Exhibit No.:	
Issues:	Tariff Sheets
Witness:	Michelle A. Bocklage
Sponsoring Party:	MO PSC Staff
Type of Exhibit:	Rebuttal Testimony
File No.:	EO-2012-0009
Date Testimony Prepared:	March 20, 2012

MISSOURI PUBLIC SERVICE COMMISSION

REGULATORY REVIEW DIVISION

REBUTTAL TESTIMONY

OF

MICHELLE A. BOCKLAGE

KCP&L GREATER MISSOURI OPERATIONS COMPANY

FILE NO. EO-2012-0009

Jefferson City, Missouri
March 2012

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of KCP&L Greater Missouri Operations Company's Notice of Intent to File an Application for Authority to Establish a Demand-Side Programs Investment Mechanism	)))))	Case No. EO-2012-0009

AFFIDAVIT OF MICHELLE A. BOCKLAGE

STATE OF MISSOURI)
) **ss**
COUNTY OF COLE)

Michelle A. Bocklage, of lawful age, on her oath states: that she has participated in the preparation of the following Rebuttal Testimony in question and answer form, consisting of 8 pages of Rebuttal Testimony to be presented in the above case, that the answers in the following Rebuttal Testimony were given by her; that she has knowledge of the matters set forth in such answers; and that such matters are true to the best of her knowledge and belief.

Michelle A. Bocklage
Michelle A. Bocklage

Subscribed and sworn to before me this 19th day of March, 2012.

SUSAN L. SUNDERMEYER
Notary Public - Notary Seal
State of Missouri
Commissioned for Callaway County
My Commission Expires: October 03, 2014
Commission Number: 10942086

Susan L. Sundermeyer
Notary Public

REBUTTAL TESTIMONY

OF

MICHELLE A. BOCKLAGE

KCP&L GREATER MISSOURI OPERATIONS COMPANY

FILE NO. EO-2012-0009

Q. Please state your name and business address.

A. My name is Michelle A. Bocklage, and my business address is Missouri Public Service Commission, P. O. Box 360, Jefferson City, Missouri 65102.

Q. What is your present position at the Missouri Public Service Commission ("Commission")?

A. I am a Rate & Tariff Examiner II in the Energy Unit of the Regulatory Review Division of the Commission Staff ("Staff").

Q. Please state your educational background.

A. I have a Bachelor of Science degree in Business Administration from Columbia College, Columbia, Missouri.

Q. Please describe the experience you have had with regard to public utilities.

A. As a Rate & Tariff Examiner II, my primary responsibility is to review and make recommendations regarding electric utility demand-side management ("DSM") program tariff sheets and electric utility fuel adjustment clause tariff sheets. Prior to joining the Energy Unit in January 2011, I was employed by the Commission as a Consumer Services Specialist for approximately 11 years. As a Consumer Services Specialist, I was responsible for investigating formal and informal customer complaints to ensure compliance with the Commission's rules and regulations.

Q. Would you please summarize the purpose of your rebuttal testimony?

A. The purpose of my rebuttal testimony is to identify and discuss Staff's concerns regarding the proposed tariff sheets,[1] filed as Schedule ADD-13 to the direct testimony of Allen Dennis, witness for KCP&L Greater Missouri Operations Company ("GMO" or "Company").

Staff makes the following recommendations concerning GMO's proposed tariff sheets for its DSM programs:

1. The Commission reject the tariff sheets GMO filed with its application;
2. The Commission order GMO to file tariff sheets that comply with its Commission-approved DSM programs and Commission-approved demand-side programs investment mechanism ("DSIM") following the completion of this case and prior to GMO's implementation of such programs and investment mechanism, as agreed in the Jointly Proposed Procedural Schedule filed on January 30, 2012; and
3. The Commission direct GMO to include in the compliance tariff sheets the following:
    - Additional language relating to Rule 4 CSR 240-20.094(6)(J);
    - Additional language relating to Rule 4 CSR 240-20.094(7);
    - The amount of the incentive and/or rebate associated with each demand-side measure for each DSM program;

[1] All proposed tariff sheets are for DSM programs, except for tariff sheets with Original Sheet Nos. 139, 140, 141, 142 and 143, which are for the proposed DSIM.

- Information regarding the marketing strategy that identifies the methods GMO intends to utilize to market each proposed program to customers;
- Description of the relationship of each DSM program to each other DSM program within GMO's tariff sheets to indicate whether or not programs can be combined to maximize the incentives and/or rebates;
- Annual energy and demand savings targets for each DSM program; and
- Identification of the Commission-approved Missouri Energy Efficiency Investment Act of 2009 ("MEEIA") DSM programs within the title section of each tariff sheet to prevent confusion regarding which programs are MEEIA programs.

Q. GMO filed tariff sheets where it proposes that programs be "frozen." Does Staff have any concerns with them?

A. Yes. In Allen D. Dennis' testimony, page 5, he refers to "Schedule ADD-13: New tariffs for GMO's existing and new DSM programs." After reviewing Schedule ADD-13, Staff found that GMO filed both "original" and "frozen" tariff sheets for programs that are currently in effect. In an effort to phase out the current programs in effect, GMO proposes to revise the current tariff sheets with language indicating the programs are "frozen"—meaning only existing participants could continue in the programs.

