

SENATE BILL NO. 1750

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR MCCREERY.

7195S.02I

KRISTINA MARTIN, Secretary

AN ACT

To repeal section 393.130, RSMo, and to enact in lieu thereof two new sections relating to the regulation of large load electric customers.

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

Section A. Section 393.130, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 393.130 and 393.325, to read as follows:

393.130. 1. Every gas corporation, every electrical corporation, every water corporation, and every sewer corporation shall furnish and provide such service instrumentalities and facilities as shall be safe and adequate and in all respects just and reasonable. All charges made or demanded by any such gas corporation, electrical corporation, water corporation or sewer corporation for gas, electricity, water, sewer or any service rendered or to be rendered shall be just and reasonable and not more than allowed by law or by order or decision of the commission. Every unjust or unreasonable charge made or demanded for gas, electricity, water, sewer or any such service, or in connection therewith, or in excess of that allowed by law or by order or decision of the commission is prohibited.

2. No gas corporation, electrical corporation, water corporation or sewer corporation shall directly or

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

18 indirectly by any special rate, rebate, drawback or other
19 device or method, charge, demand, collect or receive from
20 any person or corporation a greater or less compensation for
21 gas, electricity, water, sewer or for any service rendered
22 or to be rendered or in connection therewith, except as
23 authorized in this chapter, than it charges, demands,
24 collects or receives from any other person or corporation
25 for doing a like and contemporaneous service with respect
26 thereto under the same or substantially similar
27 circumstances or conditions.

28 3. No gas corporation, electrical corporation, water
29 corporation or sewer corporation shall make or grant any
30 undue or unreasonable preference or advantage to any person,
31 corporation or locality, or to any particular description of
32 service in any respect whatsoever, or subject any particular
33 person, corporation or locality or any particular
34 description of service to any undue or unreasonable
35 prejudice or disadvantage in any respect whatsoever.

36 4. Nothing in this section shall be taken to prohibit
37 a gas corporation, electrical corporation, water corporation
38 or sewer corporation from establishing a sliding scale for a
39 fixed period for the automatic adjustment of charges for
40 gas, electricity, water, sewer or any service rendered or to
41 be rendered and the dividends to be paid stockholders of
42 such gas corporation, electrical corporation, water
43 corporation or sewer corporation; provided, that the sliding
44 scale shall first have been filed with and approved by the
45 commission; but nothing in this subsection shall operate to
46 prevent the commission after the expiration of such fixed
47 period from fixing proper, just and reasonable rates and
48 charges to be made for service as authorized in sections
49 393.110 to 393.285.

50 5. No water corporation shall be permitted to charge
51 any municipality or fire protection district a rate for the
52 placing and providing of fire hydrants for distribution of
53 water for use in protecting life and property from the
54 hazards of fire within such municipality or fire protection
55 district. Nothing herein shall prevent such water
56 corporation from including the cost of placement and
57 maintenance of such fire hydrants in its cost basis in
58 determining a fair and reasonable rate to be charged for
59 water. Any such fee or rental charge being made for such
60 fire hydrants whether by contract or otherwise at the time
61 this act shall take effect may remain in effect for a period
62 of one hundred twenty days after this section shall take
63 effect.

64 6. In any home rule city with more than four hundred
65 thousand inhabitants and located in more than one county,
66 any deposits held by the city for any water or sewerage
67 services provided to a customer at any premises shall accrue
68 interest if the customer is current in payments for water
69 and sewerage services and if the city has held the deposit
70 for two or more years. Interest for each year, or part
71 thereof, shall accrue at the rate set for six month United
72 States treasury bills effective December thirty-first of the
73 preceding year. For any deposit held by the city on or
74 before the December thirty-first prior to August 28, 2002,
75 if that deposit is still held by the city on the December
76 thirty-first one year next following August 28, 2002,
77 interest accruing pursuant to this section from the
78 effective date shall be credited to the customer's
79 individual account, or paid to the customer, at the city's
80 discretion.

