

HOUSEAMENDMENT NO. ___Offered byof

1 AMEND House Committee Substitute for Senate Bill No. 207, Page 1,
 2 In the Title, Line 11, by inserting after the word "provision"
 3 the words "and an emergency clause for a certain section"; and

4 Further amend said bill, Page 21, Section 137.115, Line 198,
 5 by inserting after all of said line the following:

6 "393.1025. As used in sections 393.1020 to 393.1030, the
 7 following terms mean:

8 (1) "Commission", the public service commission;

9 (2) "Department", the department of natural resources;

10 (3) "Electric utility", any electrical corporation as
 11 defined by section 386.020;

12 (4) "Renewable energy credit" or "REC", a tradeable
 13 certificate of proof that one megawatt-hour of electricity has
 14 been generated from renewable energy sources; and

15 (5) "Renewable energy resources", electric energy produced
 16 from wind, solar thermal sources, photovoltaic cells and
 17 panels[,]; dedicated crops grown for energy production,
 18 cellulosic agricultural residues, and plant residues[,]; methane
 19 from landfills, from agricultural operations, or from wastewater
 20 treatment[,]; thermal depolymerization or pyrolysis for
 21 converting waste material to energy[,]; clean and untreated wood
 22 such as pallets[,]; hydropower (not including pumped storage)
 23 that becomes operational after November 4, 2008, and does not
 24 require a new diversion or impoundment of water [and that has a],
 25 provided that each new facility, new generator, or improved
 26 generator at an existing facility have a total nameplate rating
 27 of ten megawatts or less[,]; fuel cells using hydrogen produced
 28 by one of the above-named renewable energy sources[,]; and other

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1 sources of energy not including nuclear that become available
2 after November 4, 2008, and are certified as renewable by rule by
3 the department.

4 393.1030. 1. The commission shall, in consultation with
5 the department, prescribe by rule a portfolio requirement for all
6 electric utilities to generate or purchase electricity generated
7 from renewable energy resources. Such portfolio requirement
8 shall provide that electricity from renewable energy resources
9 shall constitute the following portions of each electric
10 utility's sales:

11 (1) No less than two percent for calendar years 2011
12 through 2013;

13 (2) No less than five percent for calendar years 2014
14 through 2017;

15 (3) No less than ten percent for calendar years 2018
16 through 2020; and

17 (4) No less than fifteen percent in each calendar year
18 beginning in 2021. At least two percent of each portfolio
19 requirement shall be derived from solar energy. The portfolio
20 requirements shall apply to all power sold to Missouri consumers
21 whether such power is self-generated or purchased from another
22 source in or outside of this state. A utility may comply with
23 the standard in whole or in part by purchasing RECs representing
24 energy delivered to Missouri. Each kilowatt-hour of eligible
25 energy generated in Missouri shall count as 1.25 kilowatt-hours
26 for purposes of compliance.

27 2. The commission, in consultation with the department and
28 within one year of November 4, 2008, shall select a program for
29 tracking and verifying the trading of renewable energy credits.
30 An unused credit may exist for up to three years from the date of
31 its creation. A credit must have been created after 2010, may be
32 used only once to comply with sections 393.1020 to 393.1030 and
33 may not also be used to satisfy any similar nonfederal
34 requirement. An electric utility may not use a credit derived
35 from a green pricing program. Certificates from net-metered
36 sources shall initially be owned by the customer-generator. The
37 commission, except where the department is specified, shall make

1 whatever rules are necessary to enforce the renewable energy
2 standard. Such rules shall include:

3 (1) A maximum average retail rate increase of one percent
4 determined by estimating and comparing the electric utility's
5 cost of compliance with least-cost renewable generation and the
6 cost of continuing to generate or purchase electricity from
7 entirely nonrenewable sources, taking into proper account future
8 environmental regulatory risk including the risk of greenhouse
9 gas regulation;

10 (2) Penalties of at least twice the average market value of
11 renewable energy credits for the compliance period for failure to
12 meet the targets of subsection 1. An electric utility will be
13 excused if it proves to the commission that failure was due to
14 events beyond its reasonable control that could not have been
15 reasonably mitigated, or that the maximum average retail rate
16 increase has been reached. Penalties shall not be recovered from
17 customers. Amounts forfeited under this section shall be
18 remitted to the department to purchase renewable energy credits
19 needed for compliance. Any excess forfeited revenues shall be
20 used by the department's energy center solely for renewable
21 energy and energy efficiency projects;

22 (3) Provisions for an annual report to be filed by each
23 electric utility in a format sufficient to document its progress
24 in meeting the targets;

25 (4) Provision for recovery outside the context of a regular
26 rate case of prudently incurred costs and the pass-through of
27 benefits to customers of any savings achieved by an electrical
28 corporation in meeting the requirements of this section.

29 3. Each electric utility shall make available to its retail
30 customers a standard rebate offer of at least two dollars per
31 installed watt for new or expanded solar electric systems sited
32 on customers' premises, up to a maximum of twenty-five kilowatts
33 per system, that become operational after 2009.

34 4. The department shall, in consultation with the
35 commission, establish by rule a certification process for
36 electricity generated from renewable resources and used to
37 fulfill the requirements of subsection 1 of this section.

1 Certification criteria for renewable energy generation shall be
2 determined by factors that include fuel type, technology, and the
3 environmental impacts of the generating facility. Renewable
4 energy facilities shall not cause undue adverse air, water, or
5 land use impacts, including impacts associated with the gathering
6 of generation feedstocks. If any amount of fossil fuel is used
7 with renewable energy resources, only the portion of electrical
8 output attributable to renewable energy resources shall be used
9 to fulfill the portfolio requirements.

