Exhibit No.:	
Issue:	Missouri Energy Efficiency Investment Act of 2009
Witness:	Kimberly H. Winslow
Type of Exhibit:	Surrebuttal Testimony
Sponsoring Party:	Kansas City Power & Light Company
Case No.:	EO-2014-0095
Date Testimony Prepared:	April 14, 2014

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: EO-2014-0095

SURREBUTTAL TESTIMONY

OF

KIMBERLY H. WINSLOW

ON BEHALF OF

KANSAS CITY POWER & LIGHT COMPANY

Kansas City, Missouri
April 2014

"[redacted]**" Designates "Highly Confidential" Information Has Been Removed.**

SURREBUTTAL TESTIMONY

OF

KIMBERLY H. WINSLOW

Case No. EO-2014-0095

Q: Please state your name and business address.

A: My name is Kimberly H. Winslow. My business address is 1200 Main Street, Kansas City, Missouri 64105.

Q: Are you the same Kimberly H. Winslow who pre-filed Direct Testimony in this matter?

A: Yes, I am.

Q: What is the purpose of your Surrebuttal Testimony?

A: The purpose of my Surrebuttal Testimony is to provide updated energy and demand savings for Kansas City Power & Light Company's ("KCP&L" or "Company") proposed demand side management ("DSM") portfolio and address program design criticisms by Staff witnesses Randy Gross and Michael Stahlman. Specifically, in my testimony, I will address:

1. Recommended program changes to KCP&L's DSM portfolio based on information discussed during the stakeholder technical conferences.
2. Randy Gross' misinterpretation of the definition of a demand side program as stated in Rule 4 CSR 240-20.093(1)(L).
3. Randy Gross' erroneous recommendation to establish the program that KCP&L is participating with EPRI as a pilot as defined in Rule 4 CSR 240-3.164(3) "Designation of Program Pilots".

4. Michael Stahlman's unwarranted concerns regarding program design of KCP&L's proposed Residential Lighting program as it relates to leakage and the program's net to gross ratio.

5. Michael Stahlman's assertion that KCP&L should have reflected opt-out customers in its filing.

Changes to KCP&L's DSM Portfolio

Q: What recommended changes to its DSM portfolio is KCP&L requesting?

A: KCP&L is recommending the following program changes to its DSM portfolio as filed in Direct Testimony. These include:

1. Revise the demand and energy savings for the Home Energy Reports program using OPower information.
2. Reduce the budget for the Home and Business Energy Analyzer programs to more accurately reflect today's cost of the programs.
3. Remove the Home Energy Improvements program from our proposed DSM portfolio.
4. Revise the demand savings for the Demand Response Incentive program. KCP&L has new information with regard to the number of existing customers that have requested to exit the program due to Environmental Protection Agency's (EPA) RICE NESHAP Rule.[1]

In addition, we have revised our demand and energy savings such that our program plan is based on 18 months, rather than 20 months as filed. This is described in Company witness Tim Rush's testimony.

[1] Reciprocating Internal Combustion Engines (RICE) National Emission Standards for Hazardous Air Pollutants (NESHAP) Rule

Home Energy Reports Program

Q: Please explain the changes that you have made to the Home Energy Reports program.

A: On March 5, 2014, during an onsite technical conference with the stakeholders, KCP&L shared that the energy savings for the Home Energy Reports program that we had used in our direct filing varied from the vendor's (OPower) recommended savings assumptions. In our direct filing, KCP&L had relied upon demand and energy savings estimates provided by Navigant[2]. I have included a copy of those three slides pertaining to the Home Energy Reports that we shared with the stakeholders as Schedule KHW-7.

In Navigant's potential study, Navigant assumed energy savings for the Home Energy Reports program would be 1.9 percent each year (no ramp up); however the number of customers receiving the reports would ramp up over a five year period (30,000 per year so that 120,000 customers would receive reports by program year 5).

Using this general guidance, in our direct filing KCP&L modeled the Home Energy Reports program such that 120,000 customers would receive reports beginning in program year 1, and subsequently in program year 2 (at 1.9 percent savings per year). We also assumed that program savings would occur during the summer months of June through September only. Using these assumptions, the total resource cost ("TRC") resulted in 1.61 (over a 20 month program plan period). This is shown as Scenario 1 in Schedule KHW-7, page 1.

