

Exhibit No.:
Issue: RESRAM Prudence Review
Witness: Claire M. Eubanks, P.E.
Sponsoring Party: MoPSC Staff
Type of Exhibit: Surrebuttal Testimony
Case No.: ER-2016-0156
Date Testimony Prepared: September 2, 2016

MISSOURI PUBLIC SERVICE COMMISSION

COMMISSION STAFF DIVISION

ENGINEERING ANALYSIS

SURREBUTTAL TESTIMONY

OF

CLAIRE M. EUBANKS, P.E.

KCP&L GREATER MISSOURI OPERATIONS COMPANY

CASE NO. ER-2016-0156

Jefferson City, Missouri
September 2016

1 **SURREBUTTAL TESTIMONY**

2 **OF**

3 **CLAIRE M. EUBANKS**

4 **KCP&L GREATER MISSOURI OPERATIONS COMPANY**

5 **CASE NO. ER-2016-0156**

6 Q. Please state your name and business address.

7 A. Claire M. Eubanks and my business address is 200 Madison Street,
8 P.O. Box 360, Jefferson City, Missouri, 65102.

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

10 A. I am employed by the Missouri Public Service Commission (“Commission”)
11 as a Utility Regulatory Engineer I in the Engineering Analysis Unit, Operational Analysis
12 Department, Commission Staff Division. My credentials are attached as Schedule CME-s1 to
13 this testimony.

14 Q. What is the purpose of your surrebuttal testimony?

15 A. The purpose of this testimony is to respond to the rebuttal testimony of
16 KCP&L Greater Missouri Operations Company’s (“GMO” or “Company”) witness
17 Kristin Riggins.

18 Q. On Pages 3-4 of her Rebuttal Testimony, Company witness Kristin Riggins
19 explains the process the Company followed prior to HB 142, indicating the Company did not
20 track application submittal dates because rebates were paid as systems were completed and
21 “Time constraints were not as important.” Prior to HB 142, were there time constraints
22 required by a Commission rule related to the application submittal date?

1 A. Yes. Currently (and prior to HB 142), the net-metering rule requires that the
2 Company review and respond to applications for interconnection within 30 days of receipt.¹
3 Until the rule revision effective November 30, 2015, the Renewable Energy Standard rule
4 required that the utility offer customers a solar rebate within 30 days of application. If full
5 operation of a customer's system was not achieved in 6 months, the customer was required to
6 provide a progress report to the Company. If full operation was not achieved in 12 months
7 customers were required to reapply for any solar rebate.²

8 Q. Did the Company require customers to provide 6-month progress reports, or
9 re-apply for solar rebates a year after rebate offer if the system was not operational, as
10 required by the rule?

11 A. Based on the discussion on Page 9 of Ms. Riggins Rebuttal Testimony, it does
12 not appear this requirement was followed consistently, possibly not at all. Ms. Riggins notes
13 that the Company had to manually search the email inbox used to manage workflow and make
14 phone calls to confirm the status of projects. She states "In many cases there were projects
15 that had aged over one year since pre-approval."

16 Q. Did the Company make rebate offers within 30 days of application, as required
17 by Rule 4 CSR 240-20.100(4)(K)?

18 A. Based on the discussion on Page 7 of Ms. Riggins Rebuttal testimony, it is
19 not clear that offers were made within 30 days of rebate application. She notes that
20 the Stipulation, effective November 13, 2013, changed the process such that GMO began
21 to offer solar rebates at the time of application, rather than pre-approval. However, Rule

¹ Within thirty (30) days of receipt for systems ten kilowatts (10 kW) or less and within ninety (90) days of receipt for all other systems. Rule 4 CSR 240-20.065(9)(C).

² Rule 4 CSR 240-20.100(4)(K). The rule revisions effective November 30, 2015 removed the 6-month progress report requirement.

1 4 CSR 240-20.100(4)(K) had required that a solar rebate offer be made within 30 days of
2 receipt of the application from September 30, 2010 up until the rule revisions effective
3 November 30, 2015.

4 Q. In her Rebuttal Testimony, on page 4, Company witness Kristin Riggins states
5 that, “The rebate phase out associated with HB 142 established both application submittal and
6 operational date timeline requirements as part of the legislation.” Did HB 142 revise
7 RSMo 393.1030 to require application submittal dates?

