

SS#2 SB 4 -- UTILITIES

SPONSOR: Cierpiot

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Utilities by a vote of 17 to 4, with 2 voting present. Voted "Do Pass" by the Standing Committee on Rules-Administrative by a vote of 6 to 2 with 1 voting present.

This bill modifies the provisions relating to utilities.

SOLAR ENERGY GENERATION SYSTEMS AS TANGIBLE PERSONAL PROPERTY
(Sections 137.010, 137.080, and 137.115)

The bill provides that the definition of "tangible personal property" must, for the purposes of property taxation, include solar panels, racking systems, inverters, and related solar equipment, components, materials, and supplies installed in connection with solar photovoltaic energy systems that were constructed and producing solar energy prior to August 9, 2022.

The bill also creates a new subclass of tangible personal property that includes solar panels, racking systems, inverters, and related solar equipment, components, materials, and supplies installed in connection with solar photovoltaic energy systems that were constructed and producing solar energy prior to August 9, 2022, and provides that such subclass will be assessed at five percent of its true value in money. (Sections 137.080 and 137.115)

These provisions are similar to SB 414 (2025), SB 1219 (2024) and to provisions in HCS HB 1836 (2024).

COMPENSATION OF TRUSTEES OF COMMON SEWER DISTRICTS (Sections 204.300 and 204.610)

The bill sets the rate of compensation for members of a County Board of Trustees. Each trustee of the Board can receive an attendance fee not to exceed \$100 for attending each regularly called board meeting, or special meeting, but must not be paid for attending more than two meetings in any calendar month, except that in a county of the first classification, a trustee will not be paid for attending more than four meetings in any calendar month. However, no trustee will be paid more than one attendance fee if such trustee attends more than one board meeting in a calendar week. Each trustee of the Board must be reimbursed for his or her actual expenditures in the performance of his or her duties on behalf of the district.

These provisions are similar to provisions in SB 5 (2025), HB 148 (2025) SB 896 (2024), HB 2476 (2024), HCS SB 155 (2023), and similar to provisions in SCS HCS HB 1746 (2024).

ASSESSMENTS TO TELECOMMUNICATION CORPORATIONS (Section 386.370)

This bill changes the calculation of assessments against public utilities used to fund the Public Service Commission. Starting January 1, 2026, the total amount assessed on the total gross intrastate operating revenue of all public utilities cannot exceed 450/1,000 of one percent, except telecommunications corporations. The total amount to be assessed to all telecommunications corporations, including interconnected voice over internet protocol service providers, cannot exceed 250/1,000 of one percent of the total gross intrastate operating revenues of all telecommunications corporations and interconnected voice over internet protocol service providers.

This provision is similar to HB 997 (2025).

NATURAL GAS SAFETY STANDARDS (Section 386.572)

Currently, the maximum civil penalties for any corporation, person, public utility, or municipality that owns any gas plant that violates any law, order, decision, decree, rule, direction, demand, or requirement of the Public Service Commission relating to Federally mandated natural gas safety standards are set in statute. This bill repeals the penalties and instead states that violations of such standards are subject to a penalty not to exceed an amount as determined by the U.S. Secretary of Transportation pursuant to Federal regulations.

This provision is similar to HB 141 (2025) and HB 1034 (2025).

ENFORCEMENT OF COMMISSION POWERS (Section 386.600)

Currently, any action to recover a penalty or forfeiture or to enforce the powers of the Public Service Commission must be started and prosecuted by the general counsel to the Commission. This bill allows the Attorney General to also start and prosecute certain violations involving HVAC services.

This provision is similar to HB 560 (2025).

DUTIES OF THE OFFICE OF THE PUBLIC COUNSEL (Section 386.720)

This bill requires that before the beginning of each fiscal year, the Public Counsel must make an estimate of expenses his or her office will incur reasonably attributable to the performance of his

powers, duties, and functions and must also estimate the amount directly attributable to each of the specified duties of public utilities. Telephone and telegraph corporations are exempt from the provisions of the bill. The bill specifies how the Public Counsel is to attribute such expenses.

