

Renew Missouri Comments on IP&L Master Energy Plan Presentation

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Many Missouri utilities have an Integrated Resource Planning (IRP) process to identify the best use of resources for planning for future capacity and generation planning decisions. One component typically seen in the IRP process is the use of energy efficiency programs to lower the utility's single peak hour of demand and to reduce the need for investments in additional contracts for capacity or generation.

While the presentation did not have all of the details that will likely be included the Master Energy Plan the presentation does not deal with any demand side recommendations. The presentation was primarily focused on supply side resource management. To that point, it is troubling that the presentation did not provide additional details or alternatives to utilizing energy storage with renewable projects to meet some of Independence's needs. Renew Missouri would like to have an opportunity to review the New Resource Technology Assessment that is being completed as part of this plan. In considering resources owned by third parties, Independence is in a prime geographic location to gain access to increasingly competitive wind prices from the Great Plains region of the United States through PPAs (Power Purchase Agreements) with wind project developers.

We encourage Independence to focus on clean energy solutions as the main method for short and long-term planning. If the City would like to live up to the aspiration of being the "Greenest City in America" they will need to seriously consider a transition to clean energy sources in the near future. Currently, Springfield and their municipal utility, City Utilities, has the largest renewable energy portfolio out of any utility in the state at 41% renewable generation. Additionally, City Utilities has a 1 MW



battery storage pilot program that is currently being optimized to maximize their profit potential in interacting with their local Regional Transmission Organization (RTO) the Southwest Power Pool (SPP). While IP&L does have a large community solar program in place the utility will need to invest in much larger long-term contracts for renewable sourced generation to truly become a leading utility for clean energy in Missouri.

We hope to see energy efficiency program analysis and proposals in the publicly available Master Energy Plan. Energy efficiency is the most cost effective resource a utility has available and should be utilized to lower the single hour peak. It can also be used to lower the overall peak demand and can be used to level out peak hours. The recommendations in the plan are primarily focused around closing Blue Valley and entering an agreement with Dogwood Energy to receive additional energy needs from natural gas. While gas prices have been declining and remain very competitive, this is not forecasted to be a long-term reality.

We encourage IP&L and the City Council to review how demand side resources such as energy efficiency can help reduce the additional energy requirements needed. We would recommend maximizing energy use and focusing on achieving peak reductions through targeted energy efficiency programs. Strong energy efficiency program offerings could help IP&L achieve1-3% annual energy usage reductions and can help prolong the need for future investments. Even if IP&L aggressively pursues energy efficiency program opportunities there will still be a need for investments to meet base load and capacity requirements. Renew Missouri cannot support a plan that is not evaluating the benefits of energy efficiency programs and is proposing for IP&L to enter into a long-term contract with a traditional energy facility without first weighing the long-term benefits of regionally sourced low-cost wind generation including the integration of battery storage.

Sincerely, Philip Fracica Policy Organizer Renew Missouri

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