

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of a Determination of Special)	
Contemporary Resource Planning Issues to be)	
Addressed by The Empire District Electric)	File No. EO-2017-0076
Company in its Next Triennial Compliance)	
Filing or Next Annual Update Report)	

**EMPIRE’S OBJECTIONS AND COMMENTS REGARDING
SUGGESTED SPECIAL CONTEMPORARY RESOURCE PLANNING ISSUES**

COMES NOW The Empire District Electric Company (“Empire” or “Company”), by and through the undersigned counsel, and, pursuant to Rule 4 CSR 240-22.080(4)(B), provides these Objections and Comments regarding the special contemporary resource planning issues suggested by the Staff of the Commission (“Staff”), the Missouri Department of Economic Development – Division of Energy (“DE”), and Brightergy, LLC and the Natural Resources Defense Council (“Brightergy/NRDC”). In this regard, Empire respectfully states as follows to the Missouri Public Serve Commission (“Commission”):

Introduction

This file was opened to facilitate the process established by Rule 22.080(4) regarding evolving electric resource planning issues – or special contemporary issues. On September 15, 2016, Staff and DE filed their suggested special contemporary resource planning issues for Empire, as did Brightergy/NRDC. Pursuant to Rule 22.080(4)(C), by no later than November 1, 2016, the Commission must issue an order containing a list of special contemporary issues for Empire to analyze and document in its next integrated resource planning (“IRP”) annual update report, or issue an order stating that there are no special contemporary issues to be addressed at this time.

It is important for the Commission to recognize the distinction between the IRP triennial compliance filing and the annual update report that will be submitted by Empire. The triennial

filing, made every three years, is a major study that is subject to the Chapter 22 electric utility resource planning rule. Pursuant to Rule 22.080(2), the triennial filing must demonstrate compliance with all provisions of Chapter 22. The annual update report, on the other hand, is meant to provide an update to stakeholders and allow them input on IRP issues on an annual basis, between triennial filings. Pursuant to Rule 22.080(3)(B), “the depth and detail of the annual update report” shall be commensurate with changes since the last IRP filing. While related, the scope of the triennial filing and the scope of the annual updates are greatly different.

Objections

1. Empire objects to the suggested special contemporary issues list of Brightergy/NRDC in its entirety. Pursuant to Rule 22.080(4)(A), “staff, public counsel, and parties to the last triennial compliance filing” of Empire were entitled to suggest special contemporary issues herein. Brightergy and NRDC were not parties to Empire’s last triennial filing docket (File No. EO-2016-0223). In fact, neither Brightergy nor NRDC has ever intervened in an Empire Chapter 22 proceeding, and neither has participated as part of the Empire IRP stakeholder group.

2. As detailed below, Empire also objects to DE’s proposed special contemporary issues. Although they may be proper for a triennial filing, some of DE’s suggested issues are not well suited for the annual update process. DE suggests twelve different special contemporary issues (some with subparts). The final list of special contemporary issues must be limited in number and scope, so that the identified issues may be properly analyzed and adequately addressed in Empire’s upcoming IRP annual update, and so resources are not spent unwisely. DE appears to be requesting a vast array of additional evaluations within its special contemporary issues suggestions, without regard to the definition of a special contemporary issue, and without regard to the purpose and proper scope of an IRP annual update.

a. Empire objects to DE issue 1 and all its subparts (U.S. Environmental Protection Agency's Clean Power Plan ("CPP")). Empire's 2016 IRP considered environmental uncertainty as a critical uncertain factor. Therefore, within the normal course of an IRP annual update, Empire will continue to monitor the status of the CPP and will provide updates to stakeholders in the next IRP annual update *to the extent any material changes have occurred*.

b. Empire objects to DE issue 2 (identifying and evaluating quantifiable non-energy benefits ("NEB") for demand-side management ("DSM")). The policy objectives of the IRP Rule, 4 CSR 240-22.010(2)(A), instructs each utility to "consider and analyze demand-side resources, renewable energy, and supply-side resources on an equivalent basis." DE Issue 2 would violate this directive, by requiring Empire to consider NEB for specified resources. The IRP Rule already outlines cost-effectiveness tests for the demand-side resource analysis, which does not include NEB. Further, this type of suggestion does not apply directly to an annual update.

c. Empire objects to DE issues 4 and 5 (evaluation and documentation related to the Missouri Energy Efficiency Act ("MEEIA")). Empire has never had an approved MEEIA demand-side portfolio, and a MEEIA portfolio was not part of Empire's 2016 IRP preferred plan.

d. Empire objects to DE issues 7 through 12 for its 2017 IRP annual update. Each of these suggested issues is beyond the proper scope of the annual update process. In its 2017 IRP annual update, Empire will be updating the stakeholders on changing conditions since the last IRP filing. In line with the stated purposes of the Commission's IRP rules, including the annual update process, each utility should keep its stakeholders updated and informed regarding changing conditions and factors. The Commission's IRP

rules are already comprehensive and prescribe a complex, costly, and detailed planning process for each utility. Stakeholders should not be allowed to expand upon these IRP rules simply by labeling items as “special contemporary issues.”

Conclusion

Empire urges the Commission to apply a reasonableness standard in arriving at its list of special contemporary issues for Empire to consider and analyze for its upcoming annual update. As Empire will not be submitting a triennial compliance filing this year, the ordered special contemporary issues should be more limited in number and scope and should be appropriate for the scope of an annual update. Additionally, any ordered “special contemporary issue” should be reasonably related to Empire’s particular resource planning and should not already be covered or contemplated by the IRP rules.

The list of special contemporary issues ordered by the Commission for consideration and analysis by Empire in its upcoming annual update report should be straightforward, specific to Empire and its planning process, and appropriately limited in number and scope, so that the issues may be adequately analyzed and the Company’s resources used wisely.

WHEREFORE, Empire respectfully submits its objections and comments regarding the special contemporary resource planning issues suggested by Staff, DE, and Brightergy/NRDC. Empire requests such relief as is just and proper under the circumstances.

BRYDON, SWEARENGEN & ENGLAND P.C.

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CERTIFICATE OF SERVICE

I hereby certify that the above and foregoing document was filed in EFIS, notifying all counsel of record of the filing, and that a copy of the same was sent via electronic mail on this 3rd day of October, 2016, to all counsel of record.

/s/ Diana C. Carter