Conversely, after our direct filing, OPower provided KCP&L with data that their program would only result in 0.4 percent energy savings in program year 1 and 1.2 percent energy savings in program year 2. OPower assumed program savings would occur in each month. OPower also offered to provide home energy reports to 150,000 customers at the same program cost as 120,000 customers. Using these assumptions, the TRC results in 0.56 (over an 18 month plan period). This is shown as Scenario 4 in Schedule KHW-7, page 1.

In order to maintain a conservative approach for savings, we are recommending that we revise our original savings assumptions and that OPower's energy and demand savings be utilized for purposes of calculating the throughput disincentive - net shared benefits and the performance incentive. Using OPower's assumptions, a decrease in energy and demand savings of 23,273,728 kWh and 6,778 kW result compared to our original filing for the Home Energy Reports program.

Q: Do you feel that using OPower's assumptions are appropriate to include in your filing?

A. Yes, I do. OPower has significant experience with their programs across many utilities and therefore we should use their assumptions for our calculation. I believe a ramp up to realize the savings should be reflected; however I also believe that their assumptions are conservative. I have reviewed two EM&Vs from Commonwealth Edison Company (ComEd) Plan Years 2[3] and 3[4] where measured savings for each of their evaluated groups were higher than OPower's estimates for our program and where ramp up was also exhibited.

The table below summarizes those results from the ComEd reports and illustrates the ramp up as well as the higher energy savings achieved:

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[2] Schedule KHW-5: *Demand-Side Resource Potential Study, 2014-2033* by Navigant Energy

[3] Energy Efficiency/Demand Response Plan: Plan Year 2 (6/1/2009-5/31/2010), Evaluation Report: OPower Pilot, Presented to Commonwealth Edison Company, December 16, 2010

	ComEd EM&V Results	Group 1: High Energy Users	Group 2: Low Energy Users	Group 3: Low Energy Users
Plan Year 2	Annual (Fall 2009-Summer 2010)	1.54%	1.17%	1.37%
Plan Year 3	Annual (Fall 2010-Spring 2011)	2.02%	1.80%	1.55%

I also think that is important to note that while KCP&L would have significantly benefitted from using the higher values provided by Navigant, and justifiably so, in our net shared benefits-throughput disincentive, we were completely transparent to the stakeholders by sharing the comparison of the energy savings with stakeholders and recommending the use of the conservative estimate in our calculation of savings.

Q: Using OPower's assumptions, the Home Energy Reports program has a TRC of less than 1.0. Why are you proposing to include it in your DSM portfolio?

A: As discussed with stakeholders during the technical conferences, there are benefits of the Home Energy Reports program that cannot be reflected in the mathematical calculation of the TRC.

First, we will be including 20,000 low income customers as recipients of the Home Energy Reports. Because OPower targets the highest energy use customers to receive the reports, these low income customers would typically not be included in the recipient group. However, these lower income customers will receive great benefit by including them as a subset. We can specifically promote energy efficiency and other utility programs targeted to these lower income customers. Other utility programs include KCP&L's Economic Relief Program (ERP) and LIHEAP assistance. We will be able to customize energy efficiency tips specifically to this demographic of customers so

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[4] Energy Efficiency/Demand Response Plan: Plan Year 3 (6/1/2010-5/31/2011), Evaluation Report: Home Energy Reports, Presented to Commonwealth Edison Company, May 16, 2012

that they are more relevant to the lower income customers so that they may initiate action, which are likely to result in savings.

Secondly, the Home Energy Reports can be used as a cross promotional tool for our other KCP&L energy efficiency programs. OPower's report has the flexibility to promote a specific energy efficiency program, such as Appliance Recycling program, in a marketing module on the letter, which is approximately one-third of the space on the back of the report. Energy savings tips can also be used to cross promote programs.

Thirdly, OPower offers an online tool for those customers who receive the report. The online tool is similar to the Home Energy Analyzer; but cannot be a direct replacement until it could be offered to all customers. Its online tool encourages customers to take specific actions, which can be tracked for future use to design and promote programs.

Last and most importantly, by sending the reports to 150,000 of KCP&L residential customers, we are reaching almost 60 percent of our residential customers. That is an significant, impactful reach to consistently promote our energy efficiency programs.

Q: What is the Company's intention to continue to provide the Home Energy Reports program in its next MEEIA filing?

