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

In the Matter of the Application of KCP&L ) Greater Missouri Operations Company for ) Permission and Approval of a Certificate of ) Public Convenience and Necessity Authorizing ) It to Construct, Install, Own, Operate, Maintain ) and Otherwise Control and Manage Solar ) Generation Facilities in Western Missouri. )

Case No. EA-2015-0256

#### **APPLICATION**

KCP&L Greater Missouri Operations Company ("GMO" or "Company"), pursuant to Sections 393.170 and 393.171, Mo. Rev. Stat.,<sup>1</sup> as well as 4 CSR 240-2.060 and 4 CSR 240-3.105(1)(B), states the following for its application to the Missouri Public Service Commission ("Commission") for a certificate of public convenience and necessity ("CCN") authorizing it to construct, install, own, operate, maintain and otherwise control and manage electrical solar production and related facilities near Greenwood, Missouri. In support of this Application, GMO states:

### **Information about Applicant**

1. Applicant is a Delaware corporation with its principal office and place of business at 1200 Main Street, Kansas City, Missouri 64105. Applicant is primarily engaged in providing electric and steam utility service in Missouri to the public in its certificated areas. Applicant is an "electrical corporation" and a "public utility" subject to the jurisdiction, supervision and control of the Commission under Chapters 386 and 393. A Certificate of Authority for a foreign corporation to do business in the State of Missouri, evidencing the Company's authority under

<sup>&</sup>lt;sup>1</sup> All statutory references are to the Missouri Revised Statutes (2000), as amended, unless otherwise indicated.

the law to conduct business in the State of Missouri, was filed with the Commission in Case No. EU-2002-1053 and is incorporated herein by reference in accordance with 4 CSR 240-2.060(1)(G). GMO's fictitious name registration was filed in Case No. EN-2009-0015 and is incorporated herein by reference.

2. Applicant has two pending actions<sup>2</sup> against it from any state or federal agency or court that involves customer service or rates, which has occurred within three years of the date of this Application. No annual report or assessment fees are overdue.

3. Pleadings, notices, orders and other correspondence and communications concerning this Application should be addressed to the undersigned counsel and:

Tim Rush Director, Regulatory Affairs Kansas City Power & Light Company 1200 Main Street Kansas City, Missouri 64105 Phone: (816) 654-1763 Fax: (816) 556-2110 E-mail: tim.rush@kcpl.com

4. Data requests concerning this Application should be addressed to Regulatory.Affairs@kcpl.com.

## **Project Description**

5. This Application is for a CCN for a new solar electrical production facility (the "Project") to be built in unincorporated Jackson County, Missouri, near Greenwood, Missouri. The 300 acre site, already owned by the Company, is located within GMO's certificated service territory approximately 2.5 miles south of Highway 50 on Smart Road. The site includes the existing Greenwood Energy Center consisting of four General Electric 7B combustion turbines,

<sup>&</sup>lt;sup>2</sup> Staff the Mo. P.S.C. v. Kansas City Power & Light Co. and KCP&L Greater Missouri Operations Co., Mo. P.S.C. File No. EC-2015-0309; Staff of the Mo. P.S.C. v. KCP&L Greater Missouri Operations Co., Mo. P.S.C. File No. EC-2016-0012.

along with associated fuel oil tanks and switchyard. The proposed site of the solar plant will be on the farmland just to the north of the existing combustion turbines.

6. The proposed electrical production facility will be located on a tract of land already owned by GMO, and will cover approximately twelve acres (the "Project Site"). A copy of the legal description of the Project Site can be found in **Attachment A**. The Project Site will be located on that portion of the property designated as "Phase 1".

7. The proposed electrical production facility will consist of the solar panels and support structures, transformer/inverter skids, switchgear, physical security (including fencing, lighting, and cameras), and a communications shelter. The total plant nameplate capacity is approximately 3 megawatts ("MW") AC. The on-site switchgear will be connected to the distribution line at the station.

8. Construction of the facility is planned to be completed by April, 2016. When in production, the facility will produce approximately 4,700 megawatt-hours annually, enough to serve approximately 440 homes. Building the solar plant within this timeframe takes advantage of the currently available Investment Tax Credit for solar and equipment prices at a time where the market is potentially more reasonable, rather than waiting until a time when the market prices itself against new mandates under the EPA's Clean Power Plan.

9. A cost estimate for the Project has been prepared by Sungevity, the design engineer for the facility. The total estimated cost for the facility is approximately \* (pre applicable tax grants and credits). Pursuant to 4 CSR 240-3.105(2), GMO will submit the Project plans as soon as they are available.

