

SECOND REGULAR SESSION

SENATE BILL NO. 630

98TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR HOLSMAN.

Pre-filed December 1, 2015, and ordered printed.

ADRIANE D. CROUSE, Secretary.

4566S.02I

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

22 population of less than twenty thousand, the subscriber may designate
23 a physical location in another county also with a population of less
24 than twenty thousand that is within the service territory of the same
25 electrical corporation. The subscriber may change the locations to
26 which the subscription shall be attributed on an annual basis;

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

36 2. In all electrical corporation resource plans filed with the
37 commission, electrical corporations shall set forth the electrical
38 corporation's plan for acquiring or constructing supply-side resources.
39 If, according to the electrical corporation's resource plan, the electrical
40 corporation intends to acquire or construct a supply-side resource, the
41 electrical corporation shall provide for a plan to purchase the energy
42 and renewable energy credits generated from one or more community
43 solar gardens over the period covered by the plan.

44 3. Beginning on January 1, 2017, if an electrical corporation
45 plans to acquire or construct one or more supply-side resources, the
46 electrical corporation shall issue one or more standard offers to
47 purchase energy from community solar gardens of five hundred
48 kilowatts or less at prices that are comparable to the prices offered by
49 the electrical corporation to any customer-generator under section
50 386.890. However, at no point shall the output from the community
51 solar gardens and the renewable energy credits generated from such be
52 used to achieve more than twenty percent of the electrical
53 corporation's renewable energy standard portfolio requirements set
54 forth in section 393.1030, and at no point shall the electrical
55 corporation be obligated to purchase more than six megawatts of
56 energy generated from community solar gardens for the first three
57 years the electrical corporation complies with this section.

58 4. Beginning on January 1, 2022, if, according to the electrical

59 corporation's resource plan, the electrical corporation intends to
60 acquire or construct a supply-side resource, the electrical corporation
61 shall provide for a plan to purchase the energy and renewable energy
62 credits generated from one or more community solar gardens. The
63 commission shall determine the minimum and maximum purchases of
64 energy from community solar gardens of different output capacity that
65 the electrical corporation shall plan to acquire.

66 5. The energy generated by a community solar garden shall be
67 sold only to the electrical corporation serving the geographic area
68 where the community solar garden is located. Once a community solar
69 garden is part of an electrical corporation's plan for acquiring a new
70 supply-side resource, the electrical corporation shall install a
71 production meter at the community solar garden in order to measure
72 the amount of electricity and renewable energy credits generated by
73 such garden. The costs of installing the production meter shall be paid
74 for by the subscribers, or the owner if applicable, of the community
75 solar garden. The subscribers, or the owner if applicable, of the
76 community solar garden shall provide real-time production data to the
77 electrical corporation to facilitate incorporation of the community
78 solar garden into the corporation's operation of its electric system.

79 6. If the energy generated by the community solar garden
80 exceeds the energy supplied by the electrical corporation during a
81 billing period, the community solar garden subscribers shall be billed
82 the appropriate customer charges for that billing period, and each
83 subscriber shall be credited by calculating the subscriber's share of the
84 electricity production from the community solar garden by the
85 electrical corporation's retail rate for the relevant customer class, as
86 charged to the subscriber. Any credits granted by this subsection shall
87 expire without any compensation at the earlier of twelve months after
88 their issuance, or when the subscriber disconnects service, or when the
89 community solar garden terminates the agreement to sell excess energy
90 to the electrical corporation.

91 7. The subscribers, or the owner if applicable, shall be
92 responsible for providing to the electrical corporation, on a monthly
93 basis and within reasonable periods set by the electrical corporation,
94 the percentage shares that should be used to determine the credit to
95 each subscriber and the physical location to which the subscription

96 shall be attributed. If the energy output of the community solar garden
97 is not fully subscribed, the electrical corporation shall purchase the
98 unsubscribed energy and the renewable energy credits at a rate equal
99 to the electrical corporation's kilowatt-hour retail rate for the relevant
100 customer class.

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

106 9. Electrical corporations shall be eligible to recover a margin,
107 in an amount determined by the commission, on all energy and
108 renewable energy credits purchased from community solar
109 gardens. Nothing in this section shall be construed to waive or
110 supersede the retail rate impact limitations set forth in section
111 393.1030. Expenditures for unsubscribed energy and renewable energy
112 credits generated by community solar gardens shall be included in the
113 calculations of retail rate impact required by section 393.1030.

114 10. This section shall not apply to rural electric cooperatives
115 regulated under chapter 394, or to municipally owned utilities
116 regulated under chapter 91.

117 11. The commission shall promulgate rules and regulations to
118 implement the provisions of this section. Any rule or portion of a rule,
119 as that term is defined in section 536.010 that is created under the
120 authority delegated in this section shall become effective only if it
121 complies with and is subject to all of the provisions of chapter 536, and,
122 if applicable, section 536.028. This section and chapter 536 are
123 nonseverable and if any of the powers vested with the general assembly
124 pursuant to chapter 536, to review, to delay the effective date, or to
125 disapprove and annul a rule are subsequently held unconstitutional,
126 then the grant of rulemaking authority and any rule proposed or
127 adopted after August 28, 2016, shall be invalid and void.