

**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) File No. EO-2019-0132
Application for Authority to Establish a Demand-)
Side Programs Investment Mechanism)

In the Matter of KCP&L Greater Missouri)
Operations Company’s Notice of Intent to File an) File No. EO-2019-0133
Application for Authority to Establish a Demand-)
Side Programs Investment Mechanism)

RENEW MISSOURI’S POSITION STATEMENTS

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

- Issue 1.** *Should the Commission approve, reject, or modify the Company’s MEEIA Cycle 3 Plans ("MEEIA 3"), along with the waivers in the Company's application intended to enable its implementation?*
- a. If MEEIA 3 should be modified, how should the plans be modified?*

Renew Missouri position:

“[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.”¹ The Companies’ MEEIA Cycle 3 plan seeks to continue pursuing energy efficiency programs using the mechanisms within the MEEIA statute.² KCPL’s and GMO’s past efforts toward and investment in energy efficiency have been successful

¹ Section 393.1040 RSMo.
² Section 393.1075 RSMo.

in achieving hundreds of MWs in capacity reduction and hundreds of GWhs in energy savings.³ Now, in considering the companies' third MEEIA cycle, the Public Service Commission ("the Commission") should approve the Companies proposed portfolios expanded to include Renew Missouri's proposed Pay-As-You-Save® tariffs which will increase customer participation and help create energy and demand savings.⁴ 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.⁵

Issue 2. *When it developed MEEIA 3, did the Company value demand-side investments equal to traditional investments in supply and delivery infrastructure?*

Renew Missouri position:

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 from having a MEEIA program; rather, it is a policy that should guide how the utility is compensated.⁶ In the normal course of business a utility makes money by generating and selling electricity to customers. With MEEIA, the utility encourages its customers to save money by using less energy. Due to this inherent conflict, any method attempting to estimate the value of supply-side investment versus demand-side investment will be imperfect. Given this, the value of supply-side resources is a useful data point but should not be used to prohibit the companies from incenting customers to use energy more efficiently. In their filing, the Companies put forward a plan that sought to appropriately value demand-side investments using similar methods to previously approved applications.

³ KCPL/GMO Surrebuttal Report, pp. 3-5.

⁴ Owen Rebuttal; Fracica Rebuttal.

⁵ Marke Rebuttal, p. 49.

⁶ Owen Surrebuttal, p. 4.

Issue 3. *Is the proposed MEEIA 3, as designed by the Company, expected to provide benefits to all customers in the customer class in which the programs are proposed, regardless of whether the programs are utilized by all customers?*

Renew Missouri position:

The Company has 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.⁷ 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 Surrebuttal, stating they “must also take the approach to remove as many barriers as possible [for customers] to participate[.]”⁸ This is especially true in light of the fact that the Commission’s Staff has questioned whether non-participating customers will see a benefit from a MEEIA portfolio.

Renew Missouri’s proposal to have the Companies adopt and offer a PAYS® program will allow more customers to participate. PAYS® can specifically target residential customers and renters who cannot afford those energy efficiency programs or do not qualify for demand-side programs usually reserved for low-income residents or large-scale customers.⁹ This program, if pursued as a part of the other program offerings proposed by the Companies, will allow for a demand-side portfolio that indeed provides benefits for all customers of all classes and helps to resolve that concern raised by Staff.

⁷ KCPL/GMO Surrebuttal Report, p. 15.

⁸ *Id.* at 26.

⁹ Owen Rebuttal, p. 12.

Issue 4. *If the Commission approves or modifies MEEIA 3, what DSIM provisions should be approved to align recovery with the MEEIA statute?*

Renew Missouri position:

The MEEIA cost-recovery mechanism should have three components: 1) program cost recovery; 2) a mechanism to compensate the utility for value of energy and demand savings caused by its programs; and 3) an earnings opportunity.

Issue 5. *Should Opt-Out customers be eligible to participate in Business Demand Response Programs?*

a. MEECG sub issue: “Should GMO be required to publish in its tariff the participation payment to customers that participate in the Business Demand Response programs?”

Renew Missouri position:

Renew Missouri reserves the right to take a position based on the evidence at hearing.

WHEREFORE, Renew Missouri respectfully submits its position statements.

Respectfully,

/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 18th day of September 2019:

/s/ Tim Opitz
