

Exhibit No.:
Issues: Energy Efficiency DSM
Programs
Witness: Hojong Kang
Sponsoring Party: MO PSC Staff
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MISSOURI PUBLIC SERVICE COMMISSION

REGULATORY REVIEW DIVISION

SURREBUTTAL TESTIMONY

OF

HOJONG KANG

KCP&L GREATER MISSOURI OPERATIONS COMPANY

FILE NO. EO-2012-0009

*Jefferson City, Missouri
May 2012*

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of KCP&L Greater Missouri)
Operations Company's Notice of Intent to)
File an Application for Authority to)
Establish a Demand-Side Programs)
Investment Mechanism)

Case No. EO-2012-0009

AFFIDAVIT OF HOJONG KANG

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Hojong Kang, of lawful age, on his oath states: that he has participated in the preparation of the following Surrebuttal Testimony in question and answer form, consisting of 4 pages of Surrebuttal Testimony to be presented in the above case, that the answers in the following Surrebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.


Hojong Kang

Subscribed and sworn to before me this 10th day of May, 2012.




Notary Public

Surrebuttal Testimony of
Hojong Kang

1 Q. Would you summarize Mr. Mosenthal's rebuttal testimony regarding his
2 concerns with the C&I Prescriptive Rebate Program and the Residential Lighting and
3 Appliance Program?

4 A. For the C&I Prescriptive Rebate Program, Mr. Mosenthal described how GMO
5 should not be offering rebates for T8 lighting since it is now the baseline technology. In this
6 same program, GMO is offering incentives for replacement of T8 bulbs with T12 technology
7 which will soon be phased out also. This program contains very limited LED¹ lighting
8 applications. Increasing the LED lighting applications and revisions to the HVAC² rebate
9 structure would make this program much more effective.

10 For the Residential Lighting and Appliance Program, Mr. Mosenthal is concerned
11 regarding the rebate mechanism for CFLs³ and the analysis and aggressive promotion for
12 solid-state lighting products, such as LEDs and OLEDs⁴.

13 Q. Does Staff still recommend that the Commission approve these programs?

14 A. Yes, it does. Staff has not been able to verify Mr. Mosenthal's statements
15 regarding baseline technology of lighting systems. However, Staff recommends GMO
16 research Mr. Mosenthal's concerns, discuss the results of its research with the stakeholders,
17 and, if necessary, update the technology requirements of these two programs consistent with
18 the results of its research to make the programs more effective.

19 Q. Does Staff have the same concerns related to the program design features for
20 the Appliance Turn-In Program?

¹ LEDs stands for Light-emitting Diodes.

² HVAC stands for heating, ventilation, and air conditioning.

³ CFLs stands for compact fluorescent lamps.

⁴ OLEDs stands for Organic Light-emitting Diodes.

Surrebuttal Testimony of
Hojong Kang

1 A. Staff does not support Mr. Mosenthal's concerns with the program design
2 features for the Appliance Turn-In Program.

3 Q. Would you briefly describe Mr. Mosenthal's concerns regarding the program
4 design features regarding the Appliance Turn-In Program that Staff disagrees with?

5 A. Mr. Mosenthal has concerns regarding the program delivery mechanism based
6 on GMO's description of the program in GMO witness Allen D. Dennis' Schedule ADD-2,
7 "participants would receive coupons toward more efficient units if they turn in an old unit or
8 arrange to have the old unit picked up."

9 Q. Why does Staff disagree with Mr. Mosenthal's concern on the Appliance Turn-
10 In Program?

11 A. GMO's description of the program strategy for the Appliance Turn-In program
12 in Schedule ADD-2 differs from GMO's proposed tariff sheet, Original Sheet No. R-62.49 in
13 Schedule ADD-13. In the proposed tariff sheet for this MEEIA filing, GMO describes the
14 program process as follows:

15 C. PROGRAM PROCESS: The following general process will be followed:

- 16 • Customers will contact the Administrator through a toll-free phone
17 number or online at KCPL.com to schedule the appliance pickup...
- 18 • Incentives are mailed to the Customer within six (6) weeks of the
19 appliance pickup.

20 Additionally, special promotions and coupons toward more efficient units
21 will be distributed at retailer locations to encourage appliance turn-in.

22 Based on Staff's review on the Appliance Turn-In program design, the description in
23 Schedule ADD-2 does not properly describe the program strategy regarding incentives,
24 additional promotions, and coupons. The primary purpose of this program is the removal of
25 secondary refrigerators that are running but inefficient or not needed, and not point of sale
26 promotions.

Surrebuttal Testimony of
Hojong Kang

1 Q. What recommendation do you have concerning the marketing strategy for
2 GMO's Appliance Turn-In Program?

3 A. Staff recommends that the Commission approve the Appliance Turn-In
4 program based on the program strategy described on the proposed tariff sheet, Original Sheet
5 No. R-62.49 in Schedule ADD-13. The program incentive described on the proposed tariff
6 sheet will incent residential customers to remove operating, but inefficient, secondary
7 appliances from the home for recycling in an environmentally safe manner.

8 Q. Does that conclude your surrebuttal testimony?

9 A. Yes, it does.