

SENATE BILL NO. 1473

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR TRENT.

5879S.011

KRISTINA MARTIN, Secretary

AN ACT

To amend chapter 393, RSMo, by adding thereto one new section relating to rebates by electrical corporations.

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

Section A. Chapter 393, RSMo, is amended by adding thereto
2 one new section, to be known as section 393.2500, to read as
3 follows:

393.2500. 1. As used in this section, the following
2 terms shall mean:

3 (1) "Commission", the Missouri public service
4 commission;

5 (2) "Customer-generator", the same as defined in
6 section 386.890;

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

9 (4) "Energy storage system", commercially available
10 technology that is capable of absorbing energy and storing
11 it for a period of time for use at a later time, including
12 but not limited to electrochemical, thermal, and
13 electromechanical technologies, and may be interconnected
14 behind the customer's meter or interconnected behind its own
15 meter;

16 (5) "Smart inverter", a device that converts direct
17 current from solar panels into alternating current and meets

18 all applicable safety, performance, interconnection, and
19 reliability standards established by the National Electrical
20 Code, the National Electrical Safety Code, the Institute of
21 Electrical and Electronics Engineers, Underwriters
22 Laboratories, the Federal Energy Regulatory Commission, and
23 any local governing authorities.

24 2. Within ninety days after August 28, 2026, an
25 electrical corporation shall file an application with the
26 commission requesting approval of the corporation's tariff
27 to provide a rebate to any customer-generator installing any
28 energy storage system and, if applicable, a new solar
29 electric system at the customer-generator's premises for the
30 customer-generator's own use. The rebate shall be as
31 follows:

32 (1) Two dollars per watt for systems becoming
33 operational on or before June 30, 2027;

34 (2) One dollar and fifty cents per watt for systems
35 becoming operational between July 1, 2027, and June 30, 2028;

36 (3) One dollar per watt for systems becoming
37 operational between July 1, 2028, and June 30, 2029;

38 (4) Fifty cents per watt for systems becoming
39 operational between July 1, 2029, and June 30, 2030;

40 (5) Fifty cents per watt for systems becoming
41 operational between July 1, 2030, and June 30, 2031; or

42 (6) Twenty-five cents per watt for systems becoming
43 operational between July 1, 2031, and June 30, 2032.

44 The rebate amounts under this subsection shall be issued
45 until such funds expire or exceed the allotted amounts. An
46 electrical corporation may, through its tariffs, require
47 applications for rebates to be submitted by customer-

generators up to one hundred and eighty days prior to June 30, 2027.

3. The commission shall review the application under subsection 2 of this section and make modifications, if necessary, that are consistent with the commission's authority under chapter 386. No later than one hundred and eighty days after the electrical corporation files the application under subsection 2 of this section, the commission shall hold a hearing and issue an order approving, or approving with modifications, the tariff.

4. To be eligible for a rebate under this section, a customer-generator shall:

(1) Have a smart inverter installed at the customer's premises that is interconnected to distribution facilities owned or operated by an electrical corporation;

(2) Install an energy storage system;

(3) Connect an energy storage system to a new or existing solar electric system sited on the customer-generator's premises that is confirmed by the electrical corporation to have become operational and in compliance with the provisions of section 386.890; and

(4) Transfer to the electrical corporation all rights, titles, and interest in and to the renewable energy credits associated with the solar electric system and energy storage system that qualified the customer-generator for the rebate for a period of ten years from the date the electrical corporation confirmed that the energy storage system was installed and operational.

5. An electrical corporation's obligation to make rebate payments under this section shall not exceed the following limitations:

79 (1) As of August 28, 2026, an electrical corporation
80 with one million or more customers in the state shall not be
81 obligated to pay rebates in any calendar year from 2026
82 through 2032 in an amount exceeding five million six hundred
83 thousand dollars or in an aggregate amount exceeding twenty-
84 eight million dollars;

85 (2) As of August 28, 2026, an electrical corporation
86 with less than one million but more than two hundred
87 thousand customers in the state shall not be obligated to
88 pay rebates in any calendar year from 2026 through 2032 in
89 an amount exceeding one million six hundred thousand dollars
90 or in an aggregate amount exceeding eight million dollars;
91 and

92 (3) As of August 28, 2026, an electrical corporation
93 with two hundred thousand or less customers in the state
94 shall not be obligated to pay rebates in any calendar year
95 from 2026 through 2032 in an amount exceeding one million
96 four hundred thousand dollars or in an aggregate amount
97 exceeding seven million dollars.

98 6. After the issuance of the rebate under this
99 section, an electrical corporation shall be permitted to
100 recover the cost of all rebate payments it has made through
101 either base rates or a rate adjustment mechanism under
102 section 393.1030 and shall also be permitted to defer and
103 amortize the recovery of such costs, including interest at
104 the electrical corporation's short-term borrowing rate,
105 through either base rates or a surcharge over a period of
106 the electrical corporation's choice not to exceed five
107 years, provided that if recovery of such costs in such
108 manner and over such a time period would cause the
109 electrical corporation to exceed the one percent maximum
110 average retail rate increase limitation required by

subdivision (1) of subsection 2 of section 393.1030. The recovery of such costs that would exceed the one percent maximum average retail rate increase limitation shall be deferred by the electrical corporation to a regulatory asset to which carrying costs at the electrical corporation's weighted average cost of capital shall be added and recovered through base rates or through a rate adjustment mechanism under section 393.1030, as soon as practicable.

7. The commission shall promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2026, shall be invalid and void.

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