

Exhibit No.:

Issues: Time-Of-Use Rates for
Distributed Generation
Customers

Witness: Emily Piontek

Sponsoring Party: Renew Missouri Advocates

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MISSOURI PUBLIC SERVICE COMMISSION

ER-2024-0189

REBUTTAL TESTIMONY

OF

EMILY PIONTEK

ON BEHALF OF

RENEW MISSOURI ADVOCATES

August 6, 2024

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1 **I. INTRODUCTION**

2 **Q: Please state your name, title, and business address.**

3 A: My name is Emily Piontek and I am the Managing Director and Policy Coordinator of
4 Renew Missouri, which is headquartered at 915 East Ash St., Columbia, MO, 65201.

5 **Q: Are you same Ms. Piontek who filed direct testimony in Case No. ER-2024-0189?**

6 A: I am.

7 **Q: What is the purpose of your rebuttal testimony?**

8 A: My purpose is twofold. First, I respond to the Company’s position on the inclusion of its
9 distributed generation (“DG”) customers in all Time-Of-Use (“TOU”) rate plans, in part
10 by highlighting net metering statutes and TOU tariffs in other states where DG customers
11 participate in TOU plans. Second, I address the cost treatment of the Crossroads Energy
12 Center that was discussed by multiple witnesses in Direct Testimony.

13 **Q: What is your recommendation to the Commission in this case?**

14 A: As in my Direct Testimony, I recommend first that Evergy allow its DG customers to
15 participate in any of the TOU plans, and second, that Evergy be directed to include
16 information about (a) how TOU plan eligibility is being communicated to its DG customers
17 and (b) DG customer participation in the TOU plans, in the Company’s quarterly TOU
18 reports. Finally, I agree with the recommendation of Office of Public Counsel witness Ms.
19 Mantle for the rate base treatment of the Crossroads facility.

1 **II. TOU RATES & DG CUSTOMERS**

2 **Q: What has the Commission said regarding the issue of TOU rates for DG customers?**

3 A: On May 15, 2024, and prior to the case at hand, the Commission issued a Report and Order
4 in File No. ET-2024-0182 directing the parties to address TOU rates for DG customers in
5 this general rate case. The Report and Order stated, in pertinent part:

6 *“The Commission encourages Evergy, Staff, and any other party to bring a solution*
7 *for all customers being able to access all TOU rates in Evergy’s next rate cases*
8 *and/or when Evergy expands the SSP. All participants should be able to have*
9 *access to all TOU rates and Evergy should be moving forward and making progress*
10 *in this regard. Since Evergy Missouri West has a general rate case pending in File*
11 *No. ER-2024-0189, the Commission will make this a formal request in that case. I*
12 *In light of that Report and Order, the Commission will order Evergy, Staff, and any*
13 *other party who wishes to comment, to make proposals in their next rounds of*
14 *testimony that allow all residential customers the ability to utilize all TOU rates*
15 *(including net metering and solar subscription program customers).”¹*

16 **THE COMMISSION ORDERS THAT:**

17 *1. The parties shall respond in their next rounds of testimony as ordered above.*

18 Given the Commission’s Order in that case, as well as the benefits of customer-owned DG
19 and TOU rates that I renumerated in Direct Testimony, Renew Missouri recommends that
20 Evergy be ordered to reform DG netting and allow its DG customers to participate in any
21 rate option that is currently being offered. Renew Missouri notes that at the time of this
22 filing, tariffs to allow TOU access for all customers have not been offered by Evergy.

23 **Q: What has the Company said regarding the issue of TOU rates for DG customers?**

24 A: In its report to the Commission on the matter, Evergy has admitted there are no billing or
25 technical constraints to permitting customers with on-site net metered solar to participate

¹ Missouri Public Service Commission (“PSC”). Case No. ET-2024-0182, *In the Matter of Evergy Metro, Inc. d/b/a Evergy Missouri Metro’s and Evergy Missouri West, Inc. d/b/a Evergy Missouri West’s Solar Subscription Rider Tariff Filings*, “Report and Order”. (May 15, 2024).

1 in the Company’s time-based rate options.² Instead, Evergy stated that changes to the Net
2 Metering and Easy Connection Act would be in order.

3 **Q: What is your opinion of Evergy’s position?**

4 A: I do not agree with the Company. I am not an attorney, however, on advice of counsel, a
5 statutory change is unnecessary. Furthermore, the Company’s recommendation of a
6 statutory change does not adequately satisfy the Commission’s recent command in Case
7 No. ET-2024-0182 that Evergy “come forward with a cost-effective method to make all
8 TOU rates available to every customer”.³ Relying on a change to the statute would likely
9 be a contentious and uncertain process that would only further delay the opportunity at
10 hand to open TOU demand- and cost- savings opportunities to all the Company’s
11 customers.