As a result of discussions with GMO staff members, Staff understands that GMO intends to utilize the "frozen" tariff sheets as a means to meet the obligations already approved under the current tariff sheets. GMO anticipates it will withdraw the "frozen" revised tariff sheets in approximately six (6) months. In order to include some of the current

programs in the MEEIA filing, GMO also filed new "original" tariff sheets for Commission approval of programs as part of its MEEIA filing. This could result in some programs having two sets of tariff sheets in effect at the same time, which could lead to confusion as to which programs are available to customers under MEEIA. Therefore, Staff recommends that GMO revise the titles of the proposed MEEIA programs so that they are easily identifiable within its tariff. For example, the Energy Star New Homes program filed as part of MEEIA could simply be modified to include the acronym "MEEIA" within the program title to identify it as a program the Commission has approved under MEEIA.

Q. Has Staff reviewed GMO's proposed tariff sheets for compliance with the Commission's MEEIA rules and for clarity?

A. Yes.

Q. Do they comply with the Commission's MEEIA rules?

A. Additional information is needed in the tariff sheets to comply with requirements of the Commission's MEEIA rules, and for ease of use and clarification.

Rule 4 CSR 240-20.094(6)(J) states:

> "A customer electing not to participate in an electric utility's demand-side programs under this section shall still be allowed to participate in interruptible or curtailable rate schedules or tariffs offered by the electric utility."

Therefore, all non-residential DSM program tariff sheets should clarify whether or not the program is considered an interruptible or curtailable rate schedule so that customers who opt out of participation in DSM programs know which programs they may participate in.

Rule 4 CSR 240-20.094(7) contains language excluding participation in DSM programs providing monetary incentives by customers that receive tax credits "under sections 135.350 through 135.362, RSMo, or under sections 253.545 through 253.561, RSMo." DSM program tariff sheets should include language that explicitly explains this exclusion and a

description of the method GMO intends to use to obtain an attestation from customers that they have not received the referenced tax credits prior to receiving any monetary incentives from the program.

Staff is concerned that the DSM programs tariff sheets GMO has proposed do not contain important information needed to provide clarity and definition of each program, information such as marketing strategy, relationship of a DSM program to any other DSM program, designation whether or not programs can be combined to maximize the incentives and/or rebates offered, and annual energy and demand savings targets.

Q. Does Staff have any concerns with the titles of the Commission-approved MEEIA DSM programs in the GMO proposed tariff sheets?

A. Yes. Staff is concerned that customers will be confused. The titles in the tariff should be clear as to whether or not each program is a Commission-approved MEEIA DSM program, since some of the MEEIA DSM programs and some of the current programs are very similar.

Q. Is the Commission required to approve DSIM tariff sheets?

A. Yes. Commission Rule 4 CSR 240-20.093(2)(C) states "The commission shall approve the establishment, continuation, or modification of a DSIM and associated tariff sheets if it finds the electric utility's approved demand-side programs are expected to result in energy and demand savings and are beneficial to all customers in the customer class in which the programs are proposed, regardless of whether the programs are utilized by all customers".

Q. Does Staff recommend that the Commission approve GMO's proposed DSIM tariff sheets?

A. No. Rule 4 CSR 240-20.093(2)(C) requires that the Commission approve a DSIM and associated tariff sheets. However, since Staff has recommendations concerning changes to the DSIM tariff sheets and other parties to GMO's MEEIA case may have recommendations concerning the DSIM, Staff recommends that the Commission initially reject the filed DSIM tariff sheets and order GMO to submit DSIM compliance tariff sheets following the conclusion of this case.

Q. What is Staff's overall recommendation regarding the tariff sheets GMO filed with its application in this case?

A. Staff recommends that the Commission reject the tariff sheets GMO filed ("frozen" and "original"), and order GMO to file proposed compliance tariff sheets following the conclusion of this case that comply with the DSM programs and DSIM the Commission approves in this case, which include the recommendations Staff has presented above. GMO previously agreed to submit compliance tariff sheets following the conclusion of this case in the Jointly Proposed Procedural Schedule filed on January 30, 2012, and prior to GMO implementing such DSM programs and a DSIM[2] for the reasons stated previously. The tariff sheets to be rejected are:

Original Sheet No. R-62.21
Original Sheet No. R-62.22
Original Sheet No. R-62.23
Original Sheet No. R-62.24
Original Sheet No. R-62.25
Original Sheet No. R-62.26
Original Sheet No. R-62.27
Original Sheet No. R-62.28
Original Sheet No. R-62.29
Original Sheet No. R-62.30

[2]All proposed tariff sheets are for DSM programs, except tariff sheets numbered Original Sheet Nos. 139, 140, 141, 142 and 143, which are for the proposed DSIM.

