

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

In the Matter of Kansas City Power & Light)
Company's Submission of its 2014 Renewable) File No. EO-2015-0263
Energy Standard Compliance Report)

MISSOURI DIVISION OF ENERGY'S COMMENTS

The Missouri Department of Economic Development – Division of Energy (DE), pursuant to 4 CSR 240-20.100, respectfully submits the following comments in response to the 2014 Renewable Energy Standard (RES) Compliance Report of Kansas City Power & Light Company (KCP&L).

1. DE confirms that it has certified all renewable energy generation facilities referred to in KCP&L's Compliance Report, including Spearville Wind Energy Facility (Spearville I and II), Spearville 3 Wind Energy Facility, Cimarron II Wind Farm, KCP&L-owned commercial solar PV systems, and solar RECs from out-of-state solar facilities pursuant to 4 CSR 340-8.010.
2. The solar rebate settlement in Case No. EO-2014-0071, which capped KCP&L's solar rebate payments at \$36.5 million incurred subsequent to August 31, 2012, has had significant impacts on both near-term RES compliance and long-term solar energy resources development and acquisition. In its comments in Case No. EO-2014-0287, DE stated:

"DE performed a rough estimation of S-RECs generated from KCP&L's customer-solar systems using the projected monthly amount of solar rebate from Mr. Tim M. Rush's direct testimony filed on September 18, 2013 in Case No. ET-2014-0071.

Using a conservative approach which includes only the projected customer-solar installations from September to December 2013 and excludes banked S-RECs from previous years, DE's calculation indicates that the amount of S-RECs generated from customer-solar systems installed in this period was more than eighty percent of KCP&L's 8,603 S-RECs requirement in 2014. It should be emphasized that this conservative result didn't include any previously banked S-RECs or any projected S-RECs from customer-solar systems installed in 2014." Thus, DE questions why KCP&L continued using the large number of out-of-state S-RECs even though KCP&L controls S-RECs associated with customer-owned solar systems subject to rebates under KCP&L's Solar Photovoltaic Rebate Program (Schedule SR). Unlike the purchased out-of-state S-RECs, the S-RECs from customer-owned systems have no associated incremental cost and could apparently meet roughly eighty percent of KCP&L's RES solar requirement for compliance year 2014.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been served electronically on all counsel of record this 5th day of June, 2015.

/s/Alexander Antal
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