12 **III. COMPARISON TO TOU PLANS OFFERED BY OTHER UTILITY COMPANIES**

13 **Q: Can you summarize the TOU On-Phase/Off-Phase proposal for DG customers you**
14 **proposed in Direct Testimony?**

15 A: Yes. Renew Missouri proposed the following arrangement: that Evergy simply account
16 for the time of day when excess solar production is sent by the DG customer back onto the
17 Company’ system. When excess solar generation is sent back during an on-peak period,
18 the customer would receive an "On-Phase Credit"; when excess generation is sent back
19 during the off-peak period, the customer would receive an "Off-Phase Credit". If this

² Case No. ER-2022-0129, *In the Matter of Evergy Metro, Inc. d/b/a Evergy Missouri Metro’s Request for Authority to Implement A General Rate Increase for Electric Service* and Case No. ER-2022-0130, *In the Matter of Evergy Missouri West, Inc. d/b/a Evergy Missouri West’s Request for Authority to Implement A General Rate Increase for Electric Service*, “Barriers to Net Metering Time of Use Rate Structures: Final Report”. (February 1, 2024). See Part II, “Examination of Barriers”, pp. 2-3.

1 simple arrangement were adopted, the Company would always offset the DG customer's
2 kilowatt-hour contribution rather than the price per watt.

3 **Q: In your Direct Testimony, you listed utility companies that offer TOU plans for DG
4 customers. Are any identical or comparable to the On-Phase/Off-Phase approach?**

5 A: Yes. I will attempt to describe several comparable tariffs that I am aware of below, starting
6 with those that most closely match our proposal. Also, during the technical conference held
7 on August 2, the Company's representative asked about applying a DG customer's export
8 credits to a given pricing period, so I have also noted where TOU plans do or do not allow
9 credits to be transferred across periods.

10 **Dominion Energy Virginia.** The TOU Off-Peak Plan for Dominion Energy's Virginia
11 customers with Net Energy Metering ("NEM") is identical to the On-Phase/Off-Phase
12 approach we recommend. However, Dominion's Off-Peak Plan further provides that any
13 credits for energy exports can only be reapplied to the tier during which they were accrued,
14 which our proposal does not address.

15 *"Under the Off-Peak Plan, the amount you are charged and/or credited will
16 correspond with the cost associated with that season, day, and time ... The credits
17 (when your system is sending electricity back to the grid) can only be applied to the
18 tier in which they are used. So, if you build credits during the on-peak hours, they
19 can only be applied to future on-peak hours."*⁴

20 **Duke Energy Progress.** The South Carolina arm of Duke Energy provides the Solar TOU
21 Plan ("R-STOU") for residential South Carolina DG customers on the Residential Solar
22 Choice Rider ("Rider RSC").⁵ As with our proposal, R-STOU nets energy exports within

⁴ Dominion Energy. "Virginia > Rates & Tariffs: Off-Peak Plan". (2024). Accessed at:
<https://www.dominionenergy.com/virginia/rates-and-tariffs/off-peak-plan>

⁵ Duke Energy Progress. "Residential Service, Solar Time of Use. Schedule R-STOU". (August 1, 2024). Accessed
at: [https://www.duke-energy.com/-/media/pdfs/for-your-home/rates/dep-sc/leaf-no-502-schedule-r-
stou.pdf?rev=76fdab5b875440a0a5068e97ec0c6563](https://www.duke-energy.com/-/media/pdfs/for-your-home/rates/dep-sc/leaf-no-502-schedule-r-stou.pdf?rev=76fdab5b875440a0a5068e97ec0c6563)

1 pricing periods. Unlike the Dominion Energy Off-Peak Plan, Duke Energy’s R-STOU Plan
2 does not restrict when a DG customer’s NEM credits may be applied. Rider RSC bills DG
3 customers according to General Provisions 5-7:

4 *“5. If the electricity delivered to the grid by the Customer-Generator exceeds the*
5 *electricity supplied by the Company during a monthly billing period for each TOU*
6 *period, the Customer-Generator shall be credited for the excess kilowatt-hours*
7 *(kWh) generated during that TOU period according to the monthly credit for*
8 *exported energy rate listed below.*

9 *6. If the electricity supplied to the Customer by the Company exceeds the electricity*
10 *delivered to the grid by the Customer-Generator during a monthly billing period*
11 *for each TOU period, the Customer-Generator shall be billed for the net electricity*
12 *in kWh supplied by the Company plus any demand or other charges under the*
13 *applicable rate schedule or riders.*

14 *7. Electricity supplied to the Customer by the Company and electricity delivered to*
15 *the grid by the Customer Generator will be netted within each TOU pricing period,*
16 *and the Customer will receive credits for any net excess energy in kWh generated*
17 *for that pricing period as described above.”⁶*

18 However, DG customers on R-STOU are compensated for exports at a set per kWh rate
19 rather than the rate corresponding to the price period when the generation was netted.

