STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 18th day of April, 2018.

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

File No. EW-2017-0245

COMMISSION'S RESPONSE TO STAFF REPORT REGARDING DISTRIBUTED ENERGY RESOURCES

Issue Date: April 18, 2018 Effective Date: April 18, 2018

At the Commission's direction, Staff filed a Report on Distributed Energy Resources (DER) in this working case on April 5, 2018. Staff's DER Report offers several recommendations for further action to be taken by Staff, by the Commission, and by Missouri's investor-owned electric utilities. Union Electric Company d/b/a Ameren Missouri, as well as Kansas City Power & Light Company and KCP&L Greater Missouri Operations Company filed responses to Staff's Report on April 16. The Missouri Division of Energy filed a response on April 17.

In particular, Staff recommends: (1) modifications to the Chapter 20 Electric Utilities and Chapter 22 Electric Utility Resource Planning rules to better address DER-related matters, and to facilitate a more holistic integrated distribution system planning process; (2) the Commission revisit its 2010 order temporarily prohibiting in Missouri the operation of demand response (DR) aggregation of retail customers, and consider the "Indiana Model" whereby customers can subscribe directly with the utility to participate

in DR programs; (3) certain modifications to the Chapters 3 and 20 Cogeneration and Net-Metering rules; and (4) the Commission consider certain rate structures and rate designs to enhance customer responsiveness to DER opportunities by providing appropriate price signals to consumers and revenue recovery for utilities.

The Commission accepts the recommendations offered by Staff and determines that they promote good public policy, and that it would be advisable to further consider the specific merits of each in the appropriate case where the impacted parties will have an opportunity to be heard. Accordingly, the Commission intends to issue a subsequent order in this docket concerning the resource planning rulemaking recommendations to allow for additional input prior to establishing rulemaking dockets. The modifications to Chapter 3 and Chapter 20 will continue to be addressed in File No. EW-2018-0078. Concerning the DR aggregation and rate design recommendations, the Commission intends to issue orders seeking additional information from interested parties in pending and future rate cases, and in cases filed under the Missouri Energy Efficiency Investment Act.

THE COMMISSION ORDERS THAT:

The Commission accepts the recommendations offered by Staff in its April
 2018 Report on Distributed Energy Resources.

2. This order shall be effective when issued.

BY THE COMMISSION

Morris I Woodry



Morris L. Woodruff Secretary

Hall, Chm., Kenney, Rupp, Coleman, and Silvey, CC., concur.

Woodruff, Chief Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 18th day of April 2018.

SION OF THE OF T

Morris L. Woodruff

Secretary

MISSOURI PUBLIC SERVICE COMMISSION April 18, 2018

File/Case No. EW-2017-0245

Missouri Public Service Commission

Staff Counsel Department 200 Madison Street, Suite 800 P.O. Box 360 Jefferson City, MO 65102 staffcounselservice@psc.mo.gov Office of the Public Counsel

Hampton Williams 200 Madison Street, Suite 650 P.O. Box 2230 Jefferson City, MO 65102 opcservice@ded.mo.gov Missouri Public Service Commission

Kevin Thompson 200 Madison Street, Suite 800 P.O. Box 360 Jefferson City, MO 65102 kevin.thompson@psc.mo.gov

Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,

Morris L. Woodruff Secretary

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.