

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Substitute No. 2 for Senate Committee Substitute
2 for Senate Bill No. 745, Page 46, Section 393.1656, Line 35, by inserting after all of said section
3 and line the following:
4

5 "393.1715. 1. An electrical corporation may petition the commission for a determination of
6 the ratemaking principles and treatment, as proposed by the electrical corporation, that will apply to
7 the reflection in base rates of the electrical corporation's capital and noncapital costs associated with
8 the proposed retirement of one or more of the electrical corporation's generating facilities. Without
9 limiting the foregoing, such principles and treatment may also establish the retirement date and
10 useful life parameters used to set depreciation rates for such facilities. Except as provided for in
11 subsection 4 of this section, the ratemaking principles and treatment approved by the commission
12 under this section for such facilities shall apply to the determination of the revenue requirement in
13 each of the electrical corporation's post-determination general rate proceedings until such time as
14 such facility is fully depreciated on the electrical corporation's books.

15 2. If the commission fails to issue a determination within two hundred fifteen days that a
16 petition for determination of ratemaking principles and treatment is filed, the ratemaking principles
17 and treatment proposed by the petitioning electrical corporation shall be deemed to have been
18 approved by the commission.

19 3. Subject to the provisions of subsection 4 of this section, ratemaking principles and
20 treatment approved by the commission, or deemed to have been approved under subsection 2 of this
21 section, shall be binding for ratemaking purposes.

22 4. (1) An electrical corporation with ratemaking principles and treatment approved by the
23 commission, or deemed to have been approved under subsection 2 of this section, shall monitor the
24 major factors and circumstances relating to the facility to which such principles and treatment apply.
25 Such factors and circumstances include, but are not limited to:

- 26 (a) Terrorist activity or an act of God;
27 (b) A significant change in federal or state tax laws;
28 (c) A significant change in federal utility laws or regulations or a significant change in
29 generally accepted accounting principles;
30 (d) An unexpected, extended outage or shutdown of a major generating unit, other than any
31 major generating unit shut down due to an extended outage at the time of the approval of the
32 ratemaking principles and treatment;
33 (e) A significant change in the cost or reliability of power generation technologies;
34 (f) A significant change in fuel prices and wholesale electric market conditions;
35 (g) A significant change in the cost or effectiveness of emission control technologies;
36 (h) A significant change in the price of emission allowances;

Action Taken _____ Date _____

- (i) A significant change in the electrical corporation's load forecast;
- (j) A significant change in capital market conditions;
- (k) A significant change in the scope or effective dates of environmental regulations; or
- (l) A significant change in federal or state environmental laws.

(2) If the electrical corporation determines that one or more major factor or circumstance has changed in a manner that warrants a change in the approved ratemaking principles and treatment, then it shall file a notice in the docket in which the approved ratemaking principles and treatment were established within forty-five days of any such determination. In its notification, the electrical corporation shall:

(a) Explain and specify the changes it contends are appropriate to the ratemaking principles and treatment and the reasons for the proposed changes;

(b) Provide a description of the alternatives that it evaluated and the process that it went through in developing its proposed changes; and

(c) Provide detailed workpapers that support the evaluation and the process whereby proposed changes were developed.

(3) If a party has concerns regarding the proposed changes, that party shall file a notice of its concerns within thirty days of the electrical corporation's filing. If the parties agree on a resolution of the concerns, the agreement shall be submitted to the commission for approval. If the parties do not reach agreement on changes to the ratemaking principles and treatment within ninety days of the date the electrical corporation filed its notice, whether the previously approved ratemaking and treatment will be changed shall be determined by the commission. If a party to the docket in which the approved ratemaking principles and treatment were approved believes that one or more major factor or circumstance has changed in a manner that warrants a change in the approved ratemaking principles and treatment and if the electrical corporation does not agree the principles and treatment should be changed, such party shall file a notice in the docket in which the approved ratemaking principles and treatment were established within forty-five days of any such determination. In its notification, such party shall:

(a) Explain and specify the changes it contends are appropriate to the ratemaking principles and treatment and the reasons for the proposed changes;

(b) Provide a description of the alternatives that it evaluated and the process that it went through in developing its proposed changes; and

(c) Provide detailed workpapers that support the evaluation and the process whereby proposed changes were developed.

(4) If a party, including the electrical corporation, has concerns regarding the proposed changes, that party shall file a notice of its concerns within thirty days of the other party's filing. If the parties do not reach agreement on changes to the ratemaking principles and treatment within ninety days of the date the notice was filed, whether the previously approved ratemaking and treatment will be changed shall be determined by the commission.

5. A determination of ratemaking principles and treatment under this section does not preclude an electrical corporation from also petitioning the commission under either or both of sections 393.1700 and 393.1705, provided that any costs to which such ratemaking principles and treatment would have applied in the electrical corporation's general rate proceedings which become funded by securitized utility tariff bond proceeds from a securitized utility tariff bond issued under section 393.1700 shall not thereafter be reflected in the electrical corporation's base rates.

6. If determined by the commission to be just, reasonable, and necessary for the provision of safe and adequate service, the electrical corporation ~~[may]~~ shall be permitted to retain coal-fired generating assets in rate base and recover prudently incurred costs associated with operating the coal-fired assets ~~[that remain in service to provide greater certainty that generating capacity will be available to provide essential service to customers, including during extreme weather events, and the~~

1 ~~commission shall not disallow any portion of such cost recovery on the basis that such coal-fired~~
2 ~~generating assets operate], including~~ at a low capacity factor, or ~~that~~ are offline and providing
3 capacity only~~], during normal operating conditions]~~ in order to remain in service to customers for
4 reliability during events such as extreme weather.

5 7. The commission may promulgate rules necessary to implement the provisions of sections
6 393.1700 to 393.1715. Any rule or portion of a rule, as that term is defined in section 536.010, that
7 is created under the authority delegated in this section shall become effective only if it complies
8 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This
9 section and chapter 536 are nonseverable and if any of the powers vested with the general assembly
10 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
11 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or
12 adopted after August 28, 2021, shall be invalid and void."; and

13
14 Further amend said bill by amending the title, enacting clause, and intersectional references
15 accordingly.