20 **Groton Electric Light Department (“GELD”)**. Massachusetts statute defines NEM
21 credits as being *“equal to the excess kilowatt-hours by time of use billing period, if*
22 *applicable”*.⁷ Accordingly, the municipal utility GELD offers the residential “Time-of-Use
23 Solar Rate Schedule”.⁸ This netting structure is the same as our proposal.

24 **Investor-owned utilities in Illinois**. Similarly, Illinois statute requires utilities to provide
25 NEM customers with rates that are identical in structure, retail rate components, and any

⁶ Duke Energy Progress. “Residential Solar Choice. Rider RSC”. (January 1, 2024). Accessed at: <https://www.duke-energy.com/-/media/pdfs/for-your-home/rates/dep-sc/leaf-no-663-rider-rsc.pdf?rev=b7e9f74e9f9be47f0b4639e91cbf303d7>

⁷ M.G.L. c. 164, § 138

⁸ Groton Electric Light Dept. “Time-of-Use Solar Rate Schedule – TS”. (2024). Accessed at: <http://www.grotonelectric.org/rates/tou-rates/#>

1 monthly charges to the rates of non-NEM customers.⁹ Although a 1:1 comparison is not
2 possible given Illinois IOUs are not vertically integrated and utilize real-time/hourly
3 pricing, both ComEd and Ameren Illinois recognize the time-dependent value of DG.

- 4 • ComEd offers “Hourly Pricing” to DG customers and calculates NEM credits at the
5 hourly market price at the time of generation.¹⁰
- 6 • Ameren Illinois offers its NEM customers the “Power Smart Pricing” or “Real
7 Time Pricing” plans, which net supply and transmission charges by the hour and
8 energy delivered by the total kWh used or exported each month.¹¹

9 **PSEG Long Island**. For DG customers on either of this utility’s TOU plans, credits for
10 energy exports are applied to the corresponding pricing period, although a recent rule
11 change now allows DG customers to transfer credits between periods (e.g., credits earned
12 during an off-peak period may be transferred to a peak period and vice versa).¹² Our
13 proposal does not address transferability, but PSEG Long Island’s period-based netting is
14 the same as our On-Phase/Off-Phase proposal.

15 **FirstEnergy Pennsylvania Electric Company**. FirstEnergy offers TOU default service
16 (“TOU-Default”) to residential DG customers of its Pennsylvania-based subsidiaries
17 (MetEd, Penelec, Penn Power, and West Penn Power). These utilities track NEM bills by
18 the on-peak, off-peak, and super off-peak hours in the customer’s “bank” and compensate
19 DG customers at the “full retail value for all energy produced, although this is done

⁹ 220 ILCS 5/16-107.5

¹⁰ ComEd. “ComEd’s Hourly Pricing”. See “Solar Households” on p.16. (2023). Accessed at:
<https://hourlypricing.comed.com/wp-content/uploads/2024/04/2024-Hourly-Pricing-Guide-web.pdf>

¹¹ Ameren Illinois. “Understanding Your Bill: Net Metering (on-site)”. (December 2022). Accessed at:
<https://www.ameren.com/-/media/illinois-site/files/csc/bill/cpr-136-net-metering-understanding-your-bill---rev-jan-2023.ashx>

¹² PSEG Long Island. “Rates & Tariffs: Rate Information. Residential Rates”. (August 2024). Accessed at:
<https://www.psegliny.com/en/aboutpseglongisland/ratesandtariffs/rateinformation>

1 annually rather than by billing period.¹³ See the Billing Provisions of the Net Metering
2 Rider, applicable to customers on the TOU-Default, for more details.¹⁴

3 **Arizona Public Service (“APS”)**. This investor-owned company offers three TOU rates
4 to all residential customers, including customers with on-site photovoltaic systems.¹⁵
5 According to the APS’s “Rate Rider EPR-6, Partial Requirements Service for On-Site
6 Renewable Distributed Generation”, DG customers participating in any of the residential
7 TOU rates will be compensated according to the period during which the customer
8 exported power:

9 *“If a Customer is served under a Time-of-Use rate, the export energy will be netted*
10 *according to the on-peak and off-peak periods. On-peak export energy will be*
11 *netted against on-peak energy from the Company and off-peak export energy will*
12 *be netted against off-peak energy, for all unbundled energy components of the rate*
13 *that have charges.”*

14 APS offers net billing instead of net metering (e.g., compensates DG customers for only a
15 portion of the excess solar energy produced by the customer) so this is not a perfect
16 comparison, but the general scheme of matching on-peak export energy to on-peak energy
17 and off-peak export energy to off-peak energy is the same.

