

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

In the Matter of KCP &L Greater Missouri)	
Operations Company's Residential Lighting)	<u>File No. ET-2015-0076</u>
and Appliance Program Tariff)	Tracking No. JE-2015-0125

**STAFF RECOMMENDATION FOR APPROVAL OF TARIFF SHEET FOR THE
RESIDENTIAL LIGHTING AND APPLIANCE PROGRAM**

COMES NOW Staff of the Missouri Public Service Commission, by and through counsel, and submits this Staff Recommendation to the Missouri Public Service Commission ("Commission") recommending that the Commission approve this tariff sheet to go into effect on October 22, 2014. In support of its Recommendation, Staff respectfully states the following:

1. On October 7, 2014, the Staff filed *Staff's Recommendation Regarding Expedited Treatment of GMO's Revised Tariff Sheet* recommending that the Commission not approve GMO's motion for expedited treatment¹ because GMO had not provided information necessary for Staff's review of the proposed tariff sheet and would not be able to do so before October 8.
2. On October 9, GMO provided Staff with adequate information for Staff to make its recommendation supporting the proposed tariff change for reasons more fully explained in Staff's Memorandum attached as Appendix A.
3. Staff has verified that GMO has filed its calendar year 2013 Annual Report and is not delinquent on any assessment.

¹ On September 22, 2014, GMO filed its proposed tariff sheet bearing an effective date of October 22, 2014, and with it a motion for expedited treatment requesting an effective date of October 2, 2014.

WHEREFORE, Staff prays the Commission accept its Recommendation and either issue an order approving the following tariff sheet as filed on September 22, 2014, to become effective on October 22, 2014, or to allow it to go into effect by operation of law that same date:

MO.P.S.C. SCHEDULE NO. 1

3rd Revised Sheet No. R-64.01, Cancelling, 2nd Revised Sheet No. R-64.01

Respectfully submitted,

/s/ Robert S. Berlin

Robert S. Berlin
Deputy Counsel
Missouri Bar No. 51709
Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 526-7779 (Telephone)
(573) 751-9285 (Fax)
bob.berlin@psc.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served electronically on this 10th day of October, 2014 to the parties of record as set out on the official Service List maintained by the Data Center of the Missouri Public Service Commission for this case.

/s/ Robert S. Berlin

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
File No. ET-2015-0076, Tariff Tracking No. JE-2015-0125
KCP&L Greater Missouri Operations Company

FROM: Hojong Kang, Regulatory Economist III

/s/ John Rogers 10/10/2014 /s/ Robert S. Berlin 10/10/2014
Energy Resource Analysis Unit / Date Staff Counsel's Office / Date

SUBJECT: Staff Recommendation For **Approval** Of Tariff Sheet For the Residential Lighting and Appliance Program

DATE: October 10, 2014

On September 22, 2014, KCP&L Greater Missouri Operations Company (“GMO”) filed one (1) proposed tariff sheet bearing an effective date of October 22, 2014. On September 22, 2014, GMO also filed a *Motion for Expedited Treatment* to request that the proposed tariff sheet have an effective date of October 2, 2014, instead of October 22, 2014. The Commission assigned the tariff sheet Tariff Tracking No. JE-2015-0125. On September 23, the Commission issued its *Order Establishing Time To Respond To Motion For Expedited Approval Of Tariff* and ordered that any party wishing to respond to GMO’s motion do so by September 29.

Because GMO did not provide Staff with adequate information to support its proposed tariff change until October 9, 2014, Staff was not able to recommend expedited treatment for the tariff filing as ordered by the Commission on September 23¹ and on September 29.²

Staff has completed its review and recommends the Commission approve the tariff sheet to go into effect on October 22, 2014.

