Holsman, Laura

From: Sundermeyer, Susan

Sent: Friday, June 18, 2010 11:20 AM

To: Holsman, Laura

Subject: FW: MDNR's Statement in Support of Energy Savings Performance Targets in MEEIA Rulemaking

From: Wilbers, Brenda [mailto:brenda.wilbers@dnr.mo.gov]

Sent: Thursday, June 17, 2010 4:28 PM

To: Rogers, John

Subject: MDNR's Statement in Support of Energy Savings Performance Targets in MEEIA Rulemaking

John, please file in the EW-2010-0265 docket for MEEIA. This statement reiterates DNR's position on inclusion of energy savings performance targets in the MEEIA rulemaking in response to discussion in the June 11 workshop. Thank you.

MDNR's Statement in Support of Energy Savings Performance Targets in MEEIA Rulemaking Energy savings performance targets must be included in the Commission's rule implementing the Missouri Energy Efficiency Investment Act (MEEIA) to provide a benchmark against which to measure whether utility DSM plans represent appropriate progress toward meeting the statutory goal of achieving "all cost-effective demand-side savings." (Section 393.1074.4 RSMo) The specific performance targets supported by the Missouri Department of Natural Resources (MDNR), which were proposed in the joint filing of MDNR, NRDC and GRLC on May 25 and included in 4 CSR 240-20.093(2) of the draft rule proposal distributed by Staff on June 9, provide a reasonable, appropriate guide to measuring compliance with MEEIA's "all cost effective" policy goal.

In addition, MEEIA directs the Commission to provide timely cost recovery, align utility financial incentives with helping customers use less energy and provide timely earnings opportunities for cost-effective efficiency savings. Aggressive but attainable targets for energy savings will legitimize utility financial incentives. The targets must be set in the rule, providing certainty to all stakeholders, and serve as a prerequisite before financial incentives are awarded to utilities. Put simply, the targets need to be in place so that performance can be measured and appropriate utility financial incentives determined.

Brenda Wilbers, Energy Policy & Resources Manager Missouri Department of Natural Resources Division of Energy Ph: 573-751-8509 brenda.wilbers@dnr.mo.gov