

SENATE BILL NO. 1347

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR TRENT.

5256S.01H

KRISTINA MARTIN, Secretary

AN ACT

To amend chapter 386, RSMo, by adding thereto one new section relating to a community solar pilot program.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 386, RSMo, is amended by adding thereto
2 one new section, to be known as section 386.875, to read as
3 follows:

**386.875. 1. As used in this section, the following
2 terms shall mean:**

3 (1) "Bill credit", the commission-approved monetary
4 value of each kilowatt hour of electricity generated by a
5 community solar facility and allocated to a subscriber's
6 monthly bill to offset the subscriber's retail electric bill;

7 (2) "Community solar facility", a facility that:

8 (a) Generates electricity by means of a solar
9 photovoltaic device whereby subscribers receive a bill
10 credit for the electricity generated based on the size of
11 the subscriptions;

12 (b) Is located within the state of Missouri;

13 (c) Is connected to and delivers electricity to a
14 distribution system operated by a retail electric supplier
15 operating in the state of Missouri and in compliance with
16 requirements under this section;

17 (d) Has a nameplate capacity greater than one hundred
18 AC kilowatts and no greater than five thousand AC kilowatts;

- 19 (e) Has at least ten subscribers;
- 20 (f) Credits some or all of the electricity generated
21 from a community solar facility to the bills of subscribers;
- 22 (g) May be located remotely from a subscriber's
23 premises and shall not be required to provide energy to an
24 on-site load;
- 25 (3) "Community solar organization", an entity that
26 owns or operates one or more community solar facilities;
- 27 (4) "Customer-generator", the same meaning as set
28 forth in section 386.890;
- 29 (5) "Low-income customer", a retail residential
30 customer of a retail electric supplier whose household
31 income adjusted for family size does not exceed either two
32 hundred percent of the federal poverty level or eighty
33 percent of the median income of the county in which the
34 customer is located, whichever is higher. Owners or
35 managers of apartment buildings or rental units that serve
36 low-income customers may be considered low-income customers
37 if fifty percent or more of the tenants qualify under this
38 definition. Further, certain entities, organizations, and
39 institutions that are focused on social welfare and that
40 serve the low-income customer community may also qualify,
41 including but not limited to: homeless shelters, halfway
42 houses, soup kitchens, foster homes, orphanages, and other
43 similar organizations;
- 44 (6) "Retail electric supplier", any municipal utility,
45 electrical corporation regulated under chapter 386, or rural
46 electric cooperative under chapter 394 that provides retail
47 electric service in this state;
- 48 (7) "Subscriber", a retail customer of a retail
49 electric supplier who owns one or more subscriptions to a
50 community solar facility interconnected with the customer's

51 retail electric supplier. The term includes a retail
52 customer who owns a portion of a community solar facility.
53 A subscriber's subscription size shall be one hundred
54 percent or less of their twelve-month rolling average
55 kilowatt hour usage for any one subscriber meter;

56 (8) "Subscriber administrator", an entity that
57 recruits and enrolls subscribers, administers subscriber
58 participation in community solar facilities, and manages the
59 subscription relationship between subscribers and a retail
60 electric supplier;

61 (9) "Subscription", a contract between a subscriber
62 and subscriber administrator of a community solar facility
63 that entitles the subscriber to a bill credit against the
64 subscriber's retail electric bill;

65 (10) "Unsubscribed energy", the output of a community
66 solar facility, measured in kilowatt hours, that is not
67 allocated to subscribers.

68 2. Each retail electric supplier shall implement a
69 three-year community solar pilot program to run during
70 calendar years 2025 through 2027. Retail electric suppliers
71 shall allow subscriber administrators and owners or
72 operators of community solar facilities to recruit customers
73 as subscribers, and shall process subscribers' bill credits
74 as required by subdivision (8) of subsection 3 of this
75 section. Each retail electric supplier shall continue
76 operating its community solar pilot program until the total
77 solar electricity demand from subscribers equals five
78 percent of the retail electric supplier's electricity sales
79 for the previous year.

80 3. Community solar facilities shall be operated as
81 follows:

82 (1) A community solar facility may be built, owned, or
83 operated by a third party entity under contract with an
84 owner or operator of a community solar facility or a
85 subscriber administrator. A subscriber administrator may
86 contract to administer bill credits to the subscriber's
87 electricity bill generated by the subscriber's share of the
88 community solar facility, subject to the requirements of
89 this section. A subscriber administrator that provides bill
90 credits to a subscriber pursuant to this section shall not
91 be considered an electrical corporation or public utility
92 under section 386.020 for purposes of determining
93 jurisdiction of the commission;

94 (2) The owner or operator of a community solar
95 facility may serve as a subscriber administrator or may
96 contract with a third party to serve as a subscriber
97 administrator on behalf of the owner or operator. Nothing
98 in this section shall prevent a retail electric supplier
99 from owning or operating a community solar facility or from
100 acting as a subscriber administrator as part of its own
101 community solar pilot program;

102 (3) Except as provided under subdivision (4) of this
103 subsection, the price paid for a subscription in a community
104 solar facility shall not be subject to regulation by the
105 commission;

