

FIRST REGULAR SESSION

SENATE BILL NO. 359

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR LAGER.

Read 1st time February 28, 2011, and ordered printed.

TERRY L. SPIELER, Secretary.

1785S.011

AN ACT

To repeal section 393.135, RSMo, and to enact in lieu thereof one new section relating to site development for energy generation facilities.

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

Section A. Section 393.135, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 393.135, to read as follows:

393.135. 1. Any charge made or demanded by an electrical corporation
2 for service, or in connection therewith, which is based on the costs of construction
3 in progress upon any existing or new facility of the electrical corporation, or any
4 other cost associated with owning, operating, maintaining, or financing any
5 property before it is fully operational and used for service, is unjust and
6 unreasonable, and is prohibited.

7 2. After October 1, 2011, an electrical corporation that seeks an
8 early site permit from the U.S. Nuclear Regulatory Commission, or a
9 successor organization, shall, upon commencement of the permitting
10 process, submit monitoring reports to the commission every six months
11 documenting work completed, total expenditures to date, work yet to
12 be completed, and anticipated expenditures yet to be incurred in order
13 to obtain the early site permit.

14 3. Notwithstanding the provisions of subsection 1 of this section,
15 an electrical corporation that has obtained an early site permit and
16 that has complied with subsection 2 of this section shall be entitled to
17 recover through rates charged to ratepayers all costs the electrical
18 corporation has prudently incurred, from the first dollar through the
19 cap outlined below, to obtain the permit in a principal amount not to
20 exceed forty-five million dollars for such site permit. Any electrical

21 corporation that, as part of a partnership or other group formed for
22 such purpose, contributes or otherwise bears any portion of the costs
23 incurred to obtain an early site permit shall also be entitled to recover
24 its share of such costs, provided the total principal amount does not
25 exceed the cost limitation included in this subsection. The principal
26 amount shall be recovered through each applicable electrical
27 corporation's rates charged to its ratepayers ratably over a period not
28 to exceed twenty years. In addition to recovery of the principal
29 amount, each applicable electrical corporation's rates shall also include
30 interest on the uncollected principal balance at a rate per annum equal
31 to the electrical corporation's commission-approved return on rate
32 base. Recovery shall commence with the effective date of tariffs
33 approved by the commission in each applicable electrical corporation's
34 first general rate proceeding following the date on which the early site
35 permit is obtained.

36 4. If an electrical corporation has recovered from ratepayers
37 expenditures for an early site permit pursuant to subsection 3 of this
38 section and then subsequently sells or transfers some or all of its
39 interest in the early site permit or subsequently receives
40 reimbursement for all or part of its costs from another source, the
41 commission shall prescribe how the electrical corporation shall credit
42 the sums paid by ratepayers that are equal to such sale, transfer, or
43 reimbursement amounts after the proceeds from the sale, transfer, or
44 reimbursement are received. The commission shall also prescribe how
45 any profits from such sale or transfer are shared between the electrical
46 corporation and ratepayers. Credits made to ratepayers shall include
47 interest on the uncredited balance at a rate per annum equal to the
48 electrical corporation's commission-approved short-term borrowing
49 rate.

50 5. If an electrical corporation that obtains an early site permit
51 does not obtain a combined license from the U.S. Nuclear Regulatory
52 Commission, or a successor organization, for the construction and
53 operation of a nuclear generating facility by the time the early site
54 permit expires, or does not commence construction of such a facility by
55 the time the early site permit expires, the commission shall open a
56 proceeding to examine whether the electrical corporation was
57 imprudent in not obtaining the combined license or not commencing

58 construction by the time the early site permit expired. If, after
59 hearing, the commission determines that the electrical corporation
60 acted imprudently, the commission shall require the electrical
61 corporation and any other applicable electrical corporation to credit
62 to ratepayers the amount of revenues deemed imprudent by the
63 commission that each electrical corporation collected pursuant to
64 subsection 3 of this section. If ratepayer credits are ordered, such
65 credits shall return to ratepayers, over a period of not less than five
66 nor more than ten years, the amount of revenues deemed imprudent by
67 the commission, including interest on the uncredited balance at a rate
68 per annum equal to the electrical corporation's commission-approved
69 short-term borrowing rate.

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