FIRST REGULAR SESSION

HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 956

98TH GENERAL ASSEMBLY

2134H.02C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 393.1012, RSMo, and to enact in lieu thereof one new section relating to ratemaking for gas corporations.

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

Section A. Section 393.1012, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 393.1012, to read as follows:

393.1012. 1. Notwithstanding any provisions of chapter 386 and this chapter to the contrary, beginning August 28, 2003, a gas corporation providing gas service may file a petition 2 and proposed rate schedules with the commission to establish or change ISRS rate schedules that 3 will allow for the adjustment of the gas corporation's rates and charges to provide for the 4 recovery of costs for eligible infrastructure system replacements. The commission may not approve an ISRS to the extent it would produce total annualized ISRS revenues below the lesser 7 of one million dollars or one-half of one percent of the gas corporation's base revenue level approved by the commission in the gas corporation's most recent general rate proceeding. The commission may not approve an ISRS to the extent it would produce [total annualized ISRS revenues exceeding ten percent of the gas corporation's base revenue level approved by the 11 commission in the gas corporation's most recent general rate proceeding annual incremental 12 ISRS revenues exceeding one and one-fourth percent of the gas corporation's Missouri gross jurisdictional revenues, excluding gross receipts tax, sales tax, and other similar pass-13 through taxes not included in tariffed rates for regulated services as identified by the 14 commission staff's accounting schedules that were most recently filed in the utility's 15 16 general rate case. In addition to the rate adjustment, the gas corporation shall be 17 permitted to collect any applicable gross receipts tax, sales tax, or other similar pass-18 through taxes, and such taxes shall not be counted against the one and one-fourth percent HCS HB 956 2

rate adjustment cap. An ISRS and any future changes thereto shall be calculated and implemented in accordance with the provisions of sections 393.1009 to 393.1015. ISRS revenues shall be subject to a refund based upon a finding and order of the commission to the extent provided in subsections 5 and 8 of section 393.1009.

- 2. The commission shall not approve an ISRS for any gas corporation that has not had a general rate proceeding decided or dismissed by issuance of a commission order within the past [three] **five** years, unless the gas corporation has filed for or is the subject of a new general rate proceeding.
- 3. In no event shall a gas corporation collect an ISRS for a period exceeding [three] **five** years unless the gas corporation has filed for or is the subject of a new general rate proceeding; provided that the ISRS may be collected until the effective date of new rate schedules established as a result of the new general rate proceeding, or until the subject general rate proceeding is otherwise decided or dismissed by issuance of a commission order without new rates being established.
- 4. Nothing in this section shall be construed as diminishing the current authority and rights of the commission, on its own motion, or the staff of the commission; public counsel; the mayor, president, or chairperson of the board of aldermen; or a majority of the council, commission, or other legislative body of any city, town, village, or county located in the service territory of the gas corporation; or not less than twenty-five consumers or purchasers, or prospective consumers or purchasers of gas from the gas corporation to file a complaint under subsection 386.390 alleging that the rates or charges of the gas corporation are unreasonable or unlawful.

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