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Data Center
Missouri Public
Service Commission

### Exhibit No. 305

Cx 305

# STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 18<sup>th</sup> day of April, 2018.

In the Matter of a Working Case to Explore Emerging Issues in Utility Regulation

File No. EW-2017-0245

## COMMISSION'S RESPONSE TO STAFF REPORT REGARDING DISTRIBUTED ENERGY RESOURCES

Issue Date: April 18, 2018 Effective Date: April 18, 2018

At the Commission's direction, Staff filed a Report on Distributed Energy Resources (DER) in this working case on April 5, 2018. Staff's DER Report offers several recommendations for further action to be taken by Staff, by the Commission, and by Missouri's investor-owned electric utilities. Union Electric Company d/b/a Ameren Missouri, as well as Kansas City Power & Light Company and KCP&L Greater Missouri Operations Company filed responses to Staff's Report on April 16. The Missouri Division of Energy filed a response on April 17.

In particular, Staff recommends: (1) modifications to the Chapter 20 Electric Utilities and Chapter 22 Electric Utility Resource Planning rules to better address DER-related matters, and to facilitate a more holistic integrated distribution system planning process; (2) the Commission revisit its 2010 order temporarily prohibiting in Missouri the operation of demand response (DR) aggregation of retail customers, and consider the "Indiana Model" whereby customers can subscribe directly with the utility to participate

in DR programs; (3) certain modifications to the Chapters 3 and 20 Cogeneration and Net-Metering rules; and (4) the Commission consider certain rate structures and rate designs to enhance customer responsiveness to DER opportunities by providing appropriate price signals to consumers and revenue recovery for utilities.

The Commission accepts the recommendations offered by Staff and determines that they promote good public policy, and that it would be advisable to further consider the specific merits of each in the appropriate case where the impacted parties will have an opportunity to be heard. Accordingly, the Commission intends to issue a subsequent order in this docket concerning the resource planning rulemaking recommendations to allow for additional input prior to establishing rulemaking dockets. The modifications to Chapter 3 and Chapter 20 will continue to be addressed in File No. EW-2018-0078. Concerning the DR aggregation and rate design recommendations, the Commission intends to issue orders seeking additional information from interested parties in pending and future rate cases, and in cases filed under the Missouri Energy Efficiency Investment Act.

#### THE COMMISSION ORDERS THAT:

The Commission accepts the recommendations offered by Staff in its April
 2018 Report on Distributed Energy Resources.

2. This order shall be effective when issued.

#### BY THE COMMISSION

Marie L Woodruff



Morris L. Woodruff Secretary

Hall, Chm., Kenney, Rupp, Coleman, and Silvey, CC., concur.

Woodruff, Chief Regulatory Law Judge