

SECOND REGULAR SESSION

SENATE BILL NO. 857

97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR HOLSMAN.

Read 1st time February 12, 2014, and ordered printed.

TERRY L. SPIELER, Secretary.

5793S.02I

AN ACT

To amend chapter 393, RSMo, by adding thereto one new section relating to solar rebates.

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

Section A. Chapter 393, RSMo, is amended by adding thereto one new section, to be known as section 393.1200, to read as follows:

393.1200. 1. As used in this section, the following terms mean:

- (1) "Charter school", the same as defined in section 160.400;
- (2) "Commission", the public service commission;
- (3) "Electrical corporation", the same as defined in section 386.020;
- (4) "Nonprofit organization", any corporation which is recognized as exempt under Section 501(c)(3) of the Internal Revenue Code, or any successor section;
- (5) "Private school", a school which is not part of the public school system of the state of Missouri and which charges tuition for the rendering of elementary, secondary educational, or postsecondary education services;
- (6) "Public school", may include seven-director, urban, and metropolitan school districts as defined in section 160.011, or any public institution of higher education;
- (7) "Renewable energy credit", the same as defined in section 393.1025.

2. As provided for in this section, except for those electrical corporations that qualify for an exemption under section 393.1050, each electrical corporation shall make available to its public school, private school, charter school, and nonprofit organization retail customers a

22 solar rebate for new or expanded solar electric systems sited on public
23 school, private school, charter school, or nonprofit organization retail
24 customers' premises, up to a maximum of twenty-five kilowatts per
25 system, measured in direct current that were confirmed by the
26 electrical corporation to have become operational in compliance with
27 the provisions of section 386.890. The solar rebates shall be two dollars
28 per watt for systems becoming operational on or before August 28, 2014;
29 one dollar and fifty cents per watt for systems becoming operational
30 between August 28, 2014, and June 30, 2015; one dollar per watt for
31 systems becoming operational between July 1, 2015, and June 30, 2016;
32 fifty cents per watt for systems becoming operational between July 1,
33 2016, and June 30, 2017; fifty cents per watt for systems becoming
34 operational between July 1, 2017, and June 30, 2019; twenty-five cents
35 per watt for systems becoming operational between July 1, 2019, and
36 June 30, 2020; and zero cents per watt for systems becoming
37 operational after June 30, 2020. An electrical corporation may, through
38 its tariffs, require applications for solar rebates to be submitted up to
39 one hundred eighty-two days prior to the operational date. Nothing in
40 this section shall prevent an electrical corporation from offering solar
41 rebates to public school, private school, charter school, or nonprofit
42 organization retail customers after July 1, 2020, through an approved
43 tariff.

44 3. Annual costs to comply with this section, separate from
45 complying with section 393.1030, shall be limited to one percent of the
46 electrical corporation's annual base revenue level as determined by the
47 commission in the electrical corporation's most recent general rate
48 proceeding. At no point shall this section raise the retail rates charged
49 to customers of electrical corporations by an average of more than one
50 percent in any year, and all the costs associated with complying with
51 this section shall be recoverable in the retail rates charged by the
52 electrical corporation. The commission may amortize the costs over
53 more than one year to keep the maximum average retail rate increase
54 less than one percent.

55 4. If the electrical corporation determines the maximum average
56 retail rate increase provided for in subsection 3 of this section will be
57 reached in any calendar year, the electrical corporation shall be
58 entitled to cease paying solar rebates to the extent necessary to avoid

59 exceeding the maximum average retail rate increase if the electrical
60 corporation files with the commission to suspend its rebate tariff for
61 the remainder of that calendar year at least sixty days prior to the
62 change taking effect. The filing with the commission to suspend the
63 electrical corporation's rebate tariff shall include the calculation
64 reflecting that the maximum average retail rate increase will be
65 reached and supporting documentation reflecting that the maximum
66 average retail rate increase will be reached. The maximum average
67 retail rate increase calculation shall ignore any solar-related projects
68 initiated, owned, or operated by the electrical corporation. The
69 commission shall rule on the suspension filing within sixty days of the
70 date it is filed. If the commission determines that the maximum
71 average retail rate increase will be reached, the commission shall
72 approve the tariff suspension. The electrical corporation shall continue
73 to process and pay applicable solar rebates until a final commission
74 ruling; however, if the continued payment causes the electrical
75 corporation to pay solar rebates that cause it to exceed the maximum
76 average retail rate increase, the expenditures shall be considered
77 prudently incurred costs and shall be recoverable as such by the
78 electrical corporation.

79 5. As a condition of receiving a solar rebate:

80 (1) The public school, private school, charter school, or nonprofit
81 organization customer shall transfer to the electrical corporation all
82 right, title, and interest in and to the renewable energy credits
83 associated with the new or expanded solar electric system that
84 qualified the customer for the solar rebate for a period of ten years
85 from the date the electrical corporation confirmed that the solar
86 electric system was installed and operational; and

87 (2) The public school, private school, or charter school shall
88 provide science, technology, engineering, and mathematics learning
89 opportunities for its students relating to renewable energy and energy
90 efficiency.

91 6. Notwithstanding the provisions of subsection 3 of this section
92 to the contrary, the electrical corporation's costs of complying with this
93 section shall not raise the retail rates charged to the customers of
94 electrical corporations if the customer:

95 (1) Has one or more accounts within the service territory of the

96 electrical corporation that has a demand of five thousand kilowatts or
97 more; or

98 (2) Operates an interstate pipeline pumping station, regardless
99 of size.

100 7. The commission shall have the authority to promulgate rules
101 for the implementation of this section, but only to the extent such rules
102 are consistent with, and do not delay the implementation of, the
103 provisions of this section. Any rule or portion of a rule, as that term is
104 defined in section 536.010, that is created under the authority delegated
105 in this section shall become effective only if it complies with and is
106 subject to all of the provisions of chapter 536 and, if applicable, section
107 536.028. This section and chapter 536 are nonseverable and if any of
108 the powers vested with the general assembly pursuant to chapter 536
109 to review, to delay the effective date, or to disapprove and annul a rule
110 are subsequently held unconstitutional, then the grant of rulemaking
111 authority and any rule proposed or adopted after August 28, 2014, shall
112 be invalid and void.

Bill ✓

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