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-Side Programs Investment Mechanism	))))	File No. EO-2019-0132
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	))))	File No. EO-2019-0133

RENEW MISSOURI'S INITIAL BRIEF

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COMES NOW Renew Missouri Advocates d/b/a Renew Missouri ("Renew Missouri"), and submits its initial brief:

Introduction

Kansas City Power & Light Company ("KCPL") and KCP&L Greater Missouri Operations Company ("GMO") (collectively referred to as "KCPL" or "Companies") seek approval of a suite of energy efficiency programs and a cost recovery mechanism under the Missouri Energy Efficiency Investment Act ("MEEIA")[1] aimed at creating energy and demand savings while saving customers money. The Commission has recognized that absent a MEEIA portfolio, the electric companies in Missouri have a financial incentive to generate and sell as much electricity to their customers as possible because more sales result in greater profits. In the past, this traditional incentive structure helped ensure utilities were able to provide safe and adequate service to customers. But advances in efficient measures and technology compared with the high costs of operating fossil fuel plants now means that customers are better off if the utility invests in demand-side measures, often on the customer's side of the meter. Over ten years ago, the Legislature

[1] Section 393.1075. RSMo.

recognized this shifting landscape and declared it is "the policy of this state to encourage electrical corporations to develop and administer energy efficiency initiatives that reduce the annual growth in energy consumption and the need to build additional electric generation capacity."[2] Later, the Legislature enacted the MEEIA statute that provided additional guidance on how the Commission should encourage energy efficiency. In pertinent part the statute explains:

> [i]t shall be the policy of the state to value demand-side investments equal to traditional investments in supply and delivery infrastructure and allow recovery of all reasonable and prudent costs of delivering cost-effective demand-side programs. In support of this policy, the commission shall:
>
> > (1) Provide timely cost recovery for utilities;
> >
> > (2) Ensure that utility financial incentives are aligned with helping customers use energy more efficiently and in a manner that sustains or enhances utility customers' incentives to use energy more efficiently; and
> >
> > (3) Provide timely earnings opportunities associated with cost-effective measurable and verifiable efficiency savings.[3]

In other words, MEEIA creates an opportunity to change the traditional financial incentive to sell more power and better align the utility's financial interest with the public interest in encouraging the efficient use of energy.[4]

In the decade following the passage of the MEEIA statute, Missouri utilities have implemented MEEIA programs in approximately three-year periods referred to as "Cycles." The present case concerns KCPL and GMO's third Cycle ("Cycle 3"). KCPL's past efforts and

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[2] Section 393.1040 RSMo.
[3] Section 393.1075.3 RSMo.
[4] Report and Order, p. 5, File No. EO-2015-0055.

investment in energy efficiency have been successful in achieving hundreds of MWs in capacity reduction and hundreds of GWhs in energy savings.[5] In those prior cycles, stakeholders have generally been able to resolve differences in position through negotiated stipulations and agreements. Now, however, parties have been unable to reach a settlement, and so, the Commission must decide the terms and conditions under which KCPL and GMO can offer energy efficiency programs.

The Commission should approve a modified MEEIA Cycle 3 Plan for KCPL and GMO (Issue 1).

"[T]he policy of this state to encourage electrical corporations to develop and administer energy efficiency initiatives that reduce the annual growth in energy consumption and the need to build additional electric generation capacity."[6] Under MEEIA, the Commission is empowered to tell the Companies under what conditions it can earn money while pursuing energy efficiency programs.[7] Specifically, "[t]he commission shall permit electric corporations to implement *commission-approved* demand-side programs[.]"[8] When it considered the various utilities' Cycle 2 applications, the Commission laid out certain parameters a utility should follow in designing its portfolio of programs and cost recovery mechanism. In its Report and Order approving a MEEIA program for KCPL's Cycle 2, the Commission outlined some important items it considered when approving the program, finding:

> … the Amended MEEIA Plan meets the objectives identified in the Commission's Report and Order issued on October 22, 2015 in File No. EO-2015-0055, which are (1) programs and DSIM are expected to provide benefits to all customers, (2)

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[5] Ex. No. 4, KCPL/GMO Surrebuttal Report, pp. 3-5.
[6] Section 393.1040 RSMo.
[7] Section 393.1075.4 RSMo.
[8] *Id* (emphasis added).

