BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the Matter of the General Investigation To Examine Issues Surrounding Rate Design for Distributed Generation Customers

Docket No. 16-GIME-403-GIE

<u>PETITION TO INTERVENE OF CROMWELL ENVIRONMENTAL, INC.,</u> <u>AND REPLY TO PETITION TO INTERVENE AND RESPONSE OF</u> <u>WESTAR ENERGY, INC., ET AL.</u>

COME NOW Cromwell Environmental, Inc., ("CEI") a Kansas corporation, by and through its attorney, C. Edward Peterson, and petitions the Commission pursuant to K.S.A. 77-521 and K.A.R. 82-1-225 for permission to intervene in this proceeding with rights of full participation. In addition CEI replies to the Response of Westar Energy, Inc, and Kansas Gas and Electric ("Westar") to the Staff Motion to Open Docket. In support CEI state as follows.

Petition to Intervene

 CEI is a Kansas for-profit Kansas corporation that is currently active and in good standing. (Exhibit 1) CEI's current business address is 615 Vermont Street, Lawrence, Kansas 66044.

2. CEI is engaged, inter alia, in the business of design and installation of commercial and residential roof top solar systems, with a substantial number of installations completed within the state of Kansas. Many of such installations are within the service territory of Westar Energy, Inc., and Kansas Gas and Electric Company (hereinafter jointly referred to as "Westar").

3. CEI is a customer of Westar Energy, Inc. CEI has installed a solar photovoltaic system on its facility at 615 Vermont Street, Lawrence, Kansas, and CEI is currently engaged as

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a customer with Westar Energy, Inc., through a net-metering arrangement under Westar's commercial tariffs.

4. On March 11, 2016, the Staff filed its Motion to Open Docket with its Report and Recommendation attached. As Staff noted, this filing complies with the directive contained in the Commission's Order Approving Stipulation and Agreement in Doc. No. 15-WSEE-115-RTS that an investigation be opened into appropriate rate design for solar and other distributed generation customers.

5. CEI seeks intervention in this proceeding to protect its interests in just and reasonable rates and terms of service. No other party to the proceeding represents or claims to represent such interests.

6. To fully protect its interests, it is necessary that CEI be allowed full participation in all proceedings in this docket, including, but not limited to, the right to conduct discovery, presentation of testimony and necessary pleadings, cross examination of witnesses, oral argument, briefing, and participation in such other activities and venues as the Commission may prescribe for this docket.

7. As a business engaged in the supply and installation of solar equipment within the State of Kansas, CEI is uniquely situated to provide relevant information on the costs of solar energy installations, trends in the solar industry, and the benefits of distributed solar energy. Since specific rates are not the subject of this investigation the business interests of CEI are not directly affected and are not claimed as a basis for CEI's intervention.

8. Notices may be sent to:

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C. Edward Peterson 5522 Aberdeen Fairway, Kansas 66205 Email: <u>ed.peterson2010@gmail.com</u>

Aron Cromwell Cromwell Environmental, Inc. 615 Vermont Street Lawrence, KS 66044 Email: <u>acromwell@cromwellenv.com</u>

9. The intervention of CEI will serve justice and will not result in delay or impair the orderly conduct of proceedings.

WHEREFORE, Cromwell Environmental, Inc., respectfully requests the Commission grant its Petition to Intervene with full rights of participation.

Reply to Response of Westar Energy, Inc, et al.

10. On March 25, 2016, Westar filed its Petition to Intervene and Response to Staff's Motion to Open Docket. In the Response, Westar takes great exception to the Staff Recommendation and Report with particular emphasis on the inclusion in the proposed investigation of benefits of distributed generation generally and solar installations specifically.

11. Westar expresses its concern that "alleged potential benefits of distributed generation—or the 'value of solar'" is inappropriate. (Response, ¶ 5.) The bulk of the Response appears to be motivated by a fear that external benefits such as environmental improvement or job creation will be considered. (Response, ¶¶ 9 – 18.) CEI submits that the Commission should not be distracted by these assertions and that the Commission should establish this docket to

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conduct a thorough investigation into the factors that will result in establishing just and reasonable rates.