A: KCP&L will continue to offer the Home Energy Reports to the 150,000 recipient group in our next MEEIA filing to achieve the intended ramp up and persistency to the extent that we see that the program is on track to meet or exceed its savings goals as included in this program plan. We understand that the program must ramp up before the full savings are realized and we are committed to seeing that through. It is too valuable of a program to discard at the end of this program plan if it is realizing the anticipated savings.

Q: Has the Company evaluated the Home Energy Reports program over a five year program plan?

A: Yes, we provided that analysis to the stakeholders within our March 5, 2014 presentation and it is shown as Scenario 3 in Schedule KHW-7. Using OPower's conservative assumptions and a five year program plan, the TRC for the Home Energy Reports program is 0.99.

Q: Does the Company have any direct experience with the Home Energy Reports program?

A: Yes, we do. The Home Energy Reports program was approved by the Commission in Case No. EO-2012-0009 such that we are currently offering it 57,000 customers in GMO. OPower has shared preliminary results with us based on their review and find that after four reports that have been sent to the GMO recipient group during August, October, November, and December 2013, savings are 1.30 percent. Savings are slightly below forecasted savings of 1.46 percent; however that is due to a delay in launch and did not capture the full summer impact.

Q: Do you recommend that the Home Energy Reports still be included in your program portfolio?

A: Yes. Based on the various reasons that I listed, it is a valuable program to include in our portfolio and based on our commitment to continue the program in our next MEEIA filing, I recommend that the Commission approve it.

Home and Business Energy Analyzer Programs

Q: Do you recommend that the Home and Business Energy Analyzer programs still be included in your program portfolio?

A: Yes, I do; however, I am recommending that we reduce the Home and Business Energy Analyzer program budgets to more accurately reflect the cost that we are paying today. When we submitted our filing, we anticipated that we would evaluate other industry offerings to either replace, or upgrade, the Home and Business Energy Analyzer programs with our current vendor. We are using an older platform from approximately 2005. The following table summarize the budget changes that we are recommending:

	Original Submission Budget	Revised Submission Budget	Reduction in Budget
Home Energy Analyzer			
Year 1	** [redacted]		**
Year 2	** [redacted]		**
Total	** [redacted]		**
Business Energy Analyzer			
Year 1	** [redacted]		**
Year 2	** [redacted]		**
Total	** [redacted]		
Y1 and Y2 Total Analyzer Spend	** [redacted]		**

Q: Do the budget changes above address Michael Stahlman's criticisms of the Home and Business Energy Analyzer programs?

A: I believe that they do. While Mr. Stahlman notes that participation is trending downward, the program has not been actively promoted since 2010. We anticipate that as the program is cross marketed with other programs that participation will return to the 2008-2010 levels. I should also point out that while Mr. Stahlman criticizes that the program is not cost effective (Page 26, Line 11), Rule 4 CSR 240-20 094 (3) (B) states

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that the Commission may approve a demand-side program having TRC less than 1.0 for programs targeted for general education programs. Therefore, the cost effectiveness requirement does not apply and should not be used by Mr. Stahlman as a basis for recommending rejection of these two programs. We feel that we have addressed his concerns by reducing the budget by nearly 65 percent, or by $304,000.

Q: How is the Company using the Home and Business Energy Analyzer programs across its other jurisdictions?

A: Similar to the Home Energy Reports program, both the Home and Business Energy Analyzer programs were approved by the Commission in Case No. EO-2012-0009. The Home and Business Energy Analyzer programs are offered to all of KCP&L's residential and business customers in our GMO, KCP&L-Missouri and KCP&L-Kansas jurisdictions. Because the cost of the program is allocated across all of our jurisdictions, if the Commission were not to approve the Home and Business Energy Analyzer programs for KCP&L-Missouri, the Company would need to reconsider offering it to our other jurisdictions as it would increase the cost and would require significant web changes to only allow those customers to use it (and benefit from) in those jurisdictions where it has been approved.

Home Energy Improvements Program

Q: What are Mr. Stahlman's concerns with respect to your Home Energy Improvements Program?

A: On Page 24 of Mr. Stahlman's Rebuttal Testimony, he briefly addresses why the program should be rejected by the Commission and states that he is concerned with the limited scope of the program.

Q: Do you agree with Mr. Stahlman's recommendation?

A: Yes, I do. The Home Energy Improvements Program was a significantly modified version of our existing Home Performance with Energy Star program and it would have been a new program for KCP&L to offer. Because we relied upon the potential study for the design of our programs for this filing, the Home Performance with Energy Star program, as it is currently designed and offered in GMO, was not cost effective. We agree with Mr. Stahlman that this program should be further redesigned in order to make this program more cost effective and attractive to customers and industry partners.