The Public Counsel must assess the amount allocated to each group in proportion to the groups respective gross intrastate operating revenues for the previous year, except that the total assessed to all public utilities must not exceed 0.057 of one percent of the total gross intrastate operating revenues. The Public Counsel must provide the assessment to each public utility before July 1st of each year and the utility must pay the assessment as specified in the bill.

This bill establishes "The Office of the Public Counsel Fund". The Fund consists of moneys paid for assessments and is to be solely used for the payment of expenditures incurred by the Public Counsel and attributable to the regulation of public utilities under the jurisdiction of the Public Service Commission.

This provision is similar to HB 748(2025).

HVAC SERVICES (Section 386.752, 386.754, 386.756, 386.760)

The bill creates the "Fair Competition Law", which requires any utility that directly or indirectly engages a utility contractor that provides HVAC services to develop a qualification process and make the process open to all contractors seeking to provide HVAC services.

The bill also includes the affiliate of a utility company in those entities prohibited from engaging in HVAC services. If the Commission receives information that a utility company or its affiliate has provided HVAC services in violations of the prohibition, the Commission's staff must investigate and report its findings to the Commission. Upon a finding of evidence of a violation, the commission can open a case act to abate the violation and impose required penalties as provided in the bill. Any person informing the Commission of any violation can intervene into the proceeding before the Commission. The person and any other interested person must be provided a copy of the final disposition of the complaint, but not the work-product or attorney-client privileged documents of the Commission's staff or General Counsel or the Attorney General.

The bill specifies that the Commission will not adopt a rule, tariff, ordinance, or other action that violates the prohibition on a utility or its affiliate providing HVAC services.

This provision is similar to HB 560 (2025).

ADVANCED METERS (Section 386.820)

The bill requires the Public Service Commission to promulgate rules governing the opt-out process using an advanced or hub meter for customers no later than June 30, 2026. As of July 1, 2026, a residential utility customer can communicate with the utility that the customer would like to opt-out of using an advanced meter or hub meter.

Within a reasonable time after receiving a customer's request to remove an advanced meter from the customer's residence or business, a utility must remove the advanced meter and replace it with a traditional meter. A utility can charge a one-time all-inclusive fee, not to exceed \$125, to remove the advanced meter and to provide and install a traditional meter. A utility can charge a monthly fee, not to exceed \$15, for the use of a traditional meter.

If a residential customer uses a traditional meter and desires to read his or her own meter, the customer must report accurate electricity usage to the utility once per a billing cycle. A utility must provide the customer with the detailed process to report meter readings, as specified in the bill. At least once every 12 months, the utility must obtain an actual meter reading of the customer's energy usage to verify the accuracy of readings reported. A representative of a utility can manually read the customer's meter once per a billing cycle and correct a reading as necessary.

If the customer fails to report usage, inaccurately reports usage, or the utility does not receive the customer's usage report on time, the utility can manually read the customer's meter or charge the customer based on an estimate of prior energy use. The utility can charge the customer interest on any unpaid amount. Such interest rate can be no greater than five percent. The Commission is authorized to approve charges to be assessed pursuant to an electrical corporation's rate schedule to be assessed on customers that intentionally report inaccurate electricity usage.

A utility is not be liable for any injuries or other damages sustained by a customer or other individuals due to a customer's reading of the customer's energy usage unless such injuries or damages are caused by the willful misconduct or gross negligence of the utility.

TIME-OF-USE RATES (Section 386.1100)

If the Public Service Commission has ordered adoption of time-of-use rates on a mandatory basis for an electrical corporation's residential customers before the effective date of the bill, then within one year from the effective date, the Commission must issue an order to allow mandated time-of-use rate customers to opt-out of participating in time-of-use rates and elect to participate in non-time-of-use rates. The transition to opt-out of time-of-use rates can occur in a general rate case or in a stand-alone tariff proceeding to allow for the transition to conclude no later than one year from the effective date.

HOT WEATHER RULE FOR UTILITIES (Section 393.108)

The bill prohibits utilities from disconnecting electric and gas service to residential customers for nonpayment of bills between June 1st to September 30th between 6 a.m. to 9 p.m. if the National Weather Service local forecast predicts for the following 72 hours, instead of 24 hours as currently provided, that the temperature will rise above 95 degrees Fahrenheit.