81 7. Each electrical corporation providing electric
82 service to more than two hundred fifty thousand customers
83 shall develop and submit to the commission schedules to
84 include in the electrical corporation's service tariff
85 applicable to customers who are reasonably projected to have
86 above an annual peak demand of [one hundred] **fifty** megawatts
87 or more. The schedules should reasonably ensure such
88 customers' rates will reflect the customers' representative
89 share of the costs incurred to serve the customers and
90 prevent other customer classes' rates from reflecting any
91 unjust or unreasonable costs arising from service to such
92 customers. Each electrical corporation providing electric
93 service to two hundred fifty thousand or fewer customers as
94 of January 1, 2025, shall develop and submit to the
95 commission such schedules applicable to customers who are
96 reasonably projected to have above an annual peak demand of
97 fifty megawatts or more. The commission may order
98 electrical corporations to submit similar tariffs to
99 reasonably ensure that the rates of customers who are
100 reasonably projected to have annual peak demands below the
101 above-referenced levels will reflect the customers'
102 representative share of the costs incurred to serve the
103 customers and prevent other customer classes' rates from
104 reflecting any unjust or unreasonable costs arising from
105 service to such customers.

**393.325. 1. As used in this section, the following
2 terms mean:**

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

**5 (2) "Electrical corporation", the same as defined in
6 section 386.020;**

7 (3) "Large load facility", a facility that centralizes
8 an organization's information technology operations and
9 equipment for storing, managing, processing, and
10 transmitting data. A large load facility contains critical
11 information technology infrastructure, including servers,
12 storage systems, and networking equipment supported by
13 electrical generation, cooling, and security systems;

14 (4) "Public utility", the same as defined in section
15 386.020;

16 (5) "Study costs", a financial analysis, feasibility,
17 and estimation expenses projected to be incurred from
18 planning, constructing, operating, or upgrading a large load
19 facility.

20 2. An owner or operator of a large load facility with
21 an intent to operate the facility in the state after August
22 28, 2026, shall file a disclosure of intent to operate with
23 the commission before signing any binding contract with any
24 public utility. Such disclosure shall include at a minimum:

25 (1) Intent to operate;

26 (2) Geographical location of operation; and

27 (3) Facility specifics as applicable:

28 (a) Predicted energy needs of operation and strategies
29 for effectiveness of use;

30 (b) Projected water usage estimates and strategies for
31 effectiveness of use;

32 (c) Projected total harmonic distortion measurements;

33 (d) Airflow management plan;

34 (e) Cooling system type and plan;

35 (f) Plans for expansion of site; and

36 (g) Plans for onsite power generation.

37 3. During the review process of the disclosure under
38 subsection 2 of this section, the commission shall take into

39 account the availability of local, state, and regional
40 resources, including the current availability of electric
41 generation, distribution, and transmission infrastructure to
42 operate a large load facility without putting an electric
43 burden on other customers connected to the same electric
44 grid as the proposed large load facility. The commission
45 shall make the disclosure publicly accessible on the
46 commission's website. The commission shall require an owner
47 or operator to include the following in the disclosure:

48 (1) Provide baseline measurements of the proposed site
49 to identify any existing issues with building a large load
50 facility before the site is developed;

51 (2) Provide power generation specifics that the large
52 load facility plans to have on site;

53 (3) Sign an affidavit that the large load facility
54 shall enter into a contract with a public utility; and

55 (4) Show that a large load facility shall have a
56 minimum contract term of twenty years with an electrical
57 corporation and a five-year period of termination with a
58 five-year disconnection notice.

59 4. The commission shall have the authority to approve,
60 provisionally approve with the description of metrics needed
61 for full approval, or deny the disclosure if the large load
62 facility fails to meet the state and regional generation,
63 distribution, or transmission infrastructure requirements.

64 5. Upon approval of the disclosure under subsection 2
65 of this section, an owner or operator of a large load
66 facility shall conduct a preconstruction study of the large
67 load facility and submit the results of the study to the
68 commission. The study shall include, but not be limited to,
69 the following:

70 (1) The use of cooling systems;

- 71 (2) Power distribution;
- 72 (3) Hardware efficiency;
- 73 (4) Airflow management;
- 74 (5) Modular design for expansion, if necessary;
- 75 (6) Onsite power generation plan, if applicable;
- 76 (7) Water usage effectiveness, including but not
- 77 limited to:
- 78 (a) Preconstruction water usage;
- 79 (b) Preconstruction water availability;
- 80 (c) Historical and projected weather patterns;
- 81 (d) Water demand for a data center and demand for the
- 82 customers in the area who may be impacted;
- 83 (e) Potential water shortfall plan;
- 84 (f) Onsite water treatment plan, if applicable; and
- 85 (g) The use of water on cooling systems, if applicable;
- 86 (8) Any feedback from the department of natural
- 87 resources and relevant soil and water conservation district,
- 88 if any, on the large load facility's water use and the
- 89 impact on local communities; and
- 90 (9) Harmonic distortion measurements not to exceed
- 91 fifty decibels between the hours of 9 a.m. to 9 p.m. and
- 92 forty-five decibels between the hours of 9 p.m. to 9 a.m.

