

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

In the Matter of the Application of Great Plains Energy Incorporated for Approval of its Merger with Westar Energy, Inc.)
) File No. EM-2018-0012
)

RENEW MISSOURI'S POSITION STATEMENTS

COMES NOW Renew Missouri Advocates d/b/a Renew Missouri (“Renew Missouri”) and submits the following position statements:

I. Should the Public Service Commission (“Commission”) find that GPE’s merger with Westar is not detrimental to the public interest, and approve the merger?

Renew Missouri Position:

Without appropriate conditions, the merger will be detrimental to the public interest. This is uncontroversial; *every* witness filing testimony, including those on behalf of the Joint Applicants, discussed conditions that should be attached to any Commission order approving the merger. On behalf of Renew Missouri, Mr. Karl Rabágo testified “[a] guarantee that the merger will not be detrimental to the public interest is not possible, or reasonable to expect. However, the merger conditions ultimately imposed upon the Applicants will stand out as written and specific obligations among a sea of tasks and initiatives that will be associated with successfully transitioning the companies under the merger” (Rabágo Rebuttal, Doc. No. 52, p. 11).

Renew Missouri, a non-profit organization focused on renewable energy and energy efficiency, identified additional commitments the Joint Applicants should adopt related to clean energy development and resource utilization to ensure the proposed merger satisfies the Missouri Merger Standard. Although the conditions proposed by Renew Missouri cannot guarantee the merger will not be detrimental to the public interest, firm commitments by the Joint Applicants to address these issues will aid in developing a diverse and efficient generation fleet to benefit the

utilities, their customers, and the public interest generally. The conditions proposed by Renew Missouri, identified below in Issue II, are necessary and essential issues the Commission must evaluate in its cost-benefit analysis to weigh the potential benefits against the detriments to the public interest that may result from the merger.

II. Should the Commission condition its approval of GPE’s merger with Westar and, if so, how?

Renew Missouri Position:

Yes. Renew Missouri sponsored the testimony of Mr. Karl R. Rábago who discussed his concern whether the proposed merger would have a detrimental impact on the progress of clean energy development and utilization, the retirement of older fossil-fuel generation, efficient use of energy, grid modernization, and customer opportunities for investing in and benefitting from distributed energy resources, including distributed generation, green power, energy efficiency, energy management, energy storage, and other technologies and services (Rábago Rebuttal, Doc. No. 52). Mr. Rabágo uses the term “clean energy development” as a shorthand reference that encompasses all of the foregoing outcomes. Evaluating these issues will help enable efficient and diversified resource management that can benefit the Joint Applicants and their customers post-merger. While the application does mention some interest in clean energy development as a part of resource management, it does so only in non-committal ways thus raising significant doubt any benefits will materialize to off-set the potential detriments. At a minimum, the Commission should impose the conditions and protections outlined in the testimony of Mr. Karl Rabágo related to clean energy development and resource utilization in order to ensure these tasks are not neglected during the period of integration for the Joint Applicants. The conditions described in Mr. Rábago’s testimony include:

- A firm date-certain commitment to close the Westar coal- and gas-fired power plants slated for early retirement, and an additional commitment to review the Applicants' existing generation fleet for more retirement opportunities.
- A firm date-certain commitment to construct additional renewable energy generation.
- A commitment to initiate a comprehensive, transparent, parallel integrated resource planning process for the combined companies, in both Missouri and Kansas, and to make provisions for stakeholders to submit a reasonable number of alternative development scenarios for evaluation in the planning effort. A comprehensive integrated resource planning process could demonstrate that increased deployment of renewable energy generation, beyond the Applicants' current commitments, could further support the early retirement of coal- and gas-fired generators and its associated avoided costs.
- A commitment to expand energy efficiency program efforts and customer energy efficiency education, and to develop a plan to cost-effectively achieve efficiency improvement across the combined service territories. Missouri currently ranks 37th in the United States in a comprehensive annual scorecard of state energy efficiency programs and achievements. Incremental energy efficiency achievements have the potential to produce customer savings and environmental benefits.
- A commitment to offer green power programs to customers in all classes.
- A commitment to develop pilot projects for shared or community generation projects.
- A commitment to develop and implement a demonstration program for grid-connected energy storage.
- A commitment to develop and seek regulatory approvals for implementation of a grid modernization plan, and to provide funding for a Value of Solar study to be managed by the Commission staff.
- A commitment to refrain from implementing any new tariffs or rate designs adversely impacting development and adoption of distributed energy resources, including distributed generation for the next 5 years following approval of the Application.

(Rabágo Rebuttal, Doc. No. 52, pp. 24-25). Requiring the Joint Applicants to incorporate these conditions into their merger transition and integration activities can establish a reasonable

foundation for a Commission finding that the proposed merger satisfies the Missouri Merger Standard.

III. Should the Commission grant the limited request for variance of the affiliate transaction rule requested by Applicants?

Renew Missouri Position:

If the Commission approves the merger, a limited variance to the affiliate transaction rules should be granted only if all relevant regulatory bodies approve the merger and the merger closes.

IV. How should the bill credits proposed by Applicants be allocated between and within the various KCP&L and GMO rate classes?

Renew Missouri Position:

Renew Missouri did not file testimony on this issue and reserves the right to base a final position on the testimony provided at hearing.

WHEREFORE, Renew Missouri respectfully files its *Position Statements*.

Respectfully Submitted,

/s/ Tim Opitz

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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 5th day of March 2018:

/s/ Tim Opitz
