MEEIA Rulemaking

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Opt Out Thresholds

- 1) Customer has one or more accounts within the service territory of the electrical corporation that has a demand of five thousand kilowatts (5,000 kW) or more;
- 2) Customer operates an interstate pipeline pumping station, regardless of size; or
- 3) Customer has accounts within the service territory of the electrical corporation that have, in aggregate, a demand of two thousand five hundred kilowatts or more; and the customer has a comprehensive demand-side or energy efficiency program and can demonstrate an achievement of savings at least equal to those expected from utility-provided programs.

First Concern

- First threshold should provide for non-coincident demand of multiple accounts. Historically, the statute has been interpreted as requiring a single account with more than 5,000 kW of demand.
- Statute discusses "one or more accounts":
  - Customer has one or more accounts within the service territory of the electrical corporation that has a demand of five thousand kilowatts (5,000 kW) or more.
- Walmart has 39,000 kW of demand in Ameren service territory, yet it is required to opt-out under the arduous third threshold. Other customers with demand of only 5,000 kW are allowed to opt-out under the easily met first threshold. Walmart has much more incentive to have already implemented energy efficiency measures.

Second Concern

- Make third threshold more transparent by expressly stating the amount of savings expected from the utility-provided programs.
- Customer has accounts within the service territory of the electrical corporation that have, in aggregate, a demand of two thousand five hundred kilowatts or more; and the ***customer has a comprehensive demand-side or energy efficiency program and can demonstrate an achievement of savings at least equal to those expected from utility-provided programs***.
- Many parties have expressed frustration in not being able to determine the amount of savings "expected from utility-provided programs." See, comments of Walmart, Renew Missouri, and Midwest Energy Efficiency Alliance.

Third Concern

- Commission should continue to maintain the indefinite effectiveness of opt-out.
- The incentive to invest in energy efficiency measures does not disappear. Instead, customers continue to have the incentive to minimize costs. If the incentive does not disappear, the opt-out status should not disappear. Current rule, provides for opt-out status to remain in effect unless customer revokes.
- If you limit effectiveness, do not tie to MEEIA Cycle. This causes a mismatch as noted by Walmart, Ameren, Staff and KCPL.
- Instead, any time limits on opt-out status should be tied to the point at which the expected savings from utility-provided programs reaches the savings demonstrated by opt-out customer.

Third Concern

- For instance, Customer demonstrates a reduction in energy usage of 13%.
  - MEEIA Cycle 1: expected C&I savings of 6%
  - MEEIA Cycle 2: expected C&I savings of 9%
  - MEEIA Cycle 3: expected C&I savings of 12%
  - MEEIA Cycle 4: expected C&I savings of 14%.
- Customer should only have to demonstrate savings once MEEIA Cycle 4 has been implemented and the customer-demonstrated savings no longer equal that expected from utility-provided programs.