

*Exhibit No.:*

*Issues: Solar Subscription Pilot Rider*

*Standby Service Rider*

*Witness: Claire M. Eubanks, PE*

*Sponsoring Party: MoPSC Staff*

*Type of Exhibit: Surrebuttal Testimony*

*Case Nos.: ER-2018-0145 and*

*ER-2018-0146*

*Date Testimony Prepared: September 4, 2018*

**MISSOURI PUBLIC SERVICE COMMISSION**

**COMMISSION STAFF DIVISION**

**ENGINEERING ANALYSIS**

**SURREBUTTAL TESTIMONY**

**OF**

**CLAIRE M. EUBANKS, PE**

**KANSAS CITY POWER & LIGHT COMPANY**

**CASE NO. ER-2018-0145**

**AND**

**KCP&L GREATER MISSOURI OPERATIONS**

**CASE NO. ER-2018-0146**

*Jefferson City, Missouri*

*September 2018*

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1 Rider. Regarding the Standby Service Rider, I will respond to Division of Energy (“DE”)  
2 witness Jane E. Epperson.

3 **SOLAR SUBSCRIPTION PILOT RIDER**

4 Q. Mr. Lutz offered potential modifications to the Solar Subscription Pilot rider to  
5 clarify the treatment of subscriptions and renewable energy credits between the jurisdictions.  
6 Do Mr. Lutz’s modifications change Staff’s overall recommendation?

7 A. No. Mr. Lutz’s modifications may be reasonable additions to address some of  
8 Staff’s concerns regarding a cross-jurisdictional program, however, Staff maintains its  
9 recommendation that the pilot program should be limited in size and that future expansion of  
10 the program should only be done after an evaluation. Further, Staff recommended changes to  
11 the program to be more akin to net-metering.<sup>1</sup>

12 Q. Brad Lutz mentioned you only reviewed materials from industry associations  
13 and renewable energy advocates when developing your direct testimony. Is this accurate?

14 A. No. As stated in footnote 21, Page 54 of Staff’s Class Cost of Service report,  
15 the program attributes discussed were also based on the Company’s response to Staff Data  
16 Request 0230 and Staff research of various programs. Staff’s research of other programs  
17 included reviewing tariffs implemented by other utilities around the country.

18 Q. Please summarize OPC’s position on the Solar Subscription Pilot Rider.

19 A. As discussed in Dr. Geoff Marke’s Rebuttal Testimony,<sup>2</sup> OPC’s primary  
20 position is that KCPL and GMO withdraw their proposal and submit it in the context of

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<sup>1</sup> See Staff witnesses Claire M. Eubanks and Sarah L. K. Lange rebuttal testimony filed August 7, 2018.

<sup>2</sup> Filed July 27, 2018.

1 another case, such as a part of a CCN application. OPC additionally provides secondary  
2 recommendations regarding the program:

- 3 • That any investment in community solar include the \$4 million solar  
4 investment required by SB 564,
- 5 • Only one site be selected for the Company's Missouri-side of its operations  
6 (KCPL-MO and GMO),
- 7 • That KCPL and GMO bear the risk of non-subscribed portions of the program  
8 rather than flowing those costs through the fuel adjustment clause,
- 9 • That the size be initially limited to 1 MW-AC,
- 10 • KCPL and GMO should be required to demonstrate full subscription  
11 at 1 MW for a minimum of three years before additional offerings, and
- 12 • Detail regarding marketing and administrative costs, quarterly reporting  
13 requirements, and the development of Frequently Asked Questions.<sup>3</sup>

14 Q. Does Staff share any of OPC's concerns and secondary recommendations?

15 A. Generally, yes, though the specific recommendations vary. OPC and Staff both  
16 raised concerns regarding the overall size of the pilot, terms to be met before expansion, and  
17 inclusion of a risk sharing mechanism. Staff is supportive of OPC's recommendation to  
18 include details regarding marketing and administrative costs, quarterly reporting  
19 requirements, and the development of Frequently Asked Questions.

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<sup>3</sup> Similar to those agreed to by stakeholders who participated in Ameren Missouri's EA-2016-0207 case.

1 **STANDBY SERVICE RIDER**

2 Q. Ms. Epperson's rebuttal testimony provides nine recommendations to the  
3 Commission. Do you agree with any of her recommendations?

4 A. Yes. Staff generally supports Ms. Epperson's recommendation that KCPL and  
5 GMO develop a bill impact tool to facilitate customer understanding of the Standby Service  
6 Rider. However, Ms. Epperson recommends KCPL and GMO duplicate the design Ameren  
7 Missouri utilizes in its bill impact tool. Ms. Epperson claims this includes a design to:  
8 "balance the combination of fixed and as-used charges to achieve avoided cost percentages  
9 for each of the classes greater than 90%." The avoided cost percentage ("ACP") may be  
10 helpful to include for customers evaluating bill impacts, however, Ms. Epperson's language  
11 implies the rates will be solved to meet a 90% avoided cost percentage. This is neither  
12 necessarily the result that will be achieved for any given customer, nor is it necessarily  
13 indicative of a rate design reflecting cost causation.

