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To: Missouri PSC Staff and all Workshop Participants

Re: Chapter 22 Rulemaking Workshop, EW-2009-0412

July 21, 2009

On behalf of Dogwood Energy, LLC, we submit the following responses to Staff's questions for the July 30, 2009 workshop.

1. (For utilities only) Does the resource planning process serve any purpose independent of Chapter 22 for the responding utility? How can the resource planning process be made more meaningful for the utility? What is your definition of "meaningful"? (For non-utility stakeholders only) How can the resource planning process be made more meaningful for the non-utility stakeholders? What is your definition of "meaningful"?

Dogwood defines "meaningful" as "in furtherance of the best interests of the utilities, their ratepayers, and interested parties." From the perspective of a non-utility stakeholder, Dogwood believes that the resource planning process can be made more meaningful by the development of up-to-date plans which take into account the views of both utilities and non-utility stakeholders and which are actually implemented to the greatest extent possible taking into account changes in circumstances and legal mandates.

2. What should the objectives be for Chapter 22 Electric Utility Resource Planning relating to (i) resource planning in general and (ii) specifically for each rule presently within Chapter 22, and for a separate rule on transmission and distribution planning to be added to Chapter 22?

The objectives of the Chapter 22 rules should be meaningful resource planning as described above. All legitimate supply-side alternatives should be fairly considered. Transmission and distribution needs must be included in the planning process. Competitive bidding rules should be developed to better assure appropriate decision-making as resource plans are implemented. Reporting requirements should assure accountability without imposing undue burdens on utilities.

3. Are there any rules in Chapter 22 that you believe should be removed in total, pared back in part (in what manner?), or added to (in what manner?) in order to

better attain the purpose, meaning, or objectives stated in your responses to questions 1 and 2 above? Please provide an explanation.

Dogwood has submitted proposed edits to the current draft revisions of the rules. In particular, Dogwood has proposed adding specific competitive bidding rules based on rules developed and successfully employed in Oklahoma. Improved use of RFPs and competitive bidding will provide benefits to both the utilities and their ratepayers, as well as assure fairness to unaffiliated providers.

4. Should there be a process to determine compliance with the objectives identified in response to question 2 different than that which is already provided for in Chapter 22? Should the process be on a three-year cycle or some other cycle?

Implementation will demonstrate the adequacy of planning. Plans should be kept up-to-date, at a minimum on an 18-month cycle.

6. What should constitute a "change" from a utility's preferred resource plan which requires notice to the Commission of that change? When should the Commission be notified of a change in the utility's preferred resource plan and what should that notification consist of? Should it be whenever the utility's business plan deviates from the preferred resource plan? Why or why not?

Any decision to deviate from a plan is a change. Utilities should confirm implementation and explain changes in plans, based on distinct milestones in planning and implementation processes

7. Discuss your views on the prospect of adding an annual resource plan filing requirement which is consistent with and supported by the utility's business plan. What items should be included in an annual resource plan filing if it is determined an annual update process should be included in Chapter 22?

Updates should be provided at a minimum on an 18-month cycle, providing detail regarding implementation and plan revisions.

- 8. What reporting requirements in the current Chapter 22 rules or existing drafts of an update of the Chapter 22 rules have low value in your view? Why?
- 9. What reporting requirements in the current Chapter 22 rules or existing drafts of an update of the Chapter 22 rules have high value in your view? Why?

The focus of reporting should be adequate documentation of both planning and implementation, including results of competitive bidding.

Dogwood hopes the foregoing information and its proposed edits to the draft revised rules help advance this process.

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cc. Rob Janssen