

HOUSE BILL NO. 2301

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BERRY.

5762H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 393, RSMo, by adding thereto one new section relating to community solar gardens.

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

Section A. Chapter 393, RSMo, is amended by adding thereto one new section, to be known as section 393.1100, to read as follows:

393.1100. 1. As used in this section, the following terms shall mean:

(1) "Commission", the same as defined in section 386.020;

(2) "Community solar garden" or "solar garden", a solar electric generation facility with a nameplate rating of two megawatts or less that is located within the service territory of an electrical corporation, where the beneficial use of the electricity generated by the facility belongs to the subscribers of the community solar garden, and where there are at least ten subscribers. A community solar garden may be owned by a subscriber organization whose sole purpose shall be beneficially owning and operating the community solar garden, by any for-profit or nonprofit entity, or by any third party under contract with the subscriber organization;

(3) "Electrical corporation", the same as defined in section 386.020;

(4) "Subscriber", a retail customer of an electrical corporation who owns a subscription and who has identified one or more physical locations to which the subscription shall be attributed. Such physical locations shall be within the service territory of the electrical corporation and within the same county as the community solar garden; except that, if the subscriber lives in a county with a population of less than twenty thousand, the subscriber may designate a physical location in another county also with a

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.

18 population of less than twenty thousand that is within the service territory of the same
19 electrical corporation. The subscriber may change the locations to which the subscription
20 shall be attributed on an annual basis;

21 (5) "Subscription", a proportional interest in solar electric generation facilities
22 installed in a community solar garden. Each subscription shall be sized to represent at
23 least one kilowatt of the community solar garden's generating capacity, and shall supply
24 no more than one hundred twenty percent of the average annual consumption of electricity
25 by each subscriber at the premises to which the subscription is attributed. Subscriptions
26 in a community solar garden may be both transferred or assigned to a subscriber
27 organization or to any person or entity who qualifies to be a subscriber under this section.

28 2. In all electrical corporation resource plans filed with the commission, electrical
29 corporations shall set forth the electrical corporation's plan for acquiring or constructing
30 supply-side resources. If, according to the electrical corporation's resource plan, the
31 electrical corporation intends to acquire or construct a supply-side resource, the electrical
32 corporation shall provide for a plan to purchase the energy and renewable energy credits
33 generated from one or more community solar gardens over the period covered by the plan.

34 3. Beginning on January 1, 2017, if an electrical corporation plans to acquire or
35 construct one or more supply-side resources, the electrical corporation shall issue one or
36 more standard offers to purchase energy from community solar gardens of five hundred
37 kilowatts or less at prices that are comparable to the prices offered by the electrical
38 corporation to any customer-generator under section 386.890. However, at no point shall
39 the output from the community solar gardens and the renewable energy credits generated
40 from such be used to achieve more than twenty percent of the electrical corporation's
41 renewable energy standard portfolio requirements set forth in section 393.1030, and at no
42 point shall the electrical corporation be obligated to purchase more than six megawatts of
43 energy generated from community solar gardens for the first three years the electrical
44 corporation complies with this section.

45 4. Beginning on January 1, 2022, if, according to the electrical corporation's
46 resource plan, the electrical corporation intends to acquire or construct a supply-side
47 resource, the electrical corporation shall provide for a plan to purchase the energy and
48 renewable energy credits generated from one or more community solar gardens. The
49 commission shall determine the minimum and maximum purchases of energy from
50 community solar gardens of different output capacity that the electrical corporation shall
51 plan to acquire.

52 5. The energy generated by a community solar garden shall be sold only to the
53 electrical corporation serving the geographic area where the community solar garden is

54 located. Once a community solar garden is part of an electrical corporation's plan for
55 acquiring a new supply-side resource, the electrical corporation shall install a production
56 meter at the community solar garden in order to measure the amount of electricity and
57 renewable energy credits generated by such garden. The costs of installing the production
58 meter shall be paid for by the subscribers, or the owner if applicable, of the community
59 solar garden. The subscribers, or the owner if applicable, of the community solar garden
60 shall provide real-time production data to the electrical corporation to facilitate
61 incorporation of the community solar garden into the corporation's operation of its electric
62 system.

63 **6. If the energy generated by the community solar garden exceeds the energy**
64 **supplied by the electrical corporation during a billing period, the community solar garden**
65 **subscribers shall be billed the appropriate customer charges for that billing period, and**
66 **each subscriber shall be credited by calculating the subscriber's share of the electricity**
67 **production from the community solar garden by the electrical corporation's retail rate for**
68 **the relevant customer class, as charged to the subscriber. Any credits granted by this**
69 **subsection shall expire without any compensation at the earlier of twelve months after their**
70 **issuance, or when the subscriber disconnects service, or when the community solar garden**
71 **terminates the agreement to sell excess energy to the electrical corporation.**

72 **7. The subscribers, or the owner if applicable, shall be responsible for providing**
73 **to the electrical corporation, on a monthly basis and within reasonable periods set by the**
74 **electrical corporation, the percentage shares that should be used to determine the credit**
75 **to each subscriber, and the physical location to which the subscription shall be attributed.**
76 **If the energy output of the community solar garden is not fully subscribed, the electrical**
77 **corporation shall purchase the unsubscribed energy and the renewable energy credits at**
78 **a rate equal to the electrical corporation's kilowatt-hour retail rate for the relevant**
79 **customer class.**

80 **8. Beginning January 1, 2019, electrical corporations shall set forth in their**
81 **resource plan filed with the commission a proposal for including low-income customers as**
82 **subscribers to a community solar garden. The electrical corporation may give preference**
83 **to community solar gardens that have low-income subscribers.**

84 **9. Electrical corporations shall be eligible to recover a margin, in an amount**
85 **determined by the commission, on all energy and renewable energy credits purchased from**
86 **community solar gardens. Nothing in this section shall be construed to waive or supersede**
87 **the retail rate impact limitations set forth in section 393.1030. Expenditures for**
88 **unsubscribed energy and renewable energy credits generated by community solar gardens**
89 **shall be included in the calculations of retail rate impact required by section 393.1030.**

90 **10. This section shall not apply to rural electric cooperatives regulated under**
91 **chapter 394 or to municipally owned utilities regulated under chapter 91.**

92 **11. The commission shall promulgate rules and regulations to implement the**
93 **provisions of this section. Any rule or portion of a rule, as that term is defined in section**
94 **536.010, that is created under the authority delegated in this section shall become effective**
95 **only if it complies with and is subject to all of the provisions of chapter 536 and, if**
96 **applicable, section 536.028. This section and chapter 536 are nonseverable, and if any of**
97 **the powers vested with the general assembly pursuant to chapter 536 to review, to delay**
98 **the effective date, or to disapprove and annul a rule are subsequently held**
99 **unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted**
100 **after August 28, 2016, shall be invalid and void.**

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