Department of Economic Development – Division of Energy:

Response to Comments Addressing Electric Utility Regulatory Challenges

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I. Overview

On July 8, 2016, stakeholders filed comments in EW-2016-0313 in order to address potential changes to electric utility policies. The Missouri Department of Economic Development – Division of Energy ("DE") was among those parties.[1] In its comments, DE provided background information and recommendations with respect to both the Notice filed by Public Service Commission ("Commission") Chairman Daniel Y. Hall and other potential policy changes.

[1] Missouri Public Service Commission Case No. EW-2016-0313, *In the Matter of a Working Case to Consider Policies to Improve Electric Utility Regulation*, Department of Economic Development – Division of Energy: Policy Recommendations to Address Electric Utility Regulatory Challenges, July 8, 2016.

In this document, DE is responding to comments with respect to rate case timing, straight-fixed variable rate design ("SFV"), decoupling and performance-based ratemaking, workforce development, construction accounting and trackers, net metering, solar rebates, third-party clean energy purchasing, energy efficiency, Senate Bill 1028 (2016) ("SB 1028"), modification of outdated regulations, and real-time utility data. To the extent that DE does not address other comments by stakeholders, this silence should not be interpreted as agreement or disagreement with said comments. DE reserves the right to address these comments in additional forums.

II. Response to Stakeholder Comments

Rate Case Timing

Stakeholders as diverse as the Missouri Industrial Energy Consumers,[2] Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri"),[3] and the Office of the Public Counsel ("OPC")[4] supported or provided suggestions for shortening the rate case processing timeframe. Such suggestions involved, among others, reducing discovery response periods, shortening or eliminating testimony filing timeframes, and requiring utilities to address common questions found in data requests. DE's initial comments addressed the issue of rate case timing as well; in these comments, DE indicated support for shortening rate case timeframes based on the Commission's extant authority. Though DE supports potentially shortening the intervals between rounds of testimony and discovery responses, DE also recommends that the Commission, if it decides to limit the time for a hearing, should still allow for a fair allocation of time to all parties interested in cross-examination.[5] The consideration of due process extends to all potential options for shortening rate case processing timeframes. DE would support the proposals to require utilities to answer common data requests; such a requirement would reduce the need for extensive discovery processes and avoid duplicative work by utilities and other stakeholders.

[2] Missouri Public Service Commission Case No. EW-2016-0313, *In the Matter of a Working Case to Consider Policies to Improve Electric Utility Regulation*, Comments of the Missouri Industrial Energy Consumers, July 8, 2016, page 3.
[3] Missouri Public Service Commission Case No. EW-2016-0313, *In the Matter of a Working Case to Consider Policies to Improve Electric Utility Regulation*, Initial Comments of Ameren Missouri, July 8, 2016, pages 5-6.
[4] Missouri Public Service Commission Case No. EW-2016-0313, *In the Matter of a Working Case to Consider Policies to Improve Electric Utility Regulation*, Initial Comments of the Office of the Public Counsel, July 8, 2016, pages 7-9.
[5] DE comments, pages 7-8.

Straight-Fixed Variable Rates

In its comments, the Missouri Energy Development Association ("MEDA") offers SFV (referred to in its comments as "fixed variable rate design") as one solution which would achieve the effects of revenue decoupling. MEDA characterizes SFV as including "fixed" costs in either the first volumetric rate block or a fixed charge, and asserts that SFV would be one way to allow utilities to support energy efficiency.[6]

The claim that utilities should be able to recover "fixed" costs through fixed rates is not new in this state. However, such an approach conflates short-run electric utility fixed costs with fixed charges – an approach which has historically not been supported.[7] Aside from questions of cost causation, a shift towards cost recovery through fixed charges would not necessarily lead to higher levels of energy savings. Though utilities might be made indifferent to energy efficiency through higher fixed charges, consumers would be less economically motivated to save energy.[8] This is because variable rates provide customers with control over their bills, which, by extension, means that variable rates provide efficiency-inducing "price signals." As fixed charges rise, variable charges have to fall (and vice versa) to maintain revenue neutrality. The decrease in variable charges would diminish the efficiency-inducing price signal to customers,[9] who would face longer payback periods for energy efficiency improvements. Thus, regardless of whether or not utilities are made indifferent towards efficiency by SFV, customers would be made less than indifferent; strong efficiency gains would not be a guaranteed result of SFV.