Q: What is your recommendation for the Home Energy Improvements program?

A: Based on my reasons outlined above, we are recommending the removal of the program from our portfolio.

Demand Response Incentive Program

Q: Why is KCP&L recommending changes to its Demand Response Incentive Program?

A: Since KCP&L made its initial filing, we have contacted our Demand Response Incentive (MPower) participants who self-generate to understand if they intend to be compliant with the RICE NESHAP rules, which are effective May 3, 2014. Starting on May 3, 2014, all back-up generators used in traditional peak shaving, economic, or other non-emergency demand response programs must meet NESHAP non-emergency requirements. The RICE NESHAP rule regulates emissions from stationary RICE at both major and area sources of hazardous air pollutants. MPower participants must upgrade their generators to comply with the EPA requirements or (1) request release from their MPower contract or (2) remain in the program by using other load reduction measures.

Q: What is the impact of the RICE NESHAP rule on your Demand Response Incentive program in KCP&L?

A: The impact of the RICE NESHAP rule has been a reduction in KCP&L's demand savings for 2014-2015. KCP&L is now projecting 21.17 MW of demand savings for its Demand Response Incentive program for the 2014-2015 plan period, compared to 39.065 MW as filed in my Direct Testimony. This change is referred to in Mr. Rush's testimony.

Q: Approximately what percent of the remaining customers in the Company's Demand Response Incentive program self-generate?

A: Approximately 30 percent of the remaining MPower customers self-generate.

Q: Do you have any further changes to KCP&L's Demand Response Incentive program?

A: No. I further address Staff witness Randy Gross' program design criticisms in the next section of my testimony.

Staff Program Design Criticisms

<u>**Programmable Thermostat**</u>

Q: Please summarize Staff witness Randy Gross' concerns of the Programmable Thermostat program.

A: Mr. Gross recommends the Commission reject the Programmable Thermostat program description and tariff sheets as deficient and recommends that the EPRI pilot program be offered as a pilot program as described in Rule 4 CSR 240-3.164(3).

Q: Do you agree with his recommendation?

A: Absolutely not. While we have termed the EPRI project as a pilot, it should not be construed as a pilot within the context of the MEEIA rules. The primary objective of the

EPRI project is to evaluate a smart thermostat's energy and demand savings impacts, as well as how customers perceive and use them. As a host utility, we will also be evaluating the technologies of two thermostats from two vendors. The research performed now will assist in future design of programs. The EPRI project gives us the opportunity to better understand how a customer-friendly interface can offer better customer usability and how it might promote energy efficiency and demand response.

In addition, the smart thermostat that we are proposing to use in the EPRI project provides the same two way technology that we are currently pursuing in our GMO territory. As technology changes, we must also adapt our programs to those changes to realize continued participation.

Q: Does the Company have any privacy or security concerns with the program that has not been addressed?

A: No, the Company does not. In addition, Mr. Gross did not raise any concerns of this nature during the many hours of technical conferences that were held.

Q: What is your recommendation with respect to the EPRI pilot?

A: I recommend that the Commission reject Mr. Gross' notion that the EPRI project be designated as a pilot. These smart thermostats effectuate the same result as the balance of the programmable thermostat program with respect to demand response. The only difference is that these customers' behavior and interaction with the interface will be assessed and studied.

Demand Response Incentive Program

Q: On p. 6 of his testimony, Staff witness Gross states that the Company's Demand Response Incentive (previously referred to as MPower) program does not satisfy or

meet the MEEIA definition of a demand-side program when customers self-generate. He further states that the calculated value of the TRC test is incorrect because it includes program costs and demand savings associated with these self-generating customers. Do you agree?

A: No. Staff's analysis is based on an incorrect interpretation of the MEEIA rules. It is also worth mentioning that Staff's position is inconsistent with its past position where it supported GMO's MPower programs where some participating customers self-generate. The Company is unclear why Staff is raising the issue with KCPL-MO when the MPower program was accepted in GMO when the MEEIA rules were also in place, and it is the exact same program.