retrospective EM&V will be used to determine savings that actually occur, and (3) the earnings opportunity has a component relating to the reduction of supply side investment.[9]

Here, the Companies' MEEIA Cycle 3 plans seek to continue pursuing energy efficiency programs using the mechanisms within the MEEIA statute and, after a delay from its initial filing, has attempted to model its program offerings after Ameren Missouri's recently approved Cycle 3 program. However, despite the modifications to-date, the Companies' proposal does not satisfy either the Commission's Staff or the Office of Public Counsel ("OPC"). In its position statement and during the evidentiary hearing, KCPL complained that it was unfairly treated differently by regulators who had reached an agreement with Ameren Missouri for that company's MEEIA program just months prior. Staff disagreed with the Companies' posture. Instead, Staff argued that the Companies' proposal does not satisfy the statutory requirement to provide benefits to all customers because no supply-side investment is deferred during the 20-year planning horizon as a result of these programs.[10]

Avoided capacity costs (Issue 2)

In their filing, the Companies put forward a plan that sought to appropriately value demand-side investments using similar methods to previously approved applications. Staff's position on supply-side deferral is the heart of the question posed by the Regulatory Law Judge at the hearing, "why avoided costs are important, if in fact they are?" Avoided capacity costs should be considered as a way to measure how customers benefit from energy efficiency programs, but they are not the only way. Furthermore, the policy to "value demand-side investments equal to traditional investments in supply and delivery infrastructure" is not meant to be a barrier that prohibits a utility

[9] Report and Order, pp. 12-13, File No. EO-2015-0240.
[10] Staff's Statement of Position, p. 1.

from having a MEEIA program; rather, it is a policy that should guide how the utility is compensated.[11] Given this, the value of supply-side resources and avoided capacity costs is a useful data point but should not be used to prohibit the Companies from incenting customers to use energy more efficiently.

Staff's position should not be adopted. First, the fact that the Staff reached an agreement on a MEEIA program and earnings opportunity with Ameren Missouri but was unable to reach one with KCPL is not evidence of unfair treatment or a change in position meant to harm KCPL. In that case, Staff's rebuttal report also placed too much focus on avoided capacity costs. Second, even though the Staff has taken its position in an effort to follow the law and apply prior Commission guidance, its strict approach to using avoided capacity costs when evaluating customer benefits and the earnings opportunity is wrong.

Renew Missouri did not offer testimony supporting particular avoided capacity cost figures to be used in this case. Whether the Commission determines its appropriate to use Staff's figure of zero, the Companies' value of a combustion turbine unit[12], the Companies' estimates of near-term capacity market values[13], or an escalating capacity cost as was used in the Ameren Missouri settlement, those figures should not be used as the sole determinate of whether offering a MEEIA portfolio benefits customers. This is highlighted by the Companies' Integrated Resource Planning ("IRP") Analysis showing that plans including demand-side programs consistent with the Companies' Cycle 3 proposal "resulted in the lowest 20-year net present value of revenue requirements."[14] In Surrebuttal, the Companies provided the following chart showing the savings to customers:

[11] Ex. No. 451, p. 4, Owen Surrebuttal.
[12] Tr. Vol. 1, p. 23; Ex. No. 4, p. 18.
[13] Tr. Vol. 2, p. 27; Ex. No. 4, p. 18.
[14] Ex. No. 4, p. 15.

Figure 2 – IRP NPVRR Savings[18]

Utility	DSM Level	NPVRR Savings (Cost) Compared to no DSM ($ million)
KCP&L	RAP -	$55
KCP&L	Modified RAP	$52
KCP&L	RAP	$37
KCP&L	MAP	($64)
GMO	RAP-	$103
GMO	RAP	$84
GMO	MAP	$3

Notably, these savings are based on the analysis of the total costs to serve customers and would not be impacted by subbing out the avoided capacity costs of either zero or the value of a CT unit.[15] In short, according to the IRP modeling, customers will be better off financially if the Companies pursue a MEEIA program.

Rather than rely entirely on avoided capacity costs, the Commission should also consider the Renew Missouri's additional proposals for program modification that move the Companies closer towards a program that achieves all cost-effective demand-side savings while recognizing and adjusting for changed circumstances since Cycle 2. With this view of the role for avoided capacity costs, the Commission should address the earnings opportunity, consider how to define benefits to all customers, and order specific program modifications as described below.

