



Energy companies

## KCP&L: GMO and MISSOURI

# Renewables Direct FAQ

## What is Renewables Direct?

Renewables Direct is the program name for the Renewable Energy Rider Tariff (RER Tariff) approved by the Missouri Public Service Commission (MPSC) in 2018. The program allows commercial and industrial customers to offset some or all of their energy usage through a renewable resource. This program is designed to provide large customers a path toward their sustainability goals with renewable energy. The RER tariff is available for viewing [here](#).

## How do I sign up or receive more information?

Contact our Renewable Energy team at [renewables@kcpl.com](mailto:renewables@kcpl.com) or your Customer Solutions Manager for more information. Your name will be added to a waiting list in the order it is received. This waiting list will be used to determine participation order once the renewable resource is ready. To enroll in the program, you will be required to complete a Participation Agreement.

## What if the program receives more subscriptions than can be served by the given resource?

When the final resource is obtained, all customers on the waiting list will receive a portion of the available resource based on the proportion of their subscription request to the total resource size. Any unserved capacity associated with your subscription will remain on the waiting list for a future resource procurement or if capacity becomes available. The wait list will be used to determine participation for the future resource. Contact our

Renewable Energy team at [renewables@kcpl.com](mailto:renewables@kcpl.com) or your Customer Solutions Manager for wait list information.

## What are the program charges? Will this affect my demand charge?

The program will have a fixed \$/MWh Subscription Charge based on the cost of energy and transmission related to the procured renewable resource plus \$0.10/MWh for Administration (20-year term) or \$0.30/MWh for all other terms. The corresponding Renewable Adjustment will fluctuate month to month to reflect monthly financial results associated with the energy to be sold into the wholesale marketplace relative to the Subscription Charge. Each month the Renewable Adjustment may increase or decrease your total bill based on settled marketplace revenues. Enrollment does not impact your demand charge or other portions of your bill.

## How will I be billed?

You will receive a monthly Renewable Adjustment based on your allocated share of the metered output of the renewable resource, in the form of an additional charge or credit to your standard bill, which reflects the difference between the Subscription Charge and Wholesale Market Price. The Renewable Adjustment may be applied up to 60 days after wholesale market prices are settled and billed/credited to KCP&L.

## What is the fixed portion of my bill? Will it be the same every month if I participate? Will my bill be subject to additional increases in the future?

Customers participating in Renewables Direct agree to a fixed \$/MWh Subscription Charge for the term of the agreement. This Subscription Charge will not change for the term of the agreement. Your bill will also include a Renewable Adjustment which may vary from month to month. Also, you will still be responsible for your standard bill (fixed and variable charges) based on your metered usage that may also vary from month to month.

## Is it possible the cost of my bill will decrease because of my participation?

It is possible your bill may decrease, but it depends on the difference between the Subscription Charge and the Wholesale Market Price. In some months you may see a lower bill and other months your bill may go up.

## Can the cost of the Subscription Charge change over the next twenty years?

The program comes with a fixed Subscription Charge for the life of the agreement and no Subscription Charge decrease will occur during your subscription.

## Do I own the renewable resource?

No. KCP&L will procure a Power Purchase Agreement (PPA) for the most cost-effective resource to serve those who subscribe to the program.

### **Is this program the same as a PPA?**

No, but it is similar. The energy generated by this program will be added to KCP&L's energy mix and will not go directly to your location. However, by participating, you will receive a similar fixed-cost benefit like a PPA.

### **How much of the renewable resource can I subscribe to?**

You can subscribe to offset up to 100% of your annual energy usage.

### **Where will the renewable resource be located?**

The location is yet to be determined. KCP&L will pick a location that provides the most potential market value for the output from the resource while also reducing risk exposure.

### **How large will the resource be?**

The resource initially will be sized appropriately to support subscribed capacity of at least 100 MW and up to 200 MW.

### **What is the minimum participation period?**

Five-year participation is the minimum required. You may sign a 5, 10, 15 or 20-year Participation Agreement.

### **What if I want to reduce/increase my shares?**

If you wish to adjust your shares due to increases or decreases in electric demand, you may request such adjustment in writing from KCP&L. You will be responsible for any additional cost incurred to facilitate the adjustment. Also, if your annual usage falls below your subscribed amount, KCP&L may at its sole discretion reduce your shares. Should capacity be available if you request to expand your subscription, KCP&L will amend your Participation Agreement. Any changes to your subscription will be made after notifying you.

### **What happens if I move to another location within the same KCP&L jurisdiction?**

You may request transfer of your subscription, provided the total kWh of the subscribed amount is equal to or less than the new location's average annual historical usage. If it exceeds the allowed usage, the subscription may be adjusted down.

### **What if I move to another location within a different KCP&L jurisdiction?**

Transfer of subscriptions between jurisdictions will not be allowed. Your subscription will be terminated, but to avoid fees you may, without penalty, transfer service to another account that is within the same KCP&L jurisdiction.

### **Can I terminate my Participation Agreement before the expiration of the originally agreed to term?**

Yes. You must first notify KCP&L in writing of your request to terminate. However, you also will be required to pay a Termination Fee to KCP&L for any associated costs and administration associated with the termination as outlined in the RER Tariff.

### **What happens at the end of the 20-year term?**

At the end of the 20-year term, KCP&L will evaluate customer interest, resource availability, and market conditions to determine whether or not to procure a new resource to extend the program. If conditions do not support obtaining a new resource, then the program will terminate.

### **Do I own the renewable energy credits (RECs) for my portion of this resource?**

No, but you have right to claim the environmental benefit of the RECs. The RECs produced by your portion of the resource will be retired by KCP&L on your behalf. If you desire ownership, the RECs may be transferred to you with all transfer costs borne by you.

### **Who gets to claim the environmental benefits of this project?**

As a Renewables Direct participant, you can claim the full environmental benefits for your share of the program with the transfer/retirement of RECs.

### **Does participation in this program qualify me as a net metering or cogeneration customer?**

No, this program is different from our net metering and other renewable programs.

### **Is the renewable energy I support through the Renewables Direct program delivered directly to my business?**

No. The energy produced is not sent directly to your business, but is added into KCP&L's power system and will offset the traditional energy production associated with your usage.

### **Is there a calculator or spreadsheet I can use to help me determine my future expense?**

No, but you can contact our Renewable Energy team at [renewables@kcpl.com](mailto:renewables@kcpl.com) or your Customer Solutions Manager for rate calculation.

### **How will you decide to expand the program?**

KCP&L must demonstrate 90% subscription of the resource for a minimum of two years before additional renewable subscriptions are offered. As this participation can be maintained and upon MPSC approval, additional renewable resources may be added to the program.



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