SECOND REGULAR SESSION

SENATE BILL NO. 915

93RD GENERAL ASSEMBLY

INTRODUCED BY SENATORS KOSTER, KLINDT, GIBBONS AND GRAHAM.

Read 1st time January 19, 2006, and ordered printed.

TERRY L. SPIELER, Secretary.

4541S.02I

AN ACT

To amend chapter 393, RSMo, by adding thereto four new sections relating to the green power initiative, with an effective date.

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

Section A. Chapter 393, RSMo, is amended by adding thereto four new sections, to be known as sections 393.1020, 393.1025, 393.1030, and 393.1035, to read as follows:

393.1020. 1. It is the general assembly's intent to encourage the development and utilization of renewable energy technologies, creating cleaner and more sustainable forms of energy for the residents of the state. It is for this reason that sections 393.1020 to 393.1035 be known as the "Green Power Initiative".

2. The definitions provided in section 386.020, RSMo, shall apply
7 to sections 393.1020 to 393.1035. As used in sections 393.1020 to
8 393.1035, the following terms mean:

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(1) "Department", the department of natural resources;

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(2) "Eligible renewable energy technology", sources of energy

11 that shall be considered renewable for purposes of this section shall 12 include but not be limited to the following:

(a) Solar power, including but not limited to photovoltaic cells,
concentrating solar power technologies, and low temperature solar
collectors;

16 **(b)** Wind;

17 (c) Hydroelectric, not including pump-storage;

18 (d) Hydrogen from biomass or other non-fossil fuel feedstock;

(e) Biomass, including but not limited to any plant-derivedorganic matter available on a renewable basis, including dedicated

energy crops and trees, agricultural food and feed crops, agricultural
crop wastes and residues, wood wastes and residues, aquatic plants,
methane collection from municipal wastes, and other waste materials;
and

(f) Other renewable energy sources defined by rule by the
commission after consultation with the Missouri department of natural
resources.

(3) "Total retail electric sales", the kilowatt-hours of electricity
sold in a year by an electrical corporation to retail customers of the
electric utility or to a distribution utility for distribution to the retail
customers of the distribution utility.

393.1025. 1. Each electrical corporation shall make a good-faith effort to generate or procure sufficient electricity generated by an 2eligible renewable energy technology to provide its retail consumers, 3 or the retail customers of a utility to which the electrical corporation 4 provides wholesale electric service. The objective of such effort is to $\mathbf{5}$ ensure that by 2015, seven percent of the electric energy provided in 6 7the aggregate by electrical corporations to retail customers in Missouri is generated by eligible renewable energy technologies, increasing to 8 9 ten percent generated by eligible renewable energy technologies by 102020. After consulting with the department of natural resources, the commission shall establish intermediate goals for the use of renewable 11 12energy technologies as part of its rulemaking process.

2. By July 1, 2007, the commission shall adopt rules that integrate into its resource planning rules the renewable energy objective of subsection 1 of this section and the criteria and standards by which it will measure an electrical corporation's efforts to meet that objective to determine whether it is making the required good-faith effort. In this rulemaking, the commission shall include criteria and standards that, at a minimum, shall:

20 (1) Protect against adverse economic impacts on all classes of 21 ratepayers;

(2) Protect against undesirable impacts on the reliability of each
 electrical corporation's system; and

(3) Consider technical feasibility, providing for flexibility in
meeting the objective in the event electrical corporations are, for good
cause shown, unable to meet in aggregate the objective of this section.

273. In its rulemaking under this section, the commission shall 28provide for a weighted scale of how energy produced by various 29eligible renewable energy technologies shall count toward an electrical corporation's objective. In establishing this scale, the commission shall 30 consider the attributes of various technologies and fuels and shall 31establish a system that grants multiple credits toward the objective for 32those technologies and fuels the commission determines is in the public 33interest to encourage. The commission also may grant multiple credits 34toward the objective for generation in the state or procurement of 35electric generated in the state that uses an eligible renewable energy 36 37 technology.

4. The commission shall develop rules as provided in this section
in consultation with the department of natural resources as necessary
to implement the requirements of section 393.1025.

393.1030. 1. Each electric corporation shall submit to the commission a biannual report by December thirty-first of each year, beginning in 2008, on its plans, activities, and progress with regard to the objective of section 393.1025 demonstrating to the commission that it is making the required good-faith effort. The report must be submitted in a format prescribed by the commission, and it shall rinclude a description of:

8 (1) The status of its renewable energy mix relative to the good-9 faith objective;

10 (2) Efforts taken to meet the objective;

(3) Any obstacles encountered or anticipated in meeting theobjective; and

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(4) Potential solutions to the obstacles.

142. The commission shall compile the information provided under subsection 1 of this section and report to the governor, the speaker of 15 the house of representatives, the president pro tempore of the senate, 16and the chairs of the committees in the house of representatives and 17senate with jurisdiction over energy and environment policy issues on 18 the progress of electrical corporations in the state to increase the 1920amount of renewable energy provided to retail customers, with any recommendations for regulatory or legislative action, by July first of 2122each year.

393.1035. 1. Electricity produced by fuel combustion may only

2 count toward an electrical corporation's objectives if the generation3 facility:

4 (1) Was constructed in compliance with new source performance
5 standards promulgated under the federal Clean Air Act for a generation
6 facility of that type, if any; or

7 (2) Employs the emissions control technology that complies with
8 state and federal emission regulations for a generation facility of that
9 type.

2. An eligible renewable energy technology may blend or co-fire a fuel listed in subsection (1) of section 393.1020, with other fuels in the generation facility, but only the percentage of electricity that is attributable to a fuel listed in that section can be counted toward an electric corporation's renewable energy objectives.

3. Sections 393.1020 to 393.1035 shall become effective January
1, 2007.