106 (4) Not later than nine months after the effective
107 date of this section, the commission shall establish the
108 value of the bill credit for each retail electric supplier
109 to offset each subscriber's retail electric bill for each
110 kilowatt hour subscribed from a community solar facility.
111 The commission shall establish the bill credit value in such
112 a way as to allow for the creation, financing,
113 accessibility, and operation of community solar facilities

114 and to maximize customer participation so as to meet the
115 goal of five percent of electricity sales per year as
116 required by subsection 2 of this section. The commission
117 shall establish an additional bill credit value for
118 subscribers who are low-income customers in such a way as to
119 ensure that low-income subscribers save money on their
120 retail electric bills;

121 (5) A retail electric supplier shall allow for the
122 transferability and portability of subscriptions, including
123 allowing a subscriber to retain a subscription to a
124 community solar facility if the subscriber relocates within
125 the same retail electric supplier's service territory;

126 (6) On a monthly basis, a subscriber administrator
127 shall update the subscriber administrator's list of
128 subscribers and provide all of the following information
129 about each subscriber to the retail electric supplier in a
130 standardized electronic format approved by the commission
131 for the purpose of bill credit to subscribers:

132 (a) The name, address, account number, and meter
133 number;

134 (b) The kilowatt hours of electricity generation
135 attributable to each subscriber;

136 (c) If a subscriber administrator is using the retail
137 electric supplier's billing methods to collect subscription
138 fees, the subscription fee for the month owed by each
139 subscriber to the subscriber administrator;

140 (7) A subscriber administrator or third party owning
141 or operating a community solar facility shall not be
142 considered a retail electric supplier or an electric
143 generation provider solely as a result of involvement with a
144 community solar facility;

145 (8) Duties of retail electric suppliers shall include
146 the following:

147 (a) On a monthly basis, a retail electric supplier
148 shall provide to a subscriber administrator a report in a
149 standardized electronic format indicating the total value of
150 the bill credit generated by the community solar facility in
151 the prior month and the amount of the bill credit applied to
152 each subscriber;

153 (b) A retail electric supplier shall provide a bill
154 credit to a subscriber's next monthly electric bill for the
155 proportional output of a community solar facility
156 attributable to the subscriber in the same manner as if the
157 solar facility were located on the customer's property;

158 (c) If requested by a subscriber administrator, a
159 retail electric supplier shall include a subscriber's
160 subscription fee on the monthly bill and forward the
161 collected subscription fees to the subscriber administrator
162 on a monthly basis;

163 (d) Not later than August 28, 2025, a retail electric
164 supplier shall make available and update, in a commercially
165 reasonable manner, a system map showing the loading of the
166 distribution system and indicating where in the service
167 territory the distribution system could accommodate new
168 solar generation;

169 (9) Compensation for retail electric suppliers shall
170 be as follows:

171 (a) A subscriber administrator shall compensate a
172 retail electric supplier for the retail electric supplier's
173 reasonable direct costs of interconnection of a community
174 solar facility. Such compensation shall be in the form of a
175 one-time payment upon interconnection;

176 (b) A retail electric supplier shall be entitled to
177 recover its reasonable direct costs of complying with the
178 requirements of this section and enabling a community solar
179 facility within its service territory, including but not
180 limited to: added billing costs and added costs of net
181 metering and interconnection for community solar
182 facilities. These reasonable direct costs shall be in the
183 form of an annual fee invoiced to the subscriber
184 administrator based on the total final system size of the
185 community solar facility;

186 (10) Each community solar facility shall be subscribed
187 with at least ten percent low-income customers and twenty
188 percent residential customers;

189 (11) A retail electric supplier shall purchase
190 unsubscribed energy from a community solar facility at the
191 retail electric supplier's avoided cost as approved by the
192 commission. No later than nine months after August 28,
193 2024, the commission shall establish regulations necessary
194 to effectuate this section regarding the purchase of
195 unsubscribed energy;

196 (12) No entity, affiliated entity, or entities under
197 common control may develop, own, or operate more than one
198 community solar facility on the same parcel or contiguous
199 parcels of land.

200 4. Interconnection standards for community solar
201 facilities under one hundred kilowatts shall be the same as
202 those for net-metered customers pursuant to section
203 386.890. For systems larger than one hundred kilowatts, the
204 commission shall develop technical and net metering
205 interconnection rules for customer-generators intending to
206 operate community solar facilities or renewable onsite
207 generators in parallel with the electric utility grid,

208 consistent with rules defined in other states within the
209 service region of the regional transmission organization
210 that manages the transmission system in any part of the
211 state. In developing its rules, the commission shall
212 convene a stakeholder process to develop statewide technical
213 and net metering rules for customer generators with systems
214 larger than one hundred kilowatts.

215 5. The commission shall promulgate rules and
216 regulations to implement the provisions of this section
217 within nine months of August 28, 2024. Any rule or portion
218 of a rule, as that term is defined in section 536.010, that
219 is created under the authority delegated in this section
220 shall become effective only if it complies with and is
221 subject to all of the provisions of chapter 536 and, if
222 applicable, section 536.028. This section and chapter 536
223 are nonseverable and if any of the powers vested with the
224 general assembly pursuant to chapter 536 to review, to delay
225 the effective date, or to disapprove and annul a rule are
226 subsequently held unconstitutional, then the grant of
227 rulemaking authority and any rule proposed or adopted after
228 August 28, 2024, shall be invalid and void.

✓