May 25, 2010

Missouri Public Service Commission P.O. Box 360 Jefferson City MO 65101

Docket No. EW-2010-0265

Missouri Department of Natural Resources, the Natural Resources Defense Council and the Great Rivers Environmental Law Center jointly submit the following language for consideration in this docket. We greatly appreciate the effort on the part of staff, facilitators and other stakeholders over the past two months, and the opportunity to participate in the process thus far.

We want to underscore the tremendous benefits that Missouri could reap as a result of implementing S.B. 376's policy goal of capturing all cost-effective energy efficiency potential. Residential use of electricity per capita in Missouri is 5945 kWh, one third higher than the U.S. average of 4594 kWh. See <a href="http://apps1.eere.energy.gov/states/residential.cfm/state=MO#elec">http://apps1.eere.energy.gov/states/residential.cfm/state=MO#elec</a>.

Gross commercial product (GCP) per kWh is \$5.52, compared to the U.S. average of \$7.41. Id. The Midwest Energy Efficiency Alliance estimates that if Missouri were to set energy efficiency targets for its utilities at the same levels as the utilities in Ohio and Indiana, Missouri consumers would save a cumulative net of \$4.5 billion between now and 2025, creating an estimated 3800 jobs. We strongly recommend that Missouri seize the opportunity presented by S.B. 376 to develop a regulatory regime that uses both performance standards and incentives to achieve these goals, ramping up steadily to meet that goal of capturing all potential for cost-effective energy efficiency.

Finally, we want to make it clear that we are open to working with the other stakeholders to refine the elements of this rule, and are not wedded to the precise words in this draft. We hope that our joint draft can help staff and stakeholders understand the concepts we support, and look forward to continued collaboration to finalize the rule.

Sincerely,

## /s/ Rebecca Stanfield

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## /s/<u>Henry B. Robertson</u>

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