

FIRST REGULAR SESSION

# HOUSE BILL NO. 1148

## 95TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES HOLSMAN (Sponsor), CALLOWAY, CARTER,  
TALBOY AND ATKINS (Co-sponsors).

1399L.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To amend chapter 640, RSMo, by adding thereto four new sections relating to the Missouri sustainable energy authority act.

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

Section A. Chapter 640, RSMo, is amended by adding thereto four new sections, to be known as sections 640.690, 640.692, 640.694, and 640.695, to read as follows:

**640.690. As used in sections 640.690 to 640.694, the following words shall mean:**

(1) "Authority", the Missouri sustainable energy authority;

(2) "Department", the department of natural resources;

(3) "Energy efficiency program", a program under the direction of the authority to help consumers reduce energy usage. Any moneys in such program shall also be used to weatherize state buildings, including the state capitol building and the governor's mansion and commercial and residential weatherization statewide;

(4) "Missouri renewable energy loan program", a program that provides low interest loans for green building projects and other renewable energy-related projects;

(5) "Statewide recycling program", a program to promote and encourage recycling, invest in recycling technologies, raise recycling awareness, and support nonprofit recycling programs and activities;

(6) "Utility company", any electrical corporation, gas corporation, or water corporation in this state.

**640.692. 1. Within the department, there is hereby created the "Missouri Sustainable Energy Authority". The authority shall be composed of two members of the**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

3 house of representatives, one from each political party, selected by the respective majority  
4 and minority leaders, two members of the senate, one from each political party, selected  
5 by the respective majority and minority leaders, the director of the department of natural  
6 resources, and four industry representatives appointed by the governor with the advice  
7 and consent of the senate. Appointed members of the commission shall serve four-year  
8 terms, except that members selected from the house of representatives and the senate shall  
9 serve two-year terms and of the initial appointments made by the governor, two shall be  
10 for a two-year term, one shall be for a three-year term, and one shall be for a four-year  
11 term. Any person appointed to fill a vacancy shall be appointed to serve only for the  
12 unexpired term. Members of the authority shall be eligible for reappointment. The  
13 members of the authority shall serve without compensation but shall be reimbursed for all  
14 actual and necessary expenses incurred in the performance of their official duties for the  
15 authority.

16 2. The authority shall manage the moneys collected under subsection 1 of section  
17 640.694 for the renewable portfolio credits purchased by a utility company and oversee the  
18 solar and wind incentive program under section 640.695, the energy efficiency program,  
19 and the Missouri renewable energy loan program. The authority shall also oversee state  
20 funding for the center for sustainable energy at the University of Missouri and any  
21 statewide recycling program.

640.694. 1. A utility company in this state shall charge a three-tenths of a cent  
2 sustainable energy surcharge to all kilowatt hours used by a consumer in excess of one  
3 thousand five hundred kilowatts of electricity in a thirty-day cycle. However, no utility  
4 company shall charge such surcharge to a consumer who is sixty-five years of age or older,  
5 a consumer whose income is three hundred percent of the federal poverty level, if the  
6 consumer is single, or a consumer whose income is three hundred percent of the federal  
7 poverty level, if the consumer is married. Any moneys collected from the sustainable  
8 energy surcharge shall be used to purchase renewable portfolio credits from the authority.  
9 Such credits purchased may be used by a utility company to increase its renewable energy  
10 portfolio standard provided in section 393.1025, RSMo. Any money the authority receives  
11 from the sale of renewable portfolio credits shall be used to help fund the solar and wind  
12 incentive program established under section 640.695, the energy efficiency program, any  
13 low-interest loan for greenbuilding projects, the center for sustainable energy, and any  
14 statewide recycling program.

15 2. There is hereby established the "Missouri State Sustainable Portfolio Credit"  
16 which may be sold to both public and private utilities in other states. The value of the  
17 credit shall be determined by the authority on an annual basis.

18           **3. If a utility company has already met its target renewable energy portfolio**  
19 **standard under section 393.1025, RSMo, but is receiving the sustainable energy surcharge**  
20 **under subsection 1 of this section, the utility company shall:**

21           **(1) Purchase an opt-out credit equaling seventy-five percent of the revenue received**  
22 **from such surcharge; and**

23           **(2) Apply the remaining twenty-five percent of revenue received from such**  
24 **surcharge toward renewable and alternative forms of energy and research and**  
25 **development.**

**640.695. 1. There is hereby established within the department the "Solar and Wind**  
2 **Incentive Program", which shall provide financial incentives for the purchase and**  
3 **installation of a solar photovoltaic system or wind turbine.**

4           **2. As used in this section, the following terms shall mean:**

5           **(1) "Applicant", a person who is applying to participate in the program;**

6           **(2) "Department", the department of natural resources;**

7           **(3) "Program", the solar and wind incentive program;**

8           **(4) "Solar photovoltaic system", a device that converts sunlight into electrical**  
9 **current;**

10           **(5) "Wind turbine", a rotating machine which converts kinetic energy in wind into**  
11 **mechanical energy that generates under ten thousand kilowatts.**

12           **3. Subject to appropriations from the Missouri sustainable energy authority, the**  
13 **department shall provide assistance to those applicants who are residential owners of**  
14 **private property who install a solar photovoltaic system or wind turbine.**

15           **4. A solar photovoltaic system or wind turbine qualifies for assistance under this**  
16 **section if:**

17           **(1) The system or turbine is installed by a state-licensed master electrician,**  
18 **electrical contractor, or solar contractor;**

19           **(2) The system or turbine complies with the state interconnection standards as**  
20 **provided by the public service commission; and**

21           **(3) The system or turbine complies with all applicable building codes.**  
22

23 **The local utility company shall certify that the requirements of this subsection have been**  
24 **met before any such assistance is given to an applicant.**

25           **5. To receive such assistance, an applicant shall apply to the department. If the**  
26 **solar photovoltaic system or wind turbine qualifies, an applicant shall receive fifty percent**  
27 **of the cost to install the solar photovoltaic system or wind turbine; however, such amount**  
28 **shall not exceed twelve thousand dollars for each applicant. Assistance shall be allowed**

29 once to an individual every three years. The total amount of assistance the department  
30 may give under this section shall not exceed five hundred thousand dollars per year. To  
31 receive such assistance, the applicant shall submit the receipt of installation along with the  
32 certification required in subsection 4 of this section to the department.

33 6. The department shall promulgate rules to implement the provisions of this  
34 section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo,  
35 that is created under the authority delegated in this section shall become effective only if  
36 it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if  
37 applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable  
38 and if any of the powers vested with the general assembly under chapter 536, RSMo, to  
39 review, to delay the effective date, or to disapprove and annul a rule are subsequently held  
40 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted  
41 after August 28, 2009, shall be invalid and void.

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