

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

In the Matter of the Consideration of Adoption )  
of the PURPA **Section 111(d)(16)** Integrated )  
Resource Planning Standard as Required by ) **File No. EW-2009-0290**  
Section 532 of the Energy Independence and )  
Security Act of 2007. )

In the Matter of the Consideration of Adoption )  
of the PURPA **Section 111(d)(17)** Rate Design )  
Modifications to Promote Energy Efficiency ) **File No. EW-2009-0291**  
Investments Standard as Required by Section )  
532 of the Energy Independence and Security )  
Act of 2007. )

In the Matter of the Consideration of Adoption )  
of the PURPA **Section 111(d)(18)** Consideration )  
of Smart Grid Investments Standard and PURPA ) **File No. EW-2009-0292**  
**Section 111(d)(19)** Smart Grid Information )  
Standard as Required by Section 1307 of the )  
Energy Independence and Security Act of 2007. )

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In the Matter of an Investigation into the )  
Coordination of State and Federal Regulatory )  
Policies for Facilitating the Deployment of all ) **File No. EW-2010-0187**  
Cost-Effective Demand-Side Savings to )  
Electric Customers of All Classes Consistent )  
With the Public Interest )

**STAFF SECOND REPORT AND PROPOSED WORKSHOP SCHEDULES**

Comes now the Staff of the Missouri Public Service Commission (“Staff”) through the Office of the Staff Counsel and files its Second Staff Report And Proposed Workshop Schedules in response to the January 28, 2010 Order Directing Filing Of Proposed Schedule of the Missouri Public Service Commission (“Commission”) relating to the Public Utility Regulatory Policies Act of 1978 (“PURPA”) Section 111(d)(16) - (19) standards, as established by Sections 532 and 1307 of the Energy Independence and Security Act of 2007 (“EISA”). Also, the Staff notes that

the Commission established File No. EW-2010-0187<sup>1</sup> on December 21, 2009 and issued an Order Opening Case To Investigate Implementation Of Various Demand-Side Programs on January 6, 2010 to investigate how the Commission may achieve its new responsibilities under the Missouri Energy Efficiency Investment Act (“MEEIA,” “Senate Bill No. 376,” “SB 376,” or Section 393.1075 RSMo. Cum. Supp. 2009), within the background of Federal Energy Regulatory Commission (“FERC”) policies that eliminate barriers to demand response and that direct the Midwest Independent Transmission System Operator, Inc. (“MISO”) and the Southwest Power Pool, Inc. (“SPP”) to accommodate state policy regarding retail customer demand-side activity. The Staff submits as its Second Staff Report And Proposed Workshop Schedules the following:

1. On February 22, 2010, a workshop involving File Nos. EW-2009-0290, EW-2009-0291, and EW-2009-0292 and File No. EW-2010-0187 was held in the Ballroom of the Governor Office Building commencing at 10:00 a.m. The purpose of the February 22, 2010 workshop was to discuss and schedule workshops consistent with the Commission’s January 13, 2010 Procedural Order in File Nos. EW-2009-0290, EW-2009-0291, and EW-2009-0292.

2. At the workshop on February 22, 2010 the participants agreed to three tracks:

- A track for the currently-underway revision of Chapter 22 Electric Utility Resource Planning rules, which covers File Nos. EW-2009-0290 (integrated resource planning standard) and EW-2009-0412;
- A track and issues for the workshops for energy efficiency investment / demand-side programs, which covers SB 376 / MEEIA / Section 393.1075 and File Nos. EW-2009-0291 and EW-2010-0187, with initial workshops scheduled for April 14, May 17 - 18 (a.m. only), and June 11, 2010:

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<sup>1</sup> In the Matter of an Investigation into the Coordination of State and Federal Regulatory Policies for Facilitating the Deployment of all Cost-Effective Demand-Side Savings to Electric Customers of All Classes Consistent with the Public Interest.

#### ISSUES FOR INITIAL SB 376 / EE / DSM WORKSHOPS

- What MO. policies are in place? What are the gaps?
  - What are policies and procedures in other states?
  - RTO issues (e.g., ARC's in MO.)
  - A policy goal of all cost effective energy efficiency
    - What are current programs? What program changes and/or new programs may be needed? Joint programs? Statewide programs?
  - Opt-out provision
  - Avoided cost and TRC
  - EMV
  - Rate design
  - Cost recovery
  - Lost revenue
  - Performance incentives (disincentives?)
- A track for the workshops for smart grid investments and information, which covers File No. EW-2009-0292, with initial workshops scheduled for May 18 (p.m.) and June 28 - 29, 2010.

#### ISSUES FOR INITIAL SMART GRID WORKSHOPS

- SG overview update and discussion (possibly NERC)
  - Technology
  - EE and DR impact
  - How much potential through SG?
- MO. utilities' SG activities (possibly Oklahoma Gas & Electric)
- Investment Standard
- Information Standard

3. The Staff notes that those in attendance at the workshop on February 22, 2010 included representatives of the following: Union Electric Company, d/b/a AmerenUE; Kansas City Power & Light Company / KCP&L Greater Missouri Operations Company; The Empire District Electric Company; Office of the Public Counsel; Renew Missouri; EnerNOC, Inc.;

Southwest Power Pool, Inc.; Sierra Club; Natural Resources Defense Council; Walmart; Missouri Department of Natural Resources; and Industrials.

4. The Staff anticipates continuing to e-mail information and materials to the list of potential participants that it has been using for the instant files and File No. EW-2009-0324, Proposition C / Renewable Energy Standard, which is now a Commission rulemaking proceeding.

Wherefore the Staff submits the instant Staff Second Report And Proposed Workshop Schedules in compliance with the Commission's January 28, 2010 Order Directing Filing Of Proposed Schedule.

Respectfully submitted,

/s/ Steven Dottheim

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### **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record and individuals and entities on the Staff's electronic mail list of interested individuals and entities this 25th day of February 2010.

/s/ Steven Dottheim