# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of The Empire District Electric Company's	)
Application for Approval of a Community Solar Program for	) Case No. ET-2020-0259
Electric Customers in its Missouri Service Area	)

## **NOTICE OF TARIFF SUBMISSION**

COMES NOW The Empire District Electric Company d/b/a Liberty ("Liberty" or the "Company"), and provides notice of a new tariff sheet submission regarding the Company's community solar pilot program for electric customers in its Missouri service area. In this regard, Liberty respectfully states as follows to the Missouri Public Service Commission (the "Commission"):

# I. Background Information

- 1. The offering of a Community Solar Pilot Program to Liberty's customers demonstrates the Company's commitment to sustainability by offering a renewable energy source for customers. Additionally, as part of the resolution of Commission Case No. EM-2016-0213, Liberty agreed to review and consider the viability of offering a community solar or solar subscription program.
- 2. On February 25, 2020, Liberty filed its Notice of Intended Case Filing, stating its intent to seek the Commission's approval of a "Community Solar Pilot Program" to provide electric customers the opportunity to voluntarily subscribe to the generation output of solar facilities connected to the Company's distribution system and owned and operated by the Company within its service or certificated territories. The Application and proposed tariff sheets were filed herein on April 17, 2020.
- 3. In an order issued September 30, 2020, effective October 15, 2020, the Commission approved a tariff (No. YE-2021-0062) to implement Liberty's Community Solar Pilot Program.

A revised tariff to correct a minor error was submitted, and this revised tariff took effect by operation of law on November 15, 2020.

#### II. Participation in Liberty's Community Solar Pilot Program

- 4. In its Application, Liberty explained it had "worked in cooperation with stakeholders, including a large retailer, to devise a pilot program that will be attractive to commercial and residential customers alike. Unlike the rooftop solar rebate program, customers enrolling in the Community Solar Pilot Program will not add a financial burden to customers who choose not to participate in the Community Solar Pilot Program."
- 5. The Application also explained that there is an apparent need for Liberty's Community Solar Pilot Program. "Missouri electric customers, both commercial and residential, are installing rooftop solar to meet renewable energy goals and to reduce monthly energy bills. The Company also believes there is a base of customers who either cannot or do not wish to place solar panels on their homes or businesses, but still desire to support the development of renewable energy. Further, the Community Solar Pilot Program will allow the Company to satisfy the utility-owned solar investment required by RSMo. 393.1665 (Senate Bill 564)."
- 6. Under the Community Solar Pilot Program, participating customers enroll in an account via a participant agreement through which they subscribe to and purchase solar blocks of five hundred watts each. Although not proposed by the Company, the Community Solar Pilot Program which was ultimately agreed to by the parties and approved by the Commission includes an upfront subscriber fee of \$25 per block.
- 7. The Company has vigorously advertised its Community Solar Pilot Program, but, at this time, there are subscriptions for only 3.4% of the available blocks. The Company promotes the advantages of the program, explaining the potential rate increase protection and carbon

footprint reduction. Unfortunately, however, many potential participants indicate that it boils down to annual electric bill savings and that they are not interested if the analysis shows it is almost a "wash." The lack of subscriptions since the tariff for the Community Solar Pilot Program took effect appears to be directly tied to the per block, upfront subscriber fee of \$25.

8. Although subscriptions are low, Liberty has received more than 100 inquiries on the program. Most potential participants do not respond after receiving the financial analysis. The potential participants who have stated a reason for not moving forward, however, have stated "payback" as the issue. Potential participants are concerned that their return advantage would take several years with a \$25.00 per block, upfront cost. For example, one potential subscriber responded as follows: "Ok. Well, based on that projection it would take almost 8 years to recover my participation fee of \$150! Thanks much for your time, but I'll pass." Another potential participant stated: "So, after looking over the data. Based on your website, am I to understand this would save me \$20 a year? That doesn't include the \$200 initial fee, correct? So it would take me 10 years, the life of the contract, to break even."

# III. Requested Changes to the Tariff for the Community Solar Pilot Program

- 9. Attached hereto are redlined tariff sheets showing all changes proposed by the Company at this time.
- 10. As explained above, potential participants are opposed to the upfront subscriber fee, and the Company proposes to remove that fee, consistent with the Company's original proposal for its Community Solar Pilot Program.
- 11. Additionally, the tariff sheets being submitted today correct a typographical error and reflect that the solar facility is now in operation and that all costs of construction are now known.

The tariff sheets currently in effect provide that the per block solar facility charge and expected annual energy are "TBD." The proposed changes to sheet no. 25c are necessary in order for

Liberty customers to begin receiving service under the Community Solar Pilot Program.

WHEREFORE, Liberty submits this Notice of Tariff Submission and requests that the tariff sheets filed on this date be allowed to take effect by operation of law thirty days hereafter. Liberty requests such additional relief as is just and proper under the circumstances.

Respectfully submitted,

/s/ Diana C. Carter

Diana C. Carter MBE #50527
THE EMPIRE DISTRICT ELECTRIC COMPANY

428 E. Capitol Ave., Suite 303 Jefferson City, Missouri 65101

Joplin Office Phone: (417) 626-5976

Cell Phone: (573) 289-1961

E-Mail: Diana.Carter@LibertyUtilities.com

**VERIFICATION** 

On behalf of The Empire District Electric Company d/b/a Liberty, the undersigned, upon his oath and under penalty of perjury, hereby states that the above representations are true and correct to the best of his information, knowledge, and belief.

/s/ Greg Tillman

Greg Tillman

Central Region Senior Manager, Rates and

Regulatory Affairs

4

# **CERTIFICATE OF SERVICE**

I hereby certify that the above document was filed in EFIS on this 2<sup>nd</sup> day of July, 2021, and sent by electronic transmission to all counsel of record, including the Staff of the Commission and the Office of the Public Counsel.

/s/ Diana C. Carter