

SENATE BILL NO. 1073

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR BURLISON.

5265S.01I

ADRIANE D. CROUSE, Secretary

AN ACT

To amend chapter 393, RSMo, by adding thereto one new section relating to the electric grid.

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

Section A. Chapter 393, RSMo, is amended by adding thereto
2 one new section, to be known as section 393.1450, to read as
3 follows:

393.1450. 1. This section shall be known and may be
2 cited as the "Affordable, Abundant, Reliable Electricity
3 Act".

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

6 (1) "Affordable", that the lowest cost means of
7 providing electricity is used, factoring in the true and
8 total cost of each generation source;

9 (2) "Commission", the Missouri public service
10 commission;

11 (3) "Electrical corporation", the same as defined in
12 section 386.020;

13 (4) "Existing electric generating unit", a facility
14 subject to the jurisdiction of the commission and located in
15 the state of Missouri for the generation of electric energy
16 in the state that has previously provided power through an
17 electric utility grid system and is currently connected to
18 the electric utility grid system;

19 (5) "Firming power", electric systems that provide at
20 least forty-eight hours of dispatchable power to firm
21 intermittent generation;

22 (6) "Intermittent generation", electric generation
23 that varies minute-to-minute based on weather conditions;

24 (7) "On-demand power", electricity from sources whose
25 output is not weather dependent and can be controlled to
26 meet changes in demand;

27 (8) "Peak net load", the estimated peak demand minus
28 the minimum predicted level of intermittent generation;

29 (9) "Reliable", that load shedding events are
30 extremely rare and that there are no systemwide power
31 shortages or brownouts for more than a few hours once every
32 ten years;

33 (10) "Reserve margin", the amount of on-demand and
34 firming power needed to meet peak load;

35 (11) "Resilient", electric generating sources that can
36 validate the existence of no less than sixty days of fuel on-
37 site at all times. Such validation of long-term fuel
38 sources shall be certified by the operator of such electric
39 generating facility on a monthly basis, in a report to the
40 commission.

41 3. The electric grid shall be considered affordable,
42 reliable, and resilient if:

43 (1) Electricity is provided with the lowest total cost
44 factoring in the true and total cost of competing power
45 generation resources, including the fiscal costs of direct
46 and indirect subsidies, and the cost of transmission,
47 firming power, and other system costs necessary to integrate
48 a given generation resource without sacrificing grid
49 reliability or resilience;

50 (2) The grid maintains a reserve margin of fifteen
51 percent; and

52 (3) Generation resources serving the grid meet
53 continuous operating requirements for summer and winter
54 peaks, including extreme weather events that necessitate on-
55 site fuel storage, dual fuel capability, or fuel supply
56 arrangements to ensure winter performance for several days.

57 4. Intermittent generation shall be required to
58 provide firming power up to their average output level
59 during periods of peak net load, and the cost of that
60 firming shall be attributed to or otherwise included in the
61 rate structure consistent with cost-causation principles.

62 5. The minimum reserve margin shall be a primary
63 consideration of the commission when retiring or adding
64 electric generation.

65 6. The commission shall coordinate with regional
66 transmission organizations to ensure and develop policies
67 reflected in this section which provide reliable,
68 dispatchable power for the region in an effective and
69 consistent manner.

70 7. Starting in 2023 and once every three years
71 thereafter, the commission shall:

72 (1) Evaluate the remaining useful life of an existing
73 electric generating unit;

74 (2) Include in the evaluation a cost-benefit analysis,
75 a rate impact analysis, and an analysis of the impact on the
76 reliability of and resilience to the state's electric grid;
77 and

78 (3) Explicitly state the commission's finding of
79 whether life extensions of existing electric generating
80 units are in the public interest.

81 8. The public service commission shall promulgate
82 rules and regulations to ensure that the electric grid
83 within the state, or to which the state's grid is
84 interconnected, is affordable, reliable, and resilient. Any
85 rule or portion of a rule, as that term is defined in
86 section 536.010, that is created under the authority
87 delegated in this section shall become effective only if it
88 complies with and is subject to all of the provisions of
89 chapter 536 and, if applicable, section 536.028. This
90 section and chapter 536 are nonseverable and if any of the
91 powers vested with the general assembly pursuant to chapter
92 536 to review, to delay the effective date, or to disapprove
93 and annul a rule are subsequently held unconstitutional,
94 then the grant of rulemaking authority and any rule proposed
95 or adopted after August 28, 2022, shall be invalid and void.

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