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10. The Company will file the information required by 4 CSR 240-3.105(1)(C) and (D) which are not available at this time. Pursuant to 4 CSR 240-3.105(2), GMO will submit this information as soon as available.

11. The circuit potentially affected by this project is 27722.

12. The Project will be financed using general GMO funds and it is anticipated that the Project will qualify for one of the three federal tax credits under Section 45 or Section 48 of the Internal Revenue Code or Section 1603 of the American Recovery and Reinvestment Act of 2009.

#### Public Convenience and Necessity

13. The certificate sought by GMO must be granted if the proposed construction is "necessary or convenient for the public service." Section 393.170.3, RSMo. As used in the Public Service Commission Law, necessity means the improvement is "highly important to the public convenience and desirable for the public welfare..." <u>State ex rel. Missouri Kansas and</u> <u>Oklahoma Coach Lines, Inc., et al. v. Public Service Commission</u>, 179 S.W.2d 132, 136 (Mo. App. 1944). Necessity does not require that the improvement be "essential or absolutely indispensable." <u>Id</u>. Moreover, if the granting of the authorization serves a genuine and reasonable public interest in promptness and economy of service, then the public 'convenience and necessity' or 'public need' is served. <u>In the Matter of Applications of: Churchill Truck</u> <u>Lines, Inc., et al.</u>, 27 Mo.P.S.C. (N.S.) 430 (June 20, 1985), (citing <u>State ex rel. Beaufort</u> <u>Transfer Co. v. Clark</u>, 504 S.W.2d 216, 219 (Mo. App. 1973)). The Commission has stated its preference for company-owned generation instead of heavy reliance on purchase power agreements ("PPAs") to meet Missouri load requirements and to protect Missouri customers.

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This statement is consistent with GMO's experience in which the Staff has encouraged utilities to reduce their reliance on PPAs in favor of power plant ownership when justified.

14. Construction of the Project would be an additional renewable energy resource in GMO's generation portfolio, furthering GMO's commitment to renewable energy. GMO currently has no utility scale solar in its generation portfolio. Construction of the Project will allow GMO to gain hands-on solar operation and maintenance skills. The Project is anticipated to have a capacity of 3 MW AC and an 18% capacity factor, and will generate enough energy to provide approximately 5,875 solar renewable energy credits ("SRECS") annually. GMO anticipates it will be able to meet its solar renewable requirements with SRECS acquired from customer generators through 2026. At that time, the solar generation from the Greenwood solar facility will be available to meet known current solar renewable compliance requirements as well as any future mandates. The location of the Project is desirable because it will provide environmental benefits, as well as providing a diversified energy resource to serve the community.

#### **Requested Action from the Commission**

WHEREFORE, GMO respectfully requests that the Commission issue its order by January 31, 2016:

a. Granting the Company permission and approval and a certificate of public convenience and necessity to construct, install, own, operate, maintain, and otherwise control and manage electrical power production and related facilities at the Project Site consisting of, a solar generation facility as well as all facilities, structures, fixtures, transformers, breakers, installations, and equipment related thereto now existing or to be constructed for the production and transmission of electrical power and energy at the Project Site;

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b. Finding that the granting of the authority requested by this application is required

by the public convenience and necessity; and

c. Making such other orders and findings as are appropriate in the circumstances.

Respectfully submitted,

# Is Roger W. Steiner

Robert J. Hack, MBN 36496 Phone: (816) 556-2791 E-mail: rob.hack@kcpl.com Roger W. Steiner, MBN 39586 Phone: (816) 556-2314 E-mail: roger.steiner@kcpl.com Kansas City Power & Light Company 1200 Main – 16<sup>th</sup> Floor Kansas City, Missouri 64105 Fax: (816) 556-2787

## Counsel for KCP&L Greater Missouri Operations Company

## **CERTIFICATE OF SERVICE**

The undersigned certifies that true and correct copies of the foregoing have been e-mailed or mailed, via first class United States Mail, postage pre-paid, to the service list of record this 12th day of November, 2015.

General Counsel's Office Missouri Public Service Commission P.O. Box 360 200 Madison Street, Suite 800 Jefferson City, MO 65102 <u>staffcounselservice@psc.mo.gov</u> Office of the Public Counsel P.O. Box 2230 200 Madison Street, Suite 650 Jefferson City, MO 65102-2230 opcservice@ded.mo.gov

[s] Roger W. Steiner

Roger W. Steiner

### AFFIDAVIT

State of Missouri ) ) ss County of Jackson )

I, Tim Rush, having been duly sworn upon my oath, state that I am the Director of Regulatory Affairs of Kansas City Power & Light Company ("KCPL"), that I am duly authorized to make this affidavit on behalf of the Applicant, and that the matters and things stated in the foregoing pleading are true and correct to the best of my information, knowledge and belief.

