

SS SCS SB 376 -- ENERGY AND ENERGY EFFICIENCY

This bill establishes the Missouri Energy Efficiency Investment Act and changes the laws regarding the purchase of appliances with state funds and the commissioners of the Missouri Public Service Commission.

PURCHASE OF APPLIANCES WITH STATE FUNDS

Any appliance purchased with state funds must have earned the Energy Star rating under the federally sponsored Energy Star Program. The Commissioner of the Office of Administration is allowed to exempt an appliance from the requirement if the cost of compliance is expected to exceed the projected energy cost savings.

MISSOURI PUBLIC SERVICE COMMISSION

The bill removes the requirement that commissioners of the Missouri Public Service Commission reside within a 40-mile radius of Jefferson City during their term of office.

MISSOURI ENERGY EFFICIENCY INVESTMENT ACT

The Missouri Energy Efficiency Investment Act is established which requires the Missouri Public Service Commission to allow electric corporations to implement and recover costs related to commission-approved energy efficiency programs. In its main provisions, the bill:

- (1) Specifies that it will be the policy of the state to value demand-side investments equal to traditional investments in supply and delivery infrastructure and allows recovery of all reasonable and prudent costs of delivering cost-effective demand-side programs;
- (2) Requires the commission to allow electric corporations to implement commission-approved demand-side programs with energy efficiency goals. The recovery of the costs of the program will not be permitted unless the program is approved by the commission, results in energy or demand savings, and is beneficial to all customers in the customer class in which the programs are proposed;
- (3) Allows the commission to reduce or exempt energy efficiency costs for low-income customers;
- (4) Allows any customer using more than 2,500 kilowatts to seek an exemption from the provisions of the act if the customer has a comprehensive energy efficiency program and can demonstrate an

achievement of savings at least equal to those expected from utility-provided programs;

(5) Requires the commission to provide oversight and allows it to adopt rules and procedures and to approve certain settlements and tariff provisions to ensure that electric corporations achieve the goals of the act;

(6) Requires every electric corporation to submit an annual report to the commission on its energy efficiency programs in the previous year;

(7) Requires all charges and fees associated with the energy efficiency program to be listed separately on a customer's bill;

(8) Specifies that a customer who receives any tax credit under specified sections of law related to energy efficiency will not be eligible to participate in any efficiency program offered by an electric corporation if the program offers a monetary incentive to the customer. Any customer who falsifies documentation related to an energy efficiency program will be guilty of a class A misdemeanor; and

(9) Requires the commission to develop rules for the public disclosure of all recipients of monetary incentives through any energy efficiency program offered by electric corporations under this act.

The provisions regarding the purchase of appliances with state funds will expire August 28, 2011.