12. The Commission is vested with broad powers that are to be construed liberally. K.S.A. 66-101, 101g; *Midwest Gas Users Association v. State Corporation Commission*, 5 Kan.App.2d 653, 623 P.2d 924 (Kan. App. 1981); *Kansas Gas and Electric Company v. State Corporation Commission*, 239 Kan. 483, 720 P.2d 1063 (Kan 1986). This grant of authority should be exercised here to develop a complete record upon which reliable and reasonable rates can be fashioned.

13. Both costs and benefits to the utility should be considered in this docket. Other jurisdictions have conducted studies and with varying conclusions have found *that benefits to the utility* are quantifiable.¹ Actual usage patterns are not necessarily the patterns assumed in the Staff Report and Recommendation. Given this diversity of experience, the most reliable way forward is to determine the actual costs and benefits of Kansas customers who utilize distributed generation. Development of this record should not be limited by the constraints requested by Westar in its Response.

14. CEI submits that sound policy and rates will be enhanced through thorough evaluation of relevant factors that will include costs and benefits derived from distributed generation, including installed solar. CEI supports a full consideration of relevant costs and benefits from this emerging and promising energy resource.

¹ "Maine Distributed Solar Valuation Study," Maine Public Utilities Commission Report to the Joint Standing Committee on Energy, Utilities and Technology, 127th Maine Legislature, March 1, 2015; "Net Metering in Mississippi, Costs, Benefits and Policy Considerations," Report prepared for the Public Service Commission of Mississippi by Synapse Energy Economics, Inc., September 19, 2014 (Authors: Elizabeth A. Stanton, PhD., Joseph Daniel, Tommy Vitolo, PhD., Pat Knight, David White, PhD., and Geoff Keith); "Nevada Net Metering Impacts Evaluation," report to the State of Nevada Public Utilities Commission, July 2014, prepared by Energy and Environment Economics, Inc.

Business Entity Search

Date: 03/30/2016

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Business Summary

Current Entity Name

Business Entity ID Number

CROMWELL ENVIRONMENTAL INC. File Name Change Online

2375285 View History and Documents

Previous Names: RAMSEY ENVIRONMENTAL GROUP, INC.

Current Mailing Address: ARON CROMWELL - 615 VERMONT, LAWRENCE, KS 66044 Update

Business Entity Type: KANSAS FOR PROFIT CORPORATION

Date of Formation in Kansas: 06/11/1996

State of Organization: KS

Current Status: ACTIVE AND IN GOOD STANDING

Certificate of Good Standing

Resident Agent and Registered Office

Resident Agent: ARON CROMWELL

Registered Office: 1616 NEW HAMPSHIRE ST., LAWRENCE, KS 66044

Update Resident Agent/Office

https://www.kansas.gov/bess/flow/main?execution=e1s5

Annual Reports

The following annual report information is valid for active and delinquent status entities only.

Tax Closing Month: 12

The Last Annual Report on File: 12/2014

Next Annual Report Due: 04/15/2016 File Online

Forfeiture Date: 07/15/2016

Close Your Business

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including installed solar. CEI supports a full consideration of relevant costs and benefits from this emerging and promising energy resource.

Respectfully submitted:

C. Edward Peterson, Ks. Bar No. 11129 5522 Aberdeen Fairway, KS 66205 Tel. 816.365.8724 Fax. 913-722-0181 Email: ed. adversos 2010/0 email.com

Attorney for Cromwell Environmental, Inc

Verification

State of Kansas)) ss County of Douglas)

The undersigned, under oath first duly sworn, states that he is an officer of Cromwell Environmental, Inc., that he has read the foregoing Petition to Intervene and is familiar with the contents thereof, that the statements contained therein are true and correct to his best knowledge and belief, and that he is authorized to execute this verification on behalf of Cromwell Environmental, Inc.

ron-Cronwell

April

Subscribed and sworn to before me this (day of March, 2016.

Notary Public

My Commission Expires: 4/10/18

Staci Schwarz Notary Public - State of Kansas My Appt. Expires L

Certificate of Service

The undersigned certifies that a copy of the foregoing was served electronically upon all persons on the service list for docket number 15-WSEE-115-RTS.

C. Edward Peterson