

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Kansas City Power & Light)
 Company's Notice of Intent to File an)
 Application for Authority to Establish a Demand-) **File No. EO-2015-0240**
 Side Programs Investment Mechanism)

In the Matter of KCP&L Greater Missouri Operations)
 Company's Notice of Intent to File an)
 Application for Authority to Establish a Demand-) **File No. EO-2015-0241**
 Side Programs Investment Mechanism)

BRIGHTERGY, LLC STATEMENT OF POSITIONS

COMES NOW Brightergy, LLC ("Brightergy") by and through counsel, states the following for its Statement of Positions, as set out by Kansas City Power & Light Company and KCP&L Greater Missouri Operations Company (collectively, the "Company"):

1. Brightergy's position on the Company's first issue is that there are issues in the Company's Missouri Energy Efficiency Investment Act ("MEEIA") Cycle II plan and the joint position stated in the Non-Unanimous Stipulation and Agreement Resolving MEEIA Filings filed November 23, 2015 (the "Stipulation"), which will prevent the Company from achieving the statutory goal of delivering *all* cost-effective demand-side programs. Section 393.1075.4. Specifically, Brightergy has provided substantial evidence that the Company is proposing dramatic reductions in incentive levels to its MEEIA Cycle I program that will harm the energy efficiency market in its territory and be a significant disservice to its customers. See Blake Rebuttal, regarding the proposed change in the structure of the Custom Rebate Program. Based upon the MEEIA I structure, the Company readily admits that the Custom Rebate Program "contributes the lion's share of energy efficiency savings to the Company's portfolio." (Winslow Direct, page 4). Despite the obvious success of that program, the Company now wants to change the structure of that program to provide for rebates that are calculated on a flat dollar per kWh basis. As Brightergy points out, this change will significantly increase the payback period for energy efficiency investments and cause a significant reduction in the number of customers willing to make these energy efficiency investments. Most disconcerting, this structural change

will disproportionately penalize schools, churches and other non-profit organizations. See Blake Rebuttal, pages 2 and 10. In order to achieve the statutory goal of delivering “all cost-effective demand-side programs,” Brightergy asserts that the Company’s MEEIA Cycle II programs should include a Custom Rebate Program that is structured similar to the current program.

2. Brightergy’s position on the Commercial and Industrial (“C&I”) Custom Rebate Program as modified by the Stipulation is that it should not be approved in its current form. The Company has proposed an ineffective structure for rebate compensation which fails to meet the public policy goal of valuing demand-side investments equal to traditional investments in supply and delivery infrastructure. Because the proposed rebate structure will not encourage C&I customers to invest in effective, long-term efficiency solutions, the program as designed will not delay or prevent any amount of supply-side investment. Further, the MEEIA statute requires a goal of achieving *all* cost-effective demand-side savings. In pursuing an ineffective program structure and ending an effective program, the Company will fail to meet this statutory mandate. The proposed incentive levels are so low they will result in significant free ridership.

3. The Commission should not approve the regulatory flexibility provision contained in the Stipulation. A provision allowing the Company to end the program with 30 days’ notice inserts an unacceptable amount of uncertainty for the Company’s C&I customers, some of which plan large investments weeks or months in advance. Although the MEEIA program is voluntary, once the Company avails itself of the benefits of the three-year program, as a matter of equity it should be required to maintain its commitment throughout the three-year life of the program. Furthermore, the Company’s asserted need for such flexibility is misplaced. As designed, the MEEIA legislation guarantees that the Company will recover all of its program costs as well as any lost revenues.

Given this, there is no risk to the Company associated with the implementation and continuation of its MEEIA programs. As such, once approved, the Company should continue these programs. The Company’s proposed regulatory flexibility program is simply designed to provide the Company with additional leverage against the Commission and other stakeholders. Specifically, given this provision, the Company can unilaterally threaten and then cancel its MEEIA programs in response to virtually any Commission decision which it finds to be contrary

to its financial best interests. To date, KCP&L, GMO and Ameren have completed a MEEIA cycle that did not include this regulatory flexibility provision. Moreover, Ameren executed a non-unanimous stipulation for its Cycle II programs that did not have this provision. Clearly, such a provision is unnecessary. For this reason, once approved by the Commission, the Company should commit to the continuation of such MEEIA programs for the life of the program cycle.

Dated January 6, 2016

Respectfully submitted,

/s/ Andrew J. Zellers
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ATTORNEYS FOR BRIGHTERGY, LLC

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been emailed this 6th day of January, 2016, to all parties on the Commission's service list in this docket.

/s/ Andrew J. Zellers