

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Substitute No. 2 for Senate Committee Substitute
2 for Senate Bill No. 202, Page 1, Section A, Line 4, by inserting after all of said section and line the
3 following:
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5 "67.309. 1. No political subdivision of this state, including any referenced in section
6 386.020, shall adopt an ordinance, resolution, regulation, code, or policy that prohibits, or has the
7 effect of prohibiting, the connection or reconnection of a utility service based upon the type or
8 source of energy to be delivered to an individual customer. Nothing in this section shall limit the
9 ability of a political subdivision to choose utility services for properties owned by such political
10 subdivision.

11 2. For purposes of this section, utility services shall include natural gas, propane gas,
12 electricity, and any other form of energy provided to an end-user customer."; and
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14 Further amend said bill, Page 9, Section 386.800, Line 182, by inserting after said section and line
15 the following:
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17 "386.895. 1. As used in this section, the following terms shall mean:

18 (1) "Biogas", a mixture of carbon dioxide and hydrocarbons, primarily methane gas,
19 released from the biological decomposition of organic materials;

20 (2) "Biomass", has the meaning given the term "qualified biomass" in section 142.028;

21 (3) "Gas corporation", the same as defined in section 386.020;

22 (4) "Qualified investment", any capital investment in renewable natural gas infrastructure
23 incurred by a gas corporation for the purpose of providing natural gas service under a renewable
24 natural gas program;

25 (5) "Renewable energy sources", hydroelectric, geothermal, solar photovoltaic, wind, tidal,
26 wave, biomass, or biogas energy sources;

27 (6) "Renewable natural gas", any of the following products processed to meet pipeline
28 quality standards or transportation fuel grade requirements:

29 (a) Biogas that is upgraded to meet natural gas pipeline quality standards such that it may
30 blend with, or substitute for, geologic natural gas;

31 (b) Hydrogen gas; or

32 (c) Methane gas derived from any combination of:

33 a. Biogas;

34 b. Hydrogen gas or carbon oxides derived from renewable energy sources; or

35 c. Waste carbon dioxide;

36 (7) "Renewable natural gas infrastructure", all equipment and facilities for the production,

Action Taken _____ Date _____

1 processing, pipeline interconnection, and distribution of renewable natural gas to be furnished to
 2 Missouri customers.

3 2. The commission shall adopt rules for gas corporations to offer a voluntary renewable
 4 natural gas program. Rules adopted by the commission under this section shall include:

5 (1) Rules for reporting requirements; and

6 (2) Rules for establishing a process for gas corporations to fully recover incurred costs that
 7 are prudent, just, and reasonable associated with a renewable natural gas program. Such recovery
 8 shall not be permitted until the project is operational and produces renewable natural gas for
 9 customer use.

10 3. A filing by a gas corporation pursuant to the renewable natural gas program created in
 11 subsection 2 of this section shall include, but is not limited to:

12 (1) A proposal to procure a total volume of renewable natural gas over a specific period; and

13 (2) Identification of the qualified investments that the gas corporation may make in
 14 renewable natural gas infrastructure.

15 4. A gas corporation may from time to time revise the filing submitted to the commission
 16 under this section no more than one time per year.

17 5. Any costs incurred by a gas corporation for a qualified investment that are prudent, just,
 18 and reasonable may be recovered by means of an automatic rate adjustment clause.

19 6. When a gas corporation makes a qualified investment in the production of renewable
 20 natural gas, the costs associated with such qualified investment shall include the cost of capital
 21 established by the commission in the gas corporation's most recent general rate case.

22 7. On or before January 1, 2023, the division of energy within the department of natural
 23 resources shall provide to the chair of the public service commission, the speaker of the house of
 24 representatives, the president pro tempore of the senate, the chair of the senate committee on
 25 commerce, consumer protection, energy, and the environment, and the chair of the house of
 26 representatives utility committee, a report on the renewable natural gas program established under
 27 this section. Such report shall include, but not be limited to, the following:

28 (1) The number of projects submitted for the renewable natural gas program and the number
 29 of projects approved for the renewable natural gas program;

30 (2) The number of projects that are operational, and the costs, projected and actual, of such
 31 projects and other key metrics the division of energy deems important;

32 (3) The volume of renewable natural gas produced in the state through projects that were
 33 approved by the renewable natural gas program as well as the percentage of renewable natural gas
 34 produced in relation to the total volume of natural gas sold in the state;

35 (4) The environmental benefits of renewable natural gas, including but not limited to
 36 greenhouse gas reduction as a result of the production of renewable natural gas;

37 (5) The economic benefits of the renewable natural gas program, including but not limited
 38 to local employment, value-added production for the agricultural sector, and other economic
 39 development; and

40 (6) Any economic benefits or other costs to ratepayers.

41 8. Rules adopted by the commission under this section shall not prohibit an affiliate of a gas
 42 corporation from making a capital investment in a biogas production project if the affiliate is not a
 43 public utility as defined in section 386.020.

44 9. The public service commission may promulgate rules to implement the provisions of this
 45 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
 46 under the authority delegated in this section shall become effective only if it complies with and is
 47 subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
 48 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to
 49 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently

1 held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
2 August 28, 2021, shall be invalid and void.

3 10. Pursuant to section 23.253 of the Missouri sunset act, this section and any rules enacted
4 under this section shall expire nine years from the date the renewable natural gas program is
5 established, unless reauthorized by the general assembly; provided that any rate adjustment
6 authorized by this section shall continue so long as the renewable natural gas program remains in
7 operation and produces renewable natural gas for customer use."; and

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9 Further amend said bill by amending the title, enacting clause, and intersectional references
10 accordingly.