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[6] Missouri Public Service Commission Case No. EW-2016-0313, *In the Matter of a Working Case to Consider Policies to Improve Electric Utility Regulation*, Missouri Energy Development Association (MEDA) Comments—Missouri Public Service Commission (MoPSC) Working Case to Consider Policies to Improve Electric Utility Regulation (EW-2016-0313), July 8, 2016, page 4.

[7] Lazar, Jim. 2014. "Electric Utility Residential Customer Charges and Minimum Bills: Alternative Approaches for Recovering Basic Distribution Costs." The Regulatory Assistance Project. Page 1. http://www.raponline.org/wp-content/uploads/2016/05/rap-lazar-electricutilityresidentialcustomerchargesminimumbills-2014-nov.pdf

[8] Molina, Maggie and Kushler, Marty. 2015 "Policies Matter: Creating a Foundation for an Energy-Efficient Utility of the Future." American Council for an Energy-Efficient Economy. Page 9, footnote 11. http://aceee.org/sites/default/files/policies-matter.pdf

[9] *Ibid*. See also: (1) Littell, David. 2016. "Change is in the Wires." The Regulatory Assistance Project. Presentation to the Midwestern Governors Association's "Utility Business Model of the Future" conference, July 13, 2016, St. Paul, MN. Slide 35. http://www.midwesterngovernors.org/UtilityBusinessModel/July13-14Meeting/Littell.pdf. (2) Whited, Melissa. 2016. "Ratemaking for the Future: Trends and Considerations." Synapse Energy Economics, Inc. Presentation to the Midwestern Governors Association's "Utility Business Model of the Future" conference, July 14, 2016, St. Paul, MN. Slide 12. http://www.midwesterngovernors.org/UtilityBusinessModel/July13-14Meeting/Whited.pdf

Decoupling and Performance-Based Ratemaking

OPC also mentions decoupling – in addition to revenue-cap regulation – as examples of incentive-based ratemaking modifications worthy of more dialogue.[10] The Missouri Comprehensive State Energy Plan ("CSEP") recommended exploring decoupling and performance-based ratemaking as well.[11] If decoupling is pursued, DE suggests that the appropriate decoupling mechanism would involve revenue adjustments effectuated through variable rates rather than high fixed charges. In this way, utilities could be provided with greater assurance of cost recovery – making them indifferent to energy efficiency and customer- or third-party-owned generation – while still providing strong price signals to customers. Such an approach would resemble that discussed by MEDA as a decoupling solution[12] prior to its SFV section. Additionally – as noted in DE's initial comments in this docket[13] – decoupling or other revenue-stabilizing mechanisms are most effective at promoting efficiency in combination with energy savings requirements.[14]

OPC's initial comments mention models for addressing performance-based ratemaking in several other jurisdictions.[15] Also included in OPC's comments are descriptions of regulatory practices and statutes in other jurisdictions,[16] particularly New York's "Reforming the Energy Vision" ("NY REV") effort.[17] DE also submitted information in its comments regarding initiatives in other states, and agrees that the work being undertaken in other jurisdictions to change electric utility regulations could serve as models for Missouri. In terms of broader policy initiatives, DE described Minnesota's "e21" initiative and the NY REV initiative. Both initiatives address issues ranging from efficiency to performance-based ratemaking through comprehensive stakeholder dialogues. The e21 initiative addresses the relationship of public policy goals to the utility economic model, as well as: universal access and meeting customer preferences; rate design; system efficiency; new technologies; reliability, resiliency, security, and privacy; and administrative cost reduction. The NY REV initiative also addresses a range of issues, including

