

FIRST REGULAR SESSION

SENATE BILL NO. 568

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR BLACK.

2183S.01H

KRISTINA MARTIN, Secretary

AN ACT

To repeal section 393.170, RSMo, and to enact in lieu thereof one new section relating to construction of electric transmission facilities.

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

Section A. Section 393.170, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 393.170, to read as follows:

393.170. 1. No gas corporation, electrical corporation, water corporation or sewer corporation shall begin construction of a gas plant, electric plant, water system or sewer system, other than an energy generation unit that has a capacity of one megawatt or less, without first having obtained the permission and approval of the commission.

2. No such corporation shall exercise any right or privilege under any franchise hereafter granted, or under any franchise heretofore granted but not heretofore actually exercised, or the exercise of which shall have been suspended for more than one year, without first having obtained the permission and approval of the commission.

Before such certificate shall be issued a certified copy of the charter of such corporation shall be filed in the office of the commission, together with a verified statement of the president and secretary of the corporation, showing that it

18 has received the required consent of the proper municipal
19 authorities.

20 3. The commission shall have the power to grant the
21 permission and approval herein specified whenever it shall
22 after due hearing determine that such construction or such
23 exercise of the right, privilege or franchise is necessary
24 or convenient for the public service. The commission may by
25 its order impose such condition or conditions as it may deem
26 reasonable and necessary. Unless exercised within a period
27 of two years from the grant thereof, authority conferred by
28 such certificate of convenience and necessity issued by the
29 commission shall be null and void.

30 4. (1) It shall be the policy of this state to ensure
31 that construction of electric transmission facilities in the
32 state needed to support Missouri's economy, to deliver
33 benefits to Missouri customers, and to ensure reliable
34 electric service in the state in the twenty-first century
35 and beyond will take place in a deliberate and orderly
36 manner that helps promote the reliability and integrity of
37 the state's existing electric grid. In furtherance of this
38 policy, the provisions of this subsection shall apply when
39 the permission and approval sought from the commission under
40 subsection 1 of this section is for the construction of
41 electric transmission facilities approved by a regional
42 transmission operator. To the greatest extent practical,
43 such electric transmission facilities shall be designed,
44 consistent with electric industry standards, to utilize a
45 multi-circuit configuration, be sited with or along existing
46 above-ground infrastructure, or replace or upgrade existing
47 above-ground infrastructure, whether or not the existing
48 electric transmission facility infrastructure utilized is
49 owned by an electrical corporation that owns in-service

50 electric transmission facilities in this state that are
51 under the functional control of a regional transmission
52 operator. Electric transmission facilities need not be
53 designed as provided in the immediately preceding sentence
54 if the commission determines in a proceeding pursuant to
55 which permission and approval is sought under subsection 1
56 of this section that such a design is inconsistent with
57 electric industry standards, is inconsistent with the
58 reliability basis given for the electric transmission
59 facilities project, or is not in the best interest of the
60 electrical corporation's customers or, to the extent the
61 electrical corporation does not directly serve retail
62 customers, the interests of the electric customers whose
63 retail rates will reflect the majority of the costs of the
64 electric transmission facilities to-be-constructed.

65 (2) The only electrical corporations that may file an
66 application with the commission for permission and approval
67 to construct electric transmission facilities described in
68 this subsection are electrical corporations that own in-
69 service electric transmission facilities in this state that
70 are under the functional control of a regional transmission
71 operator and to which the electric transmission facilities
72 subject to the application will connect once construction is
73 completed. Within ninety days following approval of the
74 construction of electric transmission facilities by the
75 applicable regional transmission operator, an electrical
76 corporation seeking permission and approval for electric
77 transmission facilities covered by the provisions of this
78 subsection may provide notice to the commission indicating
79 it will not construct any or some portion of the facilities
80 so approved. If such notice is given and indicates the
81 notifying electrical corporation will not construct any of

82 the facilities so approved, the commission may grant
83 permission and approval for such facilities' construction to
84 any other electrical corporation. If such notice indicates
85 that it will assign all or a portion of the facilities so
86 approved to another electrical corporation, the commission
87 may grant permission and approval for the facilities that
88 were assigned to the assignee electrical corporation
89 provided that the assignee electrical corporation's
90 construction of the facilities will be subject to the
91 provisions of this subdivision.

92 (3) This subsection shall not limit the right of any
93 electrical corporation, rural electric cooperative organized
94 under chapter 394 or of any municipal utility, or a joint
95 electric utility commission, to construct, own, and maintain
96 any electric transmission facilities in this state that are
97 not under the functional control of a regional transmission
98 operator. This subsection shall also not limit the right of
99 any electrical corporation to seek permission and approval
100 to construct, operate, and maintain electric transmission
101 facilities in this state that will not initially connect to
102 electric transmission facilities in this state that are
103 under the functional control of a regional transmission
104 operator.

105 5. For purposes of this section, the following terms
106 shall mean:

107 (1) "Electric transmission facilities", a transmission
108 line that is designed and constructed with the capability of
109 being safely and reliably energized at one hundred kilovolts
110 or more, and associated transmission facilities, including
111 substations;

112 (2) "Regional transmission operator", a regional
113 transmission organization, independent system operator, or

114 equivalent entity recognized by the Federal Energy
115 Regulatory Commission or successor agency that exercises
116 functional control over electric transmission facilities
117 located within this state.

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