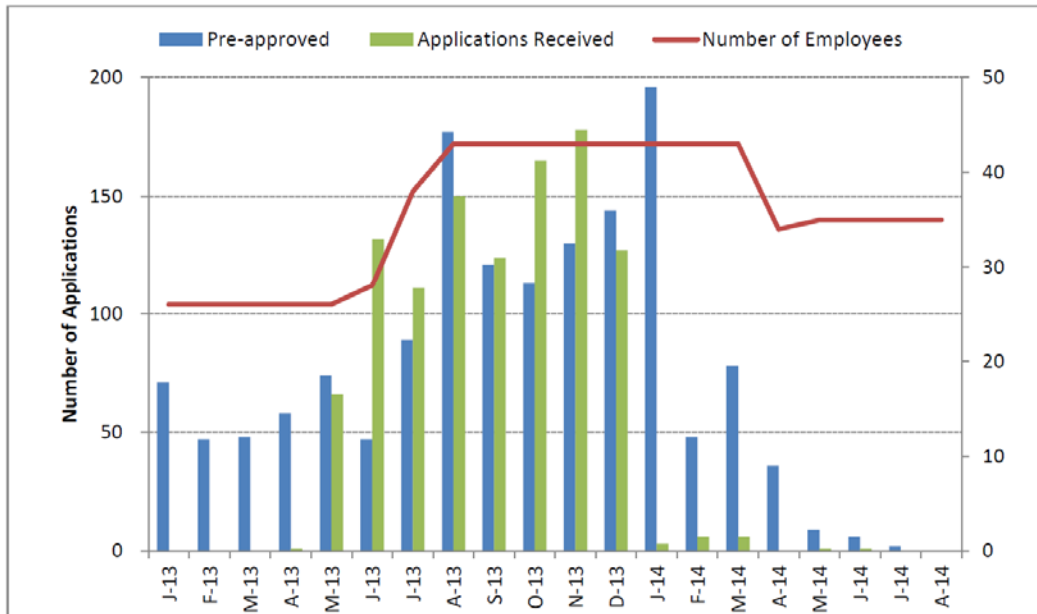
8 A. No, RSMo 393.1030 allows the utility the option of requiring an application
9 submittal due date, through its tariffs, up to 182 days prior to the June 30 operational date
10 cut-off. The Company included this requirement in its tariff effective November 18, 2013.

11 Q. On Page 6 of her Rebuttal Testimony, Ms. Riggins equates the amount of
12 applications received between September 4, 2013 and November 15, 2013 to the previous
13 8-month period. Is this comparison accurate?

14 A. No. As Ms. Riggins notes on Page 3 of her Rebuttal Testimony, GMO did not
15 even track the date applications were received until the second quarter of calendar year 2013.
16 Below is a graph Staff provided in its investigation, in EO-2014-0357, showing the
17 applications received and pre-approved monthly for KCPL and GMO from January 2013
18 through April 2014. Staff will note that nearly a third of the applications pre-approved during
19 that time frame had an unknown application received date and is therefore, not shown in the
20 monthly break-down of applications received.

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Graph 1: Applications Received & Pre-approved vs. Number of Employees



Q. Does Staff agree that GMO faced an influx of solar rebates in 2013, partly due to the stair-step down of rebate payments included in HB 142?

A. Yes. However, GMO would have been better prepared to handle the queue of rebates had GMO consistently followed the net-metering and RES rule requirements related to application processing.

Q. GMO was operating under the premise that all customers who successfully applied would eventually receive a rebate. Does Staff agree with this assumption?

