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

In the Matter of a Working Case to Explore Emerging Issues in Utility Regulation.

File No. EW-2017-0245

## **UTILITIES' COMMENTS**

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These Comments, submitted jointly by Ameren Missouri, Kansas City Power & Light Company and KCPL-Greater Missouri Operations Company (GMO), and The Empire District Electric Company (the "Utilities") address the attached changes suggested to the second draft rule circulated by the Staff on June 25, 2018. The Utilities appreciate Staff's efforts at incorporating feedback received in comments that were filed by stakeholders on June 8, 2018, in response to the initial draft prepared by Staff.

The rest of these Comments accompany the attached mark-up.

- Definition (B) A definition of cost effective should start with those definitions already
  prescribed in the MEEIA rules. The utility cost test aligns best with the IRP goal of
  minimizing the NPVRR. In addition, this manual is not widely acknowledged or
  accepted as an authoritative source among utilities and regulators and could be changed
  by NESP without input from Missouri utilities, the Commission or other Missouri
  stakeholders.
- Definition (C)
  - "Beneficially" is struck because this term is not needed and more neutral language is more appropriate. The IRP rules are designed to ensure an appropriate planning process but do not exist for the purpose of advocating for one resource versus another.
  - Also, "(such as energy efficiency)" is struck because energy efficiency is included as an example later in the paragraph.
  - Instead of mixing examples, it is more helpful to separately describe examples of DG under 1(D), and instead only refer to them as DG under 1(C), along with specific examples of other DER.
  - The word "distributed" is added in front of the word "energy storage" throughout the rule to clarify distributed energy storage.
- Definition (D) Moved from 1(C) and added "Examples of different types of DG include solar photovoltaic, wind, combined heat and power (CHP), and microgrids."
- Subsection (2)
  - We need to clearly distinguish the detailed customer-specific database of information that the utility will create and update from the publicly available static report of aggregated information that the utility will make available each year in conjunction with its annual IRP update. To help distinguish this, the word

"database" is replaced with the word "report" where describing information that will be given to the public.

- Portions of the third and fourth sentence are struck to distinguish between updated information that is maintained by the utility and a report of aggregated data that will be filed and available to the public. Subsection (2)(C) is now reworded to describe the static report to the public, and to clarify that the utility would not be responsible for updating the publicly available report other than the annual update as described in this rule.
- In the fourth sentence of subsection (2), language "will include customer privacy and utility protections related to physical and cyber security concerns" has been deleted because it is not necessary because the aggregated report, not database, will be shared.
- Subsection (2)(A)1 The term "existing" is replaced with "known" because the utility can only be responsible for the distributed generation and distributed energy storage it has awareness is on its system.
- Subsection (2)(C)
  - Existing (2)(C) is struck and replaced with new (2)(C) language clarifying that the utility will file a publicly available report as opposed to maintaining an updated database of information on the utility website. If the report is posted on the utility website, customers may think it is maintained and reflects a real-time view of information. The Utility will submit this information to the Commission annually on the anniversary of its triennial IRP filing.
- Subsection (4)(A)
  - The word "greater" and "penetration" is struck in the first sentence, as more neutral language is appropriate. As earlier noted, the IRP rules are designed to ensure an appropriate planning process but do not exist for the purpose of advocating for one resource versus another.
  - The second sentence is struck because it is unclear why these references to other rule requirements utilities are already bound to is needed.
  - The last sentence is struck because there are size limitations for qualifying cogeneration facilities, so this statement by itself is not accurate or appropriate.
- Subsection (4)(B) It is important to clarify that from a practical perspective, the impact of DER on T&D will not involve a 20-year analysis, but will of necessity involve a much shorter (3-5 years) time horizon due to lack of visibility of the impact beyond that period. Subsection (4)(C) We need to understand why "customer-owned DERs" is added to the language. This basically implies all DER with that addition.
- Subsection (4)(D) This section appears to be duplicative of Section 4(B)1 but this is not clear. At this point the utilities have not suggested edits but suggest further discussion of (4)(D) and (4)(B)1.
- Subsection (5)– New section is added to clarify that the provisions described in 4 CSR 240-22.055 will take effect with each electric utility company's first triennial IRP filing

that occurs one year or more after a final rule is published in the Code of State Regulations. This will ensure that the electric utility has sufficient time after a rule is finalized to comply with it when making its triennial IRP filing.

The Utilities appreciate the opportunity to provide these suggestions and look forward to discussing them further as the workshop process proceeds.

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