[10] OPC comments, pages 9-10.
[11] Missouri Department of Economic Development – Division of Energy. 2015. "Missouri Comprehensive State Energy Plan." Page 238. https://energy.mo.gov/energy/docs/MCSEP.pdf,
[12] MEDA comments, pages 3-4.
[13] DE comments, page 15.
[14] Molina and Kushler, 2015, page 15.
[15] OPC comments, page 10.
[16] *Ibid*, Attachment One.
[17] *Ibid*, pages 11-12.

specific efforts such as the Clean Energy Fund, NY-Sun, the K-Solar program, NY Prize awards, Buildsmart NY, and a green bank.[18] DE provided attachments in its initial comments which addressed the NYREV[19] and Minnesota "e21" initiatives.[20]

Workforce Development

The International Brotherhood of Electrical Workers, Local 1439 ("IBEW") submitted comments which, in part, indicate that utilities should be required to, "… maintain a quality, well-trained workforce to properly maintain, construct (to a reasonable level) and monitor their systems with an internal workforce."[21] The CSEP discussed how, "As the utility workforce ages there is a need to ensure there are sufficient replacement workers that have skills applicable to an evolving industry, especially regarding smart grid technology."[22] CSEP recommendation 5.7, "Encouraging Workforce Development and Higher Education Collaboration," supported a collaboration to develop a "Best Practices for Energy Education in Missouri Institutions of Higher Education" program.[23] DE welcomes the opportunity to work with the IBEW, the Commission, utilities, and other stakeholders on designing such a program in order to assure the availability of a skilled workforce which can provide safe, reliable, and adequate service.

Construction Accounting and Trackers

Ameren Missouri's comments identify a number of methods used by other states to encourage investments in grid modernization initiatives, including construction accounting and trackers.[24] CSEP recommendation 4.1 is that Missouri's utility ratemaking process should be reformed with a goal of making feasible improvements through an in-depth examination of current ratemaking practices, using a stakeholder process to explore topics such as a recovery

[18] DE comments, pages 5-6.
[19] State of New York. 2016. "Reforming the Energy Vision (REV)." https://www.ny.gov/sites/ny.gov/files/atoms/files/REV42616WHATYOUNEEDTOKNOW.pdf
[20] Christensen, Jennifer, and Nordstrom, Rolf. 2014. "e21 Initiative – Phase I Report: Charting a Path to a 21st Century Energy System in Minnesota." Great Plains Institute. http://www.betterenergy.org/e21-Phase1-Report
[21] Missouri Public Service Commission Case No. EW-2016-0313, *In the Matter of a Working Case to Consider Policies to Improve Electric Utility Regulation*, Policy Recommendation of Michael Walter Submitted on Behalf of IBEW Local 1439, July 8, 2016, page 2.
[22] CSEP, page 179.
[23] *Ibid*, pages 244-245.
[24] Ameren Missouri comments, pages 3-4.

mechanism for grid modernization activities.[25] The CSEP specifically addresses how cost recovery mechanisms such as accounting and trackers have been used in Missouri.

The Legislature authorized the PSC to approve non- traditional cost-recovery mechanisms to address specific policy objectives or immediate needs to allow for the recovery of capital costs and expenses, either by tracking them as they are incurred between rate cases (i.e., accounting authority orders, or "AAOs") or on an expedited basis (i.e., trackers). When properly implemented, such mechanisms allow for focused cost recovery on an expedited basis and can encourage needed investments in infrastructure. The CSEP identifies trackers and balancing accounts as the most common mechanisms being used by states to facilitate grid modernization.

