

(5) Retail Rate Impact. The RES compliance retail rate impact will be limited to no more than a maximum average retail rate increase of one (1) percent per year pursuant to 393.1030 and 393.1045, RSMo, unless adjusted for future environmental regulatory risk pursuant to 393.1030, RSMo and this rule. The RES compliance retail rate impact limit is only applicable to cost recovery conducted in accordance with section (6) of this rule.

For a compliance year, the retail rate impact limit will be calculated as follows:

1. The 1% rate cap shall be determined by utilizing the utilities base rate revenue requirement as established by the commission in the utilities most recently completed rate case.

2. The Utility will be required to estimate the cost of complying with the Renewable Energy Standard including all items listed in section 6.

3. If the cost calculated in paragraph 2 of this section is greater than or equal to the cost calculated in paragraph 1. of this section, the RES compliance retail rate impact limit will be limited by the amount calculated in 1.

4. If the cost calculated in paragraph 2 of this section is less than the cost calculated in paragraph 1 of this section, the RES compliance retail rate impact limit will be equal to the cost calculated in paragraph 2.