

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

In the Matter of KCP&L Greater Missouri)
Operations Company’s Application) File No. ET-2014-0277
For Authorization To Suspend Payment)
of Certain Solar Rebates)

**COMMENTS OF RENEW MISSOURI CONCERNING
KCP&L-GMO’S APPLICATION FOR AUTHORITY
TO SUSPEND PAYMENT OF SOLAR REBATES**

COMES NOW Earth Island Institute d/b/a Renew Missouri (“Renew Missouri”), pursuant to 4 CSR 240-2.080, and for its Comments Concerning Kansas City Power & Light-Greater Missouri Operations Company’s (“KCP&L-GMO”) Application to Suspend Payment of Solar Rebates, states as follows:

INTRODUCTION

1. Renew Missouri does not oppose or challenge KCP&L-GMO’s ability to cease paying solar rebates for calendar year 2014 if the Commission properly grants the Company authority to do so, pursuant to Section 393.1030.3, RSMo. Pursuant to a Non-Unanimous Stipulation and Agreement filed in Case No. ET-2014-0059, Renew Missouri and the other Signatories have agreed “that they will not object to an application that is designed to cease payments beyond the specified level.”

2. Renew Missouri echoes the comments of the Missouri Solar Energy Industries Association (“MOSEIA”) and Brightergy, LLC concerning what should be considered in the Commission’s decision on the Company’s application.

**REQUIREMENTS OF SECTION 393.1030.3 MUST BE MET
BEFORE COMMISSION APPROVES KCP&L-GMO’S APPLICATION**

3. In addition, Renew Missouri urges the Commission to follow the requirements and procedures of Section 393.1030.3, RSMo. Without the requirements of Section 393.1030.3

being followed to the letter, the Commission cannot legally grant the Company the authority to suspend payment of solar rebates.

4. Specifically, Section 393.1030.3, RSMo identifies: 1) when a utility may apply for authority to cease paying rebates; 2) the process by which the Commission can grant authority to cease payments; and 3) the bounds of the authority that the Commission may grant:

If the electric utility determines the maximum average retail rate increase provided for in subdivision (1) of subsection 2 of this section will be reached in any calendar year, the electric utility shall be entitled to cease paying rebates to the extent necessary to avoid exceeding the maximum average retail rate increase if the electrical corporation files with the commission to suspend its rebate tariff for the remainder of that calendar year at least sixty days prior to the change taking effect. The filing with the commission to suspend the electrical corporation's rebate tariff shall include the calculation reflecting that the maximum average retail rate increase will be reached and supporting documentation reflecting that the maximum average retail rate increase will be reached. The commission shall rule on the suspension filing within sixty days of the date it is filed. If the commission determines that the maximum average retail rate increase will be reached, the commission shall approve the tariff suspension. The electric utility shall continue to process and pay applicable solar rebates until a final commission ruling, however, if the continued payment causes the electric utility to pay rebates that cause it to exceed the maximum average retail rate increase, the expenditures shall be considered prudently incurred costs as contemplated by subdivision (4) of subsection 2 of this section and shall be recoverable as such by the electric utility.

5. Thus, Section 393.1030 lays out the following clear requirements that must be met in order for a utility to suspend payments of solar rebates:

a. Utility must file an application 60 days prior to the time they believe they will meet or exceed the one percent cap.

b. This application must include all details and supporting documentation behind their calculation showing how and when the utility believes it will reach the maximum average retail rate increase.

c. The Commission must rule on the application within 60 days.

d. In order to approve suspension of solar rebates, the Commission must determine that the one percent retail rate impact limit will be reached.

e. The utility must continue to process and pay solar rebates until the Commission makes its final ruling, which includes a determination that the one percent retail rate impact limit will be reached.

