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Outline of Comments by Public Counsel at the December 20, 2010

Missouri Public
Service Commission Rulemaking Hearing in Case No. EX-2010-0368

1. Public Counsel still supports the proposed changes to specific rule language that were included in our July 23, 2010 filing in Case No. EX-2010-0368. These changes were presented in track changes format for each of the rules and included important additions to rule language, including our suggested improvements to the definitions section of each rule. Other areas where important changes were made included: language to address market transformation programs, programs for hard to reach customers and joint programs with other gas and electric utilities.
2. OPC's view on legal issues can be found in the September 14, 2010 "Brief on Legal Issues" filed in Case No. EX-2010-0368. As noted in that filing, language on surcharges between rate cases and lost revenues was in early versions of SB 376 and its counterpart in the House of Representatives but this language was not in the final bill that was supported by Public Counsel and became the law that prompted this rulemaking.
3. Regarding the comments filed by DNR, NRCD, Sierra Club and others – (a) OPC supports the statewide collaborative language on page 15 of those comments and (b) OPC agrees with their comments that support the goals contained in the rule.
4. Regarding the Commission Staff Comments – OPC generally supports the Staff Comments, in particular: (a) remarks regarding the inappropriateness of both deferrals and interim rate treatment due to redundancy, (b) comments regarding the imbalance of interest rate treatment for customers and shareholders if deferrals are allowed, and (c) changes to lost revenue recovery provisions if this is kept despite the legal issue.
5. Regarding the MEDA comments – OPC does not support any of the rule changes recommended in the MEDA rule comments.

Exhibit No. 2
Date 12/20/10 Reporter als
File No. EX-2010-0368