Earnings Opportunity

When the Commission discussed the programs benefitting all customers in KCPL's Cycle 2, it referred back to the principles it discussed in File No. EO-2015-0055. In that case, the Commission initially rejected Ameren Missouri's proposal and outlined certain principles. For the earnings opportunity (then called a "performance incentive") the Commission highlighted that this

[15] Ex. No. 4, pp. 14-15.

component should give some consideration for valuing foregoing future supply-side investments.[16] But the Commission did not say that the earnings opportunity should be based on that alone. In fact, the Commission stated "[s]uch an earnings opportunity *may be based on different performance measures*. A prime example of how those measures can vary, and what their impacts can be, is shown in the competing stipulations filed in this case."[17] The Staff appears to be alone in asking the Commission to reject an earnings opportunity for the Companies. This recommendation, in part, is due to its narrow view of what should determine an earnings opportunity. Contrast the Staff's view, with the position taken by OPC's Dr. Geoff Marke who explained at the hearing: "MEEIA has been an evolving policy issue from its inception …[t]he initial MEEIA [Cycle] 1 actually adhered to something called the net shared benefit model."[18] He explained his view that the Cycle 1 the cost recovery mechanism "overstated the amount of savings that were actually attributable to the programs and there was no cap. So what happened was the amount of earnings opportunity allotted to the companies became really big."[19] In the present case – KCPL Cycle 3 – the problem now is that if we use the same earnings opportunity metrics and design as Staff used in Cycle 2 the earnings opportunity becomes *too small*. With MEEIA being voluntary, KCPL has stated it would not pursue programs without the opportunity to realize an earnings opportunity.

Rather than recommend zero earnings opportunity, Dr. Marke offered testimony putting out several different ideas for earnings opportunities that could come out of MEEIA discussions, or a future MEEIA application.[20] The Commission should incentivize the Companies behavior that

[16] Report and Order, p. 11, Case No. EO-2015-0055.
[17] *Id.* at 12 (emphasis added).
[18] Tr. Vol. 2, p. 482.
[19] Tr. Vol. 2, p. 483.
[20] Tr. Vol. 2, p. 489.

produces benefits for customers. Due to the Companies' lack of an immediate need to avoid constructing new generation in its planning horizon, addressing and increasing those benefits should not be limited only to avoided capacity costs. Instead, the earnings opportunity in this Cycle 3 should be tied to the successful implementation of additional programs designed to increase participation (like PAYS®), broadly benefit customers (OPC's proposed Urban Heat Island Mitigation plan), or specifically encouraged separately in the statute (low-income programs).

Benefits to customers (Issue 3)

"The commission shall permit electric corporations to implement commission-approved demand-side programs proposed pursuant to this section with a goal of achieving all cost-effective demand-side savings."[21] "Recovery for such programs shall not be permitted unless the programs are approved by the commission, result in energy or demand savings and are beneficial to all customers in the customer class in which the programs are proposed, regardless of whether the programs are utilized by all customers."[22] Nothing in the language of the MEEIA statute requires to the Commission to rely only on avoided capacity costs when evaluating benefits. In fact, the Commission considered other kinds benefits in the Cycle 2 cases. Discussing the benefits to customers, the Commission considered: 1) customer participation ("a vast majority of those do not participate in MEEIA"), 2) the net benefits to cost ratio, and 3) a reduction of supply-side investment.[23]

Here, the Staff has adopted a too-narrow view towards what is required to show benefits to all customers by focusing on the reduction of supply-side investment. This focus is despite the fact that Staff's own witnesses recognize the many varied benefits caused by MEEIA programs.

[21] Section 393.1075.4 RSMo.
[22] *Id*.
[23] Report and Order, pp. 17-18, Case No. EO-2015-0055.

