



GOVERNOR OF MISSOURI

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JEREMIAH W. (JAY) NIXON
GOVERNOR

March 23, 2009

The Honorable Steven Chu
Secretary
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Re: Missouri State Energy Program (SEP) Assurances

Dear Secretary Chu:

I am writing regarding Missouri's share of the \$3.1 billion funding for the State Energy Program (SEP) under the American Recovery and Renewal Act of 2009 (H.R. 1)(ARRA). We anticipate that this increased level of SEP funding will allow Missouri to pursue a variety of programs and projects in the agricultural, industrial, commercial, residential and governmental sectors to achieve energy savings. We appreciate the significant opportunities that the SEP, the Low Income Weatherization Assistance Program, and the State Energy Block Grant funding will provide as we work with Missouri communities and the private sector to promote effective and wise utilization of our energy resources.

I have written the Missouri Public Service Commission (PSC) and suggested that they consider additional actions to promote energy efficiency consistent with the provisions contained in H.R. 1, while balancing existing obligations to maintain just and reasonable rates for Missouri consumers. Consistent with U.S. Department of Energy guidance, I have also instructed the Missouri Department of Natural Resources' Director to begin a dialogue with authorized communities which have the authority to adopt energy standards. The State is committed to working with communities to create model energy efficiency standards that, if local units of government choose to implement, should reduce energy costs for Missourians. I and my staff will also work with the Missouri General Assembly to pursue incentives to assist communities in promoting improved energy efficiency consistent with the goals of ARRA.

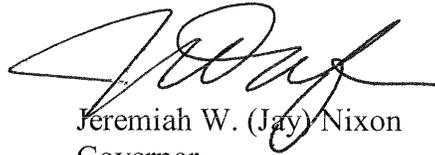
Missouri's objectives in our overarching plan for distribution and utilization of SEP funds will be job creation, energy savings, the promotion of renewable energy, and reductions in air pollution. We will prioritize our energy investments so as to take advantage of existing program delivery mechanisms, while also considering enhancements where appropriate.

The state of Missouri is committed to using this historic opportunity to proactively work with communities, and when appropriate, the General Assembly of Missouri, to provide incentives and technical assistance that will result in improvements in energy efficiency and renewable energy, as well as a balanced state energy policy. I want to assure you that, within the limits of my authority, we will move forward in these critical areas.

We look forward to the opportunity to work with you as we refine Missouri's proposal for utilization and distribution of the federal SEP funds to assist Missouri in making progress in energy efficiency and renewable energy development.

Respectfully submitted,

STATE OF MISSOURI



Jeremiah W. (Jay) Nixon
Governor

JWN:bwk

c: Gil Sperling, Director, Office of Weatherization and Intergovernmental Programs, USDOE
Mark N. Templeton, Director, Missouri Department of Natural Resources