

**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 Company)
in its Next Triennial Compliance Filing or Next)
Annual Update Report.)

File No. EO-2014-0063

**STAFF’S SUGGESTED SPECIAL CONTEMPORARY RESOURCE PLANNING
ISSUES FOR THE EMPIRE DISTRICT ELECTRIC COMPANY**

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), by and through the Staff Counsel’s Office, and, pursuant to 4 CSR 240-22.080(4), requests the Missouri Public Service Commission (“Commission”) include the issues indicated below in the list of special contemporary resource planning issues the Commission orders The Empire District Electric Company (“Empire” or “Company”) to analyze and document in Empire’s next annual update report to be filed with the Commission on or about March 11, 2014 in anticipation of Empire presenting its annual update report at its annual update workshop on or about April 1, 2014, pursuant to 4 CSR 240-22.080(3)(B).

1. Commission Rule 4 CSR 240-22.010(2) explains that “the fundamental objective of the resource planning process at electric utilities shall be to provide the public with energy services that are safe, reliable, and efficient, at just and reasonable rates, in compliance with all legal mandates, and in a manner that serves the public interest and is *consistent with state energy and environmental policies.*” (Emphasis added). Electric utilities are required to comply with the Commission’s Chapter 22 Rules. 4 CSR 240-22.010(1). The Missouri Energy Efficiency Investment Act of 2009 (“MEEIA”) is a *state energy policy* of Missouri, and Section 393.1075.4 of MEEIA states, “The commission shall permit electric corporations to implement commission-approved demand-side programs proposed pursuant to this section with *a goal of achieving all*

cost-effective demand-side savings.” (Emphasis added). While electric utilities are not required to seek Commission approval of demand-side programs and demand-side program investment mechanisms under MEEIA and the Commission’s MEEIA rules, they have the opportunity to do so. Further, the Commission shall approve demand-side programs or program plans, and annual demand and energy savings targets for each demand-side program it approves, provided the Commission finds that the utility has met the filing and submission requirements of 4 CSR 240-3.164(2) and the demand-side programs are consistent with a goal of achieving all cost-effective demand-side savings; have reliable evaluation, measurement, and verification plans; and are included in the electric utility’s preferred plan or have been analyzed through the integration process required by 4 CSR 240-22.060. 4 CSR 240-20.094(3)(A). With the aforementioned statements in mind, the Staff’ proposes the following special contemporary resource planning issues:

- a. Describe and document the process Empire used to quantify *all cost-effective demand-side savings* in its most recent triennial compliance filing;
- b. Describe and document the quantification of *all cost-effective demand-side savings* for Empire in its most recent triennial compliance filing; and
- c. Describe and document how Empire’s portfolio of demand-side resources in its adopted preferred resource plan in its most recent triennial compliance filing is - or is not - designed to achieve *a goal of all cost-effective demand-side savings* during the 3-year implementation plan period and during the 20-year planning horizon.

2. As additional special contemporary resource planning issues that the Staff proposes the Commission order Empire to analyze and document in Empire’s next annual update report to be filed with the Commission by Empire on or about March 11, 2014, the Staff recommends the following items:

- d. Describe and document generally plans and timing to replace the Ventyx Midas[®] model currently used to perform its integrated resource plan and risk analysis required in 4 CSR 240-22.060
- e. Describe and document generally Empire's willingness to work collaboratively with Staff, the Office of the Public Counsel and other parties to consider the possible transition - over time - to a common software platform to perform the analyses required by 4 CSR 240-22.060.
- f. Analyze and document the impacts of opportunities for Empire to implement distributed generation, DSM programs, combined heat and power (CHP), and micro-grid projects in collaboration with municipal, agricultural and/or industrial processes with on-site electrical and thermal load requirements, especially in targeted areas where there may be transmission or distribution line constraints

WHEREFORE Staff recommends the Commission adopt the above listed special contemporary resource planning issues in its Order that contains the list of special contemporary resource planning issues for Empire to analyze and document in its next approximate March 11, 2014 annual update report to be filed with the Commission in anticipation of its annual update workshop to be held approximately on or about April 1, 2014.

Respectfully submitted,

/s/ Akayla Jones

Akayla Jones
Legal Counsel
Missouri Bar No. 64941
(573) 526-6036 (Telephone)
(573) 751-9285 (Facsimile)
akayla.jones@psc.mo.gov (e-mail)

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing *Staff's Suggested Special Contemporary Resource Planning Issues For The Empire District Electric Company* have been transmitted electronically to all counsel of record this 13th day of September, 2013.

/s/ Akayla Jones