

**BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

In the Matter of the Application of Westar Energy,)
Inc. and Kansas Gas and Electric Company) Docket No. 18-WSEE-493-TAR
Seeking Commission Approval for the Proposed)
Changes to its Net Metering Rider.)

NOTICE OF FILING OF STAFF'S REPORT AND RECOMMENDATION

COMES NOW, the Staff of the State Corporation Commission of the State of Kansas (Staff and Commission, respectively) and files its Report and Recommendation regarding Westar Energy, Inc. and Kansas Gas and Electric Company's (Westar) proposed changes to Westar's Net Metering Rider. Staff recommends the Commission deny the Application as proposed. In the alternative, Staff recommends several changes to the proposed Application that provides direction and clarity to the tariff. Notwithstanding Staff's recommendations, Staff remains committed to working with Westar to resolve Staff's concerns identified in Staff's Report and Recommendation. Staff believes further discussions with Westar will aid in resolving Staff's concerns and fully supports engaging in collaborative meetings in furtherance of this goal.

WHEREFORE, Staff submits its Report and Recommendation for Commission review and consideration and for such other relief as the Commission deems just and reasonable.

Respectfully submitted,

/s/ Robert Elliott Vincent
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GOVERNOR JEFF COLYER, M.D.

SHARI FEIST ALBRECHT, CHAIR | JAY SCOTT EMLER, COMMISSIONER | DWIGHT D. KEEN, COMMISSIONER

TO: Chair Shari Feist Albrecht
Commissioner Jay Scott Emler
Commissioner Dwight D. Keen

FROM: Tim Stringer, Energy Engineer
Leo Haynos, Chief Engineer
Jeff McClanahan, Director of Utilities

DATE: December 7, 2018

SUBJECT: Docket Number: 18-WSEE-493-TAR
In the Matter of the Application of Westar Energy, Inc. and Kansas Gas and Electric Company Seeking Commission Approval for the Proposed Changes to its Net Metering Rider

EXECUTIVE SUMMARY:

On May 11, 2018, Westar Energy, Inc. filed with the Commission an Application requesting approval for the proposed changes to its Net Metering Rider. The Application was suspended for 240 days until January 7, 2019.

The proposed changes to the existing Net Metering Rider includes requiring one-line and wiring diagrams, battery information, solar panel information, generation output, and generation meter location for the system. The additional information is intended to increase accuracy of reporting on the renewable capacity, to provide distribution engineers with necessary details needed to better analyze any effects of said interconnected distribution generation, and ensure the Customer-generator is meeting the interconnection standards.¹ Upon review of the Application and discovery responses, Staff does not believe the proposed changes to the tariff will provide sufficient directions to the Customer. The terms introduced in the proposed changes are not defined and are vague and ambiguous. Failure to provide the Customer with clear instructions for the service application will, at best, result in a series of service application iterations between Westar and the Customer. At worst, an ambiguous tariff could result in arbitrary application of the tariff terms.

Staff recommends that the Commission deny the Application as proposed. In the alternative, Staff recommends several changes to the proposed Application which provides direction and clarity to the tariff.

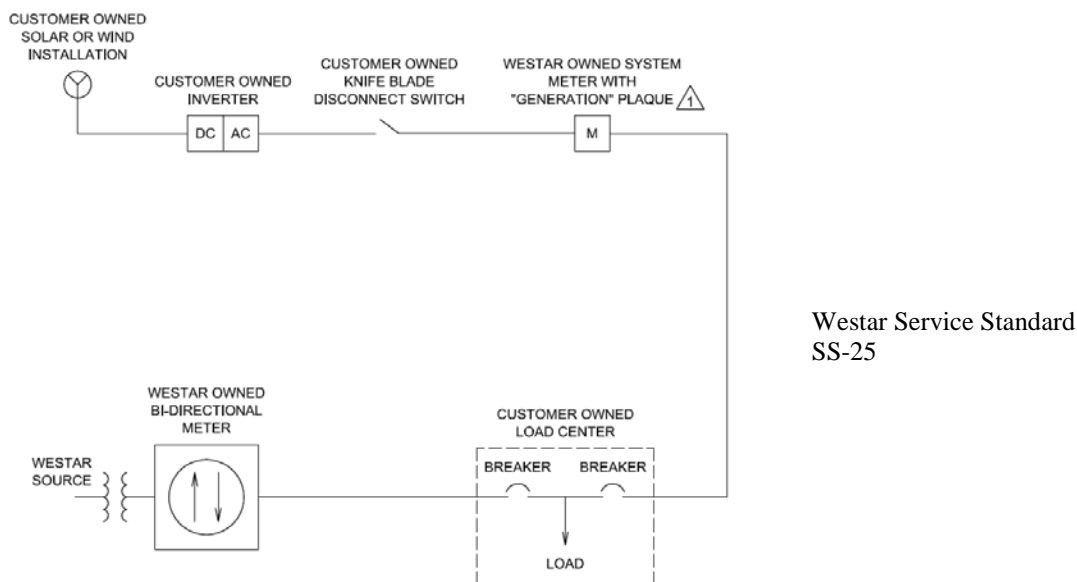
¹ Response to Staff Data Request 3.

