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October 28, 2009

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Public Service Commission Governor Office Building 200 Madison Street P. O. Box 360 Jefferson City, MO 65102-0360

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Missouri Public Service Commission

Re: Renewable Energy Regulations; Case No. EW-2009-0324

Dear Commissioners:

I represent the Missouri Industrial Energy Consumers (MIEC). The MIEC is a stakeholder and has been an active participant in the forums addressing proposed renewable energy regulations. I write to address an October 20, 2009 filing of the Wind Capital Group (WCG).

We have concerns with WCG's proposed changes to Alternative A of section (5) of the proposed regulation. We contacted counsel for the WCG and sought explanation but are still unclear as to how the rate cap would be determined and applied under its proposal. All stakeholders thoroughly vetted the determination and application of the one percent cap at the numerous stakeholder forums and we thought that we had consensus on this issue as reflected in Alternative A. Apparently that is not the case, so we reiterate our concerns here.

We believe that the ballot title for Proposition C is clear in its promise that the mandate, if approved, would "restrict]] to no more than 1% any rate increase to consumers for this renewable energy[.]" The statute adopted under that proposition, section 393.1030.2(1), is also clear that the Commission's regulations that implement the proposition "shall include ... [a] maximum average retail rate increase of one percent[.]" We believe that the ballot title and statute, when read together, mean that at no time shall the increase in rates due to the mandate, averaged across customer classes, exceed one percent. We are concerned that the WCG's proposal would allow for an increase larger than one percent on the promise that during some subsequent period the rates will not increase as much as they otherwise would have. That rates may not increase as much in the future is of little consolation to a business

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that might be forced to close now, or its employees, due to a large rate increase directly attributable to the mandate. This Commission should not reduce the ballot title to the legal equivalent of a head fake. For these reasons, we respectfully request that the Commission retain Alternative A when it publishes its proposed renewable energy regulations.

Thank you for your consideration.

Very truly yours,

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