COLD WEATHER RULE FOR UTILITIES (Section 393.109)

The bill prohibits utilities from disconnecting gas and electric service to residential customers for nonpayment of bills between November 1st to March 31st between 6 a.m. and 9 p.m. for the following 72 hours if the National Weather Service local forecast predicts that the temperature will fall below 32 degrees Fahrenheit.

AN ELECTRICAL CORPORATION'S SERVICE TARIFF (Section 393.130)

This bill requires electrical corporations with more than 250,000 customers to develop and submit to the Public Service Commission schedules to include its service tariff applicable to customers who are projected to have above an annual peak demand of 100 megawatts or more. The schedules should ensure such customers' rates will reflect a representative share of the costs incurred to serve the customers and prevent other customer classes' rates from reflecting any unjust or unreasonable costs arising from service to such customers.

Each electrical corporation with 250,000 or fewer customers as of January 1, 2025, must develop and submit to the Commission such schedules applicable to customers who are reasonably projected to have above an annual peak demand of 50 megawatts or more. The Commission can order an electrical corporation to submit similar tariffs to reasonably ensure that rates of customers who are reasonably projected to have annual peak demands below the above-

referenced levels will reflect the customer's representative share of certain costs.

AMOUNTS INCLUDED IN CONSTRUCTION WORK IN PROGRESS (Section 393.135)

This bill authorizes an electrical corporation to include in the corporation's rate base, any amounts recorded to construction work in progress for any new natural gas-generating unit. The Public Service Commission will determine the amount of construction work in progress, as specified in the bill. Base rate recoveries arising from the inclusion of construction work in progress in rate base are subject to refund, as specified in the bill.

These provisions will expire on December 31, 2035, unless the Commission determines that good cause exists to extend these provisions through December 31, 2045. The secretary of the Commission must notify the Revisor of Statutes if the conditions for the extension have been met.

This provision is identical to a provision in SCS SB 186 (2025), and similar to a provision in SB 618 (2025), a provision in HB 853 (2025), a provision in HB 963 (2025), a provision in SB 48 (2025), a provision in SB 214 (2025).

REDUCTION TO THE FEDERAL INCOME TAX RATES OF ELECTRICAL CORPORATIONS (Section 393.138)

If a reduction is made to the Federal income tax rates of electrical corporations between January 20, 2025, and December 31, 2029, the Commission has one-time authority to adjust each electrical corporation's rates prospectively, as specified in the bill. Beginning with the effective date of the federal corporate income tax reduction through the date the electrical corporation's rates are adjusted on a one-time basis, the Commission must require electrical corporations to defer to a regulatory asset the financial impact of the Federal act. The amounts deferred must be included in the revenue requirement used to set the electrical corporation's rates.

The Commission can alternatively allow a deferral of the Federal act's financial impacts to a regulatory asset starting with the effective date of the Federal corporate income tax reduction through the effective date of new rates. The deferred amounts must be included in the revenue requirement used to set the electrical corporation's rates in its subsequent general rate proceeding through an amortization over a period determined by the Commission.

RATE PROCEEDINGS FOR CERTAIN UTILITIES (Section 393.150)

The bill specifies that in any rate proceeding where testimony is pre-filed, each party must be given the opportunity to respond to any rebuttal testimony and exhibits of other parties through pre-filed testimony.

The bill specifies that beginning July 1, 2026, the test year for rate proceedings, if requested by certain utilities, will be a future year consisting of the first 12 full calendar months after the operation of law date for schedules stating new base rates filed by the utilities, unless the Public Service Commission makes a determination that using a future test year is detrimental to the public interest. The projected total rate base at the end of the future test year will be used to establish new base rates, which will not go into effect before the first day of the future test year.

Utilities that elect to use a future test year within 45 days of the end of the future test year will update their base rates as specified in the bill. The total ending rate base and expense items in the update can not be greater than the total ending rate base and expense items approved by the Commission in its report and order. The Commission and parties to the case have 60 days to review the accuracy of the updated information provided by the utility. The Commission must order the utility to file new tariff sheets reflecting the update, as specified in the bill.

Utilities that request a test year will not recover the costs of any plant investments made during the test year period under certain mechanisms set out in current law.

