certain solar installers, as well as when it provides to Staff a rate cap calculation by the method described in Staff's July 12 *Memorandum* regarding GMO's 2013-2015 RES Compliance Plan.

8. If it does not reject GMO's proposed tariff sheet then the Commission, pursuant to § 393.150, RSMo (2000), should suspend the effective date of the proposed tariff sheet for thirty (30) days to October 3.

9. Section 393.150 provides:

Whenever there shall be filed with the commission by any...electrical corporation...any schedule stating a new rate or charge, or any new form of contract or agreement, or any new rule, regulation or practice relating to any rate, charge or service or to any general privilege or facility, the commission shall have, and it is hereby given, authority...[to] suspend the operation of such schedule and defer the use of such rate, charge, form of contract or agreement, rule, regulation or practice, but not for a longer period than one hundred and twenty days beyond the time when such rate, charge, form of contract or agreement, rule, regulation or practice would otherwise go into effect....

10. Staff and GMO are engaged in ongoing discussions surrounding the deficiencies alleged in Staff's *Memorandum* concerning the RES retail rate impact calculation in accordance with Commission Rule 4 CSR 240-20.100 (5). If GMO's retail rate impact is calculated as Staff understands the rule, GMO may not reach the one percent (1%) cap as it suggests.

11. Staff notes the pending August 28 effective date of House Bill 142 that makes certain changes to Section 393.1030, RSMo relating to solar rebates. Staff is still reviewing the changes in statutory requirements in conjunction with GMO's tariff filing.

12. The Commission's decision in this file could affect, or be affected by, a decision in Case No. EC-2013-0380, Earth Island Institute d/b/a Renew Missouri, et. al. v. KCP&L Greater Missouri Operations Company. Complainants allege in that case that GMO's 2012-2014 RES Compliance Plan fails to comply with Subparagraph (7)(B)1.F in Rule 4 CSR 240-20.100 for calculating the RES retail impact limit.

**WHEREFORE**, Staff recommends that the Commission (1) reject GMO's proposed tariff sheet, P.S.C. MO. No. 1, 2<sup>nd</sup> Revised Sheet No. R-62.19 bearing an effective date of September 3, 2013, Tracking No. YE-2014-0011, and (2) order GMO to provide evidence of its prudent costs of renewable energy resources directly attributable to Renewable Energy Standard compliance. If the Commission chooses not to reject the proposed tariff sheet, Staff recommends the Commission suspend the proposed tariff sheet for an initial period of thirty (30) days , until October 3, 2013, to allow GMO to provide evidence of its prudent costs of renewable energy resources directly attributable to Renewable Energy Standard compliance before the tariff sheet would take effect and

to allow Staff to complete its information collection, information review and analyses described above, and to file a recommendation on the substance of GMO's proposed tariff sheet.

Respectfully submitted,

**/s/ Nathan Williams**

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### **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing was served by electronic mail to all parties of record as listed in the Commission's Electronic Filing and Information System this 31<sup>st</sup> day of July, 2013.

**/s/ Nathan Williams**

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. MO. No. 1

2<sup>nd</sup>

Revised Sheet No. R-62.19

Canceling P.S.C. MO. No. 1

1<sup>st</sup>

Revised Sheet No. R-62.19

**KCP&L Greater Missouri Operations Company  
KANSAS CITY, MO**

For Territory Served as L&P and MPS

**RULES AND REGULATIONS  
ELECTRIC**

**9.18 Solar Photovoltaic Rebate Program**

**A. PURPOSE:**

The Solar Photovoltaic Rebate Program (SPRP or Program) provides rebates to Missouri electric utility retail customers, pursuant to §393.1030, RSMo, who install new or expanded Solar Electric Systems that become operational after December 31, 2009.

**B. PURPOSE:**

The Program is available to any Customer that qualifies as a Customer-Generator under the Company's Net Metering Rider Electric tariff, is currently receiving service under any generally available retail rate schedule, with an account that is not delinquent or in default at the time of rebate processing, and has completed the required rebate application. Funds for the Program will be limited by the Company based on the limits of §393.1030, RSMo, 4CSR 240-20.100, or the Company's Net Metering Rider.

**C. DEFINITIONS:**

**Solar Electric System** – a permanently installed, new or expanded system, interconnected and operated in parallel phase and synchronization with an electric utility that has been approved for interconnection by said electric utility, which uses solar modules to convert light into electricity. As installed, the Solar Electric System shall be situated in a location where a minimum of eighty-five percent (85%) of the solar resource is available to the system as verified by the Customer or the Customer's installer at the time of installation. Systems are declared by the Customer to remain in place on the Customer's premises for the duration of its useful life which shall be deemed to be ten (10) years unless determined otherwise by the Commission. The system must consist of equipment that is commercially available and factory new when installed on the Customer's premises and the principal system components (i.e. photovoltaic modules and inverters and excluding battery components) shall be covered by a functional warranty from the manufacturer for a minimum period of ten (10) years.

**D. PROGRAM REBATE:**

Customers with installed and interconnected Solar Electric Systems may be eligible to receive a rebate of two (\$2) dollars per installed watt up to a maximum of twenty-five (25) kilowatts (kW) per retail account (\$50,000). For the purpose of determining the amount of rebate, the Solar Electric System wattage rating will be the direct current wattage rating provided by the original manufacturer. Customers will be required to complete a rebate application. Applications will be accepted for pre-approval starting January 1, 2010. Customers will be notified in writing, by letter or email, that the rebate application has been accepted or that the rebate application has not been accepted.

Issued: December 6, 2012  
Issued by: Darrin R. Ives, Senior Director

Effective: January 7, 2013

FILED  
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