

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 22nd day
of October, 2014.

In The Matter of a Determination of Special)
Contemporary Resource Planning Issues to be)
Addressed by The Empire District Electric)
Company in its Next Triennial Compliance)
Filing or Next Annual Update Report)

File No. EO-2015-0042

**ORDER ESTABLISHING SPECIAL CONTEMPORARY RESOURCE
PLANNING ISSUES**

Issue Date: October 22, 2014

Effective Date: November 1, 2014

A provision in the Commission's electric utility resource planning rule, 4 CSR 240-22.080(4), requires Missouri's electric utilities to consider and analyze special contemporary issues in their integrated resource plan (IRP) triennial compliance filings or in their annual IRP update reports. The regulation provides that by September 15 of each year, Staff, Public Counsel, and other interested parties may file suggested issues for consideration. The regulation allows the utilities and other parties until October 1 to file comments regarding the suggested issues. The Commission must then issue an order by November 1 of each year specifying the list of special contemporary issues that each electric utility must address.

The Commission's Staff, the Office of the Public Counsel, and the Missouri Department of Economic Development – Division of Energy filed suggested special contemporary issues for The Empire District Electric Company to analyze and respond to in

its 2015 IRP annual update filing. Empire filed responses to those suggestions. The Commission must now determine what special contemporary issues Empire should address.

This is not a contested case. The Commission does not need to hear evidence before reaching a decision and does not need to make findings of fact and conclusions of law in announcing that decision.¹ The Commission's rule gives the Commission broad discretion in determining what issues a utility should be required to address, indicating:

[t]he purpose of the contemporary issues lists is to ensure that evolving regulatory, economic, financial, environmental, energy, technical, or customer issues are adequately addressed by each utility in its electric resource planning. Each special contemporary issues list will identify new and evolving issues but may also include other issues such as unresolved deficiencies or concerns from the preceding triennial compliance filing.²

After considering these factors, the Commission will adopt the list of special contemporary issues set forth in this order. The Commission has chosen these issues because they are of particular interest and importance and should be addressed in Empire's IRP filing. Empire may already plan to address these issues in its IRP filing apart from their designation as special contemporary issues. If that is so, then it does not need to undertake any additional analysis because of this designation and may simply point the Commission to that analysis in its IRP filing.

THE COMMISSION ORDERS THAT:

1. The Empire District Electric Company shall analyze and document the following special contemporary issues in its 2015 Integrated Resource Plan annual update filing:

¹ *State ex rel. Public Counsel v. Public Service Com'n*, 259 S.W.3d 23, 29 (Mo. App. W.D. 2008)

² 4 CSR 240-22.080(4).

a. Review the impact of foreseeable emerging energy efficiency technologies throughout the 20-year planning period;

b. Review the impact of foreseeable emerging energy storage technologies throughout the 20-year planning period;

c. Analyze and document the future capital and operating costs faced by each Empire coal-fired generating unit in order to comply with the following environmental standards:

- (1) Clean Air Act New Source Review provisions;
- (2) 1-hour Sulfur Dioxide National Ambient Air Quality Standard;
- (3) National Ambient Air Quality Standards for ozone and fine particulate matter;
- (4) Cross-State Air Pollution Rule, in the event that the rule is reinstated;
- (5) Clean Air Interstate Rule;
- (6) Mercury and Air Toxics Standards;
- (7) Clean Water Act Section 316(b) Cooling Water Intake Standards;
- (8) Clean Water Act Steam Electric Effluent Limitation Guidelines;
- (9) Coal Combustion Waste rules;
- (10) Clean Air Act Section 111(d) Greenhouse Gas standards for existing sources; and
- (11) Clean Air Act Regional Haze requirements.

d. Analyze and document the cost of any transmission grid upgrades or additions needed to address transmission grid reliability, stability, or voltage support

impacts that could result from the retirement of any existing Empire coal-fired generating unit in the time period established in the IRP process.

e. Analyze and document the range of potential levels of distributed generation in Empire's service territory for the 20-year planning horizon and the potential impacts of each identified level of distributed generation, and in particular distributed solar generation, on Empire's preferred resource plan. The potential impacts should quantify both the amount of electrical energy the distributed generation is expected to provide to the grid and the amount of electrical energy that the distributed generation customers are expected to consume on site that will offset the amount that the company would normally provide to those customers.

2. This order shall become effective on November 1, 2014.

BY THE COMMISSION



A handwritten signature in cursive script that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

R. Kenney, Chm., Stoll, Hall, and Rupp, CC., concur;
W. Kenney, C., dissents.

Woodruff, Chief Regulatory Law Judge