For utilities that elected to use a future test year, the utility must provide a reconciliation of the rate base at the end of the future test year to the Commission within 45 days of the end of the future test year. If the actual rate base is less than the rate base used to set base rates in the prior general rate proceeding, the portion of the annual revenue requirement reflecting the rate base difference must be returned to customers. The difference in revenue requirement will be placed into a regulatory liability to be returned to customers in the next general rate proceeding with such regulatory liability to accrue carrying costs at the utility's weighted average cost of capital.

The Commission can consider any change in business risk to the utility resulting from implementation of the adjustment mechanism when setting the utility's allowed return in any rate proceeding, in addition to any other changes in business risk experienced by the utility.

For a utility that elected to use a future test year, the utility must provide a reconciliation of payroll expense, certain employee benefits, and rate case expense at the end of the future test year to the Commission within 45 days of the end of the future test year. If the actual amounts are less than the amounts used to calculate the revenue requirement in the prior general rate proceeding, the difference will be returned to customers. The difference in revenue requirement will be placed into a regulatory liability to be returned to customers in the next general rate case with such regulatory liability to accrue carrying costs at the utility's weighted average cost of capital.

These provisions are identical to provisions in SB 5 (2025), and similar to SCS SB 1280 (2024), a provision in SCS HCS HB 1746 (2024), and a provision in HB 2167 (2024).

A LARGE WATER PUBLIC UTILITY ACQUIRING A SMALL WATER UTILITY (Sections 393.320 and 393.1506)

The bill expands the definition of a "large water public utility" to state that such an entity will regularly provide water services to more than 8,000 customers, sewer services to more than 8,000 customer connections, or regularly provide a combination of either to more than 8,000 customer connections.

If a large water public utility chooses certain provisions for the acquisition of a small water utility, the Commission must use those procedures to establish the rate making rate base of a small water utility during the acquisition, provided that the Commission independently concludes that a certificate of convenience and necessity should be granted. In making such determination, the Commission can take into account rates that may result from such acquisition.

An appraisal of a small water utility must be performed by no less than two appraisers, instead of three appraisers as currently required. One appraiser must be appointed by the small water utility, one appraiser must be appointed by the large water public utility, and the third appraiser can be appointed by the Commission. The duties of the appraisers are specified in the bill.

For any acquisition of a small water utility with an appraised value of \$5 million or less, the Commission must issue its decision within six months of the submission of the application by the large public water utility to acquire the small water utility. The Public Service Commission or the Office of Public Counsel can request an extension for approval of 30 days upon a showing of good cause.

A large water public utility's choice to comply with the provisions of this section does not ensure that the transaction is in the public interest. The Commission must independently determine whether the acquisition is in the public interest, regardless of whether the matter has been put to a vote of the small water utility's ratepayers.

These provisions are identical to provisions in SB 5 (2025), SCS SB 741 (2024), provisions in SCS SB 740 (2024), SB 896 (2024), similar to provisions in HB 1059 (2025), SCS HCS HB 1746 (2024), SCS SB 567 (2023), and similar to provisions in HB 1152 (2023) and HCS SB 275 (2023).

CLOSURE OF ELECTRIC POWER PLANTS (Section 393.401)

Beginning January 1, 2026, this bill specifies that prior to the closure of an existing electric generating power plant, an electrical corporation, registered and doing business in Missouri, must first certify that it has secured and placed on the electric grid an equal or greater amount of reliable electric generation as specified in the bill. Adequate transmission lines must be in place and the replacement generation fully operational concurrently with the closure of the existing electric generating plant.

If the replacement electric generation uses some or all of the interconnection facilities used by the existing generation plant, the replacement facilities must be operational within 180 days of the closure of the existing plant. If the existing plant is closed as a result of an unexpected or unplanned cause or event, the electrical corporation must follow the procedures established in the bill, including filing an application with the Public Service Commission outlining its plan to install replacement reliable electric generation. During any periods where the replacement power is not fully operational, the electrical corporation must make all reasonable efforts to contract for additional firm generating capacity to meet the planning reserve margin requirement of the regional transmission operator.

