

SENATE COMMITTEE SUBSTITUTE
FOR
SENATE RESOLUTION NO. 2196

Whereas, sustained investment in electric, natural gas, water, and sewer utility infrastructure is vital to the economic vitality and well-being of the State of Missouri; and

Whereas, Missouri electric, natural gas, water, and sewer utility companies compete with utility companies in other states for the capital necessary to sustain investment in utility infrastructure in Missouri; and

Whereas, Missouri electric, natural gas, water, and sewer utility companies must achieve reasonable rates of return as compared to the rates of return achieved by utility companies in other states to ensure sustained investment in utility infrastructure in Missouri; and

Whereas, the utility regulatory process in Missouri, as it applies to electric, natural gas, water, and sewer corporations, is governed primarily by Chapter 393, RSMo, which is largely unchanged since original enactment in 1913; and

Whereas, the utility regulatory process and framework must be periodically evaluated in order to promote the interests of fairness and balance among all constituencies, by addressing policy and practice advances in areas including nontraditional regulatory rate plans, performance-based regulatory rate plans, incentive regulatory rate plans, capital recovery schedules, consistency of utility regulatory policy with generally accepted accounting principles, consistency of utility regulatory policy with financial accounting standards, consistency of utility regulatory policy with generally accepted engineering principles, communication between and among participants in the regulatory process, time schedules for the initiation and conclusion of proceedings before utility regulatory agencies, the role, function, and needs of the Public Service Commission, the role, function, and needs of the Office of Public Counsel, and the overall structure and cost of governmental utility regulatory agencies and the utility regulatory process:

Now Therefore Be It Resolved that the members of the Senate of the Ninety-eighth General Assembly, Second Regular Session, hereby establish the Senate Committee on Utility Regulation and Infrastructure Investment; and

Be It Further Resolved that such committee be composed of six members of the Senate, to be

appointed by the President Pro Tempore, with four members being of the majority party and two members being of the minority party; and

Be It Further Resolved that such committee conduct in-depth studies and make appropriate recommendations concerning: how the Missouri utility regulatory process and framework, and the results of such process and framework, compares to other states for electric, natural gas, water, and sewer utility companies; and how the utility regulatory process in Missouri can, or should, be modernized to be more efficient and effective, to ensure sustained investment in utility infrastructure and promote the interests of fairness and balance among all constituencies, including consumers and shareholders of regulated utility companies; and

Be It Further Resolved that such committee may present a final report, together with its recommendations for any legislative action it deems necessary for submission to the General Assembly by December 31, 2016, at which point the committee shall be dissolved; and

Be It Further Resolved that such committee may solicit any input and information necessary to fulfill its obligations from the Missouri Public Service Commission, the Department of Economic Development, the Office of Public Counsel, political subdivisions of this state, regulated utilities, and consumer groups; and

Be It Further Resolved that Senate Research shall provide such legal, research, clerical, technical and bill drafting services as the committee may require in the performance of its duties; and

Be It Further Resolved that such committee, its members, and any staff assigned to the committee shall receive reimbursement for their actual and necessary expenses incurred in attending meetings of such committee.