

Exhibit No.:
Issues: Residential Rate Design; Electric
Vehicles; Advanced Metering
Infrastructure; Peak-Time Rebate
Pilot; Property Assessed Clean
Energy Financing; Value of Solar;
Energy Efficiency
Witness: Martin Hyman
Sponsoring Party: Missouri Department of Economic
Development – Division of Energy
Type of Exhibit: Rebuttal Testimony
Case No.: ER-2016-0285

MISSOURI PUBLIC SERVICE COMMISSION

KANSAS CITY POWER & LIGHT COMPANY

CASE NO. ER-2016-0285

REBUTTAL TESTIMONY

OF

MARTIN R. HYMAN

ON

BEHALF OF

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

DIVISION OF ENERGY

Jefferson City, Missouri

January 6, 2017

(Rate Design)

DOE Exhibit No. 801
Date 2.6.17 Reporter MB
File No. ER-2016-0285

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

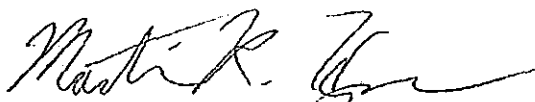
In the Matter of Kansas City Power & Light)
Company's Request for Authority to Implement A) Case No. ER-2016-0285
General Rate Increase for Electric Service)

AFFIDAVIT OF MARTIN HYMAN

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

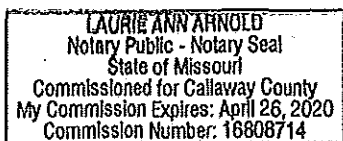
Martin R. Hyman, of lawful age, being duly sworn on his oath, deposes and states:

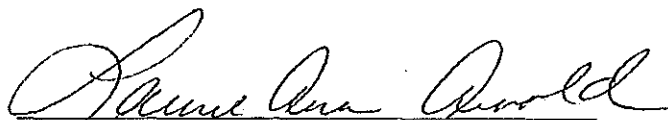
1. My name is Martin R. Hyman. I work in the City of Jefferson, Missouri, and I am employed by the Missouri Department of Economic Development as a Planner III, Division of Energy.
2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony on behalf of the Missouri Department of Economic Development – Division of Energy.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge.



Martin R. Hyman

Subscribed and sworn to before me this 6th day of January, 2017.





Notary Public

My commission expires: 4/26/20

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1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is Martin R. Hyman. My business address is 301 West High Street, Suite 720,
4 PO Box 1766, Jefferson City, Missouri 65102.

5 **Q. Please describe your educational background and employment experience.**

6 A. In 2011, I graduated from the School of Public and Environmental Affairs at Indiana
7 University in Bloomington with a Master of Public Affairs and a Master of Science in
8 Environmental Science. There, I worked as a graduate assistant, primarily investigating
9 issues surrounding energy-related funding under the American Recovery and
10 Reinvestment Act of 2009. I also worked as a teaching assistant in graduate school and
11 interned at the White House Council on Environmental Quality in the summer of 2011. I
12 began employment with the Missouri Department of Economic Development – Division
13 of Energy (“DE”) in September of 2014. Prior to that, I worked as a contractor for the
14 U.S. Environmental Protection Agency to coordinate intra-agency modeling discussions.

15 **Q. Have you previously filed testimony in this case before the Missouri Public Service
16 Commission (“PSC” or “Commission”) on behalf of DE or any other party?**

17 A. Yes. I filed Direct Testimony on residential rate design, advanced metering infrastructure
18 (“AMI”), off-peak electric vehicle (“EV”) rates, demand-response rates, Property
19 Assessed Clean Energy (“PACE”) financing, and Pay As You Save® (“PAYS®”)
20 financing.

