

Exhibit No.:  
Issue: Policy/Overview  
Witness: Tim M. Rush  
Type of Exhibit: Surrebuttal Testimony  
Sponsoring Party: Kansas City Power & Light Company  
Case No.: ET-2014-0071  
Date Testimony Prepared: September 30, 2013

**MISSOURI PUBLIC SERVICE COMMISSION**

**CASE NO.: ET-2014-0071**

**SURREBUTTAL TESTIMONY**

**OF**

**TIM M. RUSH**

**ON BEHALF OF**

**KANSAS CITY POWER & LIGHT COMPANY**

**Kansas City, Missouri  
September 2013**

**SURREBUTTAL TESTIMONY**

**OF**

**TIM M. RUSH**

**Case No. ET-2014-0071**

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

2 A: My name is Tim M. Rush. My business address is 1200 Main, Kansas City, Missouri  
3 64105.

4 **Q: Are you the same Tim M. Rush who pre-filed Direct Testimony in this matter?**

5 A: Yes, I am.

6 **Q: What is the purpose of your Surrebuttal Testimony?**

7 A: The purpose of my Surrebuttal Testimony is to respond the Rebuttal Testimony of  
8 witnesses Adam Blake – Chief Executive Officer of Brightergy, LLC.

9 **Q: On page 4, Mr. Blake discusses the harm that would come to customers who are**  
10 **investing in solar systems if rebates were cutoff. Do you agree?**

11 A: I would agree that the customer economics would change if the rebates ceased. The  
12 cessation of solar rebates would make it less economically beneficial to customers.  
13 However, Kansas City Power & Light Company’s (“KCP&L” or the “Company”) request  
14 is to suspend the solar rebates, as required by the statutes, the rules of the Commission  
15 and the tariffs of the Company. The Company believes it must follow these statutory and  
16 regulatory requirements.

1 **Q: Mr. Blake expresses concern about the suspension period and what constitutes the**  
2 **operational date. Can you describe what is meant by the operational date?**

3 A: Yes. The Company has requested that suspension of the solar rebates become effective  
4 on November 9, 2013. In the tariff filing, the Company indicated that the solar rebates  
5 will be paid in as the solar systems are completed and operational, prior to the November  
6 9, 2013 effective date of the tariff. The operational date is the date in which the meter is  
7 exchanged from the current meter set to a meter that can net meter both the energy  
8 serving the customer as well as receiving the energy coming from the customer.

9 **Q: On page 6 of Mr. Blake's Rebuttal Testimony, he expresses his opinion that the**  
10 **solar industry was not provided adequate notice that KCP&L was at risk of**  
11 **reaching the one percent retail rate impact ("RRI") cap. Do you agree?**

12 A: No, I do not agree. As I described in my Direct Testimony, the Company provided  
13 information to the solar industry as soon as it became aware that it was going to be  
14 reaching the 1% cap. The Company took numerous steps in addressing this situation  
15 with the solar installers, industry representatives and customers who are either installing  
16 systems or who have filed applications to install solar systems.

17 **Q: What position does Mr. Blake address regarding the amortization of the solar**  
18 **rebates?**

19 A: He states that these amounts should be amortized over 10 years.

20 **Q: Do you agree with the amortization period?**

21 A: An amortization period for solar rebates has not been established, and this case is not  
22 where the Commission typically would make ratemaking decisions. The determination  
23 of an amortization period for solar rebates and other Renewable Energy Standards

1 (“RES”) compliance costs will likely be addressed either in the Company’s next rate  
2 proceeding, or in a Renewable Energy Standard Rate Adjustment Mechanism  
3 (“RESRAM”) proceeding, if the Company elects to file a RESRAM.

4 **Q: Would you describe the RESRAM that you just mentioned above?**

5 A: Yes. The RESRAM is a rate making mechanism established in the Electric Utility  
6 Renewable Energy Standard Requirements rule (4 CSR 240-20.100). It provides for the  
7 recovery of RES costs outside of a general rate case and allows a mechanism for  
8 addressing solar rebates and other renewable costs. It allows for costs exceeding the 1%  
9 limit to be carried forward to future years for cost recovery, including the recovery of  
10 carrying costs.

11 **Q: Mr. Blake presents a “compromise proposal”, attached as Exhibit “AB-3”. What  
12 are your thoughts about his proposal?**

13 A: The Company is generally supportive of this type of proposal which includes the  
14 establishment of a regulatory asset and recovery of carrying costs. However, the  
15 Company needs certainty that it will be allowed recovery of its solar rebates paid out to  
16 customers. While the level of rebate amounts were left blank in Exhibit AB-3, I think  
17 inserting the 1% cap as set out by the Company would be a reasonable level to include if  
18 this approach were adopted by the Commission. A similar proposal was presented on  
19 pages 11-12 of the Rebuttal Testimony of Missouri Solar Energy Industries Association  
20 witness Ezra D. Hausman.

21 **Q: Does that conclude your testimony?**

22 A: Yes, it does.

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

In the Matter of Kansas City Power & Light Company's     )  
Application for Authorization to Suspend Payment of     )     File No. ET-2014-0071  
Certain Solar Rebates     )

**AFFIDAVIT OF TIM M. RUSH**

STATE OF MISSOURI     )  
  ) ss  
COUNTY OF JACKSON     )

Tim M. Rush, being first duly sworn on his oath, states:

1. My name is Tim M. Rush. I work in Kansas City, Missouri, and I am employed by Kansas City Power & Light Company as Director, Regulatory Affairs.

2. Attached hereto and made a part hereof for all purposes is my Surrebuttal Testimony on behalf of Kansas City Power & Light Company consisting of three (3) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.

3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.

Tim M. Rush  
Tim M. Rush

Subscribed and sworn before me this 30<sup>th</sup> day of September, 2013.

Nicole A. Wehry  
Notary Public

My commission expires: Feb. 4, 2015