93 The study under this subsection shall be conducted for the

94 second time after the construction of the large load

95 facility is completed to ensure no deficiencies are present

96 and whether mitigation is necessary. If the

97 postconstruction study shows any deficiencies or

98 disparities, the owner or operator shall pay for any

99 mitigation expenses. Results of the pre and

100 postconstruction studies shall be reported to the commission

101 and shall be made available to the public before and after

102 construction is completed and annually thereafter in a
103 format determined by the commission.

104 6. After the disclosure under subsection 2 of this
105 section is approved by the commission, an owner or operator
106 of the large load facility shall be required to:

107 (1) Deposit and maintain in a financial institution
108 authorized to do business in the state a sum equal to the
109 total cost of twenty-four months of minimum monthly payments
110 for electric consumption by the large load facility;

111 (2) Provide collateral equal to five years of minimum
112 monthly bills;

113 (3) Pay for the large load facility's electric
114 capacity, including that in the event the large load
115 facility's electric consumption falls below ninety percent,
116 the large load facility shall continue as if the facility is
117 operating at capacity;

118 (4) Cover the costs of transmission network upgrades
119 as necessary;

120 (5) Cover the costs of capital expenditure for any
121 needed infrastructure for generation, distribution, or
122 transmission network upgrades to make such facility
123 operational; and

124 (6) Cover the cost of capital expenditure and
125 maintenance costs of the facility to prevent the degradation
126 of power quality, water quality, and the reduction of
127 harmonic distortion.

128 Costs under subdivisions (4), (5), and (6) of this
129 subsection shall not be shifted to any other class of
130 ratepayers in a general rate proceeding.

131 7. After a large load facility becomes operational, an
132 owner or operator of the facility shall contribute to a

133 statewide organization aimed at supporting nonprofit
134 organizations operating the federal Low Income Home Energy
135 Assistance Program or the Missouri low-income weatherization
136 assistance program or to the Utilicare plan pursuant to
137 sections 660.100 to 660.136 annually, as follows:

138 (a) A large load facility that consumes between zero
139 to twenty-five megawatts of electricity shall pay two
140 hundred fifty thousand dollars;

141 (b) A large load facility that consumes between twenty-
142 five to fifty megawatts of electricity shall pay five
143 hundred thousand dollars; or

144 (c) A large load facility that consumes more than
145 fifty megawatts of electricity shall pay one million dollars.

146 8. (1) Any large load facility with a peak electrical
147 demand of greater than twenty-five megawatts shall implement
148 an emergency curtailment system for temporary reduction or
149 suspension of electric usage. Such system shall allow an
150 electrical corporation that provides electricity to the
151 facility to temporarily reduce or suspend electric service
152 during firm load emergencies including, but not limited to,
153 low operating energy reserves or rotating electrical outages.

154 (2) A Large load facility under this subsection may
155 switch to backup generation that is self-supported during
156 firm load emergency curtailment procedures.

157 (3) A large load facility under this subsection shall
158 submit annual energy consumption data and emergency
159 curtailment plans to the commission and such plans shall be
160 made available by the commission on the commission's website
161 to the public.

162 (4) A large load facility under this subsection that
163 provides services to entities that provide critical services
164 including, but not limited to, hospitals, long-term care

165 facilities, or first-responder facilities shall be exempted
166 from the provisions of this subsection.

167 9. A large load facility shall not get a refund
168 relating to any capacity adjustment. Such refund shall be
169 processed through a fuel adjustment clause.

170 10. An owner or operator of a large load facility
171 shall be required to pay for the facility's interconnection
172 and study costs. Such costs shall not be shifted to
173 ratepayers in a general rate proceeding.

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

✓