

HOUSE _____ **AMENDMENT NO.** _____

Offered By

Amend House Committee Substitute for House Bill 613, Sections 393.1400, 393.1405, 393.1410, 393.1415, 393.1420, 393.1425, 393.1430, 393.1435, 393.1440, 393.1443, and 393.1445, Page 1, Line 1 to Page 16, Line 4 by removing all of said sections from the bill; and

Further amend said bill, Sections 393.1020, Page 16 by removing all of said Section from the bill; and

Further amend said bill, Page 16, Section 393.1025 by removing all of said Section from the bill and inserting in lieu thereof the following:

“393.1025. As used in sections 393.1020 to 393.1030, the following terms mean:

- (1) "Commission", the public service commission;
- (2) "Department", the department of natural resources;
- (3) "Electric utility", any electrical corporation as defined by section 386.020;
- (4) "Renewable energy credit" or "REC", a tradeable certificate of proof that one megawatt-hour of electricity has been generated from renewable energy sources; and

[(5) "Renewable energy resources", electric energy produced from wind, solar thermal sources, photovoltaic cells and panels, dedicated crops grown for energy production, cellulosic agricultural residues, plant residues, methane from landfills, from agricultural operations, or from wastewater treatment, thermal depolymerization or pyrolysis for converting waste material to energy, clean and untreated wood such as pallets, hydropower (not including pumped storage) that does not require a new diversion or impoundment of water and that has a nameplate rating of ten megawatts or less, fuel cells using hydrogen produced by one of the above-named renewable energy sources, and other sources of energy not including nuclear that become available after November 4, 2008, and are certified as renewable by rule by the department.] (5) Renewable energy resources", electric energy produced from wind, solar thermal sources, photovoltaic cells and panels; dedicated crops grown for energy production, cellulosic agricultural residues and plant residues; methane from landfills, from agricultural operations, or from wastewater treatment; thermal depolymerization or pyrolysis for converting waste material to energy; clean and untreated wood such as pallets; hydropower (not including pumped storage) that becomes operational after November 4, 2008 and does not require a new diversion or impoundment of

1 water, provided that each new facility, new generator or improved generator at an existing facility
2 have a total nameplate rating of ten megawatts or less; fuel cells using hydrogen produced by one
3 of the above-named renewable energy sources; and other sources of energy not including nuclear
4 that become available after November 4, 2008, and are certified as renewable by rule by the
5 department.”;and
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7 Further amend said bill, Section 393.1030, Pages 16 to 18 by removing all of said Section from
8 the bill and inserting in lieu thereof the following:
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10 “393.1030. 1. The commission shall, in consultation with the department, prescribe by rule a
11 portfolio requirement for all electric utilities to generate or purchase electricity generated from
12 renewable energy resources. Such portfolio requirement shall provide that electricity from
13 renewable energy resources shall constitute the following portions of each electric utility's sales:

14 (1) No less than two percent for calendar years 2011 through 2013;

15 (2) No less than five percent for calendar years 2014 through 2017;

16 (3) No less than ten percent for calendar years 2018 through 2020; and

17 (4) No less than fifteen percent in each calendar year beginning in 2021. At least two
18 percent of each portfolio requirement shall be derived from solar energy. The portfolio
19 requirements shall apply to all power sold to Missouri consumers whether such power is
20 self-generated or purchased from another source in or outside of this state. A utility may comply
21 with the standard in whole or in part by purchasing RECs representing energy delivered to
22 Missouri. Each kilowatt-hour of eligible energy generated in Missouri shall count as 1.25
23 kilowatt-hours for purposes of compliance.

24 2. The commission, in consultation with the department and within one year of November
25 4, 2008, shall select a program for tracking and verifying the trading of renewable energy credits.
26 An unused credit may exist for up to three years from the date of its creation. [A credit may be
27 used only once to comply with sections 393.1020 to 393.1030 and may not also be used to satisfy
28 any similar nonfederal requirement.] A credit created after 2010, may be used only once to
29 comply with sections 393.1020 to 393.1030 and may not also be used to satisfy any similar
30 nonfederal requirement. An electric utility may not use a credit derived from a green pricing
31 program. Certificates from net-metered sources shall initially be owned by the
32 customer-generator. The commission, except where the department is specified, shall make
33 whatever rules are necessary to enforce the renewable energy standard. Such rules shall include:

34 (1) A maximum average retail rate increase of one percent determined by estimating and
35 comparing the electric utility's cost of compliance with least-cost renewable generation and the
36 cost of continuing to generate or purchase electricity from entirely nonrenewable sources, taking
37 into proper account future environmental regulatory risk including the risk of greenhouse gas
38 regulation;

39 (2) Penalties of at least twice the average market value of renewable energy credits for the
40 compliance period for failure to meet the targets of subsection 1. An electric utility will be
41 excused if it proves to the commission that failure was due to events beyond its reasonable control
42 that could not have been reasonably mitigated, or that the maximum average retail rate increase

1 has been reached. Penalties shall not be recovered from customers. Amounts forfeited under this
2 section shall be remitted to the department to purchase renewable energy credits needed for
3 compliance. Any excess forfeited revenues shall be used by the department's energy center solely
4 for renewable energy and energy efficiency projects;

5 (3) Provisions for an annual report to be filed by each electric utility in a format sufficient
6 to document its progress in meeting the targets;

7 (4) Provision for recovery outside the context of a regular rate case of prudently incurred
8 costs and the pass-through of benefits to customers of any savings achieved by an electrical
9 corporation in meeting the requirements of this section.

10 3. Each electric utility shall make available to its retail customers a standard rebate offer
11 of at least two dollars per installed watt for new or expanded solar electric systems sited on
12 customers' premises, up to a maximum of twenty-five kilowatts per system, that become
13 operational after 2009.

14 4. The department shall, in consultation with the commission, establish by rule a
15 certification process for electricity generated from renewable resources and used to fulfill the
16 requirements of subsection 1 of this section. Certification criteria for renewable energy generation
17 shall be determined by factors that include fuel type, technology, and the environmental impacts
18 of the generating facility. Renewable energy facilities shall not cause undue adverse air, water, or
19 land use impacts, including impacts associated with the gathering of generation feedstocks. If any
20 amount of fossil fuel is used with renewable energy resources, only the portion of electrical output
21 attributable to renewable energy resources shall be used to fulfill the portfolio requirements.

22 5. In carrying out the provisions of this section, the commission and the department shall
23 include methane generated from the anaerobic digestion of farm animal waste and thermal
24 depolymerization or pyrolysis for converting waste material to energy as renewable energy
25 resources for purposes of this section.”; and
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27 Further amend said bill, Page 18, Section 393.1040 and 393.1045 by removing all of said Sections
28 from the bill; and
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30 Further amend said bill by amending the title, enacting clause, and intersectional references
31 accordingly.
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