The PSC has authorized AAOs and trackers associated with infrastructure safety inspections and replacing infrastructure damaged by ice storms. For example, AAOs were used after the Joplin tornado.[26] The PSC has also approved[27] at least one stipulated alternative cost recovery approach, which allowed Kansas City Power & Light Company ("KCP&L") to recover construction costs for its Iatan 2 project through 1) a series of scheduled rate cases before completion and operation of the project[28]and 2) "construction accounting".[29] The agreement to KCP&L's "Experimental Regulatory Plan" also included commitments to "timely infrastructure investments," including environmental control equipment and wind generation,[30] and to the implementation of demand response, energy efficiency, and affordability programs.[31]

Net Metering

MEDA's comments also allude to the need to modify net metering and other mechanisms, "… to provide safe and reliable electricity to all customers, while not shifting the necessary utility infrastructure costs to customers who do not have distributed generation systems."[32] No evidence is provided by MEDA for either the assertion that distributed generation

[25] CSEP, page 238.
[26] *Ibid*, pages 143-144.
[27] Missouri Public Service Commission Case No. EO-2005-0329, *In the Matter of a Proposed Regulatory Plan of Kansas City Power & Light Company*, Report and Order, July 28, 2005.
[28] Missouri Public Service Commission Case No. EO-2005-0329, *In the Matter of a Proposed Regulatory Plan of Kansas City Power & Light Company*, Stipulation and Agreement, March 28, 2005, pages 29-44.
[29] *Ibid*, pages 43-44.
[30] *Ibid*, pages 44-46.
[31] *Ibid*, pages 46-49.
[32] MEDA comments, page 4.

jeopardizes safe and reliable service or for the contention that non-net metered customers bear additional infrastructure cost burdens. However, MEDA's contentions do indicate to DE the need for more thorough consideration of the costs and benefits of distributed generation. In its initial comments, DE proposed considering the "value of solar" in revising the Net Metering and Easy Connection Act.[33] Evaluating the value of solar in Missouri could provide a more accurate understanding of the costs (e.g., distribution infrastructure upgrades, load balancing) and benefits (e.g., avoided utility costs, reduced line losses, congestion relief, and non-energy benefits) associated with distributed solar generation. In fact, many value of solar studies have shown a positive value of solar.[34] MEDA's implied concern with cost shifting through net metering lacks sufficient evidence.

In its comments, Brightergy, LLC ("Brightergy") provides support for raising the cap on the size of individual net metered systems to 300 kW of capacity.[35] Consistent with the recommendations in the CSEP, the cap on individual net metered systems should be raised to at least 500 kW of capacity.[36] As stated in its initial comments, DE also supports potentially offsetting a portion of line extension and interconnection costs for non-intermittent, distributed generation over 500 kW of capacity.[37] It should also be noted that a recent state senate bill proposed raising the cap on net metered systems to one megawatt.[38] Customers should face fewer constraints in their pursuit of acquiring clean, self-generated energy; the current low system size cap can be too restrictive for customers needing larger systems.

[33] DE comments, page 19.
[34] Hansen, Lena, and Lacy, Virginia. 2013. "A Review of Solar PV Benefit and Cost Studies." Rocky Mountain Institute. Page 22. http://www.rmi.org/Knowledge-Center%2FLibrary%2F2013-13_eLabDERCostValue. For additional discussion of concepts related to the value of solar, see: Solar Electric Power Association. 2013. "Ratemaking, Solar Value and Solar Net Energy Metering – A Primer." Washington, DC. http://www.solarelectricpower.org/media/51299/sepa-nem-report-0713-print.pdf
[35] Missouri Public Service Commission Case No. EW-2016-0313, *In the Matter of a Working Case to Consider Policies to Improve Electric Utility Regulation*, Initial Comments of Brightergy, LLC, July 8, 2016, page 2.
[36] CSEP, page 229.
[37] DE comments, page 10.
[38] Hahn, Kayla. 2016. "Current Bill Summary: SB 629 – Modifies the definition of 'customer-generator' in the Net Metering and Easy Connection Act." SB 629 (2016). Sponsor: Holsman, Jason. http://www.senate.mo.gov/16info/BTS_Web/Bill.aspx?SessionType=R&BillID=22246605

Solar Rebates

In its comments, Brightergy also indicates support for the modification of current statutory solar rebate provisions.[39] If solar rebate offerings are reauthorized or continued, DE would encourage addressing equity concerns by examining rebate structures to ensure that sufficient funds are distributed to middle- and lower-income consumers. This would strengthen these consumers' opportunities to participate in new distributed solar generation additions.

