

HOUSE AMENDMENTS TO HOUSE BILL 3274

By COMMITTEE ON ENERGY AND ENVIRONMENT

April 16

1 On page 1 of the printed bill, line 3, after “758.515” delete the rest of the line and insert “and
2 758.525.”.

3 On page 3, line 11, delete “468A.210” and insert “469A.210”.

4 On page 7, line 6, after “commission” delete the rest of the line and delete lines 7 through 17
5 and insert “and shall give notice of the time and place of the hearing.”

6 “(c) Schedules filed by public utilities that adjust avoided costs may not take effect until ninety
7 days after the date on which the public utility files the schedule.”.

8 Delete lines 30 through 39 and insert:

9 “(3)(a) If an electric utility makes an offer to purchase energy and capacity to a qualifying fa-
10 cility that, at the time of the offer, has been paid by the electric utility for energy and capacity for
11 at least 15 years, the electric utility shall, as part of a contract to purchase the energy and capacity,
12 provide the qualifying facility with the option of delivering the energy and capacity in exchange for
13 an immediate payment of the projected fixed costs of capacity for the term of the contract that the
14 electric utility would avoid by purchasing the output of the qualifying facility. Projected fixed costs
15 of capacity for purposes of this subsection shall include but need not be limited to the capital, land,
16 tax, salary and insurance costs of baseload, peaking, renewable generation and storage facilities.

17 “(b) Paragraph (a) of this subsection may not be interpreted to prevent the commission from
18 requiring an electric utility to, as part of any contract not described in paragraph (a) of this sub-
19 section to purchase energy and capacity, provide a qualifying facility with the option of delivering
20 energy and capacity in exchange for an immediate payment of the projected fixed costs of capacity
21 for the term of the contract that the electric utility would avoid by purchasing the output of the
22 qualifying facility.”.

23 On page 8, after line 8, insert:

24 “(6)(a) A public utility shall offer, and the commission shall approve, standard avoided cost rates
25 and contracts for purchases of energy or energy and capacity from qualifying facilities with a design
26 capacity of not more than 10,000 kilowatts alternating current.

27 “(b) For purposes of this subsection:

28 “(A) The design capacity of a qualifying facility shall be calculated as the maximum amount of
29 electric energy in alternating current that the qualifying facility, including any energy storage de-
30 vices associated with the facility, is capable of delivering to the electrical grid, as measured on a
31 rolling one-hour basis, without exceeding facility controls, interconnection capacity or transformer
32 capacity; and

33 “(B) A qualifying facility that includes any associated energy storage devices shall be eligible
34 for all applicable standard avoided cost rates and contracts offered to other qualifying facilities with
35 a similar design capacity, if:

1 “(i) The energy storage devices are charged with energy solely from the qualifying facility with
2 which the energy storage devices are associated; and

3 “(ii) The qualifying facility meets the requirements of the Federal Energy Regulatory Commis-
4 sion for qualifying facilities.

5 “(c) A qualifying facility that utilizes generation technology characterized as variable or inter-
6 mittent shall be eligible for standard avoided cost rates and contracts that have been approved by
7 the commission for qualifying facilities that utilize generation technology characterized as firm,
8 baseload or nonvariable if the qualifying facility is capable, through the use of associated energy
9 storage devices or otherwise, of:

10 “(A) Reasonably demonstrating an ability to meet the same contribution to the public utility’s
11 peak capacity as the qualifying facilities that utilize generation technology characterized as firm,
12 baseload or nonvariable; or

13 “(B) Committing to the contractual requirements associated with the standard avoided cost rates
14 approved by the commission for qualifying facilities that utilize generation technology characterized
15 as firm, baseload or nonvariable.”.

16 In line 9, delete “(6)” and insert “(7)”.

17 Delete lines 11 through 23.

18 In line 24, delete “9” and insert “7”.

19 On page 9, delete lines 6 through 18.

20 In line 22, delete “11” and insert “8”.

21 In line 24, delete “12” and insert “9”.

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