

Missouri Renewable Energy Standard Discussion Items from July 29, 2009 Working Session

Methodology to deal with renewables that existed prior to RES (November 4, 2008) and renewables that will be added in accordance with RES after November 4, 2008 (this item is relative to 393.1030.2 (1) which states in part, “the cost of continuing to generate or purchase electricity from entirely nonrenewable sources”).

How to develop two (or more) plans within the Integrated Resource Planning process that allow determination of the one percent retail rate increase in 393.1030.2 (1).

Methodology for determining compliance with the RES:

- (1) Is compliance based on a retroactive comparison of actual retail sales in the compliance year versus renewable energy delivered/RECs retired in the compliance year?
- (2) Is compliance based on evaluation of performance relative to the compliance plan filed and updated by the utility for the compliance year?
- (3) Is compliance based on evaluation of normalized data for retail sales and normalized renewable energy delivered/RECs retired in the compliance year?
- (4) Is there a difference between missing renewable energy requirement vs. missing load projection requirement for a compliance year?

Duration of averaging interval for determination of the 1% rate impact limit. This item includes consideration of the appropriate methodology to address “lumpiness” of adding new generating facilities and whether the averaging interval should be prospective, retrospective, or a combination.

Differences and applicability of 393.1030 and 393.1045.

Methodologies for determination of the appropriate value to be used for the “cost of capital” for determination of the rate impact and cost recovery.

Combination of proposed rule sections 7 and 10 to incorporate aspects of both sections into one combined section with a common filing date.

Is the 1% rate cap a compounding limit or a fixed overall limit for the duration of the RES?

Determination of variables used in analysis, e.g., appropriate value for carbon tax, mercury emissions, etc. Should the value be predetermined, consistent for all utilities, use current IRP assumptions, etc.?

Administrative cost considerations and limits

Potential impact on Missouri RES implementation of a federal RES.

Should RESRAM initiation be within or outside a general rate case?