

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Consideration of Adoption)
Of the PURPA Section 111(d)(12) Fuel Sources) Case No. EO-2006-0494
Standard as Required by Section 1251 of the)
Energy Policy Act of 2005)

**RESPONSE TO PROPOSED QUESTIONS BY CONCERNED CITIZENS
OF PLATTE COUNTY, SIERRA CLUB, OZARK ENERGY SERVICES, MID-
MISSOURI PEACEWORKS AND HEARTLAND RENEWABLE ENERGY SOCIETY**

Come now Concerned Citizens of Platte County (“CCPC”), Sierra Club, Ozark Energy Services, Mid-Missouri Peaceworks and Heartland Renewable Energy Society and in response to the Commission’s August 17 Order Directing Filing answer the three proposed questions as follows.

Prior State Action

The only relevant prior state action is the IRP Supply-Side Resource Analysis in 4 CSR 240-22.040. Resource options include new plants using new or existing generation technologies and refurbishment of existing plants. 4 CSR 240-22.040(1). However, these options are subject to preliminary screening for a variety of “disadvantages,” 22.040(2), and possible elimination. 22.040(2)(C). If passed through, they are subject to further scrutiny for “uncertain factors.” 22.040(8). If included in alternative resource plans, they are subject to further analysis for cost, uncertainty and “additional planning objectives” under 22.060(1–4). The goal of IRP is to identify a single preferred resource plan for implementation. 22.070(6, 9).

The IRP process does not necessarily result in any diversification of fuels or technologies and thus does not fulfill the unqualified mandate of PURPA § 111(d)(12): “Each electric utility shall develop a plan to minimize dependence on 1 fuel source and to ensure that the electric energy it sells to consumers is generated using a diverse range of fuels and technologies,

including renewable technologies.”

The General Assembly has repeatedly refused to enact a renewable portfolio standard. There are several differences between RPS and the PURPA standard, however. An RPS might result in only one alternative fuel and/or technology being used, not “a diverse range.” The 111(d)(12) standard is not limited to consideration of renewable technologies. Fuel diversification and renewable technologies are overlapping but distinct goals.

Missouri has not acted on or otherwise considered the same or a comparable standard. This case should therefore proceed.

Consolidation

This case should be consolidated with EO-2006-0495, Consideration of the Adoption of the 111(d)(13) Fossil Fuel Generation Efficiency Standard. Both concern the development of utility plans under the heading of generation technologies. One option for implementing each is by amending the IRP rules of 4 CSR 240 Chapter 22. Even if a separate rulemaking is used, a single proceeding could realize administrative efficiencies due to the similarity in subject matter. The two standards should therefore be considered in tandem.

Type of Proceeding

Rulemaking is the only suitable type of proceeding. Rate cases are inapplicable. Workshops or collaboratives without the direct participation of the Commission are not conducive to the “determination” by the “State regulatory authority” of the appropriateness of implementing the standard that is required by PURPA § 111(a)(16 U.S.C. § 2621(a)).

/s/Henry B. Robertson
Henry B. Robertson (Mo. Bar No. 29502)
Kathleen G. Henry (Mo. Bar No. 39504)
Great Rivers Environmental Law Center
705 Olive Street, Suite 614
St. Louis, Missouri 63101
(314) 231-4181
(314) 231-4184
khenry@greatriverslaw.org

Attorneys for Intervenors

CERTIFICATE OF SERVICE

I hereby certify that a true and correct PDF version of the foregoing was sent by email on this 15th day of September, 2006, to the persons on the EFIS service list.

/s/Henry B. Robertson
Henry B. Robertson