

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

In the Matter of a Determination of Special)	
Contemporary Resource Planning Issues to be)	
Addressed by The Empire District Electric)	File No. EO-2018-0048
Company in its Next Triennial Compliance)	
Filing or Next Annual Update Report)	

**EMPIRE’S OBJECTIONS AND COMMENTS REGARDING
SUGGESTED SPECIAL CONTEMPORARY RESOURCE PLANNING ISSUES**

COMES NOW The Empire District Electric Company (“Empire” or “Company”), by and through the undersigned counsel, and, pursuant to Rule 4 CSR 240-22.080(4)(B), provides these Objections and Comments regarding the special contemporary resource planning issues suggested by the Staff of the Commission (“Staff”), the Missouri Department of Economic Development – Division of Energy (“DE”), and the Office of the Public Counsel (“OPC”). In this regard, Empire respectfully states as follows to the Missouri Public Service Commission (“Commission”):

Introduction

This file was opened to facilitate the process established by Rule 22.080(4) regarding evolving electric resource planning issues – or special contemporary issues (“SCIs”). On September 14, 2017, DE filed its suggested SCIs for Empire, and Staff and OPC filed their suggested SCIs for Empire on September 15, 2017. Additionally, on September 28, 2017, OPC submitted its “Updated Memorandum of Special Contemporary Resource Planning Issues” for Empire. OPC represented that the suggested SCIs contained in OPC’s Updated Memorandum are intended to replace the list of suggested SCIs filed by OPC on September 15, 2017.

Pursuant to Rule 22.080(4)(B), on or before October 1, 2017, Empire may respond to the suggested SCIs filed by September 15, 2017. Pursuant to Rule 22.080(4)(C), by no later than November 1, 2017, the Commission must issue an order containing a list of special contemporary issues for Empire to analyze and document in its next integrated resource planning (“IRP”) annual

update report. Alternatively, the Commission may issue an order stating that there are no special contemporary issues to be addressed at this time.

It is important for the Commission to recognize the distinction between the IRP triennial compliance filing and the annual update report that will be submitted by Empire. The triennial filing, made every three years, is a major study that is subject to the Chapter 22 electric utility resource planning rule. Pursuant to Rule 22.080(2), the triennial filing must demonstrate compliance with all provisions of Chapter 22. The annual update report, on the other hand, is meant to provide an update to stakeholders and allow them input on IRP issues on an annual basis, between triennial filings. Pursuant to Rule 22.080(3)(B), “the depth and detail of the annual update report” shall be commensurate with changes since the last IRP filing. While related, the scope of the triennial filing and the scope of the annual updates are greatly different.

Response to DE

Empire objects to DE Issue 1 (identifying and evaluating quantifiable non-energy benefits (“NEB”) for demand-side management (“DSM”) and evaluating the impact of a NEBs adder). The policy objectives of the IRP Rule, 4 CSR 240-22.010(2)(A), instructs each utility to “consider and analyze demand-side resources, renewable energy, and supply-side resources on an equivalent basis.” DE Issue 1 would violate this directive, by requiring Empire to consider NEB for specified resources. The IRP Rule already outlines cost-effectiveness tests for the demand-side resource analysis, which does not include NEB.

Response to OPC

Based on OPC’s representation that its September 28th filing is a replacement for its September 15th filing and certain other factors, Empire does not object to OPC’s late filing.

Empire objects to OPC's Supply-Side Management Topic 2 (Issue A(5) in OPC's original submission) (analysis of coal generation retirements by all SPP members). Empire does not possess the systems and data necessary to complete the requested analysis, and this suggested issue is overly broad and unduly burdensome and not appropriate for an annual update report.

The Southwest Power Pool ("SPP") Integrated Marketplace plays an important role in the Company's operations and planning. As such, Empire contributes significant resources to monitor and actively participate in SPP planning activities and working groups related to resource adequacy, transmission planning, market operations and policy, cost allocation, and other various areas of concern. The Company participates in independent studies conducted by SPP, by which all of the region's resource costs, loads, and other factors are considered. It would not be possible, however, for Empire to perform the requested analysis internally. Empire simply does not possess the systems or data (such as generator costs, load requirements, replacement resources, and resource efficiencies), for any SPP member other than Empire, that would be necessary to perform an analysis of the impact of certain percentages of coal generation being retired by all SPP members. In addition, it would be cost prohibitive for Empire, or any other individual member of SPP, to conduct the study and analysis requested by OPC.

Conclusion

Empire urges the Commission to apply a reasonableness standard in arriving at its list of special contemporary issues for Empire to consider and analyze for its upcoming annual update. As Empire will not be submitting a triennial compliance filing this year, the ordered special contemporary issues should be more limited in number and scope and should be appropriate for the scope of an annual update. Additionally, any ordered "special contemporary issue" should be

reasonably related to Empire's particular resource planning, should not already be covered or contemplated by the IRP rules, and should not conflict with the directives of the IRP rules.

The list of special contemporary issues ordered by the Commission for consideration and analysis by Empire in its upcoming annual update report should be straightforward, specific to Empire and its planning process, and appropriately limited in number and scope, so that the issues may be adequately analyzed and the Company's resources used wisely.

WHEREFORE, Empire respectfully submits its objections and comments regarding the special contemporary resource planning issues suggested by Staff, DE, and OPC. Empire requests such relief as is just and proper under the circumstances.

BRYDON, SWEARENGEN & ENGLAND P.C.

By:

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CERTIFICATE OF SERVICE

I hereby certify that the above and foregoing document was filed in EFIS, notifying all counsel of record of the filing, and that a copy of the same was sent via electronic mail on this 1st day of October, 2017, to all counsel of record.

/s/ Diana C. Carter