Tim Rush

Subscribed and sworn before me this 12 day of November, 2015.

NICOLE A. WEHRY Notary Public - Notary Seal State of Missouri Commissioned for Jackson County My Commission Expires: February 04, 2019 Commission Number: 14391200

Mica A. Cer NOTARY PUBLIC

# PHASE I DESCRIPTION:

THAT PART OF THE NORTHWEST 1/4 OF SECTION 25, TOWNSHIP 47, RANGE 31, IN JACKSON COUNTY, MISSOURI, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF THE NORTHWEST 1/4 OF SECTION 25, THENCE S 87°28'33" E ALONG THE NORTH LINE OF SAID 1/4 SECTION FOR A DISTANCE OF 1693.64 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG THE NORTH LINE OF SAID 1/4 SECTION S 87°28'23" E, A DISTANCE OF 955.36 FEET TO THE NORTHEAST CORNER OF THE NORTHWEST 1/4 OF SECTION 25, TOWNSHIP 47, RANGE 31, IN JACKSON COUNTY, MISSOURI; THENCE S 2°31'37" W ALONG THE EAST LINE OF SAID NORTHWEST 1/4, A DISTANCE OF 551.44 FEET; THENCE N 86°50'08" W, A DISTANCE OF 319.02 FEET; THENCE S 67°32'16" W, A DISTANCE OF 130.22 FEET; THENCE S 42°21'55" W, A DISTANCE OF 191.49 FEET; THENCE N 87°30'17" W, A DISTANCE OF 399.86 FEET TO THE SOUTHEAST CORNER OF PHASE II; THENCE N 2°50'52" E, A DISTANCE OF 750.17 FEET TO THE POINT OF BEGINNING.

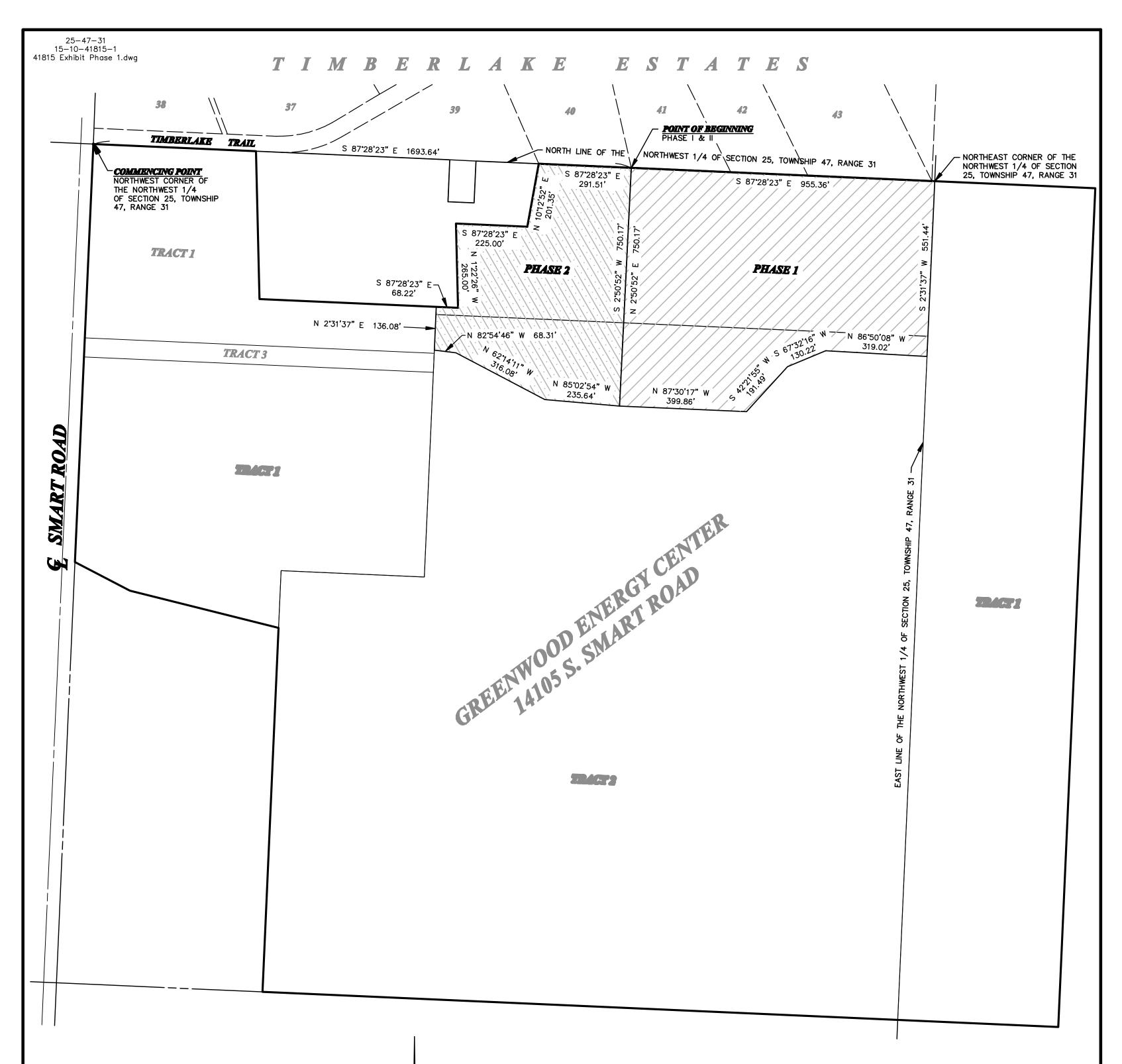
PHASE I CONTAINS 624,575 SQUARE FEET OR 14.34 ACRES, MORE OR LESS.