Staff's witness Mr. John Rogers agreed that a MEEIA portfolio can result in a number of *other* benefits, including environmental benefits[24] and the benefit of purchasing less high-margin power from the Southwest Power Pool.[25] He also agreed that participating customers benefit from MEEIA.[26] Ultimately, Mr. Rogers agreed that "[t]here are a number of different benefits other than the avoided cost of capacity" and that even using "zero" avoided capacity there is a lifetime net benefit to KCPL's customers.[27]

The Companies have put forward evidence that the Cycle 3 programs will create net energy benefits for customers and that including its MEEIA portfolio in its resource planning results in the lowest 20-year net present value of revenue requirements.[28] These metrics help demonstrate benefits to all customers, but it remains true that customers who participate will realize the greatest benefit. The Companies recognize the importance of participation in thier Surrebuttal Report, stating they "must also take the approach to remove as many barriers as possible [for customers] to participate[.]"[29] This is especially true in light of the fact that the Commission's Staff has questioned whether non-participating customers will see any benefit from a MEEIA portfolio. Customer participation was one consideration discussed in Cycle 2 and modifications can be made to the programs to increase participation in order to bolster compliance with the statutory language. Primarily, Renew Missouri has focused ways the Companies can *increase* customer participation through a PAYS® tariff.

KCPL's past efforts and investment in energy efficiency have been successful in achieving hundreds of MWs in capacity reduction and hundreds of GWhs in energy savings but with no

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[24] Tr. Vol. 2, p. 399.
[25] *Id*. at 400.
[26] *Id*.
[27] *Id*. His analysis did not extend that finding to GMO. *See* Ex. No. 101, p. 32.
[28] Ex. No. 4, p. 15, KCPL/GMO Surrebuttal Report.
[29] *Id*. at 26.

immediate need to delay supply-side investment alternative methods should be pursued. Now, in considering this third MEEIA Cycle, the Commission should approve the Companies' proposed portfolios expanded to include Renew Missouri's proposed PAYS® tariffs which will increase customer participation and help create energy and demand savings.[30] In addition, Renew Missouri supports the research and development pilot proposed by Office of the Public Counsel aimed at generating energy savings by addressing the "urban heat island" effect in Kansas City.[31]

Program Modifications

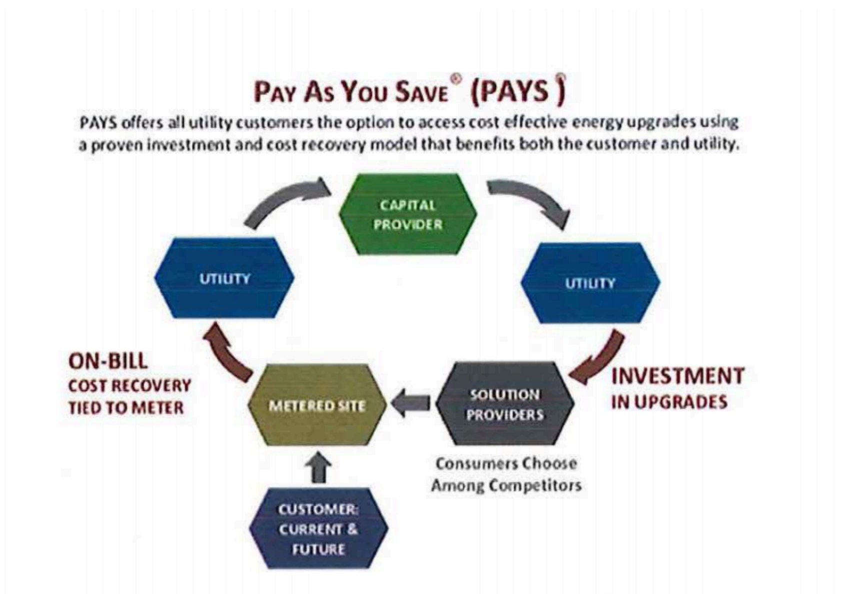
<u>The Companies should be required to adopt a PAYS®</u>

According to Section 393.1040 RSMo, it is "the policy of this state to encourage electrical corporations to develop and administer energy efficiency initiatives that reduce the annual growth in energy consumption and the need to build additional electric generation capacity." Requiring the Companies to implement PAYS® as a condition of approving a MEEIA portfolio will increase participation and cause energy efficiency and demand savings. Importantly, in its Report and Order from a previous rate case for KCPL, the Commission directed the Company to consider incorporating PAYS® into a MEEIA demand-side management program.[32] The issue of PAYS® was a part of the contested matters heard by the Commission in that earlier rate case and considering it now was the ultimate direction the Company was given.[33] For all investor-owned electric utilities in Missouri, PAYS® has been discussed and studied by the Commission for a number of years and it is time to move forward in implementing this beneficial tariff program.