I do not agree with Mr. Gross' interpretation of the rules as it pertains to this program. As noted in Mr. Gross' testimony, Rule 4 CSR 240-20.093(1)(L) defines a Demand-side program as "… any program conducted by the utility to **modify [emphasis added]** the net consumption of electricity on the retail side of the customer's side of the meter including, but not limited to, energy efficiency measures, load management, demand response, and interruptible or curtailable load". I emphasize the word "modify" as it is key in understanding what I believe was intended in the rules.

In his testimony, Mr. Gross conveniently interchanges the word "modify" as stated in the rule with "reduce". On Lines 3-5, Page 7 of his Rebuttal Testimony he states, "Customers who self-generate and, therefore, do not **reduce [emphasis added]** load on their side of the meter, do not satisfy the requirements for the program to qualify as a demand side program." The rule does not say "reduce", it says "modify". According to the Merriam-Webster dictionary, modify means to "to change some parts of (something) while not changing other parts". Through self-generation, the customer is changing (or modifying) how they are consuming or meeting part of their load, while they may or may not be changing how they are meeting other parts of their load.

I would also argue that you cannot solely look at the rule's definition of a demand side program without marrying it with the definition of a demand response program. Rule 4 CSR 240-20.093(1)(K) defines demand response as "… measures that decrease peak demand or shift demand to off-peak periods." The objective of a demand response program is to reduce the impact on the utility's grid, which is exactly what the MPower program is designed to do as a demand response program. How the customer achieves the result is largely irrelevant, as long as the customer's actions decrease the peak demand, or shifts demand to off-peak periods.

Q: Does 4 CSR 240-20.093(1)(L) exclude programs where a customer self generates from the definition of a demand-side program?

A: No. Again, even if an MPower customer self generates, the customer is still modifying its net consumption of electricity that is purchased from KCP&L by participating in the MPower program. That is, KCP&L's need to provide electricity to the customer is reduced when a curtailment event occurs. It is for this reason that the program costs and demand savings associated with self-generating customers should be included in the TRC.

Q: Does the Company support Staff's proposed solution to remove those customers who self generate from the program and allow them to participate in the program outside of MEEIA?

A: No, the Company does not support Staff's solution. We do not agree with Staff's interpretation of the rule as "modify" is not interchangeable with "reduce". They are not synonyms. In addition, moving some MPower customers to a non-MEEIA program versus the MEEIA program would be administratively burdensome for the Company.

<u>Home Lighting Rebate Program</u>

Q: What are Staff's concerns with respect to the Home Lighting Rebate program?

A: Mr. Stahlman's primary concerns are threefold. He takes exception to using a net to gross (NTG) ratio of 1.0 for the program; he is concerned about leakage; and he is concerned whether a socket saturation study has been performed for KCP&L's territory. Public Counsel witness Barbara Meisenheimer also suggests that the Home Lighting Rebate Program will likely have an actual net to gross well below 1.0

Q: Why is a NTG ratio of 1.0 appropriate for this program?

A: We designed our Home Lighting program very similar to Ameren-Missouri's Energy Efficient Lighting program. In Case No. EO-2012-0142, the Commission approved a NTG of 1.0 for Ameren-Missouri for all of its programs, including its Energy Efficient Lighting program, however excluding the Refrigerator Recycling program. We are requesting the Commission provide the Company with the same treatment during the same time period ending with December 31, 2015.

Q: How will KCP&L design its program such that leakage is reduced?

A: Similar to the Home Energy Reports program, we addressed Staff's concerns on March 5, 2014 during the onsite technical conference. I have attached the two slides that we shared with Staff regarding how KCP&L would directly approach their concern of leakage as Schedule KHW-8.

As shown on Page 2 of Schedule KHW-8, we will do the following to minimize leakage concerns:

1. Select stores and food banks within a five mile radius of 80 percent of the meters in KCP&L- MO territory.
2. Reduce free ridership through price point optimization by continually reviewing the incentive offering.
3. Target limited income areas where financial incentives hold greater value.
4. Request to offer the Home Lighting Rebate program in GMO. On April 2, 2014, we notified the advisory group of our intent to file such a tariff provided that the Commission approve the KCP&L-MO Home Lighting Rebate program.

Q: Mr. Stahlman references in his Direct Testimony the importance of a socket saturation study. What is a socket saturation study and why it is important?

A: This information is important because it provides a statistically valid estimate of the average number of lamp sockets (or density) in a residential home. This information was used to estimate the demand-side resource potential of installing lamps that are more energy efficient, such as compact fluorescent lamps (CFL) or Light Emitting Diode (LED) lamps in residential homes.

