

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

In the Matter of the Consideration of Adoption)	
of the PURPA §111(d)(15) Interconnection)	
Standard as Required by §1254 of the Energy)	Case No. EO-2006-0497
Policy Act of 2005.)	

STAFF’S SUGGESTIONS REGARDING FUTURE PROCEEDINGS

COMES NOW the Staff (“Staff”) of the Missouri Public Service Commission (“Commission”) and for its Second Proposed Procedural Schedule, respectfully states as follows:

1. This case was opened for the purpose of establishing a record of the Commission’s consideration and determination whether to adopt the Interconnection Standard established by §1254 of the Energy Policy Act of 2005 (“EPAAct 2005”).

2. On August 17, 2006, the Commission issued an Order directing the parties to file a proposed procedural schedule by September 29, 2006. In addition, the Order scheduled a technical conference for September 22, 2006, and directed the parties to file pleadings offering their responses to three items of inquiry, essentially dealing with how to proceed with this matter. Analogous orders were issued also on August 17 in four other cases (Case Nos. EO-2006-0493, EO-2006-0494, ER-2006-0495 and ER-2006-0496) addressing the other new standards established by EPAAct 2005. The Staff and the other parties filed their responses prior to the September 22, 2006 technical conference, which was held for the purpose of determining whether a consensus could be reached concerning a recommendation to the Commission as to how the Commission should rule in this matter, and in any event, how this case should be treated procedurally.

3. The technical conference revealed that it is not yet possible for the parties to develop a detailed procedural schedule in this case (or in any of the other companion cases

mentioned above). It was decided, therefore, that the Staff should file a pleading setting out its view as to how to proceed from this point, and reflecting to the extent possible, the views of the other parties. The other parties should then be allowed a period of time in which to respond to the Staff's pleading.

4. The threshold question to be answered is whether this case may be closed based on "prior state actions" as provided in Section 1254 (b)(3) of the Act [16 U.S.C. 2622(f)]¹. The Staff's position is that no prior state actions serve to exempt the Commission from considering and determining whether to adopt an Interconnection Standard, which is the subject of this proceeding. However, some parties hold the view that the enactment of Section 386.887 RSMo, also known as the Consumer Clean Energy Act, and the Commission's adoption of implementing Rule 4 CSR 240-20.065 Net Metering constitute prior state actions for purposes of EAct 2005, and that as a consequence, this case may be closed.

5. In its September 15, 2006 Response to the aforementioned August 17, 2006 Commission Order, the Staff expressed its view that this case should be consolidated with Case No. EO-2006-0493, which addresses the new Net Metering Standard. However, based on the discussion at the technical conference, the Staff is now of the opinion, particularly in light of the

¹ 16 USC §2622(f) provides: "Prior State Actions- Subsection (b) and (c) of this section shall not apply to the standards established by paragraph(15) of section 111(d) in the case of any electric utility in a State if, before the enactment of this subsection—

(1) the State has implemented for such utility the standard concerned (or a comparable standard);

(2) the State regulatory authority for such State or relevant nonregulated electric utility has conducted a proceeding to consider implementation of the standard concerned (or a comparable standard) for such utility; or

(3) the State legislature has voted on the implementation of such standard (or a comparable standard) for such utility."

fact that the Commission's determination with respect to the Interconnection Standard must occur one year earlier than the determination deadline regarding the Net Metering Standard, that instead of consolidating, it would be preferable to process the two cases on independent tracks.

6. Specifically, the Staff proposes the following for further processing of the matters in this case:

- a) An EX docket should be opened as soon as possible for the purpose of considering limited revisions to Rule 4 CSR 240-20.065 Net Metering that pertain to the Interconnection standard. A prompt opening of this docket is necessary to accommodate an immediate need for timely consideration of the Interconnection aspect of the rule. Proposed amendments to this rule for initial publication for comments in the Missouri Register should be required to be filed by Staff by no later than December 1, 2006 so that the Commission can file its proposed amendments with the Secretary of State by January 1. Such a schedule will permit a final rulemaking, or decision to terminate rulemaking, by May 2007. In the event there is no final rulemaking, the Commission will then have approximately 90 days to take evidence and make a determination regarding this standard on the record in this case, as required by EPA Act 2005, by August 8, 2007.
- b) An EW docket should be opened for the limited purpose of developing proposed revisions to Section 386.887 RSMo, with resulting recommendations due by June 1, 2007.
- c) The instant case should remain open for an eventual Commission determination regarding the adoption of the Interconnection Standard pending the results of the rulemaking docket.

7. The other parties to this proceeding should be permitted until October 13, 2006 to file pleadings in response to this Staff pleading.

WHEREFORE, the Staff respectfully submits its Suggestions Regarding Future Proceedings, and requests that any party wishing to respond to this pleading be given until October 13, 2006 to do so.

Respectfully submitted,

/s/ Dennis L. Frey

Dennis L. Frey
Senior Counsel
Missouri Bar No. 44697
Attorney for the Staff of the
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102
573-751-8700 (telephone)
573-751-9285 (fax)
e-mail: denny.frey@psc.mo.gov

Certificate of Service

I hereby certify that copies of the foregoing have been mailed by first-class mail, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 29th day of September 2006.

/s/ Dennis L. Frey