

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

**In the Matter of a For Rulemaking
Regarding Net-Metering for
Cooperative Solar Farms**

File No. EO-2021-0408

FIRST AMENDED PETITION FOR RULEMAKING

COMES NOW Petitioner St. James Solar Farm Association, and for its First Amended Petition For Rulemaking, states as follows:

1. Petitioner St. James Solar Farm Association (“Association”) is a Missouri limited liability company that desires to construct a solar farm in or near St. James, Missouri. A copy of Association’s Articles of Incorporation are attached hereto. Association’s street and mailing address is 104 E. 11th St., Rolla, Missouri 65401. Association’s phone number is 573-341-8186, fax number is 573-364-5324, and email address is cserolla@gmail.com. Association does not have any pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates, which action, judgment, or decision has occurred within three years of the date of the Petition to Interpret Net-Metering Regulations.
2. The Public Service Commission has the power to take the action requested by Association herein by virtue of R.S.Mo. Sections 386.310 and 386.890. Specifically, R.S.Mo. § 386.310 provides that the Public Service Commission has the power “by general or special orders, rules or regulations, or

otherwise, to require every person [or] corporation . . . to maintain and operate its line, plant, system, equipment apparatus, and premises in such manner as to promote and safeguard the health and safety of . . . customers and the public. Additionally, the Public Service Commission has issued rules with respect to net metering pursuant to R.S.Mo. § 386.890.

BACKGROUND

3. Association intends to operate a non-profit cooperative solar farm where Association's members use their own solar energy generation equipment to generate solar electricity on land owned or leased by Association. The electricity generated by Association's members would be fed into the a municipal utility's distribution system.
4. Association's operating agreement, a copy of which is attached hereto as Exhibit 1, strictly prohibits Association's members from using or selling their membership interest or their solar electricity generation equipment to make a profit (see Section 4.03 of Exhibit 1).
5. In order to participate in the cooperative solar farm, Association's members will be required to enter into a Solar Farm Association Participation Agreement substantially similar to the agreement attached hereto as Exhibit 2.
6. Association intends to enter into an interconnection agreement with a municipal utility substantially similar to the agreement attached hereto as Exhibit 3. Under said interconnection agreement, Association's members

would generate solar energy which is fed into the utility's distribution system, and in return, Association's members would receive net-metering credit for the kilowatt-hours generated by each member.

Request for Rulemaking Regarding Net-Metering

7. 20 CSR 4240-20.065 defines a "customer-generator" as the "owner or operator of a qualified electric energy generation unit that meets all of the following criteria:
 - a. Is powered by a renewable energy resource;
 - b. Is an electrical generating system with a capacity of not more than one hundred kilowatts (100 kW);
 - c. Is located on premises that are owned, operated, leased, or otherwise controlled by the customer-generator;
 - d. Is interconnected and operates in parallel phase and synchronization with an electric utility and has been approved for interconnection by said electric utility;
 - e. Is intended primarily to offset part or all of the customer-generator's own electrical energy requirements;
 - f. Meets all applicable safety, performance, interconnection, and reliability standards established by the National Electrical Code, the National Electrical Safety Code, the Institute of Electrical and Electronics Engineers, Underwriters Laboratories, the Federal

Energy Regulatory Commission, and any local governing authorities; and

- g. Contains a mechanism that automatically disables the unit and interrupts the flow of electricity onto the electric utility's electrical lines whenever the flow of electricity to the customer-generator is interrupted.

8. At issue for purposes of this Petition for Rulemaking are the requirements that the customer-generator be:

- a. the owner or operator of a qualified electric energy generation unit,
- b. that is located on premises that are owned, operated, leased, or otherwise controlled by the customer-generator; and is
- c. Is intended primarily to offset part or all of the customer-generator's own electrical energy requirements.

9. Because Association's members will be required to purchase their own solar panels, and will be required to pay for their proportional share of the equipment between the solar panels and the connection to the utility's distribution system, including the future maintenance costs of the same, Association requests that the Public Service Commission issue a rule stating that Association's members are the owner or operator of a qualified electric energy generation unit as required by 20 CSR 4240-20.065(C). The proposed text of said rule is provided below.