With this tariff filing, GMO proposes to remove two (2) measures from the “Eligible Lighting and Appliance Measures” section of the Residential Lighting and Appliance Program’s tariff sheet: (1) Purchase Energy Star[®] Labeled Refrigerator, and (2) Install Programmable Thermostat. In paragraph 1 of GMO’s *Motion for Expedited Treatment*, GMO provides as its only support and justification for the revisions to the proposed tariff sheet: “These two measures

¹ On September 29, 2014, Staff filed its *Motion for Extension of Time to File Staff Response* and on the same day the Commission issued its *Order Extending Time To Respond To Motion For Expedited Approval Of Tariff* directing that any party wishing to respond to GMO’s *Motion for Expedited Treatment* shall do so no later than October 8, 2014.

² On October 7, 2014, Staff filed *Staff’s Recommendation Regarding Expedited Treatment of GMO’s Revised Tariff Sheet* explaining that GMO had not yet provided Staff with acceptable TRC test calculations for the two measures and - due to the absence of key GMO personnel - is not expected to do so before October 8. Thus, Staff recommended that the Commission issue an order denying GMO’s request for expedited treatment of its revised tariff sheet filed in Tariff Tracking No. JE-2015-0125.

didn't pass the Total Resource Cost screening in the 2013 Evaluation, Measurement and Verification Report prepared by Navigant Consulting, Inc.”³

However, upon review, Staff did not find Total Resource Cost⁴ (“TRC”) screenings in the Navigant EM&V Report and did not find any recommendations in the Navigant EM&V Report concerning the discontinuance of the two measures. When Staff asked GMO on September 26 where the TRC screenings for the two measures are located in the Navigant EM&V Report, GMO provided a delayed reply that the TRC screenings are not actually in the Navigant EM&V Report. Staff requested that GMO provide support for its recommendation to discontinue the two measures, and GMO provided Staff with TRC calculations for the two measures on September 26. However, Staff and GMO were not able to agree on the appropriateness of all of the inputs for the TRC calculation for the refrigerator measure provided by GMO on September 26 and again on October 3. Based on GMO’s TRC calculation for the refrigerator measure provided to Staff on October 9, Staff and GMO agree that both measures are not cost effective⁵ with a TRC of 0.41 for the programmable thermostat measure and with a TRC of 0.70 for the refrigerator measure. Staff requested that GMO file its work papers for the TRC calculations for both measures in Tariff Tracking No. JE-2015-0125 as supplemental information to support the revised tariff sheet.

STAFF RECOMMENDATION

Staff has reviewed the tariff sheet, as filed on September 22, 2014, GMO’s TRC analysis received on October 9, 2014 and the Navigant EM&V Report, and recommends the Commission approve the following tariff sheet to go into effect on October 22, 2014:

MO.P.S.C. SCHEDULE NO. 1

3rd Revised Sheet No. R-64.01 Cancelling 2nd Revised Sheet No. R-64.01

Staff has verified that GMO has filed its 2013 annual report and is not delinquent on any assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

³ Navigant Consulting, Inc. (“Navigant”) is GMO’s evaluation, measurement and verification (“EM&V”) contractor for its 2013 – 2015 MEEIA programs. MEEIA is The Missouri Energy Efficiency Investment Act (“MEEIA”), Section 393.1075, RSMo, Supp. 2012. On November 15, 2012, the Commission approved the Non-unanimous Stipulation and Agreement Resolving KCP&L Greater Missouri Operations Company's MEEIA Filing.

⁴ In Rule 4 CSR 240-3.164(1)(X), TRC is defined as: Total resource cost test, or TRC, means the test of the cost-effectiveness of demand-side programs that compares the avoided utility costs to the sum of all incremental costs of end-use measures that are implemented due to the program (including both utility and participant contributions), plus utility costs to administer, deliver, and evaluate each demand-side program.

⁵ Programs with a TRC greater than 1.0 are cost effective.

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

In the Matter of KCP&L Greater)
Missouri Operations Company's)
Residential Lighting and Appliance)
Program Tariff)
Case No. ET-2015-0076

AFFIDAVIT OF HOJONG KANG

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Hojong Kang, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.


Hojong Kang

Subscribed and sworn to before me this 10th day of October, 2014.

LAURA BLOCH
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: June 21, 2015
Commission Number: 11203914



Notary Public