

SECOND REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

# HOUSE BILL NO. 1753

102ND GENERAL ASSEMBLY

4429H.05P

DANA RADEMAN MILLER, Chief Clerk

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## AN ACT

To amend chapter 393, RSMo, by adding thereto one new section relating to closure of electric power plants, with an emergency clause.

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

Section A. Chapter 393, RSMo, is amended by adding thereto one new section, to be known as section 393.401, to read as follows:

**393.401. 1. For purposes of this section, the following terms shall mean:**

- (1) "Dispatchable power resource", a source of electricity that is, under normal operating conditions, available for use on demand and that can have its power output adjusted according to market needs, except during routine maintenance and repair;**
- (2) "Electrical corporation", the same as defined in section 386.020, but shall not include an electrical corporation as described in subsection 2 of section 393.110;**
- (3) "Existing electric generating power plant", a thermal power plant of over one hundred megawatts in nameplate capacity, a generating unit at a thermal power plant with a nameplate capacity of over one hundred megawatts, or two or more generating units at a thermal power plant with a combined nameplate capacity of over one hundred megawatts;**
- (4) "Regional transmission operator", a regional transmission organization, independent system operator, or equivalent entity approved by the Federal Energy Regulatory Commission, or successor agency, that exercises functional control over electric transmission facilities located within this state;**
- (5) "Reliable electric generation", electric generation meeting the accreditation requirements provided for in this section;**

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.

18           **(6) "Unexpected or unplanned cause or event", a natural disaster, physical**  
19 **sabotage, equipment failure or damage causing a forced prolonged outage, or an**  
20 **adverse decision of a court or a change in a state or federal law or regulation which**  
21 **causes the closure of an existing electric generating plant.**

22           **2. Prior to the closure of an existing electric generating power plant in Missouri,**  
23 **if the closure occurs on or after January 1, 2025, and subject to subsection 3 of this**  
24 **section, an electrical corporation registered and doing business in this state shall first**  
25 **certify to the public service commission that such utility company has secured and**  
26 **placed on the electric grid an equal or greater amount of reliable electric generation as**  
27 **accredited power resources based on the regional transmission operator's resource**  
28 **accreditation for the reliable electric generation technology at issue. To determine if an**  
29 **equal or greater amount of reliable electric generation is being placed on the electric**  
30 **grid to replace the existing electric generating power plant to be closed, the electrical**  
31 **corporation shall compare the relevant regional transmission operator's average of the**  
32 **summer and winter accredited capacity for the generation technology of the existing**  
33 **electric generating power plant to be closed to the relevant regional transmission**  
34 **operator's average of the summer and winter accredited capacity for the generation**  
35 **technology of the replacement reliable electric generation. Such average of the summer**  
36 **and winter accredited capacity for the replacement reliable electric generation shall**  
37 **equal or exceed such average of the summer and winter accredited capacity for the**  
38 **existing electric generating plant that is to be closed. Dispatchable power resources**  
39 **shall comprise at least eighty percent of the average of the summer and winter capacity**  
40 **of the replacement reliable electric generation.**

41           **3. (1) With respect to the replacement reliable electric generation required by**  
42 **subsection 2 of this section, adequate electric transmission lines shall be in place and the**  
43 **replacement reliable electric generation shall be fully operational concurrently with the**  
44 **closure of the existing electric generating plant, except where some or all of the**  
45 **replacement reliable electric generation utilizes some or all the interconnection facilities**  
46 **used by the existing electric generating power plant or where the existing electric**  
47 **generating power plant is closed as a result of an unexpected or unplanned cause or**  
48 **event. In the event that some or all of the replacement reliable electric generation**  
49 **utilizes some or all of the interconnection facilities utilized by the existing electric**  
50 **generating power plant, then such replacement facilities shall be fully operational within**  
51 **one hundred eighty days of the closure of the existing electric generating power plant.**  
52 **In the event that the existing electric generating power plant is closed as a result of an**  
53 **unexpected or unplanned cause or event, following process shall apply:**

54           **(a) Within one hundred twenty days after the event causing the closure occurs,**  
55 **the electrical corporation shall file an application with the commission outlining its plan**  
56 **to install replacement reliable electric generation. The application shall specify the**  
57 **generation technology the electrical corporation proposes to be used for the**  
58 **replacement, its estimated cost, and shall demonstrate that the replacement reliable**  
59 **electric generation's average accredited capacity is equal to or greater than the average**  
60 **accredited capacity of the closed plant according to the process outlined in subsection 2**  
61 **of this section. Within one hundred eighty days of the application's filing, the**  
62 **commission shall either approve the electrical corporation's application or approve**  
63 **implementation of alternative reliable electric generation meeting the accreditation**  
64 **requirements of this section; and**

65           **(b) Promptly after issuance of the commission's order under paragraph (a) of**  
66 **this subdivision, the electrical corporation shall proceed and use all reasonable efforts to**  
67 **procure, build, and place into operation the approved alternative reliable generation.**

68           **(2) During any periods allowed by this subsection where the replacement reliable**  
69 **electric generation is not fully operational by the time of the closure of the existing**  
70 **electric generating power plant, the electrical corporation shall use all reasonable efforts**  
71 **to contract for or otherwise acquire additional available firm generating capacity in a**  
72 **quantity necessary to meet the planning reserve margin requirement of the regional**  
73 **transmission operator in which the electrical corporation operates without reliance on**  
74 **such replacement reliable electric generation. At such time as such replacement reliable**  
75 **electric generation is fully operational, such additional available firm generating**  
76 **capacity shall no longer be required.**

77           **(3) An electrical corporation shall not enter into a voluntary or negotiated**  
78 **settlement with a third party that requires closure of an existing electric generating**  
79 **plant, unless the electrical corporation determines that such a settlement is in the best**  
80 **interest of its customers and would maintain electric reliability. Electrical corporations**  
81 **shall not enter into such a settlement in order to meet pollution reduction or other**  
82 **corporate or societal goals beyond those required by law.**

83           **4. The average of the summer and winter accredited capacity of the replacement**  
84 **reliable electric generation determined in accordance with subsection 2 of this section**  
85 **shall be equal to or greater than the average summer and winter accredited capacity of**  
86 **the dispatchable existing electric generating power plant determined in accordance with**  
87 **subsection 2 of this section, using the regional transmission operator's resource**  
88 **accreditation as of the time construction begins on the replacement reliable electric**  
89 **generation. As part of its approval of the replacement reliable electric generation under**  
90 **subsection 1 of section 393.170, the public service commission shall certify that the**

91 **requirements of this subsection will be met by the replacement reliable electric**  
92 **generation.**

93 **5. Such reliable electric generation may be constructed in a state that neighbors**  
94 **Missouri if the generation is connected to the electric grid of the regional transmission**  
95 **operator of which the electrical corporation is a member.**

96 **6. On or before the date that the new reliable electric generation is placed in**  
97 **service the electrical corporation shall provide certification to the public service**  
98 **commission, the general assembly, and the governor that it has met the requirements of**  
99 **this section.**

Section B. Because immediate action is necessary to ensure adequate electric supply  
2 is available to meet customer demand, section A of this act is deemed necessary for the  
3 immediate preservation of the public health, welfare, peace, and safety, and is hereby declared  
4 to be an emergency act within the meaning of the constitution, and section A of this act shall  
5 be in full force and effect upon its passage and approval.

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