Q: Did KCP&L perform a socket saturation study?

A: Yes. Mr. Stahlman mentions that he has not received confirmation from KCP&L if a socket saturation study has been performed. As discussed in my Direct Testimony, KCP&L and GMO engaged Navigant to conduct a demand-side resource potential study that included 210 on-site visits to gather reliable estimates of building and equipment characteristics. The on-site visits were divided across the residential, commercial, and industrial sectors using representative statistical samples for each sector. Navigant did conduct a lamp socket saturation study as part of this on-site information gathering. In "Appendix A -- Measure Characterization Summary R2.xlsx", Density Summary tab, rows 1951 through 1955, of the final potential study report, Navigant provided the residential lamp socket saturation study results in column J, "Base Technology Density".

Q: Mr. Stahlman states that KCP&L fails to provide <u>detailed</u> market transformation in its evaluation plan as required in Rule 4 CSR 240-3.164(2)(C)(12). Do you agree with that?

A: No, I do not. The rule does not state the level of specificity that must be included in the filing. We included the following statement in Schedule KHW-2 for applicable programs:

> KCP&L-MO will retain one or more EM&V contractors to perform process and impact evaluations for its programs and assess progress of market transformation in order to avoid conflicts of interest and to insure credibility of the evaluation results, as well as comply with Commission requirements. KCP&L-MO expects to conduct EM&V of the Program at the end of the plan period.

We believe that this satisfies the rule and that the EM&V will address the progress market transformation.

Q: Secondly, Mr. Stahlman states that KCP&L fails to provide detailed description of strategies used to minimize free riders and maximize spillover per as required in Rule 4 CSR 240-3.164(2)(C)(15) and Rule 4 CSR 240-3.164(2)(C)(16). Do you agree with that?

A: No, I do not agree with Mr. Stahlman. Mr. Stahlman has elected to add the word "detailed" to the rules. The rules state:

> *Rule 4 CSR 240-3.164(2)(C)(15) – Description of any strategies used to minimize free riders;*
> *Rule 4 CSR 240-3.164(2)(C)(16) – Description of any strategies used to maximize spillover.*

Once again, the rule does not state the level of specificity that must be included in the filing. We included the following statement in Schedule KHW-2 for applicable programs:

> The development of this Program incorporated available information from market studies, consultant studies and the California Database for Energy Efficient Resources (DEER) on program impacts of free ridership and spillover in the initial program design. At the end of the plan period, KCP&L-MO will perform an EM&V study and these results will be incorporated into the Program design. This process provides the input necessary to minimize free-ridership and maximize spillover.

Consistent with market transformation, we believe that this satisfies the rule and that the EM&V will address spillover and free ridership.

Q: What is your recommendation with respect to the Home Lighting Rebate program?

A: I recommend the Commission approve the program as described in my Direct Testimony with a NTG ratio of 1.0, the same NTG that the Commission approved for Ameren-Missouri for the same program period end date.

Opt Out Customers

Q: Did KCP&L's potential study address opt out customers in its filing as pointed out by Mr. Stahlman?

A: Yes, it does address opt outs. On Page 3 of the Navigant potential study, provided for in my Direct Testimony as Schedule KHW-5, it states:

> *The potential results of this study does not exclude op-out customers. At the time of this report development, the list of opt-out customers was very much in flux due to changes in customer decision-making regarding opt-out. As such, we collectively agreed with the Companies that we would not reduce the potential results of this study to exclude opt-out customers. However, we note that the latest data available indicated that, for GMO, approximately 19% (on an energy consumption basis) of GMO's large C&I customers were likely to pot out. Data were not available for KCP&L MO and KCP&L KS.*

While we were able to come up with an estimate of 2014, we don't know what actuals may be to adjust our savings targets for and to provide a guess for 2015 would simply be a guess. Therefore, it is more appropriate to wait for actuals than to use an estimate.

We also discussed the treatment of opt out customers at some length during the technical conferences. Staff witness John Rogers includes our response to Staff's request regarding opt outs in Schedule JAR-6-10 (Response 41) as well as in Schedule JAR-6-34.

Q: What is your recommendation with respect to excluding opt outs?

A: I disagree with Mr. Stahlman that our savings should reflect any reduction for opt out customers since any adjustment offered would be based on an inaccurate estimate.

Conclusion

Q: On pp. 3-4 of this testimony, Staff witness Rogers indicates that a utility can choose to accept or reject any modifications made to demand-side program plans by the Commission. Do you agree?