Third-Party Clean Energy Purchasing

Earth Island Institute d/b/a Renew Missouri ("Renew Missouri") filed comments supportive of allowing companies to purchase clean energy beyond that required by the Renewable Energy Standard ("RES").[40] In the recently rejected application of Grain Belt Express Clean Line, LLC for a certificate and convenience and necessity, support for the ability of companies to access clean energy was provided through a letter from General Mills, General Motors, Kellogg's, Nestlé, Procter & Gamble, Target, and Unilever.[41] The CSEP also discussed the desire of such companies to, "… expand businesses' access to long-term, fixed-price renewable energy that is cost competitive and that helps reduce energy emissions beyond the companies' business as usual."[42] DE suggests that companies work with electric utilities and other interested stakeholders to facilitate such purchase arrangements.

Energy Efficiency

Both the Natural Resources Defense Council ("NRDC")[43] and Renew Missouri[44] state their support for modifying the Missouri Energy Efficiency Investment Act ("MEEIA") to

[39] Brightergy comments, page 2.
[40] Missouri Public Service Commission Case No. EW-2016-0313, *In the Matter of a Working Case to Consider Policies to Improve Electric Utility Regulation*, Entry of Appearance and Initial Comments of Renew Missouri, July 8, 2016, pages 6-7 and 8.
[41] Missouri Public Service Commission Case No. EA-2016-0358, *In the Matter of the Application of Grain Belt Express Clean Line LLC for a Certificate of Convenience and Necessity Authorizing it to Construct, Own, Operate, Control, Manage, Operate and Maintain a High Voltage, Direct Current Transmission Line and an Associated Converter Station Providing an Interconnection on the Maywood-Montgomery 345kV Transmission Line*, Direct Testimony of Michael P. Skelly on Behalf of Grain Belt Express Clean Line LLC, June 30, 2016, Schedule MPS-2.
[42] CSEP, page 178.
[43] Missouri Public Service Commission Case No. EW-2016-0313, *In the Matter of a Working Case to Consider Policies to Improve Electric Utility Regulation*, Comments of Natural Resources Defense Council, July 8, 2016, pages 1-2.
[44] Renew Missouri comments, page 1.

require annual electricity savings of 1.5 percent. In its initial comments, DE recommended mandatory targets under MEEIA;[45] this is consistent with CSEP recommendation 1.1 ("Modifying the Missouri Energy Efficiency Investment Act").[46] In the past, DE proposed and supported the voluntary target levels under 4 CSR 240-20.094 eventually reaching 1.9 percent energy savings per year.[47] DE supports making the efficiency target under MEEIA mandatory at a level of at least 1.5 percent per year. Other recommendations for modifying MEEIA were provided both in DE's initial comments[48] and the CSEP,[49] such as establishing eligibility for combined heat and power ("CHP") and conservation voltage reduction. These modifications would ensure customer benefits by moving closer to the objective of achieving all cost-effective savings.

Senate Bill 1028 (2016)

Both MEDA[50] and Ameren Missouri[51] discuss SB 1028 (2016), a bill which did not pass during the most recent legislative session.[52] MEDA and Ameren Missouri stated that there were many positive aspects to the bill, and that it would have benefitted customers. DE notes that there are a number of potential improvements to the bill which could be made if it is reintroduced. One such improvement might be to establish a baseline Return on Equity ("ROE") and provide IOUs flexibility to operate within a certain "band" of the baseline without triggering a rate review. The method established to determine the baseline ROE should move with market trends over time, but should also reflect that Missouri's IOUs have historically been able to attract capital at authorized ROEs below the national average. One approach might be to establish a baseline which preserves Missouri's IOUs' ROEs as a fixed percentage of the national average ROE allowed for similar electrical corporations. Another improvement would be the inclusion of the requirement to meet or exceed meaningful performance metrics related to grid modernization,