6. So far, all that we can say has happened with certainty is that KCP&L-GMO has made a filing to suspend payment of solar rebates. The application was not accompanied by a calculation or any supporting documentation showing that the one percent limit will be reached. The Company has filed a new proposed tariff and the Direct Testimony of Tim M. Rush, but nowhere do either of these documents clarify the methodology with which the Company is approaching the calculation laid out in 4 CSR 240-20.100(5). The Company has provided the total amount of solar rebates applied for as of the date of the application (see Schedule TMR-1, KCP&L-GMO's Application for Authority to Suspend Payment of Solar Rebates, pg. 13). However, this number tells the Commission nothing regarding the following details of the calculation:

a. How the Company is amortizing or spreading out the costs of solar rebate payments?

b. How the Company has dealt with the costs of pre-existing renewable energy expenses (i.e. do these costs belong within the RES-compliant portfolio or the non-RES-compliant portfolio or neither?).

c. How the Company is discounting or valuing the benefits of renewable energy, such as fuel cost savings, savings due to reductions in peak demand, reductions in transmission and distribution costs, etc.

d. How the Company has met the Commission's requirement to assess the risk of greenhouse gas regulation (4 CSR 240-20.100(5)(B)).

7. The calculation and its supporting documentation are not trivial matters. The law is clear that the Commission "shall" determine that the one percent limit will be reached before approving the suspension of solar rebate payments. And the Commission needs the appropriate documentation to be able to make this required determination.

8. KCP&L-GMO has filed additional information about its RES compliance costs, such as the HC workpapers distributed to parties in Case No. EO-2014-0288. However, these workpapers merely include the Company's revenue requirements and planned RES expenses in coming years; they do not include all the details mentioned in paragraph 6 above. It is unclear if the Commission could even use these workpapers to accurately determine whether the one percent limit will be reached.

9. Regardless of whether KCP&L-GMO has met the legal requirement to file the necessary documentation, the Commission must still make its determination on the one percent before approving the Company's application to suspend. In Case No. ET-2014-0059, the Commission failed to make the determination that KCP&L-GMO would reach the one percent limit. This inaction is the subject of pending complaints on behalf of KCP&L-GMO customers who were denied solar rebates because the Company had reached the "specified level" (see Case No. EC-2014-0343). If the Commission fails to follow the requirements of Section 393.1030.3, RSMo, it is foreseeable that additional customers and stakeholders may choose to pursue similar complaints.

10. Section 393.1030.3, RSMo also places boundaries on the authority that the Commission may grant to a utility. Even if all the other requirements of Section 393.1030.3 are

met, the Commission may only authorize KCP&L-GMO to suspend solar rebate payments “to the extent necessary to avoid exceeding the maximum average retail rate increase...” Thus, even if the Commission does make the required determination on the one percent, KCP&L-GMO can only be authorized to suspend solar rebate payments if they would cause the Company to exceed the one percent. The only way this can be confirmed is if the Company provides all necessary supporting documentation behind its calculation and proves that such suspensions are necessary to avoid exceeding the one percent limit.

QUESTION AND ANSWER SESSION

11. In its May 19, 2014 Response filing, KCP&L-GMO suggested that the Commission schedule a question and answer session to resolve this case before the June 9 effective tariff date. Renew Missouri agrees with this suggestion, and urges the Commission to schedule a question and answer session open to all stakeholders wherein the Company could walk stakeholders through its calculation of the one percent limit.

WHEREFORE, Renew Missouri respectfully files these comments concerning KCP&L-GMO’s Application for Authority to Suspend Payment of Solar Rebates.

Respectfully Submitted,

/s/ Andrew J. Linhares

Andrew J. Linhares, # 63973
910 E Broadway, Ste. 205
Columbia, MO 65203
andrew@renewmo.org
(314) 471-9973 (phone)
(314) 558-8450 (fax)

ATTORNEY FOR EARTH ISLAND
INSTITUTE d/b/a RENEW MISSOURI

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been served electronically on all counsel of record this 22nd day of May, 2014.

/s/ Andrew Linhares
Andrew Linhares