The bill also specifies that the average of the summer and winter accredited capacity of the new generation must be greater or equal to the average of the summer and winter accredited capacity of the existing generation, with consideration of the electrical corporation's anticipated loss of load. The Public Service Commission must certify that these requirements are met. If the Commission receives information that the electrical corporation has experienced a significant and long-term loss of load, the commission must determine if replacement generation is in the public interest.

Before the official date of the existing electric generating power plant closure, the electric utility company must provide certification to the Commission, the General Assembly, and the Governor that it has met the necessary requirements.

These provisions are similar to provisions in HCS HB 476 (2025), SB 6 (2025), SCS SB 757 (2024), provisions in SCS HCS HB 1746 (2024), HCS HB 1753 (2024), SB 709 (2023), and SB 717 (2023).

RENEWABLE ENERGY STANDARD (Section 393.1030)

This bill specifies that electric utilities with more than 250,000 but less than 1 million retail customers in Missouri as of the end of 2024 with energy that meets the criteria of the renewable energy portfolio requirements and is contracted for by an accelerated renewable buyer must:

- (1) Have all associated renewable energy certificates retired by the accelerated renewable buyer and the certificates can not be used to meet the electric utility's portfolio requirements;
- (2) Be excluded from the total electric utility's sales used to determine the portfolio requirements; and
- (3) Be used to offset all or a portion of its electric load to determine compliance with the portfolio requirements.

The bill specifies that the accelerated renewable buyer is exempt from any renewable energy standard compliance costs as established by the utility and approved by the Public Service Commission. Each electric utility must certify, and verify as necessary, to the Commission that the accelerated renewable buyer has satisfied the exemption requirements as specified in the bill. The accelerated renewable buyer can also certify the exemption requirements to the Commission individually.

This provision is identical a provision in SB 6 (2025) and HB 1059 (2025,) to SCS SB 740 (2024), HCS HB 1746 (2024), provisions in SB 838 (2024), similar to SCS SB 374 (2023), provisions in SB 896 (2024).

ELECTRICAL CORPORATION'S PLAN TO OWN SUFFICIENT CAPACITY (Section 393.1080)

The Commission can also require electrical corporations to provide documentation reflecting an electrical corporation's plan to own sufficient capacity to meet the electrical corporation's obligations for the upcoming and three subsequent planning years.

An electrical corporation must submit documentation reflecting it's capacity position, as specified in the bill.

The Commission can require additional audits and reporting necessary to determine whether an electrical corporation's plan provides for its ownership or contractual rights to sufficient capacity.

If an electrical corporation fails to have sufficient capacity for the upcoming planning year and the Commission determines the failure is the result of the corporation's imprudence, the Commission can disallow any associated costs related to the failure. The Commission can also require submission of a plan by the electrical corporation within six months to resolve any expected capacity deficiency for the subsequent three planning years

This provision is identical to a provision in SCS SB 186 (2025), and similar to a provision in SB 618 (2025), HB 92 (2025), SB 853 (2025), and a provision in HB 963 (2025).

DEFERRALS BY ELECTRICAL CORPORATIONS (Section 393.1400)

The bill removes "new natural gas units" from the definition of "qualifying electric plant" for the purposes of certain deferrals by electrical corporations.

The cost of investments in new generating units and energy storage systems are excluded from the total investments reflected in each year's capital investment plan for which required investments in grid modernization projects are determined.

The bill extends the sunset date of certain provisions relating to deferrals by electrical corporations from December 31, 2028 to December 31, 2035. The deadline to file an application seeking permission from the Public Service Commission relating to deferrals will be extended from December 31, 2026 to December 31, 2033.

Provisions relating to electrical corporations seeking deferrals expires on December 31, 2040, instead of on December 31, 2033.

This provision is identical to a provision in SB 6 (2025), HCS HB 569 (2025), similar to SB 1422 (2024), a provision in SCS HCS HB 1746 (2024), and HCS HB 2541 (2024).

WATER AND SEWER INFRASTRUCTURE RATE ADJUSTMENT (WSIRA) (Section 393.1506)

The bill allows a public utility with sewer service to more than 8,000 customer connections, or a combination of either water and sewer to more than 8,000 customer connections to file a petition and proposed rate schedules with the Public Service Commission to establish or change a WSIRA that will provide for the recovery of the appropriate pretax revenues associated with the eligible infrastructure system projects.

