Exhibit No.:

Issue:
Witness:
Type of Exhibit:
Sponsoring Party:
Case No.:
Testimony Date:

Program Design Jessica Oakley Rebuttal Testimony Brightergy, LLC EA-2016-0208 September 7, 2016

MISSOURI PUBLIC SERVICE COMMISSION

File No: EA-2016-0208

REBUTTAL TESTIMONY

OF

JESSICA OAKLEY

ON BEHALF OF

BRIGHTERGY, LLC

Kansas City, Missouri September 7, 2016

REBUTTAL TESTIMONY

OF

JESSICA OAKLEY

File No. EA-2016-0208

1					
2	Q:	Please state	your name	and business	address.

- 3 A: My name is Jessica Oakley. My business address is 1712 Main Street, 6th Floor, Kansas
- 4 City, MO 64108.
- 5 Q: By whom and in what capacity are you employed?
- 6 A: I am the Vice President of Client Solutions for Brightergy, LLC ("Brightergy"), an energy
- 7 company offering distributed generation and a variety of energy efficiency services. Brightergy
- 8 has offices in Kansas City, Missouri, St. Louis, Missouri, and Boston, Massachusetts.
- 9 Q: As Vice President for Client Solutions, what are your responsibilities at Brightergy?
- 10 A: I manage our new product offerings, including marketing and sales support. I also perform
- energy savings analysis for current clients and new proposals.
- 12 Q: What is your educational background?
- 13 A: I have a bachelor's degree in mechanical engineering from Virginia Polytechnic Institute. I
- 14 also have Certified Energy Manager and Certified Demand Side Manager credentials from the
- 15 Association of Energy Engineers.
- 16 Q: Have you previously testified in a proceeding at the Missouri Public Service
- 17 Commission ("MPSC" or "Commission") or before any other utility regulatory agency?
- 18 A: Although I prepared and filed testimony in docket ER-2016-0156 in Missouri and in 16-
- 19 KCPE-446-TAR in Kansas, I have not testified before either Commission.
- 20 Q: Please describe Brightergy and its presence in the state of Missouri.
- 21 A: Brightergy has more than 70 employees among its three offices in Kansas City, Missouri
- 22 and St. Louis, Missouri, and Boston, Massachusetts. In addition, Brightergy contracts with several

- 1 Missouri electrical contractors who perform installations of solar systems, lighting retrofits, and
- 2 other energy efficiency related projects. The employment resulting from these business
- 3 relationships extends well beyond Brightergy's full-time employees.
- 4 Q: Please describe Brightergy's business operations in the state of Missouri.
- 5 A: Brightergy assists energy consumers in taking control of their electricity expenditures in a
- 6 number of ways. To name a few, Brightergy offers residential and commercial solar energy
- 7 installations, energy efficiency audits and projects, and various energy management
- 8 services. Brightergy also assists its clients in applying for necessary permits and financial
- 9 incentive processing including, utility rebates. Brightergy has over 500 commercial clients in the
- 10 state of Missouri.
- 11 Q: What is the purpose of your Rebuttal Testimony?
- 12 A: The purpose of my testimony is to inform the Commission of various aspects of solar
- pricing and utility-owned distributed generation programs, and specifically the program proposed
- 14 Ameren ("Ameren" or the "Company").
- 15 Q: Does the program outlined in this docket accurately reflect the cost of planning and
- 16 installing solar generation systems?
- 17 A: It might be an accurate cost assessment for a utility to construct such a system, but it does
- 18 not accurately reflect the cost of installing similar projects by an independent installer.
- 19 Q: What types of costs might the utility face that another developer would not?
- 20 A: A utility embarking on an initial distributed generation program will have a steep learning
- 21 curve. Personnel hours will be spent getting up to speed on program requirements, marketing
- funds will have to be expended, upgrades and changes will need to be made to billing systems,
- 23 monitoring will have to be installed and internal computing will have to be upgraded to capture
- 24 data from those monitoring systems. These are all costs that would not be faced by an
- independent solar developer who has dealt with all of these issues in the past.
- 26 Q: Is there cost associated with gaining market insight?

- 1 A: Yes. In his Direct Testimony, Mr. Barbieri sets out several pieces of market intelligence he
- 2 expected the company to collect through this process, including how many customers might be
- 3 interested in it, and what types of contract provisions are necessary. This type of knowledge costs
- 4 money, and solar installers who have marketed and installed hundreds of projects have gained
- 5 that knowledge through trial and error.
- 6 Q: Are the costs of installing solar generation facilities fairly fixed over time?
- 7 A: No. Costs are consistently trending downwards. The price ultimately paid by Ameren to
- 8 construct the facilities as proposed in this program will be out of date shortly following approval.
- 9 Specifically, the cost of panels has been decreasing and the decline is expected to continue in
- the coming years.
- 11 Q: Why are these facts important to consider in this docket?
- 12 A: The Commission should not look at any prices debated in current dockets as an accurate
- 13 reflection of the cost of solar as procured and installed by an independent company. In future
- proceedings where the price of solar is at issue, it is very likely that the cost of solar will decrease,
- 15 and the value of solar will increase.
- 16 Q: How could the program be improved?
- 17 A: A much lower per-site cap and required lease payments would come closer to reflecting
- the reality of planning, procuring, and constructing a utility owned distributed solar generation
- 19 system. The Company proposes to find customers in its territory who will voluntarily donate
- 20 portions of roof and/or ground space without compensation. That compensation could come in
- the form of a lease payment, a bill credit, or another creative means of compensation. This is
- 22 highly unlikely to be a sustainable program model, as most customers will expect some sort of
- consideration for use of the space. Further, a smaller per-site cap, in the range of 25-100 kW is
- 24 more realistic in terms of what Missouri solar clients are interested in installing.
- 25 Q: Are you asking the Commission to reject this application?

- 1 A: No. Brightergy has consistently argued that Missouri's investor-owned utilities should be
- 2 encouraged to invest in projects beyond the traditional bounds of the regulatory environment.
- 3 Brightergy has not signed on to the Stipulation, but it is not objecting to the Company's application.

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- 5 Q: Does this conclude your Rebuttal Testimony?
- 6 **A:** Yes.

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BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter Application of Union Electric Company d/b/a Ameren Missouri for Permission And Approval and a Certificate of Convenience and) Necessity Authorizing it to Offer a Pilot Distributed) Solar Program and file Associated Tariff Docket No. EA-2016-0208						
AFFIDAVIT OF JESSICA OAKLEY						
STATE OF MISSOURI)) ss COUNTY OF JACKSON)						
Jessica Oakley, being first sworn on his oath, states:						
 My name is Jessica Oakley. I am Vice President for Client Solutions at Brightergy, LLC. Attached hereto and made part hereof for all purposes is my Rebuttal Testimony. I hereby swear and affirm that my statements contained in this affidavit and in the attached Rebuttal Testimony are true and correct to the best of my knowledge and belief. 						
Jessica Oakley Jessica Oakley Subscribed and sworn to me this 7th day of September, 2016.						
	Mun L. Mann Notary Public					
My Commission expires <u>10 April 2017</u> .	AMBER LANGE TO SOLUTION TO SOL					