Holsman, Laura

From:Sundermeyer, SusanSent:Monday, January 04, 2010 10:24 AMTo:Holsman, LauraCc:Rogers, John

Subject: FW: Draft of 4 CSR 240-22 Rule Revisions - Dogwood Response to Request for Comments

Please file this.

From: Rogers, John
Sent: Monday, December 28, 2009 4:37 PM
To: Sundermeyer, Susan
Subject: FW: Draft of 4 CSR 240-22 Rule Revisions - Dogwood Response to Request for Comments

Susan:

Please file this email in EW-2009-0412.

Thanks,

John

From: Carl Lumley [mailto:clumley@lawfirmemail.com]
Sent: Monday, December 28, 2009 4:34 PM
To: Rogers, John
Subject: RE: Draft of 4 CSR 240-22 Rule Revisions - Dogwood Response to Request for Comments

Recognizing that staff is rapidly approaching the finish line in this process of developing a draft set of rule changes to present to the Commission, Dogwood will keep its comments at this time limited and focused.

First, as illustrated by the recent GMO IRP filing, the current process seems to be misinterpreted by the utilities as allowing them to disregard issues concerning existing sources of supply. As Dogwood noted in its comments, GMO did not address issues about Crossroads. Likewise, as noted in DNR's comments, GMO did not address issues concerning retirement of coal plants.

Accordingly, we suggest revision of the beginning of 22.040(1) as follows:

"The utility shall evaluate all existing supply-side resources and identify a variety of new supply-side resource options which the utility can reasonably expect to use, develop, implement, or acquire, and for purposes of integrated resource planning all such supply-side resources shall be considered as potential supply-side resource options."

Second, we suggest including a new 22.040(3)(B) that requires consideration of output limitations that may be imposed by transmission and/or distribution capacities (such as are currently imposed on the Crossroads facility), as follows:

"(B) The analysis shall include the identification of any output limitations imposed on existing or new supply-side resources due to transmission and/or distribution system capacity, in order to ensure that supply-side candidate resource options are evaluated in accordance with any such constraints."

Third, we suggest adding a new 22.040(4)(D) to ensure consideration of additional costs related to backing up intermittent or uncontrollable supply sources, as follows:

"(D) The utility shall include the costs of ancillary and/or back-up sources of supply required to achieve necessary reliability levels in connection with intermittent and/or uncontrollable sources of generation, in the cost of supply-side candidate resource options advanced for purposes of developing the alternative resource plans required by 4 CSR 240-22.060(3)."

Fourth, we suggest clarifying the wording of 22.070(6)(E). Note that subsection 6 requires the utility to "describe and document", and then the sub-sub-sections are a list of required components of the implementation plan. Accordingly, we suggest revising (E) to read:

"Adequate competitive procurement policies to be used in acquisition and development of supply-side resources;"

Finally, a few minor points.

22.020(13)(definition of describe and document) – as written this text seems to stray from a definition to a substantive requirement. Perhaps only stylistic, but more in keeping with "definition" to revise to read: "Describe and document refers to a demonstration of compliance with provisions of this chapter, to be set forth in the technical volume(s) of the triennial compliance filing, in sufficient detail to inform the stakeholders how the utility complied ... etc." Also the last sentence seems redundant to the referenced rule 22.080(11) and does not seem to fit in the definition.

And a side note on "describe and document" – if the intent was to use this phrase everywhere in lieu of just "describe" or just "document", seems there are a few misses. Suggest a word search so staff can make sure it has used the phrase in all desired locations. One example, 22.030(2)(c)3 – "utility shall document"

22.020(22)(definition of historical period) - seems to be a stray "for"

22.030(2)(C)3 - line 9 in redline, perhaps need a comma after "model input data from basic data"

From: Rogers, John [mailto:John.Rogers@psc.mo.gov]