18 **Investor-owned utilities in California.** Pacific Gas & Electric (“PG&E”), Southern
19 California Edison (“So-Cal Edison”), and San Diego Gas & Electric (“SDG&E”) provide
20 net billing rather than net metering for solar customers, who are required by the state to be

¹³ First Energy Corp. “Time-Of-Use FAQs”. See the question, “I have solar panels and I am a NEM customer. Am I eligible?” (2024). Accessed at: <https://www.firstenergycorp.com/help/pa-time-of-use-pricing/TOU-FAQs.html>

¹⁴ First Energy - Pennsylvania. “FE PA Retail Tariff”. See “Time of Use Default Service Rider” and “Net Meterinf Rider”. (January 1, 2024). Accessed at:

<https://www.firstenergycorp.com/content/dam/customer/Customer%20Choice/Files/PA/tariffs/fe-pa-retail-tariff.pdf>

¹⁵ Arizona Public Service. “Rates, Schedules and Adjustors”. (2024). See the Residential TOU-E, Residential TOU-R3, and Residential TOUO-EV plans and the Rate Rider EPR-6. Accessed at:

<https://www.aps.com/en/Utility/Regulatory-and-Legal/Rates-Schedules-and-Adjustors>

1 on a TOU plan.¹⁶ As in the case of APS, net billing is not equivocal to net metering, but
2 the on-peak/off-peak export compensation scheme is the same as our On-Phase/Off-Phase
3 proposal.

- 4 • PG&E requires solar customers on the Net Billing Tariff to take service on the E-
5 ELEC schedule; excess compensation (measured in kWh) is compensated
6 according to the period during which it was exported.¹⁷
- 7 • Under the SoCal Edison Solar Billing Plan, DG customers on TOU-D-PRIME are
8 compensated for energy exports (measured in kWh) with varying rates
9 corresponding to the time of day.¹⁸
- 10 • Under the SDG&E Solar Billing Plan, DG customers are compensated for energy
11 exports (measured in kWh) with varying rates corresponding to the time of day; see
12 the TOUEV5 plan.¹⁹

13 **IV. COST TREATMENT OF CROSSROADS ENERGY CENTER**

14 **Q: How does OPC witness Ms. Mantle recommend costs associated with the Crossroads**
15 **Energy Center be treated?**

16 **A:** Ms. Mantle recommends that the Crossroads Energy Center be given the rate base
17 treatment that was ordered in Case No. ER-2012-0175 and that transmission costs not be
18 included in the Company's revenue requirement or Evergy West's FAC.²⁰ Her

¹⁶ California Public Utilities Commission. "Net Billing Tariff". (December 15, 2022). Accessed at:
<https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/demand-side-management/customer-generation/nem-revisit/net-billing-tariff>

¹⁷ PG&E. "Electric Schedule NBT". (2024). Accessed at:
https://www.pge.com/tariffs/assets/pdf/tariffbook/ELEC_SCHEDS_NBT.pdf

¹⁸ SoCal Edison. "Guide to your solar bill". (2024). Note "*Details of your charges and credits.*" Accessed at:
<https://www.sce.com/helpcenter/topics/solar/guide-your-solar-bill>

¹⁹ SDG&E. "Solar billing plan FAQs". (2024). Note this question and response: "*How does Energy Export Price work? ... The credit is based on the electricity's value in each hour of the day and also varies by season.*" Accessed at:
<https://www.sdge.com/solar/solar-billing-plan#pricing>

²⁰ PSC. Case No. ER-2024-0189. Direct Testimony of Ms. Lena Mantle. Filed June 27, 2024. See pp. 39-43.

1 recommendation derives from the imprudence of the Company's decision to enter into a
2 capital lease for power generated by the distant Crossroads Energy Center – which is
3 located in the MISO footprint – rather than by acquiring generation closer to the
4 Company's service area and within the SPP footprint, the RTO which Evergy is actually a
5 member of.

6 **Q: Does Renew Missouri concur with the recommendation of OPC?**

7 A: Yes, for the same reasons articulated by Ms. Mantle in Direct Testimony.

8 **Q: Does this conclude your testimony?**

9 A: Yes, thank you.