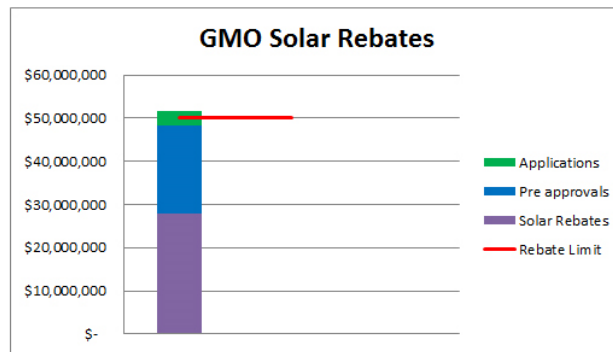
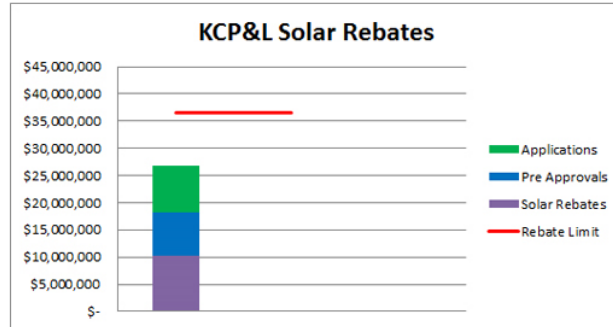
A. Not exactly. Staff agrees that, prior to the stipulation to limit funding at a total cap of \$50 million, if the retail rate impact limit was reached, rebate payments would resume the following year provided funds were available under the retail rate impact limit.

Q. Was Staff made aware that GMO had pre-approved and offered solar rebates significantly over the \$50 million?

1 A. Not until GMO's April 2014 filing to suspend solar rebates (ET-2014-0277).
2 Staff commented in its recommendation dated May 9, 2014, in ET-2014-0277, that GMO had
3 published several website charts dating back to December 19, 2013, each showing that
4 GMO's solar rebates paid and pre-approved totaled at or near \$50 million. However, between
5 the February 7, 2014 website chart and the April 13, 2014 filing, the pre-approved solar rebate
6 applications paid and pre-approved jumped from at or near \$50 million to at or near
7 \$55 million with the total received exceeding \$60 million. Below is the web chart as of
8 February 7, 2014, which Staff took a screenshot of on April 10, 2014:
9

This chart reflects the current program spend for the solar rebate payments from September 1, 2012 to the present for both KCP&L and KCP&L Greater Missouri Operations.

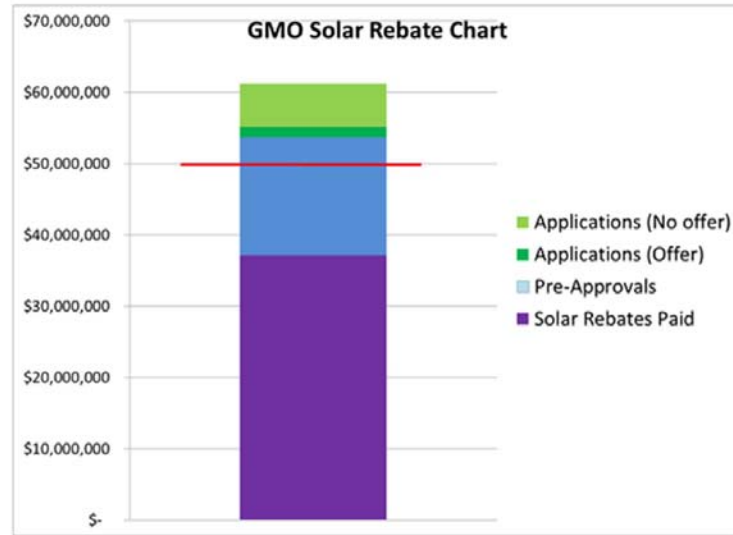
It includes actual rebate payments made by KCP&L for completed projects as well as pending rebate payments for project applications that KCP&L has received and approved. Please note for pending applications approximately 90% of the applications submitted are completed.



Last updated February 7, 2014.

10

1 Below is the chart provided in Tim M. Rush's Direct Testimony filed in ET-2014-0277, on
2 April 9, 2014:



Schedule TMR-1

4
5 Q. Does Ms. Riggins mention anything else about the solar rebate tracking
6 process during the time prior to the Stipulation which is of concern?

7 A. Yes. Ms. Riggins notes on Page 4, lines 18-21 of her testimony, that for a time
8 GMO separately logged application receipt from the tracking of dollars associated with the
9 pre-approved project. Additionally, Ms. Riggins notes that at the time of their process
10 transition, GMO did not account for 50 applications that were in engineering review.
11 Ms. Riggins herself notes the miscount of those 50 applications contributed to the overage.