Original Sheet No. R-62.31
Original Sheet No. R-62.32
Original Sheet No. R-62.33
Original Sheet No. R-62.34
Original Sheet No. R-62.35
Original Sheet No. R-62.36
Original Sheet No. R-62.37
Original Sheet No. R-62.38
Original Sheet No. R-62.39
Original Sheet No. R-62.40
Original Sheet No. R-62.41
Original Sheet No. R-62.42
Original Sheet No. R-62.43
Original Sheet No. R-62.44
Original Sheet No. R-62.45
Original Sheet No. R-62.46
Original Sheet No. R-62.47
Original Sheet No. R-62.48
Original Sheet No. R-62.49
Original Sheet No. R-64.06
Original Sheet No. R-64.07
Original Sheet No. R-64.08
Original Sheet No. R-64.09
Original Sheet No. R-64.10
Original Sheet No. R-68.1
Original Sheet No. 134
Original Sheet No. 135
Original Sheet No. 136
Original Sheet No. 137
Original Sheet No. 138
Original Sheet No. 139
Original Sheet No. 140
Original Sheet No. 141
Original Sheet No. 142
Original Sheet No. 143
4th Revised Sheet No. R-62.01, canceling 3rd Revised Sheet No. R-62.01
1st Revised Sheet No. R-62.01.1, canceling Original Sheet No. R-62.01.1
1st Revised Sheet No. R-62.02, canceling Original Sheet No. R-62.02
2nd Revised Sheet No. R-62.03, canceling 1st Revised Sheet No. R-62.03
2nd Revised Sheet No. R-62.04, canceling 1st Revised Sheet No. R-62.04
1st Revised Sheet No. 62.05, canceling Original Sheet No. R-62.05
1st Revised Sheet No. 62.06, canceling Original Sheet No. R-62.06
1st Revised Sheet No. 62.07, canceling Original Sheet No. R-62.07
1st Revised Sheet No. 62.08, canceling Original Sheet No. R-62.08
1st Revised Sheet No. 62.09, canceling Original Sheet No. R-62.09
1st Revised Sheet No. 62.10, canceling Original Sheet No. R-62.10

1st Revised Sheet No. 62.11, canceling Original Sheet No. R-62.11
1st Revised Sheet No. 62.12, canceling Original Sheet No. R-62.12
1st Revised Sheet No. 62.13, canceling Original Sheet No. R-62.13
1st Revised Sheet No. 62.14, canceling Original Sheet No. R-62.14
2nd Revised Sheet No. 64.01, canceling 1st Revised Sheet No. 64.01
2nd Revised Sheet No. 64.02, canceling 1st Revised Sheet No. 64.02
2nd Revised Sheet No. 64.03, canceling 1st Revised Sheet No. 64.03
2nd Revised Sheet No. 64.04, canceling 1st Revised Sheet No. 64.04
2nd Revised Sheet No. 64.05, canceling 1st Revised Sheet No. 64.05
4th Revised Sheet No. R-68, canceling 3rd Revised Sheet No. R-68
5th Revised Sheet No. 18, canceling 4th Revised Sheet No. 18
5th Revised Sheet No. 19, canceling 4th Revised Sheet No. 19
5th Revised Sheet No. 21, canceling 4th Revised Sheet No. 21
5th Revised Sheet No. 22, canceling 4th Revised Sheet No. 22
5th Revised Sheet No. 23, canceling 4th Revised Sheet No. 23
5th Revised Sheet No. 24, canceling 4th Revised Sheet No. 24
5th Revised Sheet No. 25, canceling 4th Revised Sheet No. 25
5th Revised Sheet No. 28, canceling 4th Revised Sheet No. 28
3rd Revised Sheet No. 30, canceling 2nd Revised Sheet No. 30
3rd Revised Sheet No. 33, canceling 2nd Revised Sheet No. 33
2nd Revised Sheet No. 36, canceling 1st Revised Sheet No. 36
5th Revised Sheet No. 52, canceling 4th Revised Sheet No. 52
3rd Revised Sheet No. 55, canceling 2nd Revised Sheet No. 55
2nd Revised Sheet No. 58, canceling 1st Revised Sheet No. 58
5th Revised Sheet No. 61, canceling 4th Revised Sheet No. 61
5th Revised Sheet No. 66, canceling 4th Revised Sheet No. 66
2nd Revised Sheet No. 69, canceling 1st Revised Sheet No. 69
5th Revised Sheet No. 71, canceling 4th Revised Sheet No. 71
1st Revised Sheet No. 77, canceling Original Sheet No. 77
2nd Revised Sheet No. 82, canceling 1st Revised Sheet No. 82
1st Revised Sheet No. 128, canceling Original Sheet No. 128
1st Revised Sheet No. 129 canceling Original Sheet No. 129
1st Revised Sheet No. 130, canceling Original Sheet No. 130
1st Revised Sheet No. 131, canceling Original Sheet No. 131
1st Revised Sheet No. 132, canceling Original Sheet No. 132

Q. Do you have any further responses to the direct testimony of other witnesses?

A. No.