

Amendment No. 1c

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED (Y/N)
 ADOPTED AS AMENDED (Y/N)
 ADOPTED W/O OBJECTION (Y/N)
 FAILED TO ADOPT (Y/N)
 WITHDRAWN (Y/N)
 OTHER

1 Committee/Subcommittee hearing PCB: Energy & Utilities
 2 Subcommittee
 3 Representative Rehwinkel Vasilinda offered the following:
 4

5 **Amendment to Amendment (PCB EUS 13-01 Strikel) by**
 6 **Representative J. Diaz**

7 Remove lines 51-54 of the amendment and insert:

8 1.(a) Recovery through a separate charge entitled "Nuclear
 9 Cost Recovery Charge" and shown as a separate line item on each
 10 customer bill the capacity cost recovery clause of any
 11 preconstruction costs.

12 2.(b) Recovery through a separate charge entitled the
 13 "Nuclear Cost Recovery Charge" and shown as a separate line item
 14 on each customer bill an incremental increase in the utility's
 15 capacity cost recovery clause rates of the carrying
 16

17 Remove lines 80-83 of the amendment and insert:
 18 power for the utility. In determining cost-effectiveness, the
 19 utility shall comply with following requirements in order to be
 20 eligible to recover any additional costs associated with such

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21 plant pursuant to this section. For purposes of this section,
22 "additional costs" means any and all costs associated with or
23 related to the plant incurred after December 31 of the year in
24 which the utility receives a license from the Nuclear Regulatory
25 Commission.

26 (a) In its next filing with the commission after receiving
27 a license from the Nuclear Regulatory Commission, the utility
28 shall present a firm cost that is independently audited for its
29 nuclear project in terms of:

30 1. The total project cost, including all capital costs,
31 capitalized carrying costs, and preconstruction and carrying
32 costs that would be borne by customers if cost recovery were
33 granted pursuant to this section.

34 2. The projected total cost for energy to be produced by
35 the nuclear plant, both in total dollars per year and on a cents
36 per kilowatt-hour basis, for each year beginning with the year
37 that the plant achieves inservice status and continuing for 30
38 years thereafter, provided that all costs recovered before the
39 facility achieving inservice status shall be added into the
40 projected costs per kilowatt-hour on an equal, pro rata basis
41 over the first 10 years after the plant achieves inservice
42 status.

43 3. The projected rate impacts on all customer classes for
44 each year beginning with the year following such filing and
45 continuing for 30 years after the plant is projected to achieve
46 inservice status.

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48 In any order approving cost recovery for any such additional
49 costs, the commission shall specify the maximum amounts that the
50 utility may recover in each year of the 30-year period, and
51 shall also specify the maximum rates that the utility may charge
52 its customers over the same 30-year period.

53 (b) The utility's testimony accompanying the filing
54 referred to in paragraph (a) shall include testimony by its
55 president or chief nuclear officer affirming that the utility
56 guarantees that the costs and rates shown in its exhibits are
57 the maximum amounts that the utility will seek to recover from
58 its customers associated with the plant through the 30-year
59 period after the plant achieves inservice status. In proceedings
60 on such filing, the commission shall conduct a formal
61 evidentiary hearing with sworn testimony from witnesses in which
62 the utility must prove that there are no more demand side
63 measures or supply side alternatives available that would not
64 meet projected electricity demand at a lower cost per kilowatt-
65 hour.

66 (c) In order to demonstrate that the utility has satisfied
67 this requirement, the utility, after having accounted for all
68 achievable demand-side measures that meet electricity demand at
69 a lower cost per kilowatt hour, shall have offered to purchase
70 amounts of alternative sources of energy, including renewable
71 energy, that can meet the remaining electricity demand that
72 would be produced by its proposed nuclear plant for the 30-year
73 period at prices that are no greater than 90 percent of the
74 yearly projected cost per kilowatt-hour for the nuclear energy.

75 (d) The Legislature encourages the use of a competitive

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76 independently administered auction process among such energy
77 providers in order to obtain needed electricity at the lowest
78 possible cost, as demonstrated by competitive market forces. If
79 a reliable energy provider offers to provide such energy at
80 prices that are no greater than 90 percent of the projected
81 nuclear energy cost per kilowatt-hour over the 30-year period,
82 or if a competitive auction process yields winning bid prices
83 that are less than 90 percent of the projected nuclear energy
84 cost per kilowatt-hour over the 30-year period, the commission
85 shall approve contracts between the utility and such providers
86 for cost recovery in accordance with its normal practices.

87 (e) The commission shall amend its rules to implement this
88 subsection.

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