

**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) Case No. EA-2015-0256
It to Construct, Install, Own, Operate, Maintain)
and Otherwise Control and Manage Solar)
Generation Facilities in Western Missouri.)

KCP&L GREATER MISSOURI OPERATIONS COMPANY
POSITION STATEMENT

COMES NOW KCP&L Greater Missouri Operations Company (“GMO” or “Company”), and hereby offers its Position Statement.

Issue 1: *Does the evidence establish that the Solar Generation project as described in GMO’s applications in this docket and for which GMO is seeking a certificate of convenience and necessity (“CCN”), is “necessary or convenient for the public service” within the meaning of section 393.170, RSMo?*

GMO Position: Yes. GMO’s application to construct a 3 MW solar facility at the Greenwood Energy Center in Jackson County, Missouri is necessary and convenient for the public service.

The solar facility will be built on farmland just to the north of the Company’s existing combustion turbines at the Greenwood Energy Center. It will cover approximately 12 acres that is already owned by the Company. The total plant capacity is approximately 3 megawatts which is enough capacity to serve approximately 440 homes. The construction is planned to be completed by third quarter, 2016.

Issue 1a: *Does the evidence establish that there is a need for the project?*

GMO Position: Yes. The evidence will show that there is a need for this project at this time. The Company needs and desires to build this facility to obtain hands on experience with a utility-scaled solar facility. There is a great deal of information that the Company can glean from this project. Some of the important areas that the Company hopes to better understand include the following:

1. Better first-hand knowledge around the design and construction of solar facilities.
2. Are there benefits to locating solar facilities near existing power plants?

3. Can existing KCP&L/GMO employees for natural gas and coal plants be trained to successfully operate solar facilities and do the required maintenance on them?
4. What is the impact of a facility like this on GMO's existing electrical distribution grid?
5. From a grid perspective, is it better to maximize total kilowatt hour production or production during peak hours?
7. What is the real cost and maintenance profile of a GMO utility-scaled solar facility?

Based upon this need, the Commission should approve GMO's application since it is needed to better position the Company and its customers for a future that will include utility-scaled solar facilities.

Issue 1b: *Is GMO qualified to provide the proposed project services?*

GMO Position: KCP&L/GMO has been constructing and operating generation facilities, including coal, gas, and wind generation facilities for many years. The Company also has experience with small scale solar facilities. There is no issue that GMO is qualified to construct and operate a 3 MW utility-scaled solar facility.

Issue 1c.: *Does GMO have the financial ability to provide the project services?*

GMO Position: There is no issue that GMO is financially qualified to construct and operate a 3 MW solar facility.

Issue 1d: *Is GMO's proposed project economically feasible?*

GMO Position: While solar technology is not currently the least expensive generation technology available, the costs are declining and the Company anticipates that solar will reach price parity in our service territory with other technologies by 2020, but perhaps as early as 2017, assuming the federal tax credits and other incentives remain in place.

Continued price decreases for solar installations, both utility-scaled and distributed, coupled with the Clean Power Plan and other federal and state environmental policies, has led the Company to the conclusion that solar energy is going to play a significant role over the next 10-20 years in energy policy and resource considerations.

The decision to construct a 3 MW utility-scaled solar facility was not based on least-cost compliance with the Missouri Renewable Energy Standard ("RES"). Rather, KCP&L/GMO is constructing the proposed utility-scaled solar plant for a variety of reasons discussed above, and including but not limited to:

1. Potential future compliance with the Clean Power Plan;
2. Greater experience with utility-scaled solar facilities;
 - Energy and capacity production and optimization
 - Maintenance activities and cost
 - Reliability and grid resiliency impacts
 - Production under different weather conditions
 - General additional experience with solar energy production
3. Opportunities to explore issues related to the use of community solar facilities;
4. Further diversification of the Company's generation fleet.

Issue 1e: *Does GMO's proposed project promote the public interest?*

GMO Position: For all the reasons stated above, GMO's proposed project promotes the public interest.

Issue 2: *If GMO's CCN Application does not meet the criteria set forth by Tartan, is there an exception that would still permit the Commission to grant the CCN?*

GMO Position: GMO believes that its CCN Application meets the criteria discussed above. However, in the event the Commission finds otherwise, the Commission should nevertheless approve the Application since it is clearly in the public interest. The Commission is not bound to any particular standard except that the project be "necessary or convenient for the public service" within the meaning of section 393.170, RSMo.

Issue 3: *Should the impact on rate payers be considered by the Commission when weighing GMO's CCN application?*

GMO Position: In the past, the Commission has reserved decisions in CCN cases about ratemaking to future ratemaking proceedings. The Company believes this past practice should continue in this case. This should not be an issue in this proceeding.

Issue 3a: *If so, does the evidence establish that the project will have an impact on rate payers?*

Issue 3b: *If rate payer impact is an appropriate issue, does the effect violate the public interest?*

Issue 4: *Who will benefit from any tax credits extended by the U.S. government should the project be approved?*

GMO Position: This is not an issue in this proceeding but may be addressed by the Commission in a future rate case. Any tax credits extended by the U.S. government will help to reduce the overall cost of this project, and make it more economically feasible to construct solar facilities that will benefit the public.

Issue 5: *If the Commission approves the CCN, should it impose any conditions?*

GMO Position: The Commission order should state that in approving the CCN, the Commission is not making any ratemaking determination in this proceeding.

WHEREFORE, GMO submits its Position Statement.

Respectfully submitted,

/s/ Roger W. Steiner

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document was served upon all counsel of record on this 8th day of February 2016, by either e-mail or U.S. Mail, postage prepaid.

/s/ Roger W. Steiner

Roger W. Steiner