

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for House Bill No. 734, Page 2, Section 393.106, Line 53, by
2 inserting after all of said section and line the following:

3
4 "393.355. 1. As used in this section, the following terms shall mean:

5 (1) "Electrical corporation", the same meaning given to the term in section 386.020, but
6 shall not include an electrical corporation as described in subsection 2 of section 393.110;

7 (2) "Facility", a:

8 (a) Facility whose primary industry is the ~~[smelting]~~ processing of ~~[aluminum and]~~ primary
9 metals~~[, Standard Industrial Classification Code 3334];~~

10 (b) Facility whose primary industry is the production or fabrication of steel, North American
11 Industrial Classification System 331110; or

12 (c) Facility with a new or incremental increase in load equal to or in excess of a monthly
13 demand of fifty megawatts.

14 2. Notwithstanding section 393.130 or any other provision of law to the contrary, the public
15 service commission shall have the authority to approve a special rate, outside a general rate
16 proceeding, that is not based on the electrical corporation's cost of service for a facility if:

17 (1) The commission determines, but for the authorization of the special rate the facility
18 would not commence operations, the special rate is in the interest of the state of Missouri when
19 considering the interests of the customers of the electrical corporation serving the facility,
20 considering the incremental cost of serving the facility to receive the special rate, and the interests of
21 the citizens of the state generally in promoting economic development, improving the tax base,
22 providing employment opportunities in the state, and promoting such other benefits to the state as
23 the commission may determine are created by approval of the special rate;

24 (2) After approval of the special rate, the commission allocates in each general rate
25 proceeding of the electrical corporation serving the facility the reduced revenues from the special
26 rate as compared to the revenues that would have been generated at the rate the facility would have
27 paid without the special rate to the electrical corporation's other customers through a uniform
28 percentage adjustment to all components of the base rates of all customer classes; and

29 (3) The commission approves a tracking mechanism meeting the requirements of subsection
30 3 of this section.

31 3. Any commission order approving a special rate authorized by this section to provide
32 service to a facility in the manner specified under subsection 4 of this section shall establish, as part
33 of the commission's approval of a special rate, a tracking mechanism to track changes in the net
34 margin experienced by the electrical corporation serving the facility with the tracker to apply
35 retroactively to the date the electrical corporation's base rates were last set in its last general rate
36 proceeding concluded prior to June 14, 2017. The commission shall ensure that the changes in net

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1 margin experienced by the electrical corporation between the general rate proceedings as a result of
2 serving the facility are calculated in such a manner that the electrical corporation's net income is
3 neither increased nor decreased. The changes in net margin shall be deferred to a regulatory liability
4 or regulatory asset, as applicable, with the balance of such regulatory asset or liability to be included
5 in the revenue requirement of the electrical corporation in each of its general rate proceedings
6 through an amortization of the balance over a reasonable period until fully returned to or collected
7 from the electrical corporation's customers.

8 4. Notwithstanding the provisions of section 393.170, an electrical corporation is authorized
9 to provide electric service to a facility at a special rate for the new or incremental load authorized by
10 the commission:

11 (1) Under a rate schedule reflecting the special rate approved by the commission; or

12 (2) If the facility is located outside the electrical corporation's certificated service territory,
13 the facility shall be treated as if it is in the electrical corporation's certified service territory, subject
14 to a commission-approved rate schedule incorporating the special rate under the contract.

15 5. To receive a special rate, the electrical corporation serving the facility, or facility if the
16 facility is located outside of the electrical corporation's certified service territory, shall file a written
17 application with the commission specifying the requested special rate and any terms or conditions
18 proposed by the facility respecting the requested special rate and provide information regarding how
19 the requested special rate meets the criteria specified in subdivision (1) of subsection 2 of this
20 section. A special rate provided for by this section shall be effective for no longer than ten years
21 from the date such special rate is authorized. The commission may impose such conditions,
22 including but not limited to any conditions in a memorandum of understanding between the facility
23 and the electrical corporation, on the special rate as it deems appropriate so long as it otherwise
24 complies with the provisions of this section.

25 6. Any entity which has been granted a special rate under this section may reapply to the
26 commission for a special rate under this section."; and

27
28 Further amend said bill by amending the title, enacting clause, and intersectional references
29 accordingly.