BACKGROUND:

Westar is seeking to update its Net Metering Rider Application Form to include Solar, Wind, and Battery Storage information. In its Application, Westar states, “the additional information is intended to both increase accuracy of reporting on the renewable capacity interconnected to Westar’s system and provide distribution engineers with necessary details needed to better analyze any effect of said interconnected distributed generation.” It appears to Staff, Westar’s goal is to ensure Customer-generators do not exceed the net metering maximum capacity limits prescribed by statute.² A thorough knowledge of the Customer-generator’s capabilities will also assist Westar in evaluating any effects the generation may have on the Westar distribution system.

ANALYSIS:

Westar is modifying the Net Metering Rider Application for the Customer-generator to provide one-line and wiring diagrams in addition to the completed application, plans, and specifications describing the Net Metering Facility. Westar states that with wiring diagrams, they can see how the Customer-generator plans to interconnect with the grid and the location of all required components.³ Although the proposed tariff provisions require the Customer-generator to provide both one-line and wiring diagrams, Westar acknowledged they will accept either the one-line diagram *or* the wiring diagram.⁴ Both one-line and wiring diagrams schematically depict the equipment, not the physical arrangement. Westar Service Standard (SS) 25, diagram shown below, provides the Customer-Owned Generation Schematic Diagrams and Notes so the Customer can install their system to Westar’s standards. However, the proposed tariff changes do not reference the service standards. Staff recommends that Westar’s Net Metering Rider Instructions delete requiring both the one-line *and* wiring diagram requirements and accept either one.



² K.S.A. 66-1267 limits new residential customer-generators to a maximum of 15kW of generation capacity.

³ Response to Staff Data Request 3.

⁴ Response to Staff Data Request 7.

The only interconnection with Westar is on the Alternating Current (AC) side of the inverter. Therefore, Staff contends the one-line or wiring diagram needs to only show the equipment and their ratings between the inverter, generation meter, and net meter. In response to a Staff Data Request, Westar stated they expect to see the following information on a one-line diagram: the Customer Name, Address, System Size, Grid Tied Generation, Non-Grid Tied Generation, Inverters, Generation Meter, Load Centers, Sub Panels, Junction Boxes, Storage Devices, Transfer Switches, Disconnects, Revenue Meter, and Service Size.⁵ Staff acknowledges that Westar needs access to the Grid Tied Generation information, but contends the proposed tariff should, at the very least, provide examples of the minimum items they expect to see on a one-line diagram. Furthermore, Staff questions the need for *Non-Grid* Tied Generation. Staff is unaware of any regulatory requirements for the Customer to identify this information to Westar. Therefore, Staff recommends that Westar not include *Non-Grid* Tied Generation items from the requested one-line diagram information.

In the proposed tariff changes, Westar is also requiring the customer to submit a new Application if they “change” their system. In response to a Staff Data Request, Westar defined “change” as “an expansion of existing generation, addition of additional generation, additions of storage, relocation of meters or disconnects, changes in grid interconnection wiring.”⁶ However, none of these specific items are addressed in the proposed tariff language. Because the change would require a new Application, the tariff requires a new Application and \$100 fee if changes are made to the existing system. Staff recommends that in Westar’s Net Metering Rider Instructions, they define the word “change”. Staff also recommends the tariff allow certain customer modifications to their system, such as an additional solar panel or junction boxes to be excluded from a new Application and associated fee. The above recommendations can be accomplished by incorporating Westar’s Service Standard SS-25 into its tariff. Staff contends that as long as the customer meets SS-25, then they should be able to modify and maintain their system as needed.

The proposed modifications to Part B of the Net Metering Rider Application Agreement requires the Solar Customer-generator to provide: the number of panels, whether the panels are fixed or tracking, owned or leased, generation output, generation meter location, battery manufacturer, battery size, battery model number, number of battery units, total system maximum power (kW), total system energy (kWh), battery certification, existence of existing generator, and isolation potential of existing generator. It is unclear to Staff how this information will assist Westar in understanding how the Customer-generator will affect the Westar system or if the Customer-generator will exceed the maximum net metering limits set by statute. Staff believes that the solar panel information that Westar is requesting is not needed to ensure the Customer-generator’s connection does not compromise the grid and should be removed from the Net Metering Rider Application.

