

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

In the Matter of a Proposed Rule Regarding)
Electric Utility Fuel and Purchased Power)
Cost Recover Mechanism)

Case No. EX-2006-0472

**PUBLIC COUNSEL SUPPLEMENTAL COMMENTS ON PROPOSED CHANGES TO
4 CSR 240-3.161 AND 4 CSR 240-20.090**

The Office of the Public Counsel (Public Counsel or OPC) is filing these supplemental comments to clarify and expand OPC's proposed language for a new section (13) in **4 CSR 240-20.090** that was previously filed in the **PUBLIC COUNSEL COMMENTS ON PROPOSED CHANGES TO 4 CSR 240-3.161 AND 4 CSR 240-20.090**. The clarified and expanded language that Public Counsel would like for the Commission to consider adding to **4 CSR 240-20.090** for a new section (13) is as follows:

(13) The commission shall make findings regarding the existing portfolio of supply and demand-side resources and the resource planning of a utility that is requesting to establish, continue, or modify a RAM prior to authorizing the establishment, continuation or modification of a RAM.

(A) The Commission has to have made a determination within the last three years that the utility has a resource plan covering the time period during which the RAM would be in effect that includes a reasonable portfolio of supply and demand side resources for serving it Missouri retail load. For the commission to find that a proposed resource plan is reasonable, it must determine that the plan contains a combination of resources that is expected to minimize the long term cost of serving the utility's retail Missouri load, while taking risk and reliability considerations into account.

(B) The utility is in compliance with the Commission's long-term resource planning requirements for electric utilities.

(C) If emissions allowance costs and revenues will be included in the RAM, the commission must make a determination that the utility has a reasonable environmental compliance plan.

(D) If the Commission has made a finding in a prior rate case that the utility has not properly structured its portfolio of supply and demand-side resources in order to serve its load and this finding is still relevant, or if the Commission makes a finding in the rate proceeding where the utility is requesting to establish, continue, or modify a RAM that the utility has not properly structured its portfolio of supply and demand-side resources in order to serve its load, then the Commission shall not authorize that utility to establish, continue, or modify a RAM.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

/s/ Lewis R. Mills

By: _____
Lewis R. Mills (#35275)
Public Counsel
P. O. Box 2230
Jefferson City MO 65102
(573) 751-1304
(573) 751-5562 FAX
lewis.mills@ded.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to the following this 7th day of September 2006:

Office General Counsel
Missouri Public Service Commission
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
GenCounsel@psc.mo.gov

Steve Dottheim
Missouri Public Service Commission
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
Steve.Dottheim@psc.mo.gov

/s/ Lewis R. Mills
