

SECOND REGULAR SESSION

HOUSE BILL NO. 1637

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE TERRY.

4287H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 386, RSMo, by adding thereto one new section relating to reimbursement of customer losses due to power outages.

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

Section A. Chapter 386, RSMo, is amended by adding thereto one new section, to be known as section 386.1600, to read as follows:

386.1600. 1. In the event that more than four-fifths of one percent of customers of an investor-owned electric utility are subjected to a continuous power interruption of four or more hours that results in the transmission of power at less than fifty percent of the standard voltage, or that results in the total loss of power transmission, the utility shall be responsible for compensating customers affected by such interruption for all actual damages including food spoilage, which shall not include consequential damages, suffered as a result of the power interruption. The utility shall also reimburse the affected municipality, county, or other unit of local government in which the power interruption has taken place for all emergency and contingency expenses incurred by the unit of local government as a result of the interruption. A waiver of the requirements of this subsection may be granted by the commission in instances in which the utility can show that the power interruption was a result of any one or more of the following causes:

- (1) Unpreventable damage due to weather events or conditions;**
- (2) Customer tampering;**
- (3) Unpreventable damage due to civil or international unrest or animals; or**

EXPLANATION — Matter enclosed in bold-faced brackets ~~thus~~ in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 **(4) Damage to utility equipment or other actions by a party other than the**
18 **utility, its employees, agents, or contractors.**

19 **2. In the event of a power surge or other fluctuation that causes damage and**
20 **affects more than four-fifths of one percent of customers, the electric utility shall pay to**
21 **affected customers the replacement value of all goods, including food, damaged as a**
22 **result of the power surge or other fluctuation unless the investor-owned electric utility**
23 **can show that the power surge or other fluctuation was due to one or more of the**
24 **following causes:**

25 **(1) Unpreventable damage due to weather events or conditions;**

26 **(2) Customer tampering;**

27 **(3) Unpreventable damage due to civil or international unrest or animals; or**

28 **(4) Damage to utility equipment or other actions by a party other than the**
29 **utility, its employees, agents, or contractors.**

30 **3. Loss of revenue and expenses incurred in complying with subsections 1 and 2**
31 **of this section shall not be recovered from ratepayers.**

32 **4. Customers with respect to whom a waiver has been granted by the**
33 **commission under subdivisions (1) to (4) of subsection 1 and subdivisions (1) to (4) of**
34 **subsection 2 shall not count toward the four-fifths of one percent of the total customers**
35 **required by subsections 1 and 2 of this section.**

36 **5. Remedies provided for under this section may be sought exclusively through**
37 **the public service commission. Damages awarded under this section for a power**
38 **interruption shall be limited to actual damages, which shall not include consequential**
39 **damages, and litigation costs. A utility's request for a waiver of this section shall be**
40 **timely if filed no later than thirty days after the date on which a claim is filed with the**
41 **commission seeking damages or expense reimbursement under this section. No utility**
42 **shall be liable under this section while a request for waiver is pending. Damage awards**
43 **shall not be paid out of utility rate funds.**

44 **6. The provisions of this section shall not in any way diminish or replace other**
45 **civil or administrative remedies available to a customer or a class of customers.**

46 **7. The public service commission may promulgate all necessary rules and**
47 **regulations for the administration of this section. Any rule or portion of a rule, as that**
48 **term is defined in section 536.010, that is created under the authority delegated in this**
49 **section shall become effective only if it complies with and is subject to all of the**
50 **provisions of chapter 536 and, if applicable, section 536.028. This section and chapter**
51 **536 are nonseverable and if any of the powers vested with the general assembly**
52 **pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul**

53 a rule are subsequently held unconstitutional, then the grant of rulemaking authority
54 and any rule proposed or adopted after August 28, 2024, shall be invalid and void.

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