BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Kansas City Power & Ligh)
Company's Request for Authority to) Docket No. ER-2014-0370
Implement a General Rate Increase fo)
Electric Service)

INITIAL POST-HEARING BRIEF OF BRIGHTERGY, LLC

COMES NOW Brightergy, LLC ("Brightergy") and by and through its undersigned attorney, and for its Post-Hearing Brief, hereby states the following:

As noted in its opening statements and direct testimony, Brightergy supports the position of KCP&L that its Clean Charge Network ("CCN") is a prudent investment, and should be included as a part of the company's rate base.

Utilities around the country face challenges to the traditional business model on which they and their customers have relied under the regulatory compact. Utilities face a plateau, and in some cases, a decline in their market base. At the same time, costs to maintain generation and transmission facilities continue to grow as upgrades are required and new threats in the form of cyber-attacks must be dealt with.

Brightergy reiterates its position, articulated in arguments at the evidentiary hearing and in the testimony of Adam Blake, that utilities should be encouraged to innovate and think outside the box in the face of the business and security realities that they face. The installation of the CCN in KCP&L's service territory is one such effort to expand its market for electricity sales within its prescribed geographic boundaries.

Such efforts should be encouraged by the Commission as a response to the new

challenges which are beyond a utility's ability to control. As a pilot program, the Commission can set requirements and reporting deadlines in order to evaluate the manner in which ratepayer funds are being spent. In this way, the Commission can ensure that utility innovation is being conducted in a manner in line with prudency requirements. However, it is critical that such pilot programs be included in rate base to ensure that a utility is properly incentivised to meet its customers' growing EV needs.

Arguments against the CCN's inclusion in rate base have included the lack of benefits to all ratepayers. Although it is likely true that not every ratepayer in KCP&L's service territory will take advantage of the CCN, all ratepayers will be affected by a utility which experiences financial insecurity. A utility facing unsure growth and returns will run the risk of lowered credit rating, increased costs of borrowing, and sinking shareholder confidence. Each of these factors has the potential to raise the utility's cost of providing service, and thus also has the potential to impact all customer rates.

Because a utility's financial integrity and certainty of covering its costs are benefits affecting all ratepayers, the Commission should not be dissuaded from including the cost of the CCN infrastructure in rate base. Even if all of KCP&L's ratepayers will not plug in an electric vehicle at one of the charging stations, each ratepayer within the service territory will benefit from a utility with a greater degree of financial security and stability.

Likewise, KCP&L's ratepayers will also benefit from receiving service from a utility which is forward-thinking and which takes early opportunities to address challenges to the traditional model. This type of utility will be better equipped to address unknown challenges and serve its customers

Beyond the direct and overall benefits to the ratepayers, the CCN proposal has the potential to benefit the Kansas City community as a whole. Early investment in technological innovation is in keeping with the city's burgeoning image as a hub for innovators and a community which supports new technology. These benefits may be difficult to quantify in a rate proceeding, but they are clear to businesses and innovators in the city.

The Commission should treat the CCN proposal as an opportunity to support the idea of pilot projects in general, and as an opportunity to send a message that the State of Missouri is forward-thinking in the way it and its corporate citizens address difficult problems.

In conclusion, the CCN program as proposed by KCP&L is an experiment in allowing utilities to think outside the box to address unprecedented challenges and crises in their traditional business model. In this instance and for this program proposal, Brightergy wholeheartedly supports KCP&L's request to include the costs of the CCN in its rate base. Brightergy also supports the Commission's willingness to consider liberal standards for approval of utility pilot programs as beneficial to all ratepayers.

WHEREFORE, Brightergy respectfully asks the Commission to include as a portion of its Report and Order in this matter an order that the costs of the Clean Charge Network be implemented as proposed by KCP&L.

Dated July 22, 2015

Respectfully submitted,

<u>/s/ Andrew J. Zellers</u>

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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 22nd day of July, 2015, to all parties on the Commission's service list in this docket.

/s/ Andrew J. Zellers