Sent: Thursday, December 17, 2009 5:17 PM

To: Adrian, Barb; 'Brad Lutz'; 'Cara Shaefer'; Eichelberger, Pam; Elliott, David; 'George McCollister'; Gregory, Sheryl; 'Hagemeyer, Jeremy'; Harden, Joshua; Hernandez, Jennifer; Hughes, Mark; 'Jill Cornett'; 'Joseph O'Donnell'; Josh Harden (jktharden@gmail.com); 'Laura Becker'; Moore, Richard; Neuner, Joyce; 'Nickie Lee'; 'Proctor, Mike'; Rick D. Chamberlain; 'Tim Rush'; Todd Tarter; Viebrock, Shelley; Voss, Cherlyn; 'Watkins, James'; Wheeler, Janet; 'Ajay Arora'; 'Alex Pennock'; 'Allen Dennis'; 'Andrew Mever'; 'Anne McKibbin'; 'April Shepherd'; 'Barry Dicker'; 'Barry Matchett'; Beck, Dan; 'Beth Burka'; 'Beth O'Brien'; 'Beth Soholt'; 'Bill Barbieri'; 'Bill Davis'; 'Bill Loesch'; 'Bill Roush'; 'Bill Roush'; 'Billie LaConte'; 'Billie Sue LaConte'; 'Blake Mertens'; 'Bob Gardner'; 'Bob Miller'; 'Brad Klein'; 'Brad Lutz'; 'Brent Ross'; 'Brett McLean'; Brown, Doyle; 'Burton Crawford'; 'Cara Schaefer'; Carl Lumley; Carlson, Bob; 'Charles Peoples'; 'Chuck Strickland'; 'Colin Murchie'; 'Craig Wetmore'; 'D. J. Linton'; 'Dan Chiles'; 'Dan Laurent'; 'Dane Glueck'; 'Dave Kreimer'; 'David Weisman'; 'David Overfelt'; 'Dianna M. Vuylsteke'; 'Donald Johnstone'; 'Doug Healy'; 'Duane Highley'; 'Ed Downey'; Pappas, Charles; Voss, Cherlyn; Wilbers, Brenda; 'Ed Hedges'; 'Ed Matthews'; 'Eric Swillinger'; 'Eric Thumma'; 'Erin Noble'; 'Frank Lewon'; 'Gaye Suggett'; 'Greg Meyer'; 'Hank Stelzer'; 'Hans Detweiler'; 'Heather Starnes'; 'Henry Rentz'; 'Henry Robertson'; Hughes, Mark; 'Jay Hasheider'; 'Jayna Long'; 'Jeff Lewis'; 'Jeff Reinkemeyer'; Mendl, Jerry; 'Jesse Bermel'; 'Jim Fischer'; 'Jim Okenfuss'; 'Johann Scheidt'; 'John Coffman'; 'John Ervin'; 'John Grimwade'; 'Josh Harden'; 'Joyce Davidson'; 'Juan Gutierrez'; 'Judd Moritz'; 'Kari Decker'; 'Karl Zobrist'; 'Kathleen Henry'; 'Kathleen Logan Smith'; 'Keith Beall'; 'Kelly Walters'; 'Khristine Heisinger'; 'Lars Kvale'; 'Lisa Langeneckert'; 'Lois Liechti'; 'LuAnn Madsen'; Mantle, Lena; 'Mark Lawlor'; 'Marvin Rollison'; 'Matt Michels'; 'Matthew Brown'; 'Maurice Brubaker'; 'Michelle Harris'; Mills, Lewis; Noller, John; Oligschlaeger, Mark*; Rogers, John; Wheeler, Janet; Dietrich, Natelle*; Dottheim, Steve; Kind, Ryan; 'Michael McCabe'; 'Mike Bollenbach'; 'Mike Revak'; 'Mike Whitmore'; Moore, Richard; 'Nathan Jones'; 'P. J. Wilson'; 'Patrick McNamara'; 'Paula Haskin'; 'Pete Curtice'; 'Phil Wright'; 'Randy Hughes'; 'Rex Jenkins'; 'Richard Voytas'; 'Richard Wright'; 'Rob Freeman'; 'Rob Land'; 'Robert Boyd'; 'Robert Willen'; 'Roger Clark'; 'Roger Steiner'; 'Ron McLinden'; 'Ron Stimmel'; 'Russ Mitten'; Trippensee, Russ; 'Scott Miller'; 'Shaun Chapman'; 'Sierra Club Missouri Chapter'; 'Stacey L Johnson'; 'Stephen Kidwell'; 'Steve Capanna'; 'Steve Gaw'; 'Stuart Conrad'; Sundermeyer, Susan; 'Susan Brown'; 'Terry Hilgedick'; 'Tim Michels'; 'Tim Rush'; 'Tim Wilson'; 'Todd Tarter'; 'Tony Robyn'; 'Travis Creswell'; 'Troid Edwards'; 'Vaughn Prost'; 'Wade Miller'; 'Warren Wood'; 'Wenbin Li'; 'Wendy Tatro';

'Wil Cooper'; Woods, Shelley; 'Yuri Horwitz'; 'Zeina El-Azzi'; 'Zeke Fairbank'; Barnes, Matthew; Bender, Leon; Eaves, Dana; Mckinnie, Adam; Roos, David **Subject:** Draft of 4 CSR 240-22 Rule Revisions - And Request for Comments

Importance: High

Attached is a clean copy of the latest draft of 4 CSR 240-22, a red-line version of the latest draft changes to the current 4 CSR 240-22, and a redline version of the latest draft changes to Staff draft v2 circulated prior to the Chapter 22 Rulemaking Workshop 4.

Please send any suggested edits and comments to me not later than December 28, 2009, and I will file your comments in EW-2009-0412, or you may file your suggested edits and comments in EW-2009-0412 yourself.

Staff will consider all suggested edits and comments received by December 28, 2009 during its preparation of an additional draft, if necessary, for distribution to you in early January 2010.

The on-the-record meeting for presentations before the Commission on the 4 CSR 240-22 Rule Revisions is scheduled for January 25, 2010 beginning at 8:30 AM in Room 310. This on-the-record meeting will be webcast.

Finally, I am including a worksheet which contains the analysis prepared by Staff to select the date for triennial compliance filings and annual update filings (see revised draft 4 CSR240-22.080(1)). When considering the interests of the utilities, Staff and stakeholders, Staff believes that April 1 is the best date for triennial compliance filings and annual update filings.

Staff appreciates your interest in and support of the Chapter 22 rulemaking process.

John Rogers Utility Regulatory Manager Missouri Public Service Commission 200 Madison Street Jefferson City, MO 65102-0360 Office: 573-751-7524 Fax: 573-751-1847