

HB 1279 -- RENEWABLE POWER PURCHASE AGREEMENTS

SPONSOR: Kidd

This bill defines the following terms:

- (1) "Contract customer" as a person or corporation that executes a renewable energy contract with a renewable energy facility owner and renewable energy facility owners;
- (2) "Renewable energy facility" is defined as a facility for the production of electrical energy that utilizes a renewable energy resource and does not include an electric generating facility whose costs have been included in a qualified utility's rates as a facility providing electric service to the qualified utility's system; and
- (3) "Qualified utility's" are defined as a transmission or distribution system used to deliver the electricity from a renewable energy facility to the contract customer.

The bill requires that within 60 days after receiving a request from a contract customer, and subject to reasonable credit requirements, a qualified utility must approve the use of its transmission or distribution system, pursuant to a renewable energy contract to supply some or all of the customer's electric service from one or more renewable energy facility selected by the contract customer.

A renewable energy contract may provide for electricity to be delivered to a contract customer as specified in the bill. To be eligible for service, a contract customer must meet a minimum annual peak demand of one megawatt from one or more metered locations. Electricity generated by a renewable energy facility and delivered to a contract customer under a renewable energy contract may not be included in a net metering program under Section 386.890, RSMo. The pricing and duration of the contract is negotiated between the renewable energy facility's owner and the contract customer.

The contract customer is responsible for any incremental costs required for delivery of the electricity from the renewable energy facility to the transmission system.

The qualified utility has specified requirements and is not responsible for the costs related to the default of a customer. The right to any environmental attribute associated with a renewable energy facility will remain the property of the renewable energy facility's owner unless specified otherwise in the contract.

This bill requires that within 90 days of the effective date of this section, a qualified utility must file for approval by the commission or the governing body for other electric utilities a Renewable Real Time Pricing Program tariff to provide service subject to this section. A qualified utility must charge a contract customer for all metered electric service delivered to the contract customer under this program and the tariff must include rates as determined by the commission or the governing body for other electric utilities for the recovery of costs as specified in the bill.

A qualified utility may only charge a contract customer the applicable generation charges for electricity delivered to the contract customer not pursuant to a renewable energy contract. A contract customer must be served under the renewable real time pricing program for the duration of the executed renewable energy contract. Repeal or amendment of the bill will not repeal the rights and obligations of the contract customer and qualified utility under an executed renewable energy contract.

A renewable energy facility is not defined as a public utility by the bill.