

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of a Determination of Special)	
Contemporary Resource Planning Issues to be)	File No. EO-2020-0044
Addressed by Empire District Electric)	
Company in its Next Triennial Compliance Filing)	
or Next Annual Update Report)	

SUGGESTED SPECIAL CONTEMPORARY ISSUES OF NRDC

Pursuant to 4 CSR 240-22.080(4), the Natural Resources Defense Council recommends the following as special contemporary resource planning issues for consideration and analysis by Empire District Electric.

1. In addition to the exercise prescribed in 4 CSR 240-22.045, Empire should analyze integrated distribution planning as a way to manage the distribution grid in a manner that reduces peaks and fills valleys in load profiles and lowers overall system costs with a combination of energy efficiency, demand response, electric vehicles, distributed generation, storage, advanced metering, and pricing strategies such as time-of-use rates (TOU) and inclining block rates (IBR).
2. Analyze and assess the use of mechanisms such as green tariffs and community solar to increase the availability of distributed generation for large and small customers.
3. Analyze and document the prospects for using securitization to advance the retirement of coal generation assets and channel the savings into more economical investments such as demand-side management, building wind and solar generation, and storage. Securitization is essentially lower cost, long-term financing that ratepayers take out and pledge to repay

using a portion of their future electricity bills using a long-term, lower-cost bond that will save customers money, some of which can be used as new capital.

4. Analyze and assess the benefits of supporting the development and funding of a High Performance Building Hub to address information and financing (including bridge financing for project development) for building owners – especially affordable housing. Look at Building Energy Exchange (an informational resource for the building industry in New York) and NYC Energy Efficiency Corporation (a specialty financing corporation) as possible models.
5. The Commission’s investigation of utility self-scheduling practices in the RTO markets is relevant to the primary goal of minimizing long-run utility costs and tradeoffs with that goal, 20 CSR 4240-22.010(2)(B & C); to supply side retirements, 22.060(3)(C)1; to capacity and energy supplied to the grid 22.060(4)(B)3 & 6; to “Purchased power availability, terms, costs, optionality and other benefits,” 22.060(5)(G) and fixed O&M costs, 22.060(5)(I); as well as the T&D analysis in 20 CSR 4240-22.045. Staff’s report in the investigatory docket, EW-2019-0370, concluded that ratepayers were not being “actively harmed” by the practice of self-scheduling, but admitted that Staff lacked the data and resources to answer the fundamental questions of whether Missouri utilities are bidding into the markets at below production costs or otherwise harming ratepayers through “increased outage rates, decreased off-system sales revenue, increased operations and maintenance costs, shortened life of assets, increased outage frequency, decreased reliability, increased LMPs at the load node, and/or generally increased energy prices across the RTO’s footprint” (Staff Report at 13). Empire should address these issues in its

annual update since only it possesses the necessary bid formulation and production cost data.

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 13th day of September, 2019, to all counsel of record.

/s/ Henry Robertson

Henry Robertson