

### ATTORNEY GENERAL OF MISSOURI

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October 13, 2006

OCT 1 3 2006

Public Service Commission Governor Hotel 200 Madison Street Jefferson City, MO 65102

Missouri Public Service Commission

RE: In the Matter of the Consideration of Adoption of the PURPA:

Section 111(d)(11), Case No. EO-2006-0493 Section 111(d)(12), Case No. EO-2006-0494 Section 111(d)(13), Case No. EO-2006-0495 Section 111(d)(15), Case No. EO-2006-0497

Dear Sir/Madam:

Enclosed for filing please find an original and 9 copies of the Department of Natural Resources' Response to Staff's Suggestions Regarding Future Proceedings in the above-styled cases. Please stamp "filed" on the extra copies for my files. Thank you.

Sincerely,

JEREMIAH W. (JAY) NIXON

Attorney General

SHELLEY A WOODS

Assistant Attorney General

SAW:mg Enclosure

c: Counsel of Record

FILED<sup>3</sup>
OCT 1 3 2006

## BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

Missouri Public Service Commission

In the Matter of the Consideration of	)	
Adoption of the PURPA Section 111(d)(15)	)	Case No. EO-2006-0497
Interconnection Standard as Required by	)	
Section 1254 of the Energy Policy Act of 2009	5)	

# <u>Department of Natural Resources' Response to Staff's Suggestions Regarding</u> <u>Future Proceedings</u>

COMES NOW the Missouri Department of Natural Resources and respectfully states as follows:

On September 29, 2006, Staff of the Missouri Public Service Commission filed Staff's Suggestions Regarding Future Proceedings following the technical conference held among the parties on September 22, 2006. Pursuant to this Commission's Order, the other parties may submit pleadings in response to this Staff filing by October 13, 2006..

In its filing Staff stated that it, along with a number of other parties, believes the enactment of Section 386.887, RSMo, also known as the Consumer Clean Energy Act, and the Commission's adoption of 4 CSR 240-20.065, Net Metering, are not adequate to constitute prior state actions for purposes of EPAct 2005. Staff noted that not all parties agreed with this view.

Staff then recommended that the Commission institute further proceedings:

(a) an EX docket to consider limited revisions to the interconnection aspects of 4

CSR 240-20.065; (b) an EW docket for the limited purpose of developing

proposed revisions to Section 386.887, RSMo with recommendations due June 1,

2007; and (c) that the instant case remain open for an eventual Commission determination pending the results of the rulemaking docket.

The Department of Natural Resources agrees with Staff's view that the enactment of Section 386.887, RSMo and the Commission's adoption of 4 CSR 240-20.065, Net Metering, do not constitute prior state actions. To constitute a prior state action as defined in Section 1254 (b)(3) of EPAct, 16 U.S.C. 2622(f), the state must have implemented, or conducted a proceeding to consider implementation or voted on implementation of the standard concerned or a comparable standard.

The department does not believe Section 386.887, RSMo or 4 CSR 240-20.065 are comparable to the EPAct Interconnection Standard and for this reason, these actions do not constitute prior state action for purposes of EPAct 2005. In the Department's Responses to Questions Posed in the August 17, 2006,

Commission Order filed on September 15, 2006, the department provided its reasons in support of this position. The department will not repeat those reasons here, but will cite the Commission to the department's September 15, 2006,

Response.

The department agrees with Staff's recommendation that the Commission open an EW docket for the purpose of convening a working group to identify and document any potential revisions to Missouri's statute, Section 386.877, RSMo, that would be necessary for Missouri to adopt the EPACT Interconnection

Standard. The department also recommended this action in its September 15, 2006, Response.

However, because of the fundamental differences between the EPAct Interconnection Standard and Section 386.887, RSMo, the department does not believe opening a separate EX docket to consider limited revisions to 4 CSR 240-20.065 will be productive. Without revisions to key language in the interconnection provisions of the statute (e.g. that create a uniform standard rather than meeting multiple requirements of various parties and various standards), any revisions to the rule that would be within the parameters of Section 386.887, RSMo would not be sufficient to adopt the EPAct Interconnection Standard, if that is the Commission's determination.

The department supports Staff's recommendation to keep the instant case open for an eventual Commission determination on the EPAct Interconnection Standard, which must be made by August 2007.

WHEREFORE, the Department of Natural Resources respectfully submits its response to Staff's Suggestions.

Respectfully submitted,

JEREMIAH W. (JAY) NIXON,

Atterney General

Assistant Attorney General

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#### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that the foregoing was served by mailing a copy thereof, via U.S. Mail, this 13th day of October, 2006, to:

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