This provision is similar to HB 1059(2025).

DISCOUNTS BY GAS CORPORATIONS (Section 393.1645)

The bill makes adjustments to the way in which a gas corporation can apply certain discounts to its customers in their use of the service. The way in which a customer can qualify for one of the discounts is set forth as follows:

(1) When the customer is a new customer and the new load is reasonably projected to be at least 270,000 ccf annually, the discount must equal up to 25% subject to the limiting provisions of this section and will apply for four years; or

(2) When the customer is an existing customer and the new load is reasonably projected to be at least 135,000 ccf annually, the discount will equal 25% subject to the limiting provisions of this section and must apply for four years.

To obtain the discount, the customer's load must be incremental; receive local, regional, or State economic development incentives; and meet the criteria set in the gas corporation's economic development rider tariff sheets.

In each general rate proceeding, the difference in revenues generated by applying the discounted rates and the revenues that would have been generated without such discounts will not be imputed into the gas corporation's revenue requirement. Instead, the revenue requirement should be set using the revenues generated by the discounted rates and allocated to all customer classes as specified in the bill.

These provisions are identical to provisions in HB 1059 (2025), SCS HCS HB 1746 (2024), substantially similar to SB 896 (2024), HB 2045 (2024), and similar to SB 638 (2023) and HB 1143 (2023).

REVENUE REQUIREMENT IMPACT CAP (Section 393.1656)

The bill modifies the definition of "revenue requirement impact cap" to mean the product of one-twelfth of two and one-quarter

percent, instead of two and one-half percent as currently provided, multiplied by the number of months that have elapsed from the effective date of new base rates in the electrical corporation's most recently completed general rate proceeding as provided in current law.

SPECIAL RESIDENTIAL CUSTOMER RATES (Section 393.1680)

The bill authorizes the Public Service Commission to approve a special alternative residential customer rate or discount from a utility company, based on household utility burden, as defined in the bill. The rate or discount incorporates a Commission authorized discount from the appropriate base residential rate. Any eligibility verification needed to implement the alternative rate must be done by an independent third party as specified in the bill.

SECURITIZED UTILITY TARIFF (Section 393.1700)

The bill specifies that if an electrical corporation has a Commission-approved market-based tariff as of 2022, any customer receiving electrical service under the market-based tariff with a load of at least 80 megawatts is exempt from any securitized utility tariff charges if the charge was approved by the Commission prior to customer energization and from any future securitized utility tariff charges as provided in the bill. No exemption may apply for electrical service that is not received by the customer under a Commission-approved market-based tariff.

This provision is similar to a provision in SCS SB 740 (2024) and SB 838 (2024).

REVIEW OF FINANCING ORDERS FOR ENERGY TRANSITION COSTS (Section 393.1700)

The bill authorizes the Public Service Commission to directly contract counsel, financial advisors, or other consultants as necessary to implement the provisions of the law allowing for the Commission to approve the issuance of securitized utility tariff bonds by an electrical corporation. The Commission must establish a process for bidding such contracts and make the policy and rate case-specific contract information publicly available.

This provision is identical to a provision in HB 1059 (2025, SB 6 (2025), a provision in SCS SB 740 (2024), HB 1728 (2024), a provision in HCS HB 1746 (2024), a provision in SB 899 (2024), HCS HB 1071 (2023) and similar to SB 520 (2023).

INTEGRATED RESOURCE PLANNING (Section 393.1900)

By August 28, 2027, and every four years as needed thereafter, the Commission must complete an integrated resource planning proceeding for electrical corporations as specified in the bill.

No later than August 28, 2027, the Commission must publish a schedule for electrical corporations to file an integrated resource plan every four years. Each integrated resource plan must include an alternative resource plan meeting certain requirements. All alternative resource plans must cover a minimum 16-year planning horizon and must reflect projections of an electrical corporation's load obligations and how an electrical corporation would reliably meet its projected load obligations. Additional requirements are specified in the bill.