1 **II. PURPOSE AND SUMMARY OF TESTIMONY**

2 **Q. What is the purpose of your Rebuttal Testimony in this proceeding?**

3 A. The purpose of my testimony is to respond to proposals and statements related to
4 residential general use rate design, Kansas City Power & Light Company's ("KCP&L" or
5 "Company") proposed EV charging station ("EVCS") tariff for its Clean Charge Network
6 ("CCN"), AMI, a peak-time rebate pilot program, PACE financing, the value of solar,
7 and demand-side management ("DSM")/Missouri Energy Efficiency Investment Act
8 ("MEEIA") programs.

9 **Q. What did you review in preparing this testimony?**

10 A. I reviewed the Direct Testimonies of Company witnesses Ms. Marisol E. Miller¹ and Mr.
11 Tim M. Rush,² Commission Staff ("Staff") witness Ms. Natelle Dietrich,³ Office of the
12 Public Counsel ("OPC") witness Dr. Geoff Marke,⁴ Sierra Club witness Mr. Douglas B.
13 Jester,⁵ and Brightergy, LLC witness Ms. Jessica Oakley⁶ as they pertain to the issues

¹ Missouri Public Service Commission Case No. ER-2016-0285, *In the Matter of Kansas City Power & Light Company's Request for Authority to Implement A General Rate Increase for Electric Service*, Direct Testimony of Marisol E. Miller on Behalf of Kansas City Power & Light Company, July 1, 2016.

² Missouri Public Service Commission Case No. ER-2016-0285, *In the Matter of Kansas City Power & Light Company's Request for Authority to Implement A General Rate Increase for Electric Service*, Direct Testimony of Tim M. Rush on Behalf of Kansas City Power & Light Company, July 1, 2016.

³ Missouri Public Service Commission Case No. ER-2016-0285, *In the Matter of Kansas City Power & Light Company's Request for Authority to Implement A General Rate Increase for Electric Service*, Direct Testimony of Natelle Dietrich on Behalf of Commission Staff Division, December 14, 2016.

⁴ Missouri Public Service Commission Case No. ER-2016-0285, *In the Matter of Kansas City Power & Light Company's Request for Authority to Implement A General Rate Increase for Electric Service*, Direct Testimony of Geoff Marke Submitted on Behalf of The Office of the Public Counsel ("Marke Direct (PSC Issues)"), December 14, 2016.

⁵ Missouri Public Service Commission Case No. ER-2016-0285, *In the Matter of Kansas City Power & Light Company's Request for Authority to Implement A General Rate Increase for Electric Service*, Direct Testimony of Douglas Jester on Behalf of Sierra Club ("Jester Direct (CCN)"), December 14, 2016.

I also reviewed Mr. Jester's Rebuttal Testimony in ET-2016-0246 as it pertains to EV charging rates.

⁶ Missouri Public Service Commission Case No. ER-2016-0285, *In the Matter of Kansas City Power & Light Company's Request for Authority to Implement A General Rate Increase for Electric Service*, Direct Testimony of Jessica Oakley on Behalf of Brightergy, LLC, December 14, 2016.

1 discussed below; Staff's "Revenue Requirement Cost of Service" report,⁷ "Rate Design
2 and Class Cost-of-Service Report,"⁸ and "Report Responding to Certain Commission
3 Questions;"⁹ the Company's current and proposed residential general use tariffs; the
4 Company's proposed CCN tariff; and, the online list of Kansas City-area jurisdictions
5 participating in residential PACE financing.

6 **III. RESIDENTIAL RATE DESIGN**

7 **Q. The Company supports an increase of the residential general use customer charge to**
8 **\$13.18.¹⁰ Does DE support this increase?**

9 **A.** No. The goals of rate design include equity, efficiency, gradualism, and the avoidance of
10 "rate shock." Proposing an increase of \$1.30¹¹ to the customer charge just after an
11 increase of \$2.88¹² would not represent an approach which avoids rate shock. Instead,
12 customers would be faced with an increase of 10.94 percent in a billing component
13 which, absent total disconnection from the utility's system, cannot be avoided. DE

⁷ Missouri Public Service Commission Case No. ER-2016-0285, *In the Matter of Kansas City Power & Light Company's Request for Authority to Implement A General Rate Increase for Electric Service*, Staff Report – Revenue Requirement Cost of Service, November 30, 2016.

