

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

In the Matter of a Working Case to Explore )  
Emerging Issues in Utility Regulation ) File No. EW-2017-0245

**COMMENTS OF THE MIDWEST  
ENERGY CONSUMERS GROUP**

1. On September 6, 2017, the Commission issued its *Order Seeking Responses Regarding Distributed Energy Resource Issues, and Scheduling a Workshop Meeting*. In that order, the Commission sought comments on several topics including two related to demand response: (1) Should previous Commission policy decisions regarding demand response aggregation be reconsidered? and (2) Should a model state tariff be designed?

2. In general, MECG supports the comments filed by AEMA in this docket. The further development of demand response will have a beneficial impact on all customers. The impact of demand response will result in lower capacity and energy costs for all customers which should drive rates that are lower than they otherwise would be absent demand response. Importantly, however, the Commission should be mindful not to limit demand response programs solely to those provided by Missouri utilities. Demand response provided by third parties can be a useful method for driving greater penetration of demand response programs.

3. In addition, MECG urges the Commission to be mindful not to deprive opt-out customers of the benefits of demand response. Section 393.1075.7 of the Missouri Energy Efficiency Investment Act (“MEEIA”) allows certain commercial and industrial customers to opt-out of utility energy efficiency programs and costs. Section 393.1075.9 then provides, however, that if a customer participates in “demand-side programs” they must “participate in

program funding.” Thus, participation in “demand-side programs” would appear to void a customer’s opt-out status.

The definitions provided in MEEIA provide additional clarity. Section 393.1075.2(3) defines “demand-side programs” very broadly. Specifically, demand-side programs includes “any program conducted by the utility to modify the net consumption of electricity on the retail customer’s side of the electric meter, including but not limited to energy efficiency measures, rate management, *demand response*, and interruptible or curtailable load.” Furthermore, “demand response” is defined in Section 393.1075.2(2) as “measures that decrease peak demand or shift demand to off-peak periods.”

4. Seemingly, the MEEIA statutes would appear to preclude opt-out customers from participating in demand response programs conducted by the utility. That said, however, Section 393.1075.10 provides an exception. Specifically, that statute provides that “[c]ustomers electing not to participate in an electric corporation’s demand-side programs under this section shall still be allowed to participate in interruptible or curtailable rate schedules or tariffs offered by the electric corporation.” Given this, MECG urges the Commission to mindful of the statutory right that opt-out customers have to participate in “interruptible or curtailable” programs offered by the electric utility. With this in mind, MECG asks that the Commission specifically find that opt-out customers are eligible to participate whenever it approves a utility tariff that constitutes an interruptible or curtailable program.

WHEREFORE, MECG respectfully submits the foregoing comments and asks that the Commission consider these comments in its deliberations in this matter.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David L. Woodsmall". The signature is written in a cursive, flowing style with a large initial "D".

David L. Woodsmall, MBE #40747  
308 East High Street, Suite 204  
Jefferson City, Missouri 65101  
(573) 636-6006 (telephone)  
(573) 636-6007 (facsimile)  
[david.woodsmall@woodsmalllaw.com](mailto:david.woodsmall@woodsmalllaw.com)

ATTORNEY FOR THE MIDWEST  
ENERGY CONSUMERS GROUP