

SECOND REGULAR SESSION

[P E R F E C T E D]

SENATE BILL NO. 558

93RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR GIBBONS.

Pre-filed December 1, 2005, and ordered printed.

Read 2nd time January 9, 2006, and referred to the Committee on Commerce, Energy and the Environment.

Reported from the Committee February 9, 2006, with recommendation that the bill do pass and be placed on the Consent Calendar.

Taken up March 1, 2006. Read 3rd time and placed upon its final passage; bill passed.

TERRY L. SPIELER, Secretary.

3087S.02P

AN ACT

To repeal section 393.310, RSMo, and to enact in lieu thereof one new section relating to experimental tariffs of gas corporations.

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

Section A. Section 393.310, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 393.310, to read as follows:

393.310. 1. This section shall only apply to gas corporations as defined
2 in section 386.020, RSMo. This section shall not affect any existing laws and
3 shall only apply to the program established pursuant to this section.

4 2. As used in this section, the following terms mean:

5 (1) "Aggregate", the combination of natural gas supply and transportation
6 services, including storage, requirements of eligible school entities served through
7 a Missouri gas corporation's delivery system;

8 (2) "Commission", the Missouri public service commission; and

9 (3) "Eligible school entity" shall include any seven-director, urban or
10 metropolitan school district as defined pursuant to section 160.011, RSMo, and
11 shall also include, one year after July 11, 2002, and thereafter, any school for
12 elementary or secondary education situated in this state, whether a charter,
13 private, or parochial school or school district.

14 3. Each Missouri gas corporation shall file with the commission, by
15 August 1, 2002, a set of experimental tariffs applicable the first year to public

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

16 school districts and applicable to all school districts, whether charter, private,
17 public, or parochial, thereafter.

18 4. The tariffs required pursuant to subsection 3 of this section shall, at
19 a minimum:

20 (1) Provide for the aggregate purchasing of natural gas supplies and
21 pipeline transportation services on behalf of eligible school entities in accordance
22 with aggregate purchasing contracts negotiated by and through a not-for-profit
23 school association;

24 (2) Provide for the resale of such natural gas supplies, including related
25 transportation service costs, to the eligible school entities at the gas corporation's
26 cost of purchasing of such gas supplies and transportation, plus all applicable
27 distribution costs, plus an aggregation and balancing fee to be determined by the
28 commission, not to exceed four-tenths of one cent per therm delivered during the
29 first year; and

30 (3) Not require telemetry or special metering, except for individual school
31 meters over one hundred thousand therms annually.

32 5. The commission may suspend the tariff as required pursuant to
33 subsection 3 of this section for a period ending no later than November 1, 2002,
34 and shall approve such tariffs upon finding that implementation of the
35 aggregation program set forth in such tariffs will not have any negative financial
36 impact on the gas corporation, its other customers or local taxing authorities, and
37 that the aggregation charge is sufficient to generate revenue at least equal to all
38 incremental costs caused by the experimental aggregation program. Except as
39 may be mutually agreed by the gas corporation and eligible school entities and
40 approved by the commission, such tariffs shall not require eligible school entities
41 to be responsible for pipeline capacity charges for longer than is required by the
42 gas corporation's tariff for large industrial or commercial basic transportation
43 customers.

44 6. The commission shall treat the gas corporation's pipeline capacity costs
45 for associated eligible school entities in the same manner as for large industrial
46 or commercial basic transportation customers, which shall not be considered a
47 negative financial impact on the gas corporation, its other customers, or local
48 taxing authorities, and the commission may adopt by order such other procedures
49 not inconsistent with this section which the commission determines are
50 reasonable or necessary to administer the experimental program.

51 7. [This section shall terminate June 30, 2007.]

52 8.] Tariffs in effect as of August 28, [2004] **2005**, shall be extended until
53 [the termination date set in subsection 7 of this section] **terminated by the**
54 **commission.**

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