

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

In the Matter of Staff’s Review of Commission	)	
Rules 4 CSR 240-20.060 (Cogeneration)	)	
4 CSR 240-3.155 (Filing Requirements for	)	<b>File No. EW-2018-0078</b>
Electric Utility Cogeneration Tariff Filings) and	)	
4 CSR 240-20.065 (Net Metering)	)	

**PUBLIC COUNSEL’S COMMENTS**

COMES NOW the Office of the Public Counsel (“Public Counsel”) and offers the attached memorandum containing Public Counsel’s response to the Commission’s request for comments on the cogeneration and net metering regulations. In the memorandum, Public Counsel discusses the need for, and status of, disclaimer language related to customer-owned solar installations.

Respectfully,

OFFICE OF THE PUBLIC COUNSEL

**/s/ Hampton Williams**  
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Public Counsel  
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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all counsel of record this 15<sup>th</sup> day of June 2018:

**/s/ Hampton Williams**

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## MEMORANDUM

To: Missouri Public Service Commission Official Case File,  
Case No. EW-2018-0078

From: Geoff Marke, Chief Economist  
Missouri Office of the Public Counsel

Subject: Commission Rules Related to Cogeneration and Net Metering

Date: June 15, 2018

### General Comments:

OPC appreciates the opportunity to re-file comments to the Commission regarding rule revisions related to cogeneration and net metering. The entirety of our comments are the same as our October 13, 2017 recommendations and are limited to proposing that customer disclaimer language regarding the purchase of rooftop solar be codified. As the Commission is well aware, disclaimer language is currently in place for each of the electric investor-owned utilities as a result of their most recently filed rate cases (ER-2016-0023 Empire District Electric, ER-2016-0156 KCPL Greater Missouri Operations, ER-2016-0179 Ameren Missouri, and ER-2016-0285 Kansas City Power and Light). The inclusion of similar disclaimer language into Commission rules will ensure needed consumer protection and transparency is codified moving forward.

It is worth noting, that no interveners objected to OPC's proposed language.

### Disclaimer Language:

If a ratepayer considers making a large-scale capital investment they should be cognizant of the risk involved with that purchase. In some ways, this is no different than any other long lived investment. For example, if you pay extra for an electric car, you run the risk that gas prices drop (or electric rates increase) after you buy the car and your financial calculation may result in a much higher cost. What is different about distributed generation (or energy efficiency) is that much of the risk is subject to Commission orders. With most financial risks, there is a chance the underlying prices will go up or down 5% but a much smaller chance that those prices will change by over 50%. However, this is exactly the sort of risk ratepayers who have elected to become more efficient face whenever a rate case is opened.

Ratepayers should be informed of the financial exposure that they are accepting by electing to purchase a photovoltaic ("PV") system. To that end, OPC has drafted disclaimer language alerting potential buyers that their PV systems are subject to possible future rules and/or rate changes which could have an impact on the economic assumptions behind their purchase.

This disclaimer would not regulate the financial contents of the solar provider's offer, but would require all residential customers who are considering rooftop solar to be aware that the price and

payback assumptions seen today are not static and, in part, subject to considerable regulatory oversight.

The disclaimer language would be included at the end of the Interconnection Application/Agreement for Net Metering Systems with Capacity of one hundred kilowatts (100 kW) or less application within the rules and state the following:

Disclaimer: Possible Future Rules and/or Rate Changes  
Affecting Your Photovoltaic (“PV”) System

- 1.) Your PV system is subject to the Commission’s current rates, rules and regulations. The Missouri Public Service Commission (“Commission”) may alter its rules and regulations and/or change rates in the future. If this occurs, your PV system is subject to those changes, and you will be responsible for paying any future increases to electricity rates, charges, or service fees from the Company.
  
- 2.) The Company’s electricity rates, charges, and service fees are determined by the Commission and are subject to change based upon the decisions of the Commission. These future adjustments may positively or negatively impact any potential savings or the value of your PV system.
  
- 3.) Any future electricity rate projections which may be presented to you are not produced, analyzed, or approved by the Company or the Commission. They are based on projections formulated by external third parties not affiliated with the Company or the Commission.

The undersigned warrants, certifies, and represents that the information provided in this form is true and correct to the best of my knowledge; and the installation meets all Missouri Net Metering and Solar Electric Rebate program requirements.

\_\_\_\_\_  
Print Name of Applicant

\_\_\_\_\_  
Print Installer’s Name

\_\_\_\_\_  
Applicant’s Signature

\_\_\_\_\_  
Installer’s Signature

\_\_\_\_\_  
If Applicant is a Business, Print/Title/Authority  
of Person Signing on behalf of Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date


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

**AFFIDAVIT OF GEOFF MARKE**

STATE OF MISSOURI     )  
                                  )     SS.  
  
COUNTY OF COLE     )

COMES NOW GEOFF MARKE and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *In the Matter of Staff's Review of Commission Rules 4 CSR 240-20.060 (Cogeneration), 4 CSR 240-3.155 (Filing Requirements for Electric Utility Cogeneration Tariff Filings and 4 CSR 240-20.065 (Net Metering)*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

  
\_\_\_\_\_  
Geoff Marke  
Chief Economist

**JURAT**

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 15<sup>th</sup> day June, 2018.



JERENE A. BUCKMAN  
My Commission Expires  
August 23, 2021  
Cole County  
Commission #13754037

  
\_\_\_\_\_  
Jerene A. Buckman  
Notary Public

My Commission expires August 23, 2021.