

HCS SS SB 141 -- UTILITIES

SPONSOR: Bean (Black)

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Judiciary by a vote of 8 to 4. Voted "Do Pass" by the Standing Committee on Rules- Administrative Oversight by the vote of 7 to 4.

The following is a summary of the House Committee Substitute for SB 141.

This bill specifies that, no political subdivision shall adopt an ordinance, resolution, regulation, code or policy that prohibits, or has the effect of prohibiting, the connection or reconnection of a utility service based upon the type or source of energy to be delivered to an individual customer.

The bill requires the Public Service Commission (PSC) to adopt rules for gas corporations to offer a voluntary renewable natural gas program. The Commission shall establish reporting requirements and a process for gas corporations to fully recover incurred costs that are prudent, just, and reasonable associated with a renewable natural gas program. Such recovery shall not be permitted until the project is operational.

Any costs incurred by a gas corporation that are prudent, just, and reasonable shall be recovered by means of an automatic adjustment clause.

An affiliate of a gas corporation shall not be prohibited from making a capital investment in a biogas production project if the affiliate is not a public utility as defined in statute.

The bill specifies that, before the Public Service Commission issues an approval for a merchant line, an entity, defined in the bill, must provide the PSC with a resolution of support passed by the county commission in each county through which the merchant line will be built. The bill specifies that no entity has the power of eminent domain for the purposes of constructing merchant lines. This restriction will not apply to any rural electric cooperatives or any electrical corporation operating under a cooperative business plan.

The bill modifies the definition of "Renewable Energy Resources" for the purposes of the Renewable Energy Standard by removing the requirement that hydropower source has a nameplate rating of 10 megawatts or less.

The bill also creates the "Missouri Nuclear Clean Power Act", which allows clean base load electric generating plants or facilities rated at 200 megawatts or more that utilize renewable sources to produce energy not in commercial operation as of August 28, 2021,

to charge for costs associated with construction work in progress before the facility is operational.

The costs recovered by an electrical corporation are subject to inclusion or exclusion in a ratemaking proceeding under the authority of the Public Service Commission. The Commission may also authorize an electrical corporation to charge for additional amortization to maintain the corporations financial ratios that will better allow to cost-effectively construct a clean baseload generating plant or a renewable source generating facility.

The bill specifies that, the board of directors of a rural electric cooperative shall have the power to set the time and place of the annual meeting and also to provide for voting by proxy, electronic means, by mail, or any combination thereof, and to prescribe the conditions under which such voting shall be exercised. The meeting requirement may be satisfied through virtual means. This provision expires on August 28, 2022.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPONENTS: Supporters say that this requires the PSC to create a renewable natural gas system and capture methane that would otherwise be released into the atmosphere. It is beneficial to farmers, developers and realtors. It has the added benefit of removing odor for the air. It is a Missouri produced energy and a win for the environment and win for Missouri, both urban and rural clean renewable energy.

Testifying for the bill were Senator Bean; Spire Mo; Summit Utilities; Missouri Energy Development Association; Ameren Missouri; Missouri Chamber of Commerce and Industry; Arnie C. Dienoff; and Roeslein Alternative Energy.

OPPONENTS: Those who oppose the bill say that they are against the amendment added by Senator Burlison. It takes away the ability of local governments to set limits in their own community. This was created by gas companies. Local governments aren't even doing this and they are trying to preempt that. Something like this has only been enacted for one year in Berkley (first to do so) so we don't even know if it is working or not yet, and it is premature to prohibit it here in Missouri. This could limit their ability to meet climate goals in their communities.

Testifying against the bill were Abra Spisso; Environment Missouri; Carolyn L Amparan; Nadia Navarrete; Robin Raeder Ganahl, Mothers Out Front Kc; Suzanne Jackson; Winifred Colwill; Winifred Colwill;

Sierra Club Missouri Chapter; Emily Wolfe, Metropolitan Energy Center; Henry Robertson; Melissa Vatterott; and Heather Navarro.

Written testimony has been submitted for this bill. The full written testimony can be found under Testimony on the bill page on the House website.