Holsman, Laura

 From:
 Rogers, John

 Sent:
 Friday, July 02, 2010 1:19 PM

 To:
 Sundermeyer, Susan; Holsman, Laura

 Subject:
 FW: Empire MEEIA comments

Importance: High

Please file this email in EW-2010-0368.

From: Sherry McCormack [mailto:SMcCormack@empiredistrict.com] Sent: Thursday, July 01, 2010 5:46 PM To: Rogers, John; Wankum, Martha Cc: Scott Keith; Sherry McCormack Subject: RE: Empire MEEIA comments Importance: High

John, I just noticed that this email has not been filed in the SB376 EW docket. Please have this filed so that Empire's views are noted.

Thank you and have a good 4th of July weekend, -Sherry

Sherry McCormack Energy Efficiency Coordinator The Empire District Electric Company 602 S. Joplin Ave. Joplin, Missouri 64801 Office: (417) 625-6519 Fax: (417) 625-5173 www.empiredistrict.com

From: Sherry McCormack Sent: Monday, June 28, 2010 9:22 AM To: Rogers, John; Wankum, Martha Cc: Scott Keith Subject: Empire MEEIA comments Importance: High

John,

Please have this filed in EW-2010-0265.

Empire has been involved in discussions with several parties over the last week in an attempt to reach consensus on several points contained within Staff's draft rules of June 18. While these discussions did make progress on some points, Empire did not feel agreement was reached at a level that allowed it to join in the memo submitted by KCP&L, MO DNR, and NRDC.

Empire agrees with that the intent of MEEIA is to encourage demand-side management programs, to capture all of the cost-effective potential for electricity savings, and to remove the disincentives for investment in demand-side management programs. Regarding the KCP&L-MDNR-NRDC Memo as filed on June 25, Empire agrees with the following:

- The language as it relates to the Financial Incentive Alignment;
- The utility needs assurance of cost recovery at the time of program plan approval;
- Flexibility is needed to allow the utilities to adjust to changes in the market between the three year program plan filing requirements;
- Transparency and accountability are important in the demand-side management program process.

During the discussions there was a lot of time spent on the topic of energy efficiency savings goals or targets. It is Empire's position that the underlying legislation for these rules does not support savings targets.

Other areas of concern for Empire of the draft rules are:

- that the approval, modification or discontinuance and cost recovery of DSM programs is tied directly to rate cases,
- that a potential study or update of primary data and analysis performed every three years,
- that integration analysis is required in order to discontinue a demand-side program,
- the complexity of the "draft" rules will make compliance difficult, time consuming and expensive for all parties, and
- that the DSM program goals that have been specified in draft rules are not based upon any data gathered in the State of Missouri

Thank you,

Sherry McCormack

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