⁸ Missouri Public Service Commission Case No. ER-2016-0285, *In the Matter of Kansas City Power & Light Company's Request for Authority to Implement A General Rate Increase for Electric Service*, Staff's Rate Design and Class Cost-of-Service Report ("Staff's CCOS Report"), December 14, 2016.

⁹ Missouri Public Service Commission Case No. ER-2016-0285, *In the Matter of Kansas City Power & Light Company's Request for Authority to Implement A General Rate Increase for Electric Service*, Staff's Report Responding to Certain Commission Questions, December 14, 2016.

¹⁰ Missouri Public Service Commission Case No. ER-2016-0285, *In the Matter of Kansas City Power & Light Company's Request for Authority to Implement A General Rate Increase for Electric Service*, Information Filed in Accordance with 4 CSR 240-3.030 – Minimum Filing Requirements for Utility Company General Rate Increases, July 1, 2016, Appendix 1 – Proposed Tariff Change Schedules, Residential Service – Schedule R, Sheet No. 5A.

¹¹ The Company's current residential general use customer charge is \$11.88. Missouri Public Service Commission Tariff No. YE-2016-0078, *Kansas City Power & Light Company, Schedule of Rates for Electricity, Residential Service – Schedule R*, September 29, 2015, Sheet No. 5A.

¹² The \$11.88 customer charge was effective as of September 29, 2015. Previously, the customer charge was \$9.00. Missouri Public Service Commission Tariff No. YE-2013-0325, *Kansas City Power & Light Company, Schedule of Rates for Electricity, Residential Service – Schedule R*, January 26, 2013, Sheet No. 5A.

1 witness Ms. Sharlet E. Kroll has provided testimony explaining the burdens that
2 electricity bills pose for some households.¹³

3 Increasing the customer charge also sends a poor price signal from the perspective of
4 inducing efficient consumption, even if energy charges also increase. Compared to a
5 higher energy charge, a higher customer charge would discourage new or additional
6 investments in efficiency and reduce the potential value received by customers who have
7 already invested in efficiency. Energy charges send the best price signal for the purposes
8 of encouraging energy efficiency.

9 **Q. Staff states that its calculated residential customer charge at the fully allocated class
10 cost of service is \$18.44,¹⁴ but that the customer charge should only be increased up
11 to that amount at the same percentage as the increase in other rate components.¹⁵**

12 **Does DE agree?**

13 **A.** No. A customer charge of \$18.44 would represent an increase from the current \$11.88
14 charge of almost 55.22 percent, far above any potential revenue requirement increase
15 percentage which could conceivably result from this case. As stated above, raising the
16 residential customer charge also represents a poor policy decision in view of equity,
17 efficiency, and gradualism considerations.

¹³ Missouri Public Service Commission Case No. ER-2016-0285, *In the Matter of Kansas City Power & Light Company's Request for Authority to Implement A General Rate Increase for Electric Service*, Direct Testimony of Sharlet E. Kroll on Behalf of Missouri Department of Economic Development – Division of Energy, November 30, 2016, pages 12-16, lines 1-18, 1-22, 1-15, and 1-9.

¹⁴ ER-2016-0285, Staff's CCOS Report, page 34, lines 16-17.

¹⁵ *Ibid*, page 33, lines 9-12.

