

## MEMORANDUM

TO: Missouri Public Service Commission Official Case File  
Case No. EE-2008-0260, Tariff Tracking No. JE-2008-0476  
Kansas City Power & Light Company

FROM: James Watkins, Manager, Economic Analysis, Project Coordinator  
David W. Elliott, Utility Engineering Specialist III

James Watkins 02-27-08  
Energy Department / Date

Kevin A. Thompson 02-27-08  
General Counsel's Office / Date

SUBJECT: Staff Recommendation for **Approval** of Tariff Sheets Filed to Revise Its Net Metering Program To Comply With The Revised "Net Metering And Easy Connection Act" (386.890, RSMo Cum. Supp. 2007)

DATE: February 26, 2008

On February 11, 2008, Kansas City Power & Light Company (KCPL or Company) of Kansas City, Missouri filed with the Commission eleven (11) tariff sheets with a proposed effective date of March 15, 2008. This filing proposes to amend the Company's Net Metering Program to comply with the Net Metering And Easy Connection Act ("Act") (§ 386.890, RSMo Cum. Supp. 2007). On February 25, 2008, KCPL filed three (3) substitute tariff sheets to correct typographical errors as requested by the Missouri Public Service Commission Energy Department Staff (Staff).

The repealed Consumer Clean Energy Act (§ 386.887, RSMo.) provided that the value of the electric energy purchased from a Customer-Generator is netted against the value of the electric energy delivered to the Customer-Generator in calculating the Customer-Generator's bill or bill credit. The Act provides that the electric energy purchased from a Customer-Generator is netted against the electric energy delivered to the Customer-Generator, then the net energy is priced out to determine the Customer-Generator's bill or bill credit. If the electricity supplied by Company exceeds the electricity supplied by the Customer-Generator, the net amount of the bill will be determined by application of the rate schedule for the Customer-Generator's service classification. If the electricity supplied by the Customer-Generator exceeds the electricity supplied by Company, the net amount of the bill will be determined by application of the non-time-differentiated Standard Rates for Purchases from Qualifying Facilities.

The Staff has reviewed the filed tariff sheets and believes they conform to the requirements of the Act, with one possible exception. The Act does not specify a minimum amount of liability insurance that the Company may require to be carried by the Customer-Generator; however, Company proposes in this tariff filing to require Customer-Generators to carry no less than \$100,000 of liability insurance for generators larger than 10 kW, and that no liability insurance would be required for generators of 10 kW or less. The Staff believes these limits are reasonable based on the limits established by the Commission's current Net Metering Rule (4 CSR 240-20.065) and should be

allowed to be in effect at least until such time as the Commission revises its Net Metering Rule.

The Staff has reviewed the filed tariff sheets and recommends issuing an order approving the following tariff sheets, as filed on February 11, 2008, and substituted on February 25, 2008, to go into effect for service on and after March 15, 2008, as requested by Company:

P.S.C. MO. No. 7

Seventh	Revised Sheet No. TOC-1	Cancelling Sixth	Revised Sheet No. TOC-1
Third	Revised Sheet No. 34	Cancelling Second	Revised Sheet No. 34
First	Revised Sheet No. 34A	Cancelling	Original Sheet No. 34A
Second	Revised Sheet No. 34B	Cancelling First	Revised Sheet No. 34B
First	Revised Sheet No. 34C	Cancelling	Original Sheet No. 34C
First	Revised Sheet No. 34D	Cancelling	Original Sheet No. 34D
Second	Revised Sheet No. 34E	Cancelling First	Revised Sheet No. 34E
Original	Sheet No. 34F		
Second	Revised Sheet No. 40	Cancelling First	Revised Sheet No. 40
Second	Revised Sheet No. 40A	Cancelling First	Revised Sheet No. 40A
Second	Revised Sheet No. 40B	Cancelling First	Revised Sheet No. 40B

The Staff further recommends that the Commission grant Company's request for a variance from the Commission's current Net Metering Rule (4 CSR 240-20.065) as requested in its Application of Kansas City Power & Light Company For A Waiver Or Variance Concerning Net Metering Regulations

The Staff has verified that this Company is not delinquent on any assessment or in the filing of its annual report. The Staff is not aware of any other matter pending before the Commission that affects or is affected by this tariff filing.