

**BEFORE THE PUBLIC SERVICE COMMISSION OF  
THE STATE OF MISSOURI**

In the Matter of the Application of Kansas City )  
Power & Light Company for Authority to )  
Implement a General Rate Increase for Electric )  
Service )

**File No. ER-2018-0145**

In the Matter of the Application of KCP&L )  
Greater Missouri Operations Company for )  
Authority to Implement a General Rate Increase )  
for Electric Service )

**File No. ER-2018-0146**

**OPC'S POSITION STATEMENT**

COMES NOW, the Office of the Public Counsel (OPC), by and through undersigned counsel, and for *OPC's Position Statement*, states as follows:

**I. Public Service Commission (Commission) Raised Issues**

- a. Staff's Investigation into Kansas City Power & Light's (KCPL) and Kansas City Power & Light Greater Missouri Operation's (GMO)(collectively referred to as "the Company" or "KCP&L") Review and Response Time Regarding the Approval of Net Metering and Solar Rebate Applications for Systems over 10 kW.

**OPC's Position:** OPC takes no formal position at this time but reserves the right to address this issue at hearing and in its brief.

- b. KCPL and GMO Line Extension Issue.

**OPC's Position:** OPC takes no formal position at this time but reserves the right to address this issue at hearing and in its brief.

**II. Load Research** — Should the Commission order KCPL and GMO to utilize AMI metering to improve the quality of hourly load information available in future cases?

**OPC's Position:** Yes.

**III. Rate Design/Class Cost of Service**

**a. CCOS**

i. What revenue neutral changes to class revenue responsibility, if any, should the Commission order for each utility?

**OPC's Position:** The Commission should use Staff's Base-Intermediate Peak (BIP) methodology to determine revenue neutral changes. Staff's BIP methodology better aligns the cost characteristics of generating resources with class specific load characteristics than KCP&L's average and excess production allocation methodology; however, both the Staff's BIP methodology and the Company's average and excess methodology fail to functionalize, classify, and allocate AMI meters correctly. *OPC Witness Dr. Karl Pavlovic's Rebuttal Testimony*, Pg. 13, lines 7-15.

The Commission should order KCP&L to address the problems contained in the Staff's and the KCP&L's production plant allocation methodologies and AMI meter classification problems in the consolidated KCP&L cost study before the next rate case. *Id.* at Pg. 12, Lines 1-4.

**b. Residential Rate Design**

i. What residential rate design should be ordered for each utility?

**OPC's Position:** OPC supports maintaining the current rate design and offering a suite of opt-in Time of use (TOU) pilot offerings to residential customers with an emphasis on promoting responsible EV charging. *OPC Witness Dr. Geoff Marke's Rate Design Rebuttal Testimony*, Pg. 19, Lines 3-4. However, the OPC opposes any rate design doubling as a MEEIA program. *Id.* at Pg. 17, Line 21.

- ii. What residential customer charges should be ordered for each utility?

**OPC's Position:** OPC recommends that the residential customer charge decrease to reflect the rate reductions. *OPC Witness Dr. Geoff Marke's Rate Design Rebuttal Testimony*, Pg. 20, Lines 8-9.

- iii. Should KCPL's residential rate schedules be simplified and consolidated as recommended by Staff?

**OPC's Position:** Yes.

- iv. Should the Commission order implementation of KCPL's and GMO's proposed TOU Pilots? If so, how?

**OPC's Position:** Yes. In general, OPC is supportive of a suite of TOU pilot programs, as long as they are not dependent on the utilities' MEEIA applications. *OPC Witness Dr. Geoff Marke's Rate Design Rebuttal Testimony*, Pg. 19, Lines 2-7. As such, OPC's default recommendation is to support the three pilot programs KCPL/GMO proposed, with two notable exceptions. *Id.* First that the pilot size be increased to up to 15,000 customers each and, second, that the programs not recover any MEEIA profit—a position that KCPL/GMO have already abandoned. *Id.* and also see *KCP&L Witness Tim Rush's*

*Surrebuttal*, Pg. 11, 14-15.

**c. Non-Residential Rate Design**

- i. What Rate Designs should be ordered for each utility's non-residential classes?

**OPC's Position:** OPC takes no formal position at this time but reserves the right to address this issue at hearing and in its brief.

**IV. Tariffs**

- a. Restoration Charge** – Should a restoration charge be added to each utility's tariffs as requested by KCPL and GMO; if so what adjustment to revenue is appropriate?

**OPC's Position:** No. The Commission should reject such a charge because, among other reasons, KCP&L has no witness who sponsored testimony for a restoration charge in their direct case. *OPC Witness Dr. Geoff Marke's Rebuttal Testimony*, Pg. 23, Lines 10-13.

- b. Special Contracts** – Should each utility's special contract tariffs be revised as proposed by KCPL and GMO?

**OPC's Position:** OPC takes no formal position at this time but reserves the right to address this issue at hearing and in its brief.

- c. Real Time Pricing** – Should the Commission eliminate each utility's Real Time Pricing tariffs, as proposed by KCPL and GMO?

**OPC's Position:** OPC takes no formal position at this time but reserves the right to address this issue at hearing and in its brief.

