

# HOUSE BILL NO. 2689

## 98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MILLER.

6778H.011

D. ADAM CRUMBLISS, Chief Clerk

### AN ACT

To amend chapters 393 and 620, RSMo, by adding thereto two new sections relating to the state's energy policies.

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

Section A. Chapters 393 and 620, RSMo, are amended by adding thereto two new sections, to be known as sections 393.1505 and 620.3150, to read as follows:

**393.1505. It reflects the policy of the state of Missouri during a time of dynamic change in the electric service industry to modernize the regulatory process for electrical corporations to more closely align the interests of electrical corporations and the customers they serve by:**

(1) Allowing for the imposition of earnings caps, rate caps, performance standards, and other customer protections in connection with service provided by electrical corporations;

(2) Providing a meaningful opportunity for electrical corporations to recover on a timely basis the actual, prudently incurred costs of providing reliable electric service;

(3) Establishing policies that encourage investment in Missouri electrical infrastructure; and

(4) Providing globally competitive electric power rates for energy-intensive customers.

**620.3150. 1. The comprehensive state energy plan (CSEP) implemented by the division of energy shall be reviewed by the division by January 1, 2017, and biennially thereafter, and updated if necessary, in accordance with the provisions of this section.**

**2. The state's CSEP shall be reviewed to ensure that it:**

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.

- 5           **(1) Drives savings that benefit all customers;**  
6           **(2) Encourages private investment in distributed energy solutions that will help**  
7 **customers better manage their energy bills and reduce fuel costs while ensuring fairness**  
8 **to all customers;**  
9           **(3) Animates energy markets through strategies to attract private capital**  
10 **investments;**  
11           **(4) Supports transportation alternatives;**  
12           **(5) Enables the state’s utilities to meet energy goals;**  
13           **(6) Provides the state with the ability to foster its utilities’ energy systems to operate**  
14 **with more efficiency and reliability and at a low cost to consumers;**  
15           **(7) Enables utilities to chart a vibrant, changing future;**  
16           **(8) Supports the state’s efforts to foster a supply of energy to consumers that is**  
17 **abundant, reliable, and affordable; and**  
18           **(9) Includes areas of potential growth or development, including forecasts of five**  
19 **and ten years for energy demand and supply; infrastructure demands; and identification**  
20 **of additional costs, risks, benefits, uncertainties, and market potential of energy supply**  
21 **resource alternatives.**
- 22           **3. The division of energy shall use a diverse stakeholder system or contract with a**  
23 **Missouri-based not-for-profit organization consisting of a diverse stakeholder community**  
24 **whose staff and organization have the capacity and capability to facilitate and plan the**  
25 **state’s energy processes to conduct the review.**
- 26           **4. A report shall be issued by the division of energy along with the review required**  
27 **by the provisions of this section that shall suggest policy changes for the state that:**  
28           **(1) Provide improved reliability of the energy systems within the state;**  
29           **(2) Insulate consumers from volatility in market prices;**  
30           **(3) Reduce the overall cost of energy in the state;**  
31           **(4) Affordably minimize public health and environmental impacts; and**  
32           **(5) Identify and analyze emerging trends in supply, price, demand, and technology**  
33 **as well as energy policies and programs and their contribution or hindrance to achieving**  
34 **the state’s energy planning objectives.**

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