12 Q. What is the value of those 50 applications?

13 A. At this time, Staff does not know the value of those 50 applications; however,
14 if each of those applications were for the maximum rebate available they would be worth
15 \$2.5 million.

16 Q. Does this conclude your surrebuttal testimony?

17 A. Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of KCP&L Greater Missouri)
Operations Company's Request for Authority) Case No. ER-2016-0156
to Implement A General Rate Increase for)
Electric Service)

AFFIDAVIT OF CLAIRE M. EUBANKS, PE

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW CLAIRE M. EUBANKS, PE and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing Surrebuttal Testimony and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.

Claire M Eubanks
CLAIRE M. EUBANKS, PE

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 1st day of September, 2016.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: December 12, 2016
Commission Number: 12412070

D. Suzie Mankin
Notary Public

CLAIRE M. EUBANKS, PE

PRESENT POSITION:

I am a Utility Regulatory Engineer I in the Engineering Analysis Unit, Operational Analysis Department, of the Commission Staff Division of the Missouri Public Service Commission.

EDUCATIONAL BACKGROUND AND WORK EXPERIENCE:

I received my Bachelor of Science degree in Environmental Engineering from the University of Missouri – Rolla, now referred to as Missouri University of Science and Technology, in May 2006. I am a licensed professional engineer in the states of Missouri and Arkansas. Immediately after graduating from UMR, I began my career with Aquaterra Environmental Solutions, Inc., now SCS Aquaterra, an engineering consulting firm based in Overland Park, Kansas. During my time with Aquaterra, I worked on various engineering projects related to the design, construction oversight, and environmental compliance of solid waste landfills. I began my employment with the Commission in November 2012. My primary responsibility in my current position is related to the Renewable Energy Standard. Additionally, over the past two years I have served on work groups related to the Clean Power Plan.

CASE HISTORY:

Case Number	Utility	Type	Issue
EA-2012-0281	Ameren	Rebuttal	Certificate of Convenience and Necessity
EC-2013-0379 EC-2013-0380	KCP&L KCP&L GMO	Rebuttal	RES Compliance
EO-2013-0458	Empire	Memorandum	RES Compliance Plan & Report
EO-2013-0462	Ameren	Memorandum	RES Compliance Report
EO-2013-0503	Ameren	Memorandum	RES Compliance Plan
EO-2013-0504	KCPL	Memorandum	RES Compliance Plan & Report
EO-2013-0505	GMO	Memorandum	RES Compliance Plan & Report
ET-2014-0059	KCP&L GMO	Rebuttal	RES Retail Rate Impact
ET-2014-0071	KCP&L	Rebuttal	RES Retail Rate Impact
ET-2014-0085	Ameren	Rebuttal	RES Retail Rate Impact
ER-2014-0258	Ameren	Cost of Service Report, Surrebuttal	RES, In-Service
EO-2014-0287	KCPL	Memorandum	RES Compliance Plan

Case Number	Utility	Type	Issue
EO-2014-0288	GMO	Memorandum	RES Compliance Plan
EO-2014-0289	KCPL	Memorandum	RES Compliance Report
EO-2014-0290	GMO	Memorandum	RES Compliance Plan
ER-2014-0370	KCP&L	Cost of Service Report	RES
EX-2014-0352	N/A	Live Comments	RES rulemaking
EC-2015-0155	GMO	Memorandum	Solar Rebate Complaint
EO-2015-0260	Empire	Memorandum	RES Compliance Plan & Report
EO-2015-0263	KCPL	Memorandum	RES Compliance Report
EO-2015-0264	GMO	Memorandum	RES Compliance Report
EO-2015-0265	KCPL	Memorandum	RES Compliance Plan
EO-2015-0266	GMO	Memorandum	RES Compliance Plan
EO-2015-0267	Ameren	Memorandum	RES Compliance Plan & Report
EO-2015-0252	GMO	Staff Report	Integrated Resource Plan – Renewable Energy Standard
EO-2015-0254	KCPL	Staff Report	Integrated Resource Plan – Renewable Energy Standard