**d. Other Studies** – Should the Commission order KCPL and GMO to complete the studies recommended by Staff, including (1) seasonal rates; (2) alignment of billing seasons between utilities; (3) study and retention of billing determinants to develop more complex rate designs including but not limited to coincident peak demand; and (4) development and recording of facility extensions by customer and/or class

**OPC's Position:** Yes – but on the condition that KCP&L's employees perform the studies. Ratepayers should not bear any costs related to hiring external consultants (or other third parties) to conduct these studies.

**e. Under-Utilized Infrastructure Tariff** - Should the Commission adopt the under-utilized infrastructure tariff proposed by KCP&L and GMO?

**OPC's Position:** OPC takes no formal position at this time but reserves the right to address this issue at hearing and in its brief.

## **V. Riders**

**a. Renewable Energy Rider** – Should the Commission order implementation of a renewable energy rider for each utility? If so, should the unsubscribed energy flow through each utility's fuel adjustment clause (FAC), or should any other recommendations made by parties be adopted?

**OPC's Position:** OPC's primary recommendation is for the Commission to reject KCP&L's proposal and permit KCP&L to resubmit its proposal in a separate docket.

*OPC Witness Dr. Geoff Marke's Revenue Req. Rebuttal Testimony*, Pg. 11, Lines 11-14.

OPC's secondary recommendation is that, if the Commission orders this program, then

such an order account for the following:

- That only one site should be selected to reflect KCP&L's consolidated operations instead of selecting separate sites for each utility. *Id.* at Pg. 11, Lines 17-25.
- That any unsubscribed amount be *excluded* from the fuel adjustment clause and that the risk and reward from the project be borne by shareholders. *Id.* at Pg. 12, Lines 1-4.
- That KCP&L adopt similar recommendations as those agreed to by Ameren Missouri in Case No. ET-2018-0063 case and as described in the testimony of OPC witness Geoff Marke. *Id.* at Pg. 13, Lines 5-11.

**b. Solar Subscription Rider** – Should the Commission order the implementation of a solar subscription rider for each utility? If yes, should the Commission order each utility to include a low-income component, or should any other recommendations made by parties be adopted?

**OPC's Position:** Similar to the Renewable Energy Rider, OPC's primary recommendation is for the Commission to reject KCP&L's proposal and permit KCP&L to resubmit its proposal in a separate docket. *OPC Witness Dr. Geoff Marke's Rev. Rebuttal Testimony*, Pg. 4, Lines 21-22.

OPC's secondary recommendation is that, if the Commission orders this program, then such an order account for the following:

- That the community solar program include the \$4 million solar investment required by SB 564 and included in § 393.1665.2, RSMo. *OPC Witness Dr. Geoff*

*Marke's Rev. Rebuttal Testimony*, Pg. 5, Lines 13-23.

- That only one site should be selected to reflect KCP&L's consolidated operations instead of selecting separate sites for each utility. *Id.* at Pg. 5, Lines 24-27.
- That any unsubscribed amount be *excluded* from the FAC and that the risk and reward from the project be borne by shareholders. *Id.* at Pg. 6, Lines 5-13.
- That the size of the solar unit not exceed one (1) MW-AC unless KCP&L can demonstrate that 1 MW of solar has been fully subscribed for a minimum of three years. *Id.* at Pg. 6, Lines 14-21.
- That KCP&L adopt similar recommendations as those agreed to by stakeholders in Ameren Missouri's EA-2016-0207 case as described in the testimony of OPC witness Geoff Marke. *Id.* at Pg. 6, Lines 22-16 and Pg. 7-8.
- That no low-income component be a part of the program. Renew Missouri's proposal lacks the necessary detail for implementation and does not appear to be fiscally prudent. *Id.* at Pg. 8, Lines 22-26.

c. **Standby Rider** – Should the Commission order changes to each utility's Standby Rider tariff, as recommended by the Division of Energy?

**OPC's Position:** OPC takes no formal position at this time but reserves the right to address this issue at hearing and in its brief.

VI. **Indiana Model** – Should the Commission order each utility's Demand Response Incentive Tariff be modified to incorporate the Indiana Model, as proposed by AEMA?

**OPC's Position:** No. Additional financial compensation is not necessary given SPP rules

and resource valuation.

## **VII. Third Party Charging Stations**

- a. Electric Vehicle (EV) Make Ready Model** – Should the Commission modify each utility’s line extension tariffs to subsidize installations of customer-owned separately metered charging equipment under specified circumstances?

**OPC’s Position:** OPC takes no formal position at this time but reserves the right to address this issue at hearing and in its brief.

- b. EV Charging Separately Metered Rate** – Should the Commission create a small general service (SGS) subclass to facilitate time-differentiated separately-metered customer owned EV charging under specified circumstances?

**OPC’s Position:** OPC takes no formal position at this time but reserves the right to address this issue at hearing and in its brief.

- VIII. Distributed Energy Resources (DERs) Data-** Should the Companies’ Net Metering Interconnection Agreement, Parallel Generation Contract Service (Cogeneration Purchase Schedule), and Standby Service Rider include language regarding maintaining and aggregating information related to customer generator systems?

**OPC’s Position:** OPC takes no formal position at this time but reserves the right to address this issue at hearing and in its brief.

**WHEREFORE,** the OPC respectfully submits *OPC’s Position Statement* to inform the Commission of the relief that OPC is requesting from the Commission in these cases.

Respectfully submitted,

/s/ Ryan Smith

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### **CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail or by U.S. Mail, postage prepaid, on September 19, 2018 to all counsel of record.

/s/ Ryan D. Smith