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Exhibit No.:
Issues: Solar rebates
Witness: Brenda Wilbers
Sponsoring Party: Missouri Department of
Economic Development –
Division of Energy
Type of Exhibit: Surrebuttal Testimony
Case No.: ET-2014-0071

SURREBUTTAL TESTIMONY

OF

BRENDA WILBERS

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

DIVISION OF ENERGY

SEPTEMBER 30, 2013

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

KANSAS CITY POWER & LIGHT COMPANY
TO SUSPEND SOLAR REBATE TARIFFS

CASE NO.ET-2014-0071

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

In the Matter of Kansas City Power and)
Light Company's Application for)
Authorization to Suspend Payment of Certain)
Solar Rebates)

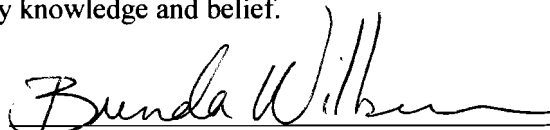
Case No. ET-2014-0071

AFFIDAVIT OF BRENDA WILBERS

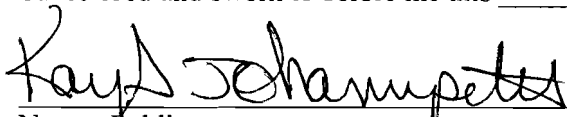
STATE OF MISSOURI)
) ss
CITY OF JEFFERSON)

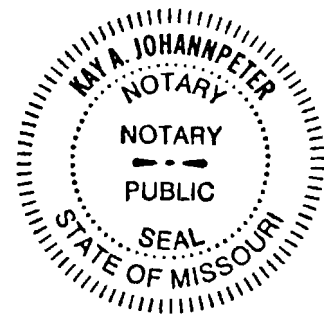
Brenda Wilbers, of lawful age, being first duly sworn, deposes and states:

1. My name is Brenda Wilbers. I am employed by the Missouri Department of Economic Development -- Division of Energy as Program Director.
2. Attached hereto and made a part hereof for all purposes is my Surrebuttal Testimony on behalf of the DED 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 and belief.

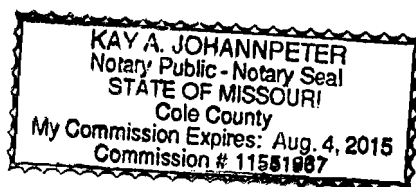

Brenda Wilbers

Subscribed and sworn to before me this 30th day of September 2013.


Notary Public



My commission expires:



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

2 A. My name is Brenda Wilbers. My business address is 1101 Riverside Drive,
3 Jefferson City, MO 65101.

4

5 **Q. By whom are you employed and in what capacity?**

6 A. I am Program Director with the Missouri Division of Energy. Effective August 28,
7 2013 the Division of Energy was transferred from the Department of Natural
8 Resources to the Department of Economic Development by Governor Nixon's
9 Executive Order 13-03 issued on February 4, 2013.

10

11 **Q. Please describe your education and experience.**

12 A. I have 22 years of experience in energy and environmental policy with the
13 Department of Natural Resources (DNR) and DNR Director's Office and I am
14 currently responsible for two program areas in the Division of Energy: energy
15 policy and energy efficiency programs. I have degrees in Business Administration
16 from Lincoln University and a Master of Public Administration from the University
17 of Missouri-Columbia.

18

19 **Q. What is the purpose of your testimony?**

20 A. To respond to rebuttal testimony of several parties, primarily Mr. Blake and Dr.
21 Hausman.

22

23 **Q. Mr. Blake and Dr. Hausman both expressed concerns with including the**
24 **costs of the renewable resource addition in KCP&L's integrated resource**
25 **plan in 2019 in the calculation of retail rate impact (RRI).¹ What is your**
26 **response?**

¹ Rebuttal testimony, Mr. Blake, pg. 8-9; Rebuttal testimony, Dr. Hausman, pg.9-11

1 A. Literal interpretation and application of the PSC's Renewable Energy Standard
2 (RES) rule regarding calculation of the rate impact of compliance may not
3 adequately consider the market realities or implications of the RRI calculation,
4 especially in light of the link to integrated resource planning (IRP). The
5 changeability and uncertainty of preferred resource plans is built into the
6 Commission's IRP rule where "if the utility determines that the preferred resource
7 plan or acquisition strategy is no longer appropriate," the plan can be changed with
8 a 60-day filing.² A utility's preferred resource plan may include the acquisition of
9 renewable energy in future years, but the utility's actual decisions may result in a
10 change in the preferred plan due to any number of factors, including planned and
11 unplanned-for contingencies and management decisions.