[45] DE comments, page 17.
[46] CSEP, pages 212-213.
[47] Missouri Public Service Commission Case No. EW-2015-0105, *In the Matter of a Working Case to Review The Commission's Missouri Energy Efficiency Investment Act (MEEIA) Rules 4 CSR 240-3.163, 4 CSR 240-3.164, 4 CSR 240-20.093, and 4 CSR 240-20.094*, Missouri Division of Energy's Comments in Response to Issues Related to the Rulemaking Workshop, June 19, 2015, page 2.
[48] DE comments, pages 17-18.
[49] CSEP, pages 212-213.
[50] MEDA comments, page 6.
[51] Ameren Missouri comments, pages 4-5.
[52] Missouri General Assembly. 2016. "SB 1028 - Modifies provisions relating to ratemaking for public utilities." Sponsor: Silvey, Ryan. http://www.senate.mo.gov/16info/BTS_Web/Bill.aspx?SessionType=R&BillID=26556300

customer and third-party service provider engagement, renewable energy, emissions reductions, and energy efficiency. Informed by input from stakeholders, the Commission should have discretion over selecting which metrics to use and how they would be developed and evaluated. Depending on other potential legislative changes, there could also be varied approaches to ROE metrics in a revised version of SB 1028, such as adding targets which utilities would have to meet under MEEIA and strengthening the portfolio standards under the RES.

As an example of a comprehensive approach to the topics addressed by SB 1028, New York initiated the REV process (now in its third year)[53] with a goal of achieving a, "… consumer-oriented market that encourages innovative, market-based solutions that reduce costs while meeting critical environmental needs."[54] The process, initiated by the Governor, focuses on clean energy, encouraging investment, and providing consumers with choice and affordability; NY REV has goals of increasing the adoption of energy efficiency, energy management products, renewable energy, and distributed generation.[55] The New York Public Service Commission adopted several orders to date to implement a scorecard model,[56] which involves the development of metrics both for the purposes of performance-based ratemaking and tracking the extent to which the NY REV initiative's policy goals are met.[57] One scorecard developed by the New York Public Service Commission involves the measurement of reliability.[58] An "earnings adjustment mechanism" was also adopted to incent peak reduction and

[53] State of New York – Executive Chamber. 2013. "Governor Cuomo Unveils 'Scorecard' to Measure Utilities' Performance."
[54] New York Public Service Commission Case No. 15-E-0302, *In the Matter of the Implementation of a Large-Scale Renewable Program*, Staff White Paper on Clean Energy Standard, January 25, 2016, Page 3.
[55] New York Department of Public Service. Undated. "DPS – Reforming the Energy Vision: About the Initiative." http://www3.dps.ny.gov/W/PSCWeb.nsf/All/CC4F2EFA3A23551585257DEA007DCFE2?OpenDocument
[56] See, for instance: 1) New York Public Service Commission Case No. 13-E-0140, *Proceeding on Motion of the Commission to Consider Utility Emergency Performance Metrics*, Order Approving the Scorecard for Use by the Commission as a Guidance Document to Assess Electric Utility Response to Significant Outages, December 23, 2013. 2) New York Public Service Commission Case No. 14-M-0101, *Proceeding on Motion of the Commission in Regard to Reforming the Energy Vision*, Order Adopting a Ratemaking and Utility Revenue Model Policy Framework, May 19, 2016.
[57] New York Public Service Commission Case No. 14-M-0101, *Proceeding on Motion of the Commission in Regard to Reforming the Energy Vision*, Order Adopting Regulatory Policy Framework and Implementation Plan, February 26, 2015, page 130. http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId=%7b0B599D87-445B-4197-9815-24C27623A6A0%7d
[58] New York Public Service Commission Case No. 13-E-0140, *Proceeding on Motion of the Commission to Consider Utility Emergency Performance Metrics*, Order Approving the Scorecard for Use by the Commission as a Guidance Document to Assess Electric Utility Response to Significant Outages,

system efficiency, energy efficiency, small system interconnection, customer engagement and information access, greenhouse gas reductions, and affordability.[59]