After a hearing and no later than 360 days after the electrical corporation files an integrated resource plan, the Commission must issue a report and order determining whether the electrical corporation has submitted sufficient documentation and selected a preferred resource plan representing a reasonable and prudent means of meeting the electrical corporation's load serving obligations at just and reasonable rates. In making this determination, the Commission must consider whether the plan appropriately balances factors specified in the bill. The Commission can grant itself an extension for good cause for the issuance of the report and order. Up to 150 days after an electrical corporation makes its initial integrated resource plan filing, it can file an update of the cost estimates if the cost estimates have materially changed.

If the Commission determines that the preferred resource plan is a reasonable and prudent means of meeting the electrical corporation's load serving obligations, the determination will constitute the Commission's permission for the electrical corporation to construct or acquire the specified supply-side resources that were reflected in the implementation plan. When the electrical corporation files an application for a certificate of convenience and necessity to authorize construction or acquisition of the supply-side resources, the Commission will be deemed to have determined that the supply-side resources are necessary or convenient for the public interest. In the certificate of convenience and necessity proceeding, the Commission's inquiry shall be limited as specified in the bill.

If the Commission determines that the preferred resource plan is not a reasonable and prudent means of meeting the electrical corporation's load serving obligations, the Commission will have the authority to specify in its report and order the deficiencies in the preferred resource plan. The procedures for an electrical corporation to cure the deficiencies is specified in the bill.

If approved in a proceeding granting permission and approval to construct an electric plant, an electrical corporation may in certain circumstances be permitted to include in its rate base any amounts recorded to construction work in progress for the investments for which permission is granted. The inclusion of construction work in progress will be in lieu of any applicable allowance for funds used during construction that would have accrued from the effective date of new base rates that reflect inclusion of the construction work in progress in rate base. The Commission must determine the amount of construction work in progress that can be included in rate base as specified in the bill.

This provision is substantially similar to a provision in SCS SB 186 (2025), and similar to a provision in SB 618 (2025), a provision in SB 48 (2025), a provision in SB 214 (2025), and a provision in HB 853 (2025).

PROPONENTS: Supporters say that in recent years, Missouri has seen a steady erosion of the reliability and stability of the power grid. The regional transmission operators have forecasted a deficiency in energy capacity for the State in the near future. In addition, grid reliability is critical to economic development in the State and with the State facing a power deficit in the future, it has and will continue to hamper economic growth. This bill will move the State forward towards meeting the demand of current and future utility demands. The bill also had several consumer protections to protect current customers from subsidizing new, large energy users or forecasted growth that does not come to fruition.

Testifying in person for the bill were Senator Cierpiot; Randy Eminger, Energy Policy Network; Missouri Association of Sewer District; International Union of Operating Engineers Local 513,101 and 148; Liberty Utilities; Summit Utilities; Associated Industries of Missouri; Ameren Missouri; Missouri Economic Development Council; Evergy; Greater Kansas City Chamber of Commerce; Civic Council of Greater KC; Strat Energy; HB Strategies; Gas Workers Local 27-6; Missouri Chamber of Commerce and Industry; Jake Hummel, Missouri AFL-CIO; St. Louis Electrical Connection IBEW/NECA; Scott E. Ramshaw, UA562 Plumbers & Pipe Fitters; Missouri Natural Gas Association; and Spire Missouri Natural Gas.

OPPONENTS: Those who oppose the bill say that the bill will raise customer's utilities bills approximately \$1,100 per year and cost Missouri jobs in many sectors due to the increase in utility costs. In addition, the bill does not take into account new generation technologies or reductions in energy demand from efficiency.

Testifying in person against the bill were The Associated Students of The University Of Missouri; Renew Missouri Advocates; Empower Missouri; Missouri Coalition For The Environment; Nicholas A Keilholz; William Wallace, MO Veterans Endeavor- Move-StL; AARP; Tracy Anderson; Jeanette Mott Oxford, Epiphany United Church Of Christ; Midwest Energy Consumers Group; Consumers Council Of Missouri; Carolyn Nisnonger, Sierra Club; Sierra Club; and Diana Plescia.

OTHERS: Others testifying on the bill say several provisions in the bill are in response to the State's projected capacity shortfall. In addition, those testifying spoke to some of the consumer protection and stakeholder input opportunities built into some of the provisions.

Testifying in person on the bill was Rich Germinder, Missouri Public Service Commission.

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.