10 5. In carrying out the provisions of this section, the
11 commission and the department shall include methane generated
12 from the anaerobic digestion of farm animal waste and thermal
13 depolymerization or pyrolysis for converting waste material to
14 energy as renewable energy resources for purposes of this
15 section."; and

16 Further amend said bill, Page 24, Section 393.1075, Line
17 112, by inserting after all of said line the following:

18 "620.2300. 1. As used in this section, the following terms
19 shall mean:

20 (1) "Department", the Missouri department of economic
21 development;

22 (2) "Biomass facility", a biomass renewable energy facility
23 or biomass fuel production facility that will not be a major
24 source for air quality permitting purposes;

25 (3) "Commission", the Missouri public service commission;

26 (4) "County average wage", the average wages in each county
27 as determined by the department for the most recently completed
28 full calendar year. However, if the computed county average wage
29 is above the statewide average wage, the statewide average wage
30 shall be deemed the county average wage for such county for the
31 purpose of determining eligibility. The department shall publish
32 the county average wage for each county at least annually.

33 Notwithstanding the provisions of this subdivision to the
34 contrary, for any project that is relocating employees from a
35 Missouri county with a higher county average wage, the company
36 shall obtain the endorsement of the governing body of the
37 community from which jobs are being relocated or the county

1 average wage for their project shall be the county average wage
2 for the county from which the employees are being relocated;

3 (5) "Full-time employee", an employee of the project
4 facility that is scheduled to work an average of at least
5 thirty-five hours per week for a twelve-month period, and one for
6 which the employer offers health insurance and pays at least
7 fifty percent of such insurance premiums;

8 (6) "Major source", the same meaning as is provided under
9 40 CFR 70.2;

10 (7) "New job", the number of full-time employees located at
11 the project facility that exceeds the project facility base
12 employment less any decrease in the number of full-time employees
13 at related facilities below the related facility base employment.
14 An employee that spends less than fifty percent of the employee's
15 work time at the project facility is still considered to be
16 located at a facility if the employee receives his or her
17 directions and control from that facility, is on the facility's
18 payroll, one hundred percent of the employee's income from such
19 employment is Missouri income, and the employee is paid at or
20 above the state average wage;

21 (8) "Park", an area consisting of a parcel or tract of
22 land, or any combination of parcels or contiguous land that meet
23 all of the following requirements:

24 (a) The area consists of at least fifty contiguous acres;

25 (b) The property within the area is subject to remediation
26 under a clean up program supervised by the Missouri department of
27 natural resources or United States Environmental Protection
28 Agency;

29 (c) The area contains a manufacturing facility that is
30 closed, undergoing closure, idle, underutilized, or curtailed and
31 that at one time employed at least two hundred employees;

32 (d) The development plan for the area includes a biomass
33 facility; and

34 (e) Property located within the area will be used for the
35 development of renewable energy and the demonstration of
36 industrial on-site energy generation;

37 (9) "Project", a cleanfields renewable energy demonstration

1 project located within a park that will result in the creation of
2 at least fifty new jobs and the retention of at least fifty
3 existing jobs;

4 (10) "Project application", an application submitted to the
5 department, by an owner of all or a portion of a park, on a form
6 provided by the department, requesting benefits provided under
7 this section;

8 (11) "Project facility", a biomass facility at which the
9 new jobs will be located. A project facility may include
10 separate buildings that are located within fifty miles of each
11 other or within the same county such that their purpose and
12 operations are interrelated;

13 (12) "Project facility base employment", the greater of the
14 number of full-time employees located at the project facility on
15 the date of the project application or for the twelve-month
16 period prior to the date of the project application, the average
17 number of full-time employees located at the project facility.
18 In the event the project facility has not been in operation for a
19 full twelve-month period, the average number of full-time
20 employees for the number of months the project facility has been
21 in operation prior to the date of the project application.

22 2. The owner of a park seeking to establish a project shall
23 submit a project application to the department for certification
24 of such project. The department shall review all project
25 applications received under this section and, in consultation
26 with the department of natural resources, verify satisfaction of
27 the requirements of this section. If the department approves a
28 project application, the department shall forward such
29 application and approval to the commission.

30 3. Notwithstanding provisions of section 393.1030 to the
31 contrary, upon receipt of an application and approval from the
32 department, the commission shall assign twice credit to any
33 electric power, renewable energy, renewable energy credits, or
34 any successor credit generated from:

35 (1) Renewable energy resources purchased from the biomass
36 facility located in the park by an electric power supplier;

37 (2) Electric power generated off-site by utilizing biomass

1 fuel sold by the biomass facility located at the park; or
2 (3) Electric power generated off-site by renewable energy
3 resources utilizing storage equipment manufactured at the park
4 that increases the quantity of electricity delivered to the
5 electric power supplier."; and

6 Further amend said bill, Page 24, Section 386.850, Line 6,
7 by inserting after all of said line the following:

8 "Section B. Because of the need to ensure the creation of
9 jobs through the utilization of alternative energy sources, the
10 enactment of section 620.2300 of section A of this act is deemed
11 necessary for the immediate preservation of the public health,
12 welfare, peace and safety, and is hereby declared to be an
13 emergency act within the meaning of the constitution, and the
14 enactment of section 620.2300 of section A of this act shall be
15 in full force and effect upon its passage and approval."; and

16 Further amend said title, enacting clause and intersectional
17 references accordingly.