A: Yes. Should the program plans or recovery mechanism be modified by the Commission in a way that differs from the Company's position, the Company will have to evaluate the situation. As I mentioned on p. 35 of my Direct Testimony, the Company plans to reduce its DSM program portfolio offerings if adequate cost recovery is not received.

Q: Does that conclude your testimony?

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 Approval of Demand-Side Programs and for Authority to Establish A Demand-Side Programs Investment Mechanism	))))	File No. EO-2014-0095

AFFIDAVIT OF KIMBERLY H. WINSLOW

STATE OF MISSOURI)
) **ss**
COUNTY OF JACKSON)

Kimberly H. Winslow, being first duly sworn on her oath, states:

1. My name is Kimberly H. Winslow. I work in Kansas City, Missouri, and I am employed by Kansas City Power & Light Company as Director, Energy Solutions.

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 twenty (20) 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.

Kimberly H. Winslow
Kimberly H. Winslow

Subscribed and sworn before me this 14th day of April, 2014.

Nicole A. Wehry
Notary Public

My commission expires: Feb. 4, 2015

NICOLE A. WEHRY
Notary Public - Notary Seal
State of Missouri
Commissioned for Jackson County
My Commission Expires: February 04, 2015
Commission Number: 11391200

Home Energy Reports Savings

	Scenario 1: As Filed (Navigant Assumptions)	Scenario 2: Updated HH & Savings Assumptions	Scenario 3: 5 Year Program	Scenario 4: OPower Estimates
Households	120,000	150,000	150,000	150,000
Program Term	4/14 – 12/15	6/14-12/15	6/14 – 12/18	6/14-12/15
Savings Distribution	June-Sept	June-Sept	Year Round	Year Round
Energy Savings (MWh) Yr 1 Yr 2 Total	21,928 (1.7%) 27,411 (2.0%) 49,339	7,332 (0.4%) 20,166 (1.2%) 27,449	7,332 (0.4%) 20,166 (1.2%) 27,449 Yr 2 savings = Yr 3 thru Yr 5	7,332 (0.4%) 20,166 (1.2%) 27,449
TRC Test Result	1.61	1.12	0.99	0.56

EO-2014-0095

Additional data points for Home Energy Reports Savings

- GMO MEEIA Filing Budget

Home Energy Reports	2013	2014	2015
kWh Savings	3,048,049	11,180,029	11,180,029
kWh Per HH	53	196	196
% Reduction	0.4%	1.5%	1.5%

- GMO (early results – thru Nov 2013)
  - Energy Savings 1,183 MWh (~57,000 HH)
  - Opt out rate 0.05% (Opower average is 0.23%)
  - Nov Electric Savings rate (test vs control) 1.1%
- ComEd EM&V ranges (1.16% 1st year to 2.3% in Year 3)

KCP&L-MO Recommendation for Home Energy Reports Savings

- Scenario #2
  - Conservative kWh savings estimates
  - Targeted demographics
- Benefits of OPower
  - Online web tool for promoting products
  - Cross promotion – coupons for other programs
  - Possible target of income range customers
  - Allows ~60% of KCPL-MO residential customers participation

Residential Lighting

- Delivery mechanism – retailers, food pantries
- Targeted delivery locations / store types and strategies
  - Home Depot / Lowe's / Wal-Mart – (~85%)
    - Implementer utilizes agreements in place for marketing standard lighting
    - POS data (provides make, model and quantity of measure)
    - Incentive given directly to Retailer after QA/QC by implementer
  - Dollar Tree / Dollar General / (Smaller Independent Retailers)- (~1-2%)
    - Barrier for customers to fill in data and type of lamps
    - Coupon data (provides customer data in addition to measure data)
  - Food Pantries – (~13-14%)
    - Leverage distribution of food pantry (Feed America)
    - Multi-packs provide most effective distribution
    - Lamps are at no cost to consumers

Res Lighting Mitigating Factors

- All stores & food banks targeted by 80% meters in zip codes within 5 miles
- A high concentration of stores in border areas reduce potential leakage (i.e. customers have many options for stores in Overland Park, KS or Lee's Summit, MO before going to KCP&L-MO territory)
- With incentive range, price point optimization can reduce free-ridership
- Target limited income areas where the financial incentives hold greater value.
- Change GMO to coincide with KCP&L-MO (or vice versa)