

Missouri Renewable Energy Standard
Proposals Submitted for Consideration¹ at November 22 Workshop
by The Wind Coalition and Wind on the Wires

Proposal #1

- a. MO utilities are to purchase either long term bundled products of renewable energy or purchase RECs. The long term products or RECs shall either be from a resource located in Missouri or from renewable energy that was sold to Missouri customers;
- b. 'sold to Missouri customers' will be determined by contract path and be renewable energy that is reflected in Missouri customers rates. It will not include energy sold in off-system transactions;
- c. a 1.25 multiplier will apply to RECs that are from a renewable resource located in MO;
- d. The maximum average retail rate increase will not exceed 1%. The retail rate increase will be determined by comparing a RES-compliant resource mix averaged over a 20 year period to a non-renewable resource mix that includes costs associated with future environmental regulatory risk;
- e. If a procurement yields prices that will exceed the rate cap, the utility will not have to enter into that contract and will not have to purchase renewables until they are able to do so without causing a retail rate increase of 1% using the calculation method agree upon in (d).

Proposal #2²

- a. MO utilities are to purchase either long-term bundled products of renewable energy or purchase RECs. The long term products or RECs shall either be from a resource located in Missouri or from energy that was sold to Missouri customers;
- b. 'sold to Missouri customers' will be determined by contract path and be renewable energy that is reflected in Missouri customers rates. It will not include energy sold in off-system transactions;
- c. a 1.25 multiplier will apply to RECs that are from a renewable resource located in MO;

¹ The information contained herein is strictly intended for use in workshop discussions in MO PSC Docket EW-2011-0031 and not intended to be a position taken by The Wind Coalition or Wind on the Wires in any forum outside of that docket.

² This proposal would require a change in the statute. If a proposal that results in a change in the statute has a 'critical mass' of supporters who are participants in this workshop, wind developers would only support such an effort if all the parties who support the proposal agree to not take actions in the Missouri General Assembly in opposition to or thwart the efforts of the lobbying effort related to the statutory change and that the bill reflecting this statutory change be a stand-alone bill.

- d. The utility will submit to the Commission, for its approval, each procurement of renewable energy intended to comply with Proposition C. The Commission will determine whether the change in rates is reasonable when compared to:
 - i. 1% per year averaged over twenty years; or
 - ii. the non-renewable resource mix averaged over the following period:
 - 1. 2011 to 2013 for the 2% RES requirement;
 - 2. 2012 to 2017 for the 5% RES requirement;
 - 3. 2015 to 2020 for the 10% RES requirement; and
 - 4. 2018 to calendar year of procurement for the 15% RES requirement.

Some Items we could mix-n-match in the proposals above:

- 1. *Counting renewable generation that is under contract by a date certain;*
- 2. *counting excess generation as compliance in a forward year, with some time limit (e.g., 3 years);*
- 3. *allowing utilities to make up shortfalls in the next year or two, again with time limits.*