First, what is PAYS®? PAYS® is a market-based system that enables utility customers to purchase and install cost-effective energy efficiency upgrades or distributed renewable energy

[30] Owen Rebuttal; Fracica Rebuttal.
[31] Marke Rebuttal, p. 49.
[32] Case No. ER-2016-0285.
[33] Ex. 451, p. 8, Owen Rebuttal.

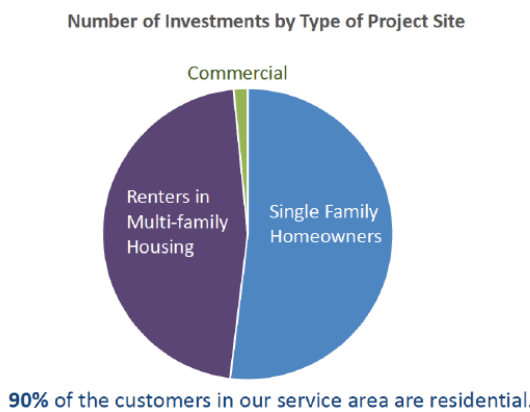
assets through a voluntary program that assures immediate net savings to customers. The idea behind PAYS® is for energy-saving upgrades to be installed in a customer's home or building, but the utility pays the up-front cost of the installed energy saving measures. To recover its costs, the utility puts a fixed charge on the customer's electric bill that is significantly less than the estimated energy savings from the upgrades. Therefore, the customer sees immediate savings by incurring less expense for energy while paying a fixed charge that is below the total estimated energy savings. Once the utility recovers its costs, the obligation of the customer to pay ends.[34] Importantly, PAYS® is *not* a loan. Below is an illustration showing how the program works:[35]



Second, who benefits from a PAYS® program? Both the utility and customers will benefit. Mr. Mark Cayce, the General Manager of the Ouachita Electric Cooperative ("OEC") in Arkansas that has implemented a PAYS® tariff, offered testimony discussing the benefit his cooperative has seen in regard to their payback as well as the benefits to the customers in the service territory.[36] Overall, Mr. Cayce testified that the program has been a success. The PAYS® program there was

[34] Ex. 453, p. 3, Fracica Rebuttal.
[35] Ex. 451, p. 6, Owen Rebuttal.
[36] Ex. 450, Cayce Rebuttal.

approved by the Arkansas Public Service Commission in February 2016[37] and implementation began in April 2016.[38] With just under 600 homes participating so far, nearly 10% of the cooperatives total membership has participated.[39] Of those participants approximately half are renters.[40] Below is a chart included in his Rebuttal testimony that gives the approximate breakdown of participants by customer type[41]:



Thus, the program has been successful in reaching a group of customers that – in Missouri – have been reluctant or unable to participate in energy efficiency programs. In his pre-filed testimony, Mr. Cayce also discussed the benefits that non-residential customers have experienced through PAYS®. There have been two large-scale participants: a municipal building project and a university building project.[42] The estimated annual savings for the municipal project - the City of Hampton - is more than $2,000.[43] The estimated annual savings for the university project - Southern Arkansas Technical University - is more than $90,000.[44]

[37] A copy of the Order approving the program in Arkansas can be found in Ex. No. 450, Schedule MC-2.
[38] Tr. Vol. 1, p. 187.
[39] Tr. Vol. 1, pp. 190-91.
[40] Tr. Vol. 1, p. 198.
[41] Ex. 450, p. 4, Cayce Rebuttal.
[42] Ex. 450, p. 5.
[43] *Id.*
[44] *Id.*

Beyond increased participation and savings to customers, the Cooperative is earning a return on its investments "in the 10 to 12 percent range."[45] This lucrative investment is relatively risk-free given that the repayment is tied to the meter and is not a loan. In the years the PAYS® program has been offered by OEC, there have been *zero* defaults.[46] Lastly, although Mr. Cayce acknowledges that OEC is a Cooperative (cooperatives in Arkansas are regulated by the Arkansas Public Service Commission), he testified that he is aware of investor-owned utilities that are pursuing PAYS® programs (Georgia Power, for one), and concluded:

> I believe PAYS could be successful with any utility. As I've said, we actually earn a return, which helps us recover any -- any costs associated with PAYS, but it goes above and beyond. Like any investment -- like I say, we want to earn a return on those investments. But it's very beneficial to the members because we're averaging over 15 percent lower utility bills for every house that participates in the PAYS program.[47]

The evidence in the record demonstrates the potential benefits to the utility and customers if KCPL moves forward with this program.

