

Denny Hoskins

Secretary of State / Administrative Rules
RULE TRANSMITTAL

887

Administrative Rules Stamp

RECEIVED

By Administrative Rules at 4:51 pm, Aug 28, 2026

JCAR Stamp

RECEIVED

By JCAR at 4:39 pm, Aug 28, 2026

Rule number 20 CSR 4240-20.060

Use a SEPARATE rule transmittal sheet for EACH individual rulemaking.

Name of person(s) Administrative Rules can contact with questions about this rule:

Content Nancy Dippell Phone 573-751-8518 Fax 573-526-6010

Email address Nancy.Dippell@psc.mo.gov

Data Entry Kayla Kliethermes Phone 573-751-4256 Fax 573-526-6010

Email address Kayla.Kliethermes@psc.mo.gov

Interagency mailing address Public Service Commission, 9th Floor Gov. Office Bldg, JC, MO

TYPE OF RULEMAKING ACTION TO BE TAKEN

☐ Emergency rulemaking > ☐ Rule ☐ Amendment ☐ Rescission ☐ Termination

Effective date for the emergency _____

☒ Proposed rulemaking > ☐ Rule ☒ Amendment ☐ Rescission

☐ Rule Action Notice

☐ In Addition

☐ Rule Under Consideration

☐ Request for Non-Substantive Change

☐ Statement of Actual Cost

☐ Order of Rulemaking > ☐ Withdrawal ☐ Adoption ☐ Amendment ☐ Rescission

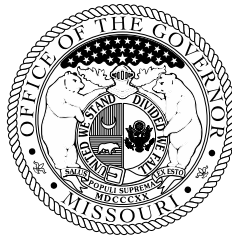
Effective date for the order _____

☐ Statutory 30 days OR ☐ Specific date _____

Does the Order of Rulemaking contain changes to the rule text? ☐ NO

☐ YES—LIST THE SECTIONS/SUBSECTIONS WITH CHANGES:

STATE CAPITOL
201 W. CAPITOL AVENUE, ROOM 216
JEFFERSON CITY, MISSOURI 65101



(573) 751-3222
WWW.GOVERNOR.MO.GOV

Mike Kehoe

GOVERNOR
STATE OF MISSOURI

August 20, 2026

Kayla Hahn, Chair
Missouri Public Service Commission
P O Box 360
Jefferson City MO 65102

Dear Ms. Hahn:

Our office has received the Proposed Amendment rulemakings for the following regulations:

- **20 CSR 4240-20.030** Uniform System of Accounts—Electrical Corporations
- **20 CSR 4240-20.045** Electric Utility Applications for Certificates of Convenience and Necessity
- **20 CSR 4240-20.050** Individual Electric Meters—When Required
- **20 CSR 4240-20.060** Cogeneration

Executive Order 25-13 requires this office's approval before state agencies release proposed regulations for notice and comment, amend existing regulations, or adopt new regulations. After our review, we approve submission of the rule and the regulatory impact report (if required) to JCAR and the Secretary of State.

Sincerely,

A handwritten signature in blue ink that reads "Lowell Pearson".

Lowell Pearson
General Counsel



Missouri Public Service Commission

MAIDA J. COLEMAN
Commissioner

KAYLA HAHN
Chair

JOHN P. MITCHELL
Commissioner

GLEN KOLKMEYER
Commissioner

POST OFFICE BOX 360
JEFFERSON CITY, MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
<http://psc.mo.gov>

VACANT
Commissioner

August 28, 2026

Denny Hoskins
Secretary of State
Administrative Rules Division
600 West Main Street
Jefferson City, Missouri 65101

