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KCP&L's solar rebate program facing more questions

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The dispute over Kansas City Power & Light Co.'s solar energy rebates continues to unfold with allegations the utility mishandled the program partly by making an improper payment to a company that sells the energy systems.

The Missouri Solar Energy Industries Association, in a filing with state regulators, wants an audit of all projects installed by U.S. Solar in St. Joseph. The association claims KCP&L sent the company a rebate check for \$32,900, twice what it should have been, and it believes other improper payments have also gone to the company.

"We don't know where this will stop," said Heidi Schoen, the association's executive director. "We want to make sure the funds are being handled properly."

U.S. Solar did not respond to requests for comment. The company's website claims it is the premier solar installer in the Midwest. According to its website, the company installs 500,000 watts of solar energy capacity per month, roughly enough to equip 50 homes.

The staff of the Missouri Public Service Commission will review the solar association's request for an audit before making a recommendation to state regulators.

After concerns about U.S. Solar were raised in a meeting two months ago involving KCP&L and the solar association, the utility hired a St. Louis company to audit U.S. Solar and the other top 10 solar companies participating in the rebate program.

The audit is expected to be finished in two weeks, said Chuck Caisley, a spokesman for the utility.

"We take that very seriously," he said.

Caisley said the rebate program originally gave some of the utility's customers the option of sending the rebate check to the installer but a few months ago, a customer said he had not received his check. Payment of the check was stopped and it was decided all rebates should be sent directly to customers. Caisley declined to give the name of the company used by the customer who did not receive the check.

KCP&L said last week that it wanted to suspend the rebate program later this year because it had become far more popular than expected. If regulators approve, there will be annual caps of \$21 million on the rebates to comply with a state requirement to not allow the program to affect rates more than 1 percent.

The move was criticized by solar companies and environmentalists who questioned the utility's calculations in setting the rebate cap of \$21 million per year. The solar association, in its recent filing, said it also wanted regulators to ensure that any improper rebates were not be included in the cap.

There have also been some other complaints about KCP&L's rebate program including how quickly checks are sent once the solar units are installed.

But Caisley said KCP&L's rebate program is properly staffed and operated.

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