

House Concurrent Resolution No. 28

91ST GENERAL ASSEMBLY

5008L.011

1 **Whereas**, sustained investment in electric, natural gas, water, sewer, and heating
2 utility infrastructure is vital to the economic vitality and well-being of the State of Missouri; and
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4 **Whereas**, Missouri electric, natural gas, water, sewer, and heating utility
5 companies compete with utility companies in other states for the capital necessary to sustain
6 investment in utility infrastructure in Missouri; and
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8 **Whereas**, Missouri electric, natural gas, water, sewer, and heating utility
9 companies must achieve reasonable rates of return as compared to the rates of return achieved
10 by utility companies in other states to ensure sustained investment in utility infrastructure in
11 Missouri; and
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13 **Whereas**, the utility regulatory process is a primary factor in determining the rate
14 of return levels regulated electric, natural gas, water, sewer, and heating utility companies may
15 achieve; and
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17 **Whereas**, the utility regulatory process in Missouri, as it applies to electric, natural
18 gas, water, sewer, and heating corporations, is governed primarily by Chapter 393, RSMo, which
19 is largely unchanged since original enactment in 1913; and
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21 **Whereas**, the potential for the deregulation of utilities in Missouri has received
22 substantial legislative study in recent years, while the ongoing utility regulatory process and
23 procedure has not enjoyed broad legislative evaluation; and
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25 **Whereas**, the utility regulatory process must be periodically evaluated so as to
26 promote the interests of fairness and balance among all constituencies, including consumers and
27 shareholders of regulated utility companies, by addressing policy and practice advances in areas
28 including, but not limited to, nontraditional regulatory rate plans, performance-based regulatory
29 rate plans, incentive regulatory rate plans, capital recovery schedules, consistency of utility
30 regulatory policy with generally accepted accounting principles, consistency of utility regulatory
31 policy with financial accounting standards, consistency of utility regulatory policy with generally
32 accepted engineering principles, communication between and among participants in the
33 regulatory process, time schedules for the initiation and conclusion of proceedings before utility
34 regulatory agencies, the role, function and needs of the Public Service Commission, the role,
35 function and needs of the Office of Public Counsel, and the overall structure and cost of
36 governmental utility regulatory agencies and the utility regulatory process:
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38 **Now, therefore, be it resolved** by the members of the House of
39 Representatives of the Ninety-first General Assembly, Second Regular Session, the Senate
40 concurring therein, that a "Joint Legislative Committee on Utility Regulation and Infrastructure
41 Investment" be created to be composed of five members of the Senate, to be appointed by the
42 President Pro Tem of the Senate, and five members of the house of Representatives, to be
43 appointed by the Speaker of the House of Representatives, and that the committee be authorized
44 throughout the Ninety-first General Assembly; and
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46 **Be it further resolved** that the committee conduct in-depth studies and
47 make appropriate recommendations concerning: how the utility regulatory process and the results
48 thereof in Missouri in regard to electric, natural gas, water, sewer, and heating utility companies
49 compare to the utility regulatory process and the results thereof in other states; and how the
50 utility regulatory process in Missouri in regard to electric, natural gas, water, sewer, and heating
51 utility companies can, or should, be modernized to be more efficient and effective, ensure
52 sustained investment in utility infrastructure, and promote the interests of fairness and balance
53 among all constituencies, including consumers and shareholders of regulated utility companies;
54 and
55

56 **Be it further resolved** that the committee present a final report, together
57 with its recommendations for any legislative action it deems necessary for submission to the
58 General Assembly prior to the commencement of the First Regular Session of the Ninety-second
59 General Assembly; and
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61 **Be it further resolved** that the committee may solicit any input and
62 information necessary to fulfill its obligations from the Missouri Public Service Commission,
63 the Department of Economic Development, the Office of the Public Counsel, political
64 subdivisions of this state, energy utilities, water utilities, heating corporations and representatives
65 of energy and water customer groups; and
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67 **Be it further resolved** that House Research, the Committee on Legislative
68 Research, and Senate Research shall provide such legal, research, clerical, technical and bill
69 drafting services as the committee may require in the performance of its duties; and
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71 **Be it further resolved** that the actual and necessary expenses of the
72 committee, its members, and any staff personnel assigned to the committee incurred in attending
73 meetings of the committee or any subcommittee thereof shall be paid from the Joint Contingent
74 Fund.