

The Alliance Advantage



MPUA
Missouri Public Utility Alliance

Missouri Association of Municipal Utilities
Missouri Joint Municipal Electric Utility Commission
Municipal Gas Commission of Missouri

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Renewable Energy Standard Proposed for November 2012 Ballot

Ewell Lawson
Government Relations &
Member and Finance Services
elawson@mpua.org

A long-anticipated ballot initiative seeking to rework a 2008 renewable mandate on electric utilities has been supplied to the Secretary of State for approval on the November ballot. The filing must be reviewed for form, legality, and fiscal cost before it can be approved for petitioners to collect signatures from voters to place the issue on the 2012 ballot.

Like the 2008 Proposition C Ballot Initiative, petitioners are not seeking a direct mandate on municipal or cooperative electric systems. These systems are locally-regulated and have made important early and innovative strides to incorporate renewable energy into their portfolios where economically viable. However, municipal and cooperative systems are penalized by this new proposal because they are precluded from selling renewable energy credits in a Missouri market which would ease any economic burdens a renewable project might have in these systems.

The 2008 initiative petition mandated a ramp-up of renewable energy investment equaling 15 percent by 2021. The 2012 initiative would change that mandate to 25 percent by 2026 and require the investment to be made in-state.

The in-state investment provision is meant to avoid the administrative rules battle that ensued after the last ballot initiative. In that case, the arguments before the PSC, which eventually led to a legislative oversight panel on administrative rules, dealt with how to integrate energy produced in-state versus out-of-state sources into an overall mandate to use renewable sources. Implementation problems also centered on how to calculate a cost cap built into the measure.

Finally, the new initiative repeals the hard cost cap provisions of the 2008 initiative and opens cost recovery of renewable energy to the discretion of the Public Service Commission as well as opening a new hot button issue relating to the funding of the Office of Public Council.

2012 Legislative Sessions begins January 4...

December 1st marked the day that legislators were first able to file bills for the 2012 legislative session. The session will begin on January 4th and end on May 18th. As of this writing, 88 bills have been filed in the House and 162 filings were reported in the Senate.

Early bills filed indicate that legislator concerns affecting our industry are related to fixing the prevailing wage on maintenance, sustainable building construction, and mandates on local employment in public works projects. Our legislative team anticipates other issues to be considered this session might include landlord-tenant utility liability changes, pole attachment legislation, railroad easement access, water quality and watershed management, interconnection agreements, and underground facility safety and maintenance legislation.

Please plan to attend our MAMU Legislative Committee on January 10 at 10am in Jefferson City (200 Madison Street, Governor Office Building – room 315) to get the latest update on what is occurring in JC. Watch for a MAMU board member email for more details or contact Ewell Lawson (elawson@mpua.org) if you would like to participate. ■