

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

In the Matter of Kansas City Power & Light)	
Company's Submission of Its 2017 Renewable)	<u>File No. EO-2018-0288</u>
Energy Standard Compliance Report)	

**STAFF REPORT ON KANSAS CITY POWER & LIGHT COMPANY'S
2017 RENEWABLE ENERGY STANDARD COMPLIANCE REPORT
AND RESPONSE TO REQUEST FOR WAIVER**

COMES NOW the Staff of the Missouri Public Service Commission, by and through undersigned counsel, and submits its Staff Report on Kansas City Power & Light Company's 2017 Renewable Energy Standard Compliance Report and Response To Request For Waiver to the Missouri Public Service Commission (Commission). In further support, Staff states:

1. On April 18, 2018, Kansas City Power & Light Company ("KCPL" or "Company") filed its 2017 Renewable Energy Standard (RES) Compliance Report (2017 RES Compliance Report) for calendar year 2017 as required by rule¹ and a Request For Waiver. The Company filed a revised 2017 RES Compliance Report on May 22nd to clarify certain items in its initial filed report.

2. Commission rule 4 CSR 240-20.100(8) states in part:

...Each electric utility shall file an RES compliance report no later than April 15 to report on the status of both its compliance with the RES [renewable energy standard] and its compliance plan as described in this section for the most recently completed calendar year...

3. Rule 4 CSR 240-20.100(8)(A) specifies what information the utility must provide in its annual RES Compliance Report.

¹ That same day KCPL also filed its 2018 Renewable Energy Standard Compliance Plan for calendar years 2018 – 2020 in file no. EO-2018-0290.

4. Rule 4 CSR 240-20.100(8)(D) provides that:

The staff of the commission shall examine each electric utility's annual RES compliance report and RES compliance plan and file a report of its review with the commission within forty-five (45) days of the filing of the annual RES compliance report and RES compliance plan with the commission. The staff's report shall identify any deficiencies in the electric utility's compliance with the RES.

5. On April 16, 2018, the Commission issued its *Order Directing Notice*, directing the Staff to file a report of its review of the Company's 2017 RES Compliance Report, and "...any interested person may file comments..." no later than May 29, 2018. On May 4, 2018, the Commission issued its *Order Setting Time For Filing* setting May 11, 2018 as a deadline for filing responses to applications to intervene. On May 14, 2018, the Commission granted the Missouri Division of Energy's timely application to intervene.

6. Staff has conducted its review of KCPL's 2017 RES Compliance Report, as revised by the Company on May 22nd, and has identified no deficiencies. Staff's report is contained in its *Memorandum*, attached hereto as Attachment A (in both Confidential and Public formats) and incorporated herein. However, the Staff recommends that KCPL evaluate and report its findings within 6 months of the filing of Staff's report to the Commission on the feasibility of creating a separate North American Renewables Registry (NAR) account for KCPL and KCP&L Greater Missouri Operations Company (GMO). In the past KCPL and GMO did not share renewable resources so it was clear which renewable energy credits (RECs) were associated with each company. However, both KCPL and GMO now use both Osborn and Rock Creek wind purchase power agreements (PPA's) which complicates RES reporting and the accounting of NAR fees.

7. In its April 13th Request For Waiver KCPL seeks a limited waiver from Commission rule 4 CSR 240-20.100(8)(A)1.I(V) which requires “All meter readings used for calculation of the payments referenced in part (IV) of this paragraph...” for renewable energy credits (RECs) purchased from a renewable energy resource not owned by the Company. KCPL states that good cause exists for the granting of this waiver because the meter reading information is not provided by the vendors from which the Company purchases RECs.² As in past RES compliance report Case Nos. EO-2017-0269 and EO-2016-0280 (KCPL) and EO-2017-0270 and EO-2016-0281 (GMO), the Company applied for similar limited waivers which the Staff recommended granting and the Commission approved them.

8. Under 4 CSR 240-20.100(11) the Commission has the discretion to grant a waiver or variance to a provision of the renewable energy standard rule upon a showing of good cause.³ For the same reasons discussed above in paragraph 7, Staff is of the opinion that good cause exists for this limited waiver and recommends the Commission grant the Company a limited waiver to Commission rule 4 CSR 240-20.100(8)(A)1.I(V).

9. The Staff is unaware of any other case currently pending before the Commission that will affect or be affected by a decision in this file other than File No. EO-2018-0290 opened by KCP&L when it filed its 2018 RES Compliance Plan.

WHEREFORE, the Staff submits its report for the Commission’s information and consideration regarding KCPL’s 2017 RES Compliance Report and prays the Commission grant KCPL a waiver to Commission rule 4 CSR 240-20.100(8)(A)1.I(V).

² The Company states that it is providing the invoice information requested by Staff and indicated that it will continue to do so.

³ *American Family Ins. Co. v. Hilden*, 936 S.W.2d 207 (Mo. App. W.D. 1996).

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by electronic mail, or First Class United States Postal Mail, postage prepaid, on this 25th day of May, 2018, to all counsel of record.

/s/ Robert S. Berlin