K.S.A. 66-1267 allows residential Customer-generators up to 15 kW. Westar states that the 15kW limit is referring to the maximum capacity of the solar panels.⁷ Staff believes that the rating of the inverter is the determining factor in not exceeding the statutorily prescribed 15kW maximum for residential customers, not the rating of the solar panels. Consider the analogy of using a wind turbine to generate electricity - the kW rating of the wind turbine is determined by

⁵ Response to Staff Data Request 3.

⁶ Response to Staff Data Request 4.

⁷ Response to Staff Data Request 5.

the generator, not the size of the turbine blades. In the case of solar panels, the solar panels are used to supply current to the inverter which is tied into Westar's grid. The inverter can not provide more than its rated kW limit to the grid. Depending on the efficiency of the panel, it may take more solar panels to generate the same amount of electricity as other locations. Using the solar panel as the 15kW limit, some Customer-generators would not be able to produce the full 15kWs as allowed by the law. Staff recommends that Westar amend their definition of "Total System Maximum Power (kW)" to be the rating of the inverter, not the solar panels.

The final section of the Net Metering Rider Application, Part B, asks if the batteries, if used, are tested and certified to UL1973. Although the Net Metering Rider Application requests this information, it does not make meeting the standard a requirement. In response to Staff Data Requests, Westar stated it is requiring the Customer-generator to purchase batteries that are UL1973 tested and certified before approving the Application.⁸ Staff notes K.S.A. 66-1268 requires all net metered facilities to meet all applicable safety standards including those developed by the Underwriters Laboratories. Because the referenced standard is a nationally recognized standard for batteries, Staff believes Westar is justified in requiring compliance with this standard. If it is required, however, it should be defined as a requirement in the Service Standards that Staff is recommending be incorporated by reference.

Finally, Westar asks on the Net Metering Rider Application if there is an existing generator behind this meter and, if so, the size and type, and the isolation potential of any existing generator. As with the battery certification mentioned above, the size and type of generator appears to be for information purposes only. The tariff does not state why Westar needs the information nor what it requires of Customer-generators if they have existing generators. Staff contends the tariff, service standards, or the Net Metering Rider Application Instructions should list Westar's expectations for any existing generators connected to the system.

CONCLUSION:

This Docket proposes changes to Westar's Net Metering Rider Application. Staff believes that the Net Metering Rider Application Instructions need to be expanded to cover more detailed instructions for completing the Application. The instructions should also define specific terms used on the Application, and the tariff should incorporate by reference Westar's Service Standard SS-25.

RECOMMENDATION:

Staff recommends the Commission deny the subject Application because the terms introduced in the proposed changes are not defined and are vague and ambiguous. In the alternative, Staff recommends Westar resubmit the Application and address the following:

1. Westar's Net Metering Rider Instructions delete the requirement for both one-line *and* wiring diagrams, accept either diagram;
2. Westar revise the Net Metering Instructions to list the information they are expecting to see on the one-line diagram;

⁸ Response to Staff Data Request 6.

3. Westar delete Non-Grid Tied Generation information from the required one-line diagram information;
4. In its Net Metering Rider instructions, Westar should define the types of changes that require the Customer-generator to file a new Application;
5. The solar panel information that Westar is requesting in the Net Metering Rider Application is irrelevant to Westar's operations and should be removed from the Application;
6. Westar amend their definition of "Total System Maximum Power (kW)" to be the rating of the inverter, not the nameplate capacity of the solar panels;
7. Westar clarify its expectations and requirements for battery testing and certification requirements; and
8. Westar clarify its expectations and requirements for existing generator information from the Application.

STATE OF KANSAS)
) ss.
COUNTY OF SHAWNEE)


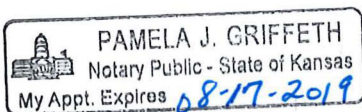
VERIFICATION

Robert E. Vincent, being duly sworn upon his oath deposes and states that he is Senior Litigation Counsel for the State Corporation Commission of the State of Kansas, that he has read and is familiar with the foregoing *Notice of Filing of Staff's Report and Recommendation* and that the statements contained therein are true and correct to the best of his knowledge, information and belief.



Robert E. Vincent, S. Ct. # 26028
Senior Litigation Counsel
The State Corporation Commission
State of Kansas

Subscribed and sworn to before me this 12th day of December, 2018.


Notary Public

My Appointment Expires: August 17, 2019

CERTIFICATE OF SERVICE

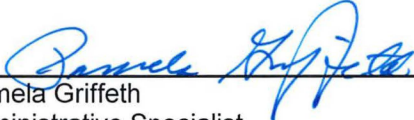
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I, the undersigned, certify that a true and correct copy of the above and foregoing Notice of Filing of Staff's Report and Recommendation was served by electronic service on this 12th day of December, 2018, to the following:

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