12

13 **Q. Do you agree with the concerns that Mr. Blake stated regarding the solar**
14 **industry in Missouri and the significant ramifications of a Commission**
15 **decision in this case?**

16 A. Generally, the motivation for a renewable energy standard is to encourage the
17 increased use of renewable energy resources to generate power above and
18 beyond the status quo. The solar rebate provisions of Missouri's RES are resulting
19 in actual solar installations in the state, with associated energy savings,
20 environmental benefits, jobs and economic activity. The negotiated terms of HB
21 142 acknowledge and confirm that the solar installation boom days are a short-
22 term proposition. However, the fact that KCP&L filed to terminate rebates so soon
23 after HB 142's terms were negotiated with the solar industry would negate the
24 orderly phase-out that was intended.

25

² 4 CSR 240-22.080(12)

1 According to the Missouri Partnership, a nonprofit economic development
2 organization, Missouri solar installations have increased from 101 kilowatts in
3 2009 to over 7.8 megawatts (MW) in 2011, more than a 7,000% increase in three
4 years³. Mr. Blake's testimony states that Missouri has installed over 25 MW of
5 distributed solar generation since Missouri voters approved the RES in November
6 2008⁴; presumably this statistic also includes 2012 and 2013 information
7 contributing to the larger number than is cited by the Missouri Partnership. The
8 Missouri Solar Energy Industry Association (MOSEIA) reports at least 30 solar
9 installation businesses and a Missouri ranking of 6th in the country for solar jobs
10 with over 1,200 Missourians working in the solar industry. This economic growth is
11 undoubtedly largely attributable to Missouri's RES solar rebate requirement. Many
12 Missourians have embraced the solar option and committed themselves
13 financially. Therefore, it is important that a determination by the Commission on
14 whether the 1% RRI has been reached is based on accurate and reliable
15 information and applied in a manner that is consistent with the policy behind the
16 RES. It is appropriate to take into consideration the additional factors brought forth
17 in evidence in this case. Several witnesses, including Staff, MOSEIA and
18 Brightergy have brought into question whether the calculations are valid.

19
20 **Q. What are these concerns and what are the implications?**

21 A. The Missouri Division of Energy is concerned that the Commission is being
22 asked to make a determination to discontinue all solar rebates in the KCP&L
23 service territory with potentially adverse impacts on Missouri's solar energy
24 industry and consumers who have invested in solar energy installations in
25 anticipation of a solar rebate. Such determination will rely on an untested model

³ <http://www.missouripartnership.com/Industries/Energy-Solutions/CategoryID/13>

⁴ Rebuttal testimony, Mr. Blake, pg. 2

1 being used for the first time with this round of RES compliance filings. There are
2 several questions with the model used to calculate the RRI, different
3 interpretations of the process and data inputs used for the calculation, and
4 questions raised as to the proper categorization and accounting for solar rebate
5 costs. The Commission staff itself once stated that it “considers the level of detail
6 required for the rate impact calculation to be subjective” in dismissing the need for
7 KCP&L to perform the calculation in the previous RES compliance plan filing, and
8 with the assurance that the Company would closely watch the level of rebates, the
9 Staff recommended that a waiver should be granted even though not requested.
10 The Commission has at least the flexibility exercised and recommended by the
11 Staff in 2012.

12
13 **Q. What is your recommendation in this regard?**

14 A. The Missouri Division of Energy recommends consideration of a short-term
15 approach that allows a reasonable ramp-down of solar rebates to occur, as
16 contemplated by HB 142. This is appropriate due to the current circumstances
17 including an unexpected announcement that the 1% RRI threshold had been
18 reached and the use of a new model for the first-time calculation with data inputs
19 that are disputed. This first application of the RRI calculation demonstrates the
20 need for consideration of a more transparent process for such calculations. The
21 Commission has an opportunity to temper the adverse implications for the
22 Missouri customers who have embraced renewable energy installations in
23 Missouri and the solar industry that would result from terminating solar rebates
24 precipitously.

25
26 **Does this conclude your testimony?**

27 A. Yes.