10. Because Association will own or lease the land where the cooperative solar farm is located, and Association's members can select (and remove) Association's manager (who is responsible for the day-to-day management of the cooperative solar farm), Association requests that the Public Service Commission issue a rule stating that Association's members' qualified electric energy generation units are located on premises that are owned, operated, leased, or otherwise controlled by the customer-generator. The proposed text of said rule is provided below.
11. Because Association's members will each receive individualized net-metering credit for the kilowatt-hours generated by each member's solar panels, and Association's members are prohibited from generating more energy than they each use, Association requests that the Public Service Commission find that the electricity generated by Association's members is intended primarily to offset part or all of the customer-generator's own electrical energy requirements. The proposed text of said rule is provided below.
12. Finally, because Association's members are generating electricity solely to offset personal use and are prohibited from selling their interest and making a profit, Association requests that the Public Service Commission determine that Association is not an investor-owned utility. The proposed text of said rule is provided below.
13. Association therefore requests that the Public Service Commission adopt a rule as follows: Cooperative Net-Metering Ventures – With respect to 4 CSR

24—20.065: (A) Multiple customer-generators may jointly own fractional interests in the equipment and materials necessary for electric energy generation, and each such joint owner shall be considered an owner or operator of a qualified electric generation unit. (B) Multiple customer-generators may jointly own, operate, lease, or otherwise control, premises to operate a cooperative electric energy generation venture either directly, or through an entity which they have the ability to control, and each such joint owner shall be considered to have satisfied the requirement that the electric energy generation unit be located on premises that are owned, operated, leased, or otherwise controlled by the customer-generator. (C) Multiple customer-generators may jointly operate a cooperative electric energy generation venture, and so long as (i) the customer-generators enable the utility to provide individualized net-metering credit for the kilowatt-hours generated by each customer-generator, (ii) no customer-generator is allowed to claim net-metering credit for more electric energy than such customer-generator actual uses, (iii) no customer-generator is allowed to claim net-metering credit than would be generated by a 100 kilowatt system, and (iv) all of the energy generated by the cooperative electric energy generation venture is fed into the distribution system from which such customer-generator receives its electric service; then each such customer-generator taking part in the cooperative electric energy generation venture shall be considered to be an owner or operator of an electric generation unit that is intended primarily to

offset part or all of the customer-generator's own electrical energy requirements. (D) Provided the above-requirements are met, if all customer-generators in a cooperative electric energy generation venture are prohibited by contract from selling their electricity generation equipment for more than they paid to procure and maintain such equipment, then such customer-generators shall not be considered to be owners of an investor-owned utility and the cooperative electric energy generation venture shall not be considered an investor-owned utility. (E) A retail electric supplier may, but shall not be required, to enter into an interconnection agreement with a cooperative electric energy generation venture and may create such additional conditions or requirements for such interconnection agreement as the retail electric supplier deems necessary or desirable.

14. Because a utility may elect not to enter into an interconnection agreement with a jointly operated cooperative electric energy generation venture, and because the utility make add such conditions and requirements it deems necessary or desirable, Petitioner's proposed rule will cost less than five hundred thousand dollars in the aggregate to all agencies and political subdivisions, and will cost less than five hundred dollars for any utility.

WHEREFORE, Petitioner requests that the Public Service Commission adopt the rule set forth in Paragraph 13 above, and award such other and further relief as the Public Service Commission deems just and proper.

VERIFICATION

STATE OF MISSOURI)
 : SS
COUNTY OF PHELPS)

St. James Solar Farm Association, LLC, by its manager, AV3 Energy, LLC, being duly sworn, states that the facts set forth in the hereinabove statement are true, correct, and complete, to its best knowledge and belief.

Nicholas Barrack

St. James Solar Farm Association, LLC,
by its manager, AV3 Energy, LLC (by its
member, Nicholas Barrack)

Subscribed and sworn to before me this 17 day of June, 2021.



KELLY N. JACKSON
My Commission Expires
January 3, 2023
Phelps County
Commission #09759611

Kelly N. Jackson

Notary Public

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