

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

In the Matter of the Consideration and Implementation)
of Section 393.1075, the Missouri Energy Efficiency) Case No. EW-2010-0265
Investment Act)

NOTICE REGARDING EXTERNAL COMMUNICATION

Issue Date: May 13, 2010

On May 13, 2010, I received a letter from Senator Brad Lager. A copy of the letter is attached.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Robert M. Clayton III", with a stylized flourish at the end.

Robert M. Clayton III
Chairman

Dated at Jefferson City, Missouri,
On this 13th day of May, 2010.



MISSOURI SENATE

BRAD LAGER
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May 13, 2010

Robert M. Clayton III
Chairman
Missouri Public Service Commission
200 Madison Street
Jefferson City, MO 65101

RE: Senate Bill 376 Rulemaking, EW-2010-0265

Dear Chairman Clayton:

As the primary sponsor of SB 376, I was deeply involved with the development of this legislation, and I appreciate the Commission's work to enact rules implementing this law.

It has been brought to my attention that comments have been filed in the rulemaking process which I feel are inconsistent with SB 376 and violate the intent of this legislation. Specifically, the proposal of a "notification fee" for large utility customers wishing to opt-out of participating in demand side programs was never discussed, debated nor intended. Furthermore, the customer's eligibility to opt-out was never to be left at the discretion of the utility provider to approve or reject.

Our goal when enacting the opt-out provisions of SB 376 was to recognize the energy efficiency investments already made by certain customers and provide them the opportunity to exclude themselves from bearing the additional costs of later adopters. If you allow utility providers to determine a customer's eligibility to opt-out or impose fees or other administrative burdens on consumers wishing to opt-out, you will be undermining the legislative intent of this initiative.

Although this rulemaking is at an informal stage, I felt it necessary to take this opportunity to share with you my belief of the General Assembly's intent with respect to the "opt-out" provision of SB 376. I know that you and the other Commissioners share my goal of fostering greater energy efficiency throughout our great state, and I look forward to continuing to work with you on these issues.

Sincerely,

A handwritten signature in black ink that reads "Brad Lager".

Brad Lager
12th District State Senator