Third, how should the program and tariff be designed? Mr. Philip Fracica offered testimony explaining how customers, including renters, will benefit from a PAYS® program.[48] Attached to his testimony as PF-1, are tariff sheets that would permit the Companies to implement PAYS®. These exemplar tariff sheets are similar to the program tariffs that have been implemented by OEC in Arkansas.[49] To ensure that participants benefit from the program, the recommended upgrades

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[45] Tr. Vol. 1, p. 187
[46] *Id.*
[47] Tr. Vol. 1, pp. 190-91.
[48] Ex. No. 453, Fracica Rebuttal.
[49] A copy of the OEC PAYS® tariff sheets can be found in Ex. No. 450, Schedule MC-1.

shall be limited to those where the annual Program Service Charges, including program fees and the Companies' cost of capital are no greater than 80% of the estimated annual benefit from reduction to the participating customers' annual utility charges based on current rates in electricity costs. This requirement reasonably assures customers participating in the program that they will receive a minimum reduction of 20% in their annual utility charges.[50]

Fourth, do other stakeholders support a PAYS® program? Yes. Most prominently, OPC supports an order from the Commission requiring this program. Dr. Marke testified about his frustration with the Companies lack of interest in pursuing this program, stating about the feasibility studies: "Every one of the studies say that it's a good way to go ahead and promote energy efficiency for really the vast majority of people that don't have up front or disposable capital today."[51] He continued, "[i]f the Company is serious, really serious about energy efficiency or we are as a state, you've got to figure out a way to go ahead and tap into the market of really just about everybody that doesn't have that capital that doesn't have that amount of money."[52] OPC, the ratepayer advocate for Missouri, is so committed to this program that it proposes a capital budget, and operating budget, and would support increasing the program budget to permit the program.[53] This is not something OPC normally does, but in an effort to move beyond the "low-hanging fruit" Dr. Marke is willing to support additional spending to reach high levels of participation.

Renew Missouri also supports encouraging KCPL to adopt PAYS® through an earnings opportunity, if necessary. Based on the Earnings Opportunity Matrix in Figure 4.3 in the KCP&L MEEIA 2018 Report, the companies would be able to see an increase in four earnings opportunity areas by coordinating MEEIA with a PAYS® tariff. These earnings opportunity categories are (1)

[50] *Id.* at 6.
[51] Tr. Vol. 2, p. 499.
[52] *Id*. at 500.
[53] Tr. Vol. 2, p. 501.

EE $/MWh, (2) EE $/MW, (3) Thermostat $/MW, and (4) IEMF $/PY. While these earnings opportunities are sufficient for the Companies to successfully offer a PAYS® tariff, especially since it will allow a more robust and diverse group of customers to participate in MEEIA programs, Renew Missouri would also support a new earnings opportunity category in the overall matrix tied to performance. For example, if the companies enroll a specific number of customers in the program, they could earn some additional dollar amount. Such an adder could be similar to the Opower earnings opportunity in MEEIA Cycle II that was only based on prudent spending of the budget.[54]

Moving forward with a PAYS® program is a significant way the Companies can increase customer participation in MEEIA so that more people experience the benefits of saving energy first-hand. PAYS®, if developed with proper marketing efforts, will greatly enhance participation in the Companies' energy efficiency efforts, provide greater earnings opportunity for the Companies, provide benefits for customers who often don't see results from these MEEIA Applications, and help to resolve the kind of concerns raised by Staff regarding benefits to all customers. The Commission should grant KCPL and GMO's applications with an order that requires Companies' to file a tariff and offer a PAYS® program for their customers. Specifically, this tariff should be available for homeowners, renters, small businesses, and smaller governmental entities.[55]

