Konses Corporation Commission THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the Matter of the Application of Kansas City Power & Light Company for Approval to Implement a Portfolio of Demand Side Management Programs Including Affordability, Energy Efficiency, Demand Response and Educational Programs, and to Implement a Rider for Recovery of Program Costs and Incentives Associated with this Portfolio.

Docket No. 10-KCPE-795-TAR

CURB'S LIST OF DISPUTED ISSUES

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The Citizens' Utility Ratepayer Board (CURB) submits its list of disputed issues for

hearing in Docket No. 10-KCPE-795-TAR:

Issues relating to both the original and the amended application

General:

- 1) Whether KCPL's portfolio of programs conforms to the Commission's orders in the 441 and 442 dockets.
- 2) Whether KCPL's removal of labor costs from program budgets requires analysis prior to determining the accuracy of KCPL's budget numbers.
- 3) Whether the distinctions between conservation and energy-efficiency is a relevant dispute in this case.
- 4) Whether public utilities have an obligation to offer energy efficiency programs to their customers.

Forward looking cost recovery for program cost:

5) Whether KCPL's request for forward-looking cost recovery should be granted.

- 6) Whether KCPL's cash flow concerns created as a result of its construction program and purchase of other utilities should be considered in deciding whether KCPL should be granted forward-looking cost recovery.
- 7) Whether KCPL's current rider provides contemporaneous or near-contemporaneous cost recovery.

Throughput incentive:

- 8) Whether the Commission allow lost revenue recovery.
- 9) If lost revenue recovery is allowed, what standards of evidence must be met to prove financial need.
- 10) Does Staff/intervenors have the requisite knowledge and ability to track lost revenues.
- 11) Whether decoupling is a more appropriate throughput incentive, as set forth in the 441 Order.
- 12) Whether decoupling should be approved in this docket.
- 13) If decoupling is approved in this docket, should there also be a reduction in allowed return, as set forth in the 441 Order.

Performance Incentives:

- 14) Whether, if any, of KCPL's programs are eligible for performance incentives.
- 15) Whether KCPL's proposal is a shared savings mechanism as set forth in the Commission's 441 Order.
- 16) Do KCPL's programs meet the Commission test, as set forth in the 441 Order, to be eligible for performance incentives.
- 17) If incentives are granted, what formula should be used to calculate the incentives.
- 18) Whether the shared benefits percentage proposed by KCPL is too high.
- 19) Whether the Commission has barred incentives for demand response programs.

20) Whether the Commission will allow forecasted theoretical savings to be shared and charged to consumers today.

Calculation Issues:

- 21) Whether KCPL's calculation of avoided transmission capacity is accurate.
- 22) Whether KCPL's calculation of avoided transmission capacity is a legitimate benefit to be included in the benefit-cost analysis.
- 23) Whether KCPL "double-counted" avoided transmission costs in its benefit-cost analysis.
- 24) Whether KCPL's calculation of avoided generation capacity is accurate.
- 25) Whether KCPL should calculate net benefits as if the construction of a new CT would be (1) avoided entirely or (2) delayed a few years.
- 26) Whether KCPL can charge customers for avoided capacity when no actual capacity is avoided.
- 27) Whether Staff's proposed earnings equivalency method should be used to calculate a shared benefits incentive.
- 28) Whether a census methodology should be used to calculate bill impacts.
- 29) Whether KCPL's third-party evaluator is independent.

Energy Saver Loan Program (Efficiency Kansas)

- 30) Whether KCPL must charge a one-time \$250 administrator fee to energy Saver Loan participants.
- 31) Whether KCPL must charge a one-time \$125 administrator fee to energy Saver Loan participants who do not follow through to a acquire a loan.
- 32) Whether the Energy Saver Loan Program should be a pilot program through April 2012.
- 33) Whether savings generated under the Energy Saver Loan program are eligible for performance incentives.

Issues relating to the amended application

- 1) Whether the Commission should reset the 240-day clock on the basis that KCPL's amended application substantially alters the facts of the original application.
- 2) Whether the amended application alters the facts of the original application sufficiently to justify rescheduling the hearing.
- 3) Whether the amended application alters the facts of the original application sufficiently to justify bifurcating the hearing.
- 4) Whether, if the hearing is bifurcated, the issues of cost recovery and performance incentives should be heard in the first hearing or the second hearing.
- 5) Whether the removal of programs from the portfolio alters benefit-cost ratios.
- 6) Whether the portfolio of programs has a positive benefit-cost ratio
- 7) Whether the amended budget is accurate.
- 8) Whether the proportion of education programs in the amended portfolio exceeds Commission guidelines as set forth in the 441/442 orders.
- 9) Whether the reduced cost of the amended portfolio of programs eliminates the necessity of cost recovery through a rider since the level of cost are no longer significant.
- 10) Whether the amended application meets the goals of the Commission.
- 11) Whether the substantial changes made to the Energy Optimizer program will meet the goals for demand response programs.
- 12) Whether bill impacts are acceptable, given the level of savings.
- 13) Whether the amended portfolio is eligible for performance incentives.

Issues relating to KCPL's obligations under the regulatory plan

1) Whether KCPL is obligated to continue offering energy-efficiency and demand response programs beyond the expiration date of the regulatory plan.

Issues relating only to the original application

- 1) Whether KCPL's proposed DSM programs promote fuel-switching behavior.
- 2) Whether promoting fuel-switching behavior is an appropriate or inappropriate action for a public utility.
- 3) Whether the Commission should take a position on whether promoting fuel-switching is appropriate or inappropriate.
- 4) Whether disputes over fuel switching should be argued in this docket.
- 5) Whether the Commission should deny KCPL's request to increase the rebate to homebuilders in the Energy Star New Homes program.
- 6) Whether the Commission should reduce the budget for KCPL's MPower program.

Respectfully submitted,

David Springe #15619 Niki Christopher #19311 C. Steven Rarrick #13127 Citizens' Utility Ratepayer Board 1500 SW Arrowhead Road Topeka, KS 66604 (785) 271-3200 (785) 271-3116 Fax

VERIFICATION

STATE OF KANSAS)) ss: COUNTY OF SHAWNEE)

I, Niki Christopher, of lawful age, being first duly sworn upon her oath states:

That she is an attorney for the Citizens' Utility Ratepayer Board; that she has read the above, and foregoing document and upon information and belief, states that the matters therein appearing are true and correct.

Niki Christopher

SUBSCRIBED AND SWORN to before me this 28th day of December, 2010.

DELLA J. SMITH Notary Public - State of Kansas My Appt. Expires January 26, 2013

Notary Public

My Commission expires: <u>01-26-2013.</u>

CERTIFICATE OF SERVICE

10-KCPE-795-TAR

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing document was placed in the United States mail, postage prepaid, electronic service, or hand-delivered this 28th day of December, 2010, to the following:

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Della Smith

* Denotes those receiving the Confidential version