

FIRST REGULAR SESSION

# HOUSE BILL NO. 997

## 99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE PLOCHER.

1901H.03I

D. ADAM CRUMBLISS, Chief Clerk

### AN ACT

To amend chapter 393, RSMo, by adding thereto one new section relating to the public service commission.

*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 393.1160, to read as follows:

**393.1160. 1. It shall be the policy of the state of Missouri for the public service commission to support expenditures by electrical corporations that maintain or improve the reliability, safety, security, efficiency, or automation of electric infrastructure, including through the use of the latest technologies to meet the needs and expectations of customers. It shall also be the policy of the state of Missouri for the public service commission to approve rates designed to allow electrical corporations to recover their full costs of service and provide a reasonable opportunity to earn a fair return. In furtherance of the policies stated in this section, the public service commission is specifically authorized to approve rate adjustment mechanisms not otherwise specifically authorized by statute including, but not limited to, mechanisms to promote modernization or replacement of an electrical corporation's infrastructure and is also specifically authorized to approve one or more of the following tools:**

- (1) Partially forecasted test years;**
- (2) True-ups of revenue requirements components;**
- (3) Tracking mechanisms;**
- (4) Grid modernization incentive mechanisms;**
- (5) Interim rates;**

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           **(6) Performance-based rates;**  
19           **(7) Decoupling; or**  
20           **(8) Decisional pre-approval with a postconstruction review of construction projects.**  
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22   **To the extent the public service commission's approval of a rate adjustment mechanism**  
23   **or other tool provided for by this section specifies a term over which the approval is to**  
24   **continue, the commission shall lack the authority to modify or eliminate the electrical**  
25   **corporation's use of the mechanism or tool during the specified term. Nothing in this**  
26   **section shall limit or eliminate the public service commission's authority existing prior to**  
27   **the effective date hereof.**

28           **2. No later than December 31, 2021, the commission shall prepare and file with the**  
29   **secretary of the senate and the chief clerk of the house of representatives a report on what**  
30   **impact, if any, the implementation of the provisions of this section have had on utility**  
31   **corporations and their customers. Said report shall include information as to use of a rate**  
32   **adjustment mechanism, grid modernization, customer benefits, and economic development**  
33   **as a result of such program or mechanism. Participating utility corporations shall**  
34   **cooperate in good faith to provide the data necessary for the preparation of the report**  
35   **required by this subsection.**

36           **3. The provisions of this section terminate on August 28, 2023.**

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