

# SENATE BILL NO. 627

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR TRENT.

2432S.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 386.900, to read as  
3 follows:

**386.900. 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 2024 through 2026. 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 two percent  
78 of the retail electric supplier's electricity sales for the  
79 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 two 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, 2024, 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 2023, 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, 2023. 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, 2023, shall be invalid and void.

✓