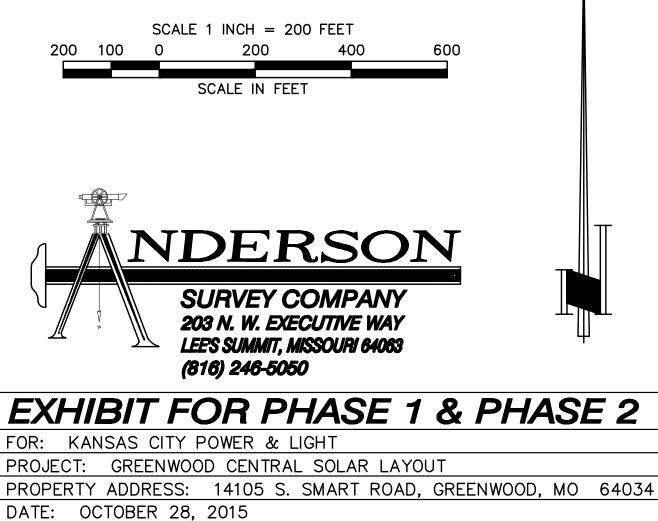
\*ALONG THE EAST LINE OF SAID NW 1/4

# PHASE II DESCRIPTION:

THAT PART OF THE NORTHWEST 1/4 OF SECTION 25, TOWNSHIP 47, RANGE 31, IN JACKSON COUNTY, MISSOURI, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF SAID NORTHWEST 1/4; THENCE S 87°28'23" E ALONG THE NORTH LINE OF SAID 1/4 SECTION FOR A DISTANCE OF 1693.64 FEET TO THE POINT OF BEGINNING; THENCE S 2°50'52" W, A DISTANCE OF 750.17 FEET; THENCE N 85°02'54" W, A DISTANCE OF 235.64 FEET; THENCE N 62°14'11" W, A DISTANCE OF 316.08 FEET; THENCE N 82°54'46" W, A DISTANCE OF 68.31 FEET; THENCE N 2°31'37" E, A DISTANCE OF 136.08 FEET; THENCE S 87°28'23" E, A DISTANCE OF 68.22 FEET; THENCE N 1°22'26" W, A DISTANCE OF 265.00 FEET; THENCE S 87°28'23" E, A DISTANCE OF 225.00 FEET; THENCE N 10°12'52" E, A DISTANCE OF 201.35 FEET TO A POINT ON THE NORTH LINE OF SAID NORTHWEST 1/4; THENCE S 87°28'23" E ALONG SAID NORTH LINE A DISTANCE OF 291.51 FEET TO THE POINT OF BEGINNING.

PHASE II CONTAINS 337,168 SQUARE FEET OR 7.74 ACRES, MORE OR LESS.





OWNER: KANSAS CITY POWER & LIGHT

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PHASE I CONTAINS 624,575 SQUARE FEET OR 14.34 ACRES, MORE OR LESS. \*ALONG THE EAST LINE OF SAID 1/4

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THE ABOVE DESCRIPTION WAS WRITTEN BY ANDERSON SURVEY COMPANY AND CONTAINS 337,168 SQUARE FEET OR 7.74 ACRES, MORE OR LESS.

THE ABOVE DESCRIPTIONS WERE WRITTEN BY ANDERSON SURVEY COMPANY.