Renew Missouri

Advancing Efficiency and Renewable Energy

6267 Delmar Blvd., Suite 2E, St. Louis, MO 63130 314.727.0600 • 314.727.1665 (f) • www.renewmo.org

November 19th, 2010

Following is Renew Missouri's input for the 2nd roundtable discussions on the Missouri RPS, to be held on Monday November 22nd 2010.

Renew Missouri supports the Renewable Portfolio Standard law passed on November 4th 2008 and the RPS rule as written and approved by the PSC on January 6th 2010.

In the second workgroup, we urge stakeholders and the PSC to first consider, in order of priority:

- 1. Quantifying implementation challenges under the existing law and rule. Specifically, why stakeholders are opposed to having renewable energy be "sold to Missouri" as the PSC rule originally required.
- 2. Changes to the rule, which can be implemented quickly, rather than changing the law which would delay implementation substantially.

We propose the discussions to change the voter-enacted law be delayed until after April 2012 when the law has been actually been implemented for the first time, the first annual compliance reports have been submitted, and there's real-life implementation experience to consider.

Principles important to the implementation of the RPS are:

- <u>Sold to Missouri.</u> RPS compliance via sending Missouri ratepayer money to California, China, Canada, or anyplace not directly related with energy sold to Missouri ratepayers result in ratepayer costs with no direct economic benefits, and no change in Missouri's energy portfolio. The Renewable Portfolio Standard is intended to diversify Missouri's portfolio of energy. Instead compliance should occur with power produced by utilities, purchased by utilities, or RECs associated with such power.
- <u>Long-term cost-cap averaging</u>. A cost cap with no averaging yields a much more expensive implementation as utilities are required to make smaller, more expensive investments as opposed to larger, "lumpy" long-term investments.

Sincerely,

PJ Wilson

Co-Director, Renew Missouri 417.459.7468 PJ@RenewMO.org

Wilson