Should a bill resembling SB 1028 be proposed again, DE recognizes that the legislation would be improved by adding, at the very least, the ROE adjustments and performance metrics recommended at the beginning of this section. DE suggests that any similar bill could be bolstered by adding meaningful consumer protections and preserving Commission discretion regarding utility regulation. OPC similarly suggested in its comments that performance-based ratemaking should include consumer protections.[60]

Modification of Outdated Regulations

Ameren Missouri comments on the outdated nature of Missouri's current utility regulations.[61] There are certain regulations and statutes which should be updated to recognize the evolving and more recent developments in the utility industry. One example is the promotional practices rules. Among other reasons, promotional practices rules exist to avoid destructive competition between regulated electric and gas utilities. However, these rules should be revised to reflect explicit exemption for measures beneficial to promoting efficiency and new technologies.

Electric and natural gas companies are ideally positioned to promote CHP, and CHP provides several benefits from energy savings. However, the promotion of CHP is not explicitly recognized as an allowable exclusion from the promotional practices rules. KCP&L's recent proposal for its "Clean Charge Network" of electric vehicle ("EV") charging stations ("EVCS") met with significant resistance, partly due to interpretations of the promotional practices rules. In part, opponents contended that KCP&L's plan to allow "host sites" to pay for EVCS electricity constituted a promotional practice, since EV drivers would receive "free" electricity. However, KCP&L's plan did not violate the promotional practices rules given that the electricity would be paid for by a non-utility entity rather than other ratepayers.

[59] New York Public Service Commission Case No. 14-M-0101, *Proceeding on Motion of the Commission in Regard to Reforming the Energy Vision*, Order Adopting a Ratemaking and Utility Revenue Model Policy Framework, pages 71-93.
[60] OPC comments, page 2.
[61] Ameren Missouri comments, pages 1-2.

The promotional practices rules could be updated to exempt the promotion of demand-side measures, such as CHP, and initiatives such as EVCSs.

Real-Time Utility Data

Brightergy's comments support greater access to utility-related data by customers in order to encourage greater energy efficiency and penetration of distributed generation.[62] Given adequate consumer privacy protections, DE agrees with enabling access to real-time data. Such data could also allow utilities to propose more advanced rate designs, such as real-time pricing, to a broader set of customers. The CSEP recognizes the importance of consumer access to real-time data from smart technologies that allow for more informed and timely decision-making, contributing to a more sophisticated electricity grid.[63] Real-time data can enable advanced utility programs such as detailed shadow billing, additional educational initiatives and utilization of energy management systems to monitor and control usage as well as participate in demand response events and certain forms of "gamification" (i.e., turning demand-side management programs into games).

III. Conclusion

DE continues to support changes to the regulation of electric utilities to the extent that such changes benefit customers and advance state policy goals. Such changes could include strengthening the RES, creating savings requirements under MEEIA, expanding the Net Metering and Easy Connection Act, and promoting CHP and microgrids. The comments submitted by MEDA and Ameren Missouri with respect to SFV, net metering, and (absent the changes described above) SB 1028 would not result in the greatest benefits to customers. Other stakeholder comments mentioned above could, if properly addressed, result in benefits to customers, such as strengthening MEEIA, modifying rate case timing, and raising the cap on net metered system sizes. Additionally, DE recommends that the Commission consider Renew Missouri's suggestion of a facilitated stakeholder dialogue.[64] The May 12, 2015 workshop on revising the MEEIA rules (under Missouri Public Service Commission Case No. EW-2015-

[62] Brightergy comments, pages 2-3.
[63] See CSEP, pages 137 (on smart thermostats and appliances) and 151 (summary point on two-way communication).
[64] Renew Missouri comments, page 8.

0105) was facilitated by Richard Sedano of The Regulatory Assistance Project; DE found the facilitator approach at that meeting to be the most productive means of bringing parties together around the revision process. DE requests that the Commission add such a facilitated dialogue in this working docket.

DE appreciates this additional opportunity to discuss how to modify electric utility regulations to benefit all parties, and respectfully requests that the Commission consider these reply comments in in its deliberations.