BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Empire District Electric Company's 2019 Triennial Compliance Filing Pursuant to 20 CSR 4240-22	)))	**File No. EO-2019-0049**

COMMENTS OF NRDC ON LIBERTY-EMPIRE'S TRIENNIAL FILING

Comes now the Natural Resources Defense Council ("NRDC"), and pursuant to 20 CSR 4240-22.080(8), identifies the following deficiencies and concerns.

NRDC is thrilled that Liberty-Empire has taken the lead among Missouri's utilities in putting its faith in renewables and storage, eschewing coal. We are also very pleased that Empire will finally implement a MEEIA plan. We do, however, see certain gaps in the triennial plan that need to be filled.

Demand-side rates, 22.050(4). Empire's treatment of this topic is so perfunctory as to be deficient.

First, unlike Ameren and Evergy, Empire is doing nothing in the direction of time-of-use electric vehicle rates. The company offers only a forecast of EV penetration and disregards charging infrastructure as a candidate resource option. What is certain is that EVs are a growing trend, a load that every electric utility must accommodate. Off-peak EV charging is essential to minimize the effect on evening peak load, after work and school and before bedtime. Such a rate has been proposed by Ameren in its current rate case and incorporated this very day in a unanimous stipulation and agreement in that docket.[1] Analyzing such a rate in this IRP would be a vital step for Empire in preparing for this looming eventuality.

Second, with regard to solar PV, Empire notes the advantages of battery backup and single axis tracking over fixed tilt.[2] (To these could be added west-facing solar panels.) These measures are applicable to customer-generators and make it possible to enhance the effectiveness of PV in the late afternoon and early evening, when PV generation is in steep decline. Empire should realize this as a system benefit and compensate net-metered customers accordingly. The company should analyze the possibility of offering a higher price after, say, 4:00 p.m. This could pay for itself in avoiding costs for energy and capacity by the utility.

Decoupling for MEEIA, 22.050(2), 22.060(5). In 2018 the legislature passed SB 564. Among its many provisions it amended § 386.266.3, RSMo, to make revenue decoupling due to energy conservation available to electric, as well as gas, utilities. Empire should analyze the option of applying to uncouple sales from revenue for its MEEIA portfolio to remove the throughput disincentive and make its cost recovery indifferent to declines in energy use.

"All cost-effective" DSM, 22.050(1)(B), 22.050(2). The MEEIA statute sets "a goal of achieving all cost-effective demand-side savings." § 393.1075.4, RSMo. This goal is not fully capture by "maximum achievable potential," "realistic achievable potential," and intermediate portfolios. While the statute does not compel utilities to

[1] ER-2019-0335, Direct Testimony of Ameren witness Steve Wills, p. 43; Stipulation and Agreement ¶ 27b.
[2] Vol. 4, pp. 4-53, 4-60.

immediately reach this goal, it is, as a statutory goal, nevertheless a legal mandate that must be modeled. If this is not a deficiency in the strict terms of the Chapter 22 requirements, it is nevertheless a concern.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct PDF version of the foregoing was filed on EFIS and sent by email on this 28th day of February, 2020, to all counsel of record.

/s/ Henry B. Robertson
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