BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of) KCP&L Greater Missouri Operations) Company for Permission and Approval of) a Certificate of Public Convenience and) Necessity Authorizing It to Construct,) Install, Own, Operate, Maintain and) Otherwise Control and Manage Solar) Generation Facilities in Western Missouri)

Case No. EA-2015-0256

<u>STATEMENT OF POSITION OF DIVISION OF ENERGY</u> <u>AND MOTION TO LATE FILE</u>

Issue 1: Does the evidence establish that the Solar Generation project as described in GMO's applications in this docket and for which GMO is seeking a certificate of convenience and necessity ("CCN"), is "necessary or convenient for the public service" within the meaning of section 303.170, RSMo?

Yes, the Division of Energy's ("DE") position is that the proposed Solar Generation Project

("Project") is both necessary and convenient for the public service. The Project meets all of the

Tartan criteria established by the Commission and fulfills the public necessity vis-à-vis the

Company's IRP and compliance with potential future environmental mandates, as well as

providing public health and economic development benefits.

Issue 1a: Does the evidence establish that there is a need for the project?

Yes. Although the Commission has yet to receive facts and evidence in this case, the

Project can reduce total carbon dioxide emissions from the stacks of the Company's

affected generating units. Per the U.S. Environmental Protection Agency's Clean Power

Plan ("CPP") final rule issued on October 23, 2015, under a mass-based compliance

approach, affected generating units must demonstrate the reduction of total carbon emissions at their stacks¹ through the surrender of equivalent emissions allowances.²

Issue 1b: Is GMO qualified to provide the proposed project services?

Yes. Although the Company cites the experience it will acquire as a reason to permit the facility's construction, it is nonetheless a large utility provider with decades of experience in power generation and delivery.

Issue 1c.: Does GMO have the financial ability to provide the project services?

Yes. There is no evidence to indicate that the Company does not have the resources to complete this project.

Issue 1d: Is GMO's proposed project economically feasible?

Yes. Impact to the average GMO ratepayer should be minimal, and the project can be constructed on a reasonable budget.

Issue 1e: Does GMO's proposed project promote the public interest?

Yes. As noted above, the Project results in the reduction of total carbon dioxide emissions from the stacks of the Company's affected generating units assisting in compliance with potential future environmental mandates, as well as providing public health and economic benefits.

Issue 2: If GMO's CCN Application does not meet the criteria set forth by Tartan, is there an exception that would still permit the Commission to grant the CCN?

GMO's Application does meet the Tartan standards as outlined above and adopted by the

Commission in past cases.

¹ For example, see 80 CFR 64912: "Mass-based plans rely exclusively on reported stack emissions for determining whether a mass-based CO_2 emission goal is achieved. This means that under a mass-based plan any emission reduction measures that are implemented are automatically accounted for in reduced stack emissions of CO_2 from affected EGUs"

² See 80 CFR 64952.

Issue 3: Should the impact on rate payers be considered by the Commission when weighing GMO's CCN application?

Yes, the Commission should consider how the project serves the public interest and impacts ratepayers by achieving progress toward compliance with potential future environmental mandates, as well as providing public health and economic benefits. Issues specific to prudency and ratemaking treatment should be considered in a rate case as per prior CCN decisions by the Commission.

Issue 4: Who will benefit from any tax credits extended by the U.S. government should the project be approved?

DE takes no position on who will benefit from any tax credits extended by the US government.

Issue 5: If the Commission approves the CCN, should it impose any conditions?

Conditions are not necessary.

MOTION TO LATE FILE

- DE recognizes that the Commission's January 27, 2016 Order established February 8, 2016 as the deadline for filing Statements of Position. Counsel for DE inadvertently missed this deadline.
- Granting DE leave to late file the above Statement of Position will benefit the public interest by assisting the Commission's record for decision in this case, and no other parties will be materially harmed by the lateness of this pleading.

WHEREFORE, DE respectfully submits its Statement of Position and requests that it be permitted to file the pleading beyond the established deadline for the reasons stated above.

> Respectfully submitted, /s/ Alexander Antal Alexander Antal

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CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been emailed to the certified service list this 9th day of February, 2015.

/s/ Alexander Antal