14 Q. Do you disagree with any of her recommendations?

15 A. Yes. Many of Ms. Epperson's recommendations involve adopting the  
16 definitions and structure of Ameren Missouri's Standby Service Rider ("SSR"). Although  
17 Staff did not oppose the structure and definitions in Ameren Missouri's Standby Service  
18 Rider, it was based upon their rate design and is not applicable to KCPL and GMO without  
19 further rate design changes to reflect the additional complexities of the KCPL and GMO  
20 hours use rate structures. Additionally, Ms. Epperson's recommendation for a  
21 class cost-of-service study is premature and not consistent with her general recommendation  
22 to mimic Ameren Missouri's Standby Service Rider. A class cost-of-service study cannot be  
23 performed when there are no customers in the class or without reasonable assumptions on

1 which to base the study. Further, Ameren Missouri's Standby Service Rider is, like KCPL's  
2 and GMO's proposal, a rider which is based on the generally available rate schedules.  
3 Ameren Missouri's Standby Service Rider does not treat cogeneration customers as  
4 a separate class.

5 Q. Did you participate in the collaborative process which Ms. Epperson discusses  
6 in her direct and rebuttal testimony?

7 A. Yes.

8 Q. Ms. Epperson outlines a number of "lessons learned" from Ameren Missouri's  
9 workshop effort which she wants applied to KCPL and GMO. Did the stakeholder group  
10 jointly file the "lessons learned"?

11 A. No. As Ms. Epperson comments in her rebuttal testimony filed  
12 in ER-2016-0179: "While the Company worked collaboratively and the effort was productive,  
13 the signatories did not reach agreement regarding rate charges. Due to the timing of  
14 Ameren Missouri's announcement of its intent to file a rate case, signatories agreed to address  
15 the impasse over rate charges through the rate case process."<sup>4</sup> Ameren Missouri filed its  
16 proposed SSR in ER-2016-0179, which DE rebutted. Prior to surrebuttal being filed the  
17 parties to that case filed a Unanimous Stipulation and Agreement which included specific  
18 changes regarding the SSR.

19 Q. Did DE develop a Position Paper regarding Ameren Missouri's Standby  
20 Service Tariff?

21 A. Yes, Ms. Epperson attached it to her testimony in ER-2016-0179.

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<sup>4</sup> Rebuttal Testimony of Jane Epperson, Case ER-2016-0179, Page 11, Lines 16-19.

1 Q. Were the “foundational tenants” of an appropriate SSR, which Ms. Epperson  
2 outlines on page 9 and 10 of her Rebuttal Testimony in this case, included in the DE’s  
3 Position Paper?

4 A. There are similarities, but not every item she mentioned on page 9 and 10 of  
5 her rebuttal testimony was found in the November 10, 2015, Position Paper. For example, the  
6 Position Paper makes no mention of elimination of intermediate steps in customer generation  
7 or elimination of a second meter. Further, DE recommended 93% ACP, rather  
8 than 90% ACP.

9 Q. Ms. Epperson outlines several deficiencies with the Company’s proposed  
10 Standby Service Rider, one being a lack of definitions, such as for demand charge.  
11 Do you agree?

12 A. No. Ms. Epperson claims the definition of demand charge is missing from the  
13 proposed SSR and also the existing tariffs. This is incorrect. As a rider, the proposed SSR  
14 relies on the underlying rate schedules. These underlying rate schedules in the existing tariff  
15 sheets do provide the definitions Ms. Epperson claims are missing. For example, GMO’s  
16 LGS tariff sheet 148.3 clearly describes the determination of demands: “Demand will be  
17 determined by demand instruments or, at the Company’s option, by demand tests. The Actual  
18 Demand shall be the maximum fifteen (15) minute demand, measured in kW during the  
19 current billing period.” The tariff does not specifically define “demand charge” because there  
20 are three types of charges that are demand-related, each with an applicable definition  
21 provided.

22 Q. Another deficiency DE raised issue with was related to limiting maintenance to  
23 the winter season, claiming it is without basis. Do you agree?



Surrebuttal Testimony of  
Claire M. Eubanks, PE

1           A.     No. The proposed SSR does not specifically limit maintenance to four months  
2 out of the year; however, maintenance charges (demand and energy) will apply. The  
3 Company represented to Staff the reasoning behind this requirement is to limit the need for  
4 the customer to call and schedule maintenance.

5           Q.     Does this conclude your rebuttal testimony?

6           A.     Yes.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Kansas City Power & Light Company's Request for Authority to Implement a General Rate Increase for Electric Service ) ) Case No. ER-2018-0145 ) )  
and

In the Matter of KCP&L Greater Missouri Operations Company's Request for Authority to Implement a General Rate Increase for Electric Service ) ) Case No. ER-2018-0146 ) )

**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 29th day of August, 2018.

D. SUZIE MANKIN  
Notary Public - Notary Seal  
State of Missouri  
Commissioned for Cole County  
My Commission Expires: December 12, 2020  
Commission Number: 12412070

D. Suzie Mankin  
Notary Public