

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

In the Matter of the Consideration of)	
Adoption of the PURPA §111(d)(11) Net)	
Metering Standard as Required by §1251)	Case No. EO-2006-0493
Of the Energy Policy Act of 2005)	

**THE EMPIRE DISTRICT ELECTRIC COMPANY
RESPONSE TO ORDER DIRECTING FILING**

The Empire District Electric Company ("Empire"), through its undersigned counsel and pursuant to the Missouri Public Service Commission's ("Commission") August 17, 2006, Order Sustaining Motion for Late Filing of Procedural Schedule, Setting Technical Conference, and Directing Filing, hereby submits the following responses to the questions posed in that order. Those questions and their associated responses are in reference to the PURPA §111(d)(11) Net Metering Standard.

a) Can this case be closed based on "prior state actions" as provided in Section 1251 (b)(3) of the Act [16 U.S.C. 2622(d)], and why or why not?

No, Empire's tariff that addresses the issue (Net Metering Rider, Rider NM) is only for systems with a capacity of 100 kW or less. This is in compliance with Section 386.887, RSMo.

In addition, 4 CSR 240-20 places a limitation on the amount of capacity (10,000 kW or 0.1% of the aggregate peak demand for the preceding

year) that a utility is required to make available to customer-generators.

b) Can this case be consolidated with any, some, or all of the following cases—EO-2006-0494, EO-2006-0495, EO-2006-0496, and EO-2006-0497—because the issues addressed in one or more of these cases are similar, and why or why not?

Yes, in general, this case could be combined with all of the dockets mentioned, since the subjects deal with the Energy Policy Act of 2005.

Alternatively, this case could be consolidated with EO-2006-0497 if all cases are not to be combined. The following definitions are applicable to both cases:

(11) Net metering. Each electric utility shall make available upon request net metering service to any electric consumer that the electric utility serves. For purposes of this paragraph, the term 'net metering service' means service to an electric consumer under which electric energy generated by that electric consumer from an eligible on-site generating facility and delivered to the local distribution facilities may be used to offset electric energy provided by the electric utility to the electric consumer during the applicable billing period.

(15) Interconnection. Each electric utility shall make available, upon request, interconnection service to any electric consumer that the electric utility serves. For purposes of this paragraph, the term 'interconnection service' means service to an electric consumer under which an on-site generating facility on the consumer's premises shall be connected to the local distribution facilities. Interconnection services shall be offered based upon the standards developed by the Institute of Electrical and Electronics Engineers: IEEE Standard 1547 for Interconnecting Distributed Resources with Electric Systems, as they may be amended from time to time. In addition, agreements and procedures shall be established whereby

the services are offered shall promote current best practices of interconnection for distributed generation, including but not limited to practices stipulated in model codes adopted by associations of state regulatory agencies. All such agreements and procedures shall be just and reasonable, and not unduly discriminatory or preferential.

Since both essentially deal with a customer's on-site generation, it would seem logical to combine both. You don't need one without the other.

- c) *What type of proceeding (e.g., rulemaking, rate case implementation, etc.) should the Commission use to address the issues in this case in order to meet the Public Utility Regulatory Policies Act of 1978 ("PURPA") Section 111(a) and 111(b) "consideration and determination" requirements [16 U.S.C. 2621(a), 2621(b)], and why?*

In order to eliminate the 100 kW limitation, it would be necessary to revise Section 386.887, RSMo, and related Commission rules. In addition, Empire's Net Metering Rider, Rider NM, would need to be updated and approved by the Commission.

Respectfully submitted,

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Certificate of Service

The undersigned hereby certifies that a true copy of the foregoing document was served upon the following by electronic mail, facsimile or U.S. mail, postage prepaid, this 15th day of September, 2006:

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