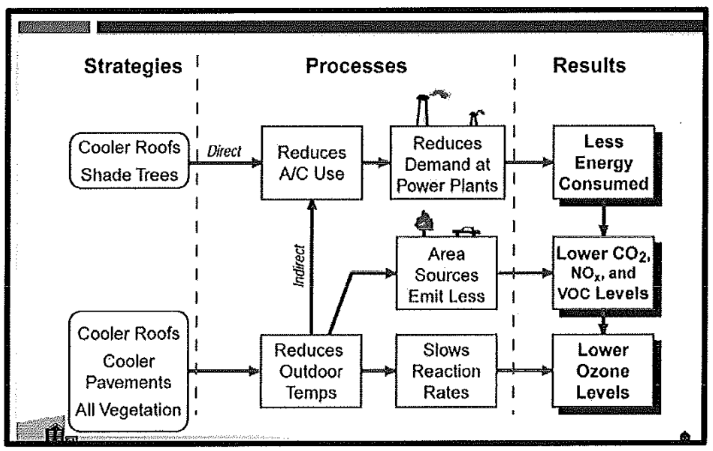
<u>The Companies should pursue OPC's proposed Urban Heat Island Mitigation</u>

Another program modification the Commission should order is for the Companies to pursue OPC's proposed urban heat island mitigation pilot.[56] In his rebuttal testimony, Dr. Marke

[54] Ex. 453, p. 11, Fracica Rebuttal.
[55] *Id*.
[56] Ex. 452, p. 9, Owen Surrebuttal.

explained "the Kansas City Urban Heat Island presents a problem in which a MEEIA-like tailored effort could help solve; thus producing benefits for all ratepayers."[57] He proposes a limited budget for research and development as well as outlines a robust stakeholder engagement aimed at reducing the heat island impact which can, in turn, reduce customers use of cooling measures and reduce the amount of energy consumed.[58] The process and expected benefits from Dr. Marke's proposal are illustrated in figure 9 from his Rebuttal:

Figure 9: Strategies, Process and Results



During the hearing, Commissioner Rupp asked whether pursuing urban heat island mitigation would solve the issue parties have raised regarding benefits to nonparticipating customers. Dr. Marke replied:

> … I think you've got a lot of empirical data that exists today. That's the great thing about this. Lawrence Berkeley National Labs just released a study specifically for Kansas City and the Greater Kansas City region. We've got not only that study but a Leidos study which is attached to my testimony that speaks to what would happen

57 Ex. 200, p. 49, Marke Rebuttal.
58 *Id.*, figure 9.

if you did nothing, right, and what would happen if you started mitigating this. In short, *it will generate savings for nonparticipants over the life span in my opinion*.[59]

In this case, Staff and OPC have raised questions about how much nonparticipants will benefit from the programs. The Commission should not respond to those questions by cutting programs and ordering an austerity MEEIA program. Instead, it should answer those questions by introducing programs that will *increase* participation and *expand* the scope of benefits customers can experience. With PAYS® the approach is to increase participation. With Heat Island mitigation, the Companies can expand the benefits to customers, improve its community by offering a public good, and earn a healthy financial reward in the process. When it approves the Companies' portfolios, the Commission should require the Companies to pursue OPC's proposed heat island mitigation pilot.

<u>The Companies should adopt the program changes proposed by National Housing Trust</u>

National Housing Trust ("NHT") submitted the testimony of Annika Brink commending the Companies for proposing an Income-Eligible Multifamily ("IEMF") program that is generally aligned with best practices for program design, intentional partnerships, and accountability.[60] However, NHT offered certain suggestions. In Surrebuttal, NHT indicated that it and the Companies "have worked off of the changes proposed in NHT's testimony to agree to additional improvements to the program that will enhance program benefits and delivery for tenants, building owners, and managers in affordable multifamily properties."[61] The Commission should approve the IEMF program, modified according to NHT's Rebuttal testimony.

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[59] Tr. Vol. 2, p. 517 (emphasis added).
[60] Ex. No. 550-B, p. 16, Brink Rebuttal.
[61] Ex. No. 551, p. 4, Brink Surrebuttal.

Conclusion

Renew Missouri supports KCPL's and GMO's MEEIA program and wants to see the energy efficiency offerings expanded. The Staff's and OPC's calls to reject or dramatically pare down these energy savings programs based on overly narrow interpretations of prior Commission orders would be a mistake that runs counter to state policy. In its Order, the Commission should clarify that deferring supply-side investments is only one component to be considered in evaluating whether a portfolio provides benefits to all customers. Furthermore, the Commission should approve the Companies's application modified to include the PAYS® program aimed at increasing customer participation and the Urban Heat Island Mitigation Pilot to increase benefits realized by nonparticipating customers.

WHEREFORE, Renew Missouri respectfully submits its initial brief.

Respectfully,

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all counsel of record this 11h day of October 2019:

/s/ Tim Opitz