

HB 1176 -- Renewable Energy Act

Sponsor: Baker (25)

This bill establishes the Renewable Energy Act which requires the Department of Natural Resources and the Missouri Public Service Commission to establish renewable energy requirements for utilities under the commission's jurisdiction. The department must establish a Renewable Energy Certificate Trading Program to enforce the provisions of the act. Renewable energy including wind, solar, thermal, photovoltaic cell and panels, and animal-waste-generated energy must constitute 4% to 6% of the total energy supplied after December 31, 2011; 8% to 12% after December 31, 2015; and 17% to 23% after December 31, 2020. Specific requirements may be determined by the commission. Requirements can be waived if they will result in a 3% or greater increase in the market price of electricity. Failure to meet the requirements will result in a monetary penalty that is to be deposited into the Missouri Renewable Energy Loan Authority Fund which will be administered by the eight-member Missouri Renewable Energy Loan Authority established by the bill.

The powers and procedures for electing members and the internal audit requirements for the loan authority are specified in the bill. In addition to moneys from penalties, the fund may receive an annual appropriation from the General Assembly. The bill suggests a \$15 million initial appropriation. The loan authority must use the moneys in the fund to provide low-interest loans for renewable energy projects of all types.

The bill requires standard net metering so that customers will be allowed to sell renewable energy to utilities at an hourly actual cost avoided rate. Requirements for constructing and interconnecting the electrical grid to utility customers are specified in the bill.

Yard waste may be disposed of in landfills producing electricity from gas by using the waste to accelerate the gas production process.

The provisions of the bill regarding the Renewable Energy Act will expire six years from the effective date.