

HCS HBs 1804 & 1435 -- MISSOURI NUCLEAR CLEAN POWER ACT

SPONSOR: Black

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Utilities by a vote of 11 to 0, with 3 voting present. Voted "Do Pass" by the Standing Committee on Rules- Administrative Oversight by a vote of 8 to 1 and 1 present.

The following is a summary of the House Committee Substitute for HB 1804.

This bill establishes the "Missouri Nuclear Clean Power Act", which allows clean baseload electric generating plants or facilities rated at 300 megawatts or less that utilize clean baseload electric generating plants to produce energy not in commercial operation as of August 28, 2024, to charge for costs associated with construction work in progress before the facility is operational.

Before any construction begins, the electrical corporation seeking to include construction work in progress (CWIP) in its rates must file with the Public Service Commission a plan detailing the costs and the plan to recover those costs through rates. 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 determines a project was not completed within a reasonable amount of time, the Commission must reduce rates to reflect the amounts recovered in advance by the electrical corporation as specified in the bill.

This bill is similar to HB 225(2023).

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 coal and nuclear fueled power generation are the only two sources that can operate without interruption from outside events. However, only a new nuclear plant would meet more stringent air emissions requirements. Without this bill, building new baseload generation is cost prohibitive.

Testifying in person for the bill were Representative Black; Missouri Farm Bureau; Association of Missouri Electric Cooperatives; Mo Association of Municipal Utilities; City Utilities of Springfield; Ameren Missouri; and Mike Sutherland, Association of Missouri Electric Cooperatives.

OPPONENTS: Those who oppose the bill say that the current construction work in progress prohibition was passed by the voters in the late 1970s. It is important that the investor-owned utilities invest in the product they supply before charging ratepayers. This bill would shift the financial risk to the ratepayers. In recent years, many new nuclear facility projects have been abandoned prior to completion. It is not fair to charge ratepayers for a project from which they never see a benefit.

Testifying in person against the bill were Associated Industries of Missouri; Sierra Club Missouri Chapter; AARP; Doug Galloway, Ford Motor Company; Consumers Council of Missouri; and Arnie C. Dienoff.

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