1 **Q. Staff also states that, “Rates can be blocked so that demand-related costs are**
2 **recovered on an annual-average sale of energy in the first block of each season.”¹⁶**

3 **Are there other methods by which demand-related costs can be recovered?**

4 **A. Yes. Although Staff’s example for a winter rate design involves declining block rates**
5 **with recovery of demand-related costs in the initial rate block,¹⁷ the summer flat or**
6 **inclining block rate design that Staff describes¹⁸ could conceivably be used to recover**
7 **these same types of costs during the winter as well. Staff’s statement regarding how a**
8 **declining block rate design accounts for lower energy costs outside of summer¹⁹ ignores**
9 **the facts that 1) declining block rate designs encourage additional usage compared to flat**
10 **or inclining block rates (e.g., additional space heating and exterior lighting), and 2)**
11 **encouraging additional usage incurs both additional energy costs and additional**
12 **requirements for plant investment. While cost causation should be considered when**
13 **designing rates, the price signals sent by these rates should also be considered to avoid**
14 **additional usage and investments.**

15 **Q. Is the collection of demand-related costs through the first rate block akin to a**
16 **customer charge?**

17 **A. For many customers, yes. In my Direct Testimony, I provided an analysis of residential**
18 **customer usage data which shows that average residential usage exceeds the Company’s**
19 **first winter block cut-off (600 kWh) in all but three months.²⁰ Effectively, residential**

¹⁶ *Ibid*, page 29, lines 17-19.

¹⁷ *Ibid*, lines 20-23.

¹⁸ *Ibid*, lines 23-25.

¹⁹ *Ibid*, lines 20-23.

²⁰ Missouri Public Service Commission Case No. ER-2016-0285, *In the Matter of Kansas City Power & Light Company’s Request for Authority to Implement A General Rate Increase for Electric Service*, Direct Testimony of

1 customers with average use are required to pay for demand-related costs irrespective of
2 their total usage during peak, a practice which does not follow cost causation. Customers
3 that use more during peak should pay for the highest share of demand related costs.

4 **Q. Does Staff's method of cost allocation distinguish between rate blocks by month?**

5 A. No. Staff's class cost of service study is based on monthly class coincident and non-
6 coincident peak demand, as well as the energy used by the Company's classes; however,
7 the study uses a Detailed Base, Intermediate, and Peak methodology which calculates
8 class-level base, intermediate, and peak demands – not demands based on the Company's
9 rate blocks.²¹ Using the first winter rate block to recover demand-related costs does not
10 appear to have a basis in cost causation.

11 **IV. ELECTRIC VEHICLES**

12 **Q. Does DE support the rate structure proposed by the Company for its EVCSs?²²**

13 A. DE supports the use of charges based upon energy consumption, as included in KCP&L's
14 proposed CCN rate. However, DE has concerns with the proposed "Session Charge,"
15 under which host sites would be able to determine additional charges based on time spent
16 charging.

17 **Q. What are DE's concerns with the Session Charge?**

18 A. First, the Session Charges have no basis in cost causation. The charges are not based on
19 the cost of any equipment used to provide electric service, since this cost is already

Martin R. Hyman on Behalf of Missouri Department of Economic Development – Division of Energy, December 14, 2016, page 24, line 7.

²¹ ER-2016-0285, Staff's CCOS Report, page 6, lines 2-3, and workpapers of Staff witness Mr. James A. Busch, "Staff CCOS allocators_KCPL.xlsx."

²² Missouri Public Service Commission Case No. ER-2016-0285, *In the Matter of Kansas City Power & Light Company's Request for Authority to Implement A General Rate Increase for Electric Service*, Information Filed in Accordance with 4 CSR 240-3.030 – Minimum Filing Requirements for Utility Company General Rate Increases, July 1, 2016, Appendix 1 – Proposed Tariff Change Schedules, Public Electric Vehicle Charging Station Service – Schedule CCN, Sheet Nos. 24-24B.

1 covered in the average energy prices used to set the CCN tariff's energy charges.²³
2 Additionally, no demonstration has been made that there is a need for Session Charges;
3 no evidence has been provided that EV drivers linger at EVCSs for a significant amount
4 of time past charging completion. Finally, it should be noted that EVs do not all charge at
5 the same speed.²⁴ As a result, some EV drivers will spend longer at charging stations than
6 others. It is not fair to penalize drivers who have to spend longer at charging stations
7 purely based on the technological capabilities of their vehicles. KCP&L's proposed CCN
8 tariff provides hosts with the option to implement Session Charges beginning when EV
9 drivers are still charging,²⁵ which would create the unfair treatment that I just described.

10 **Q. If the Commission determines that Session Charges are appropriate, does DE**
11 **support allowing host sites to determine Session Charge levels?**

12 **A.** No. Allowing host sites to determine any of the charges for a utility service would
13 potentially subject EV drivers to many different charge levels and requirements without
14 any basis in cost causation or a demonstration of the necessity of the charges. The
15 Commission should reject the Session Charges proposed by the Company, but order the
16 Company to file compliance tariffs for CCN use otherwise consistent with the rates
17 already proposed.

²³ ER-2016-0285, Rush Direct, page 22, lines 6-10.

²⁴ Missouri Public Service Commission Case No. ET-2016-0246, *In the Matter of the Application of Union Electric Company d/b/a Ameren Missouri for Approval of a Tariff Setting a Rate for Electric Vehicle Charging Stations*, Rebuttal Testimony of Mr. Douglas B. Jester on Behalf of Sierra Club, November 29, 2016, page 6, lines 11-14.

²⁵ ER-2016-0285, Rush Direct, page 26, lines 15-16.

1 **Q. What does Staff recommend that the Company report on in relation to the CCN?**

2 A. Staff recommends that the Company report on the items described in its report in EW-
3 2016-0123. These items include how EVs fit into the Company's load profile, their
4 effects on other customers' bills, and the impacts of new technologies on EV charging.²⁶

5 **Q. Does DE support this type of reporting?**

6 A. Yes. Reporting on these items will be crucial to both the Company's and regulators'
7 abilities to learn from the CCN. Learning about the CCN's effects on the Company's
8 system – and market developments which could impact the CCN – can inform future
9 Commission decisions about EVCSs.

10 **Q. Both Staff²⁷ and OPC²⁸ support an optional time-of-use ("TOU") rate for EV**
11 **drivers. Does DE agree?**

12 A. As stated in my Direct Testimony, TOU rates should be available broadly to all
13 customers within the applicable customer class.²⁹ The Commission should not single out
14 particular end uses in designing its rates; TOU rates should be available to anyone in a
15 particular class to encourage load shifting regardless of the end use. Participants should
16 be free to choose which end uses to shift, whether the uses happen to be EV charging,
17 washing clothes, or adjusting thermostats.

²⁶ ER-2016-0285, Staff Report – Revenue Requirement Cost of Service, page 174, lines 8-24.

²⁷ ER-2016-0285, Staff's Report Responding to Certain Commission Questions, page 7.

²⁸ ER-2016-0285, Marke Direct (PSC Issues), page 3, lines 4-8.

²⁹ ER-2016-0285, Hyman Direct, page 5, lines 13-21.

1 **Q. Mr. Jester suggests that the Commission allow third parties to purchase electricity**
2 **from KCP&L to supply EV charging, and that the Commission also allow either the**
3 **use of unconstrained or CCN-based energy charges (and potentially session charges)**
4 **by these third parties in selling charging services.³⁰ What is DE's position on the**
5 **ability of third party providers to provide EV charging services?**

6 **A. DE supports enabling competition in the EV charging market by examining the**
7 **Company's tariff sheets to determine how third-party EV charging providers could be**
8 **allowed to sell electricity to drivers, potentially by designing a wholesale rate. Resale**
9 **rates charged for electricity by these third parties should be regulated by the Commission**
10 **to avoid anti-competitive practices and the potential for "price gouging." For the reasons**
11 **stated above, session charges should not be permitted at this time.**

12 **V. OTHER ISSUES**

13 **A. ADVANCED METERING INFRASTRUCTURE OPT-OUT**

14 **Q. Staff supports an opt-out ability for residential customers who do not want AMI**
15 **meters.³¹ What is DE's position?**

16 **A. DE does not oppose allowing customers to opt out of AMI meter installation, provided**
17 **that, as Staff proposes,³² all costs are borne by these opt-out customers. Customers with**
18 **AMI meters should not bear the costs of those who voluntarily opt out.**

³⁰ ER-2016-0285, Jester Direct (CCN), pages 17, lines 1-12.

³¹ ER-2016-0285, Staff's Report Responding to Certain Commission Questions, pages 3-4.

³² *Ibid*, page 3.

1 **B. PEAK TIME REBATE PILOT**

2 **Q. Staff indicates that it is working with the Company on a geographically limited peak**
3 **time rebate pilot program.³³ Does DE support this type of program?**

4 **A.** Yes. DE is interested in the pilot, as well as in participating in future discussions between
5 the Company and Staff over program design.

6 **Q. Does DE have any comments on Staff's outlined approach?**

7 **A.** On an initial pilot basis, DE does not necessarily disagree with limiting the geographic
8 availability of such a program based on equipment compatibility. Generally, demand
9 response rates should be available to all customers within a particular customer class
10 without regard to specific customers' circumstances. Staff's recommendation for a
11 geographically limited pilot is based on mitigating distribution system upgrades;³⁴
12 however, broadening the availability of the pilot is beneficial since any shift in load could
13 mitigate the need for transmission and generation upgrades or additions.

14 **C. PROPERTY ASSESSED CLEAN ENERGY FINANCING**

15 **Q. Dr. Marke writes, "It is OPC's understanding that PACE financing is largely**
16 **unavailable to residential properties unless said property is wholly owned by the**
17 **resident."³⁵ Does DE agree?**

18 **A.** PACE financing would certainly have to be undertaken by a property owner, but the
19 owner does not have to be the resident at the property. A landlord may have a smaller
20 incentive to undertake PACE financing if he or she does not pay the utility bills at a
21 property, but that does not preclude their participation in PACE financing. If the property

³³ *Ibid*, page 8.

³⁴ *Ibid*.

³⁵ ER-2016-0285, Marke Direct (PSC Issues), page 4, footnote 2.

1 owner does pay utility bills at a property, then they have ample incentive to participate in
2 PACE financing.

3 **Q. Staff states that residential PACE financing is only available in Jackson County.³⁶**
4 **Has PACE expanded into other counties?**

5 **A.** Yes. As of the time of filing Direct Testimony, in the Kansas City metropolitan area
6 residential PACE had expanded into the Cities of Kansas City (Clay, Platte, and Jackson
7 Counties), North Kansas City, Lee's Summit, Blue Springs, Buckner, Grain Valley,
8 Grandview, Greenwood, Levasy, Lone Jack, Lake Lotawana, Lake Tapawingo, Raytown,
9 Sugar Creek, River Bend, Sibley, Unity Village, Oak Grove, and Pleasant Hill, as well as
10 unincorporated Jackson County.³⁷ PACE has also recently expanded into many parts of
11 the St. Louis metropolitan area.³⁸ The Missouri Clean Energy District has contracted with
12 Renovate America to administer residential PACE financing. Renovate America has
13 closed on 70 projects to date.³⁹

14 **D. VALUE OF SOLAR**

15 **Q. Ms. Oakley provides support for a "value of solar" program.⁴⁰ Does the Missouri**
16 **Comprehensive State Energy Plan ("CSEP") support this type of recommendation?**

17 **A.** Yes. The CSEP includes a recommendation to, "Establish a 'Value of Solar' calculation
18 **for all net-metered customers that includes costs associated with the use of the grid as**

³⁶ ER-2016-0285, Staff's Report Responding to Certain Commission Questions, page 9.

³⁷ Renovate America. 2016. "Kansas City Metro Area." Home Energy Renovation Opportunity ("HERO").
<https://www.heroprogram.com/mo/kansas-city-metro>.

³⁸ In the St. Louis metropolitan area, the participating jurisdictions are Franklin County, unincorporated areas in St. Charles County, and the Cities of Arnold, Ballwin, Bellefontaine Neighbors, Berkeley, Black Jack, Charlack, Chesterfield, Cottleville, Crestwood, Creve Coeur, Dardenne Prairie, Ellisville, Eureka, Ferguson, Florissant, Hazelwood, Kirkwood, O'Fallon, Olivette, St. Ann, St. Charles, St. Peters, Town and Country, University City, Valley Park, and Wentzville. See: Renovate America, 2016, "St. Louis Metro Area," Home Energy Renovation Opportunity ("HERO"), <https://www.heroprogram.com/mo/st-louis-metro>.

³⁹ Campbell, Josh. 2016. Personal communication.

⁴⁰ ER-2016-0285, Oakley Direct, page 7, lines 6-20.

1 well as benefits provided by solar (or other distributed) generation” (emphasis added).⁴¹

2 The value of solar should be determined comprehensively for all customers by including
3 both the costs and associated benefits (e.g., avoided plant investment, pollution
4 reduction) of using distributed generation.

5 **Q. Are there reasons why a general utility rate case is not the best venue for**
6 **determining the value of solar?**

7 A. DE would caution that proceedings to determine the value of solar should occur with
8 input from multiple utilities (and other stakeholders) rather than in cases specific to
9 individual utilities. Separate proceedings for each individual utility would create
10 confusion and uncertainty for solar market participants and customers, and would risk a
11 lack of uniformity in the inputs and outputs produced.

12 **E. ENERGY EFFICIENCY**

13 **Q. In supporting PAYS® financing, Dr. Marke makes passing reference to, “... cost**
14 **shifting expenditures for families that can least afford further electric burdens.”⁴²**

15 **Does Dr. Marke provide evidence that DSM programs shift costs onto lower-income**
16 **households?**

17 A. No. Dr. Marke’s assertion assumes that lower income customers are automatically
18 burdened by DSM programs, without regards to whether or not such customers are
19 participants in these programs or to the MEEIA law.

⁴¹ Missouri Department of Economic Development – Division of Energy. 2015. “Missouri Comprehensive State Energy Plan” (“CSEP”). <https://energy.mo.gov/energy/docs/MCSEP.pdf>. Page 229.

⁴² ER-2016-0285, Marke Direct (PSC Issues), pages 4-5, lines 25 and 1.

1 **Q. Does the MEEIA law provide assurances that low-income customers will benefit**
2 **from DSM programs?**

3 A. Yes. Under Section 393.1075.4, RSMo., DSM programs targeted to low-income
4 customers do not have to pass a cost-effectiveness test, ensuring that utilities can offer
5 these customers programs from which they will directly benefit. Additionally, under
6 Section 393.1075.6, RSMo., DSM-related charges may be reduced or eliminated for low-
7 income customers.

8 **VI. CONCLUSIONS**

9 **Q. Please summarize your conclusions and the positions of DE.**

10 A. DE does not support an increase to the Company's residential general use customer
11 charge, but does support movement towards inclining block rates. DE agrees with the use
12 of energy-based charges for the CCN, although DE does not support the option for host
13 sites to implement Session Charges at this time; additionally, DE supports the
14 examination of KCP&L's tariff sheets to determine how third-party EV charging
15 providers could be allowed to resell electricity to drivers, potentially by designing a
16 wholesale service rate. A program allowing customers to opt out of having AMI meters is
17 not objectionable so long as these opt-out customers fully bear the associated costs. A
18 peak-time rebate program should be available to a broad group of customers, although
19 limited geographic availability is acceptable on an initial pilot basis; DE supports the
20 concept of a pilot offering and would be willing to participate in future discussions about
21 the pilot. The value of solar concept should be addressed, although the forum for
22 addressing it should be broader than that afforded by a utility rate case.

1 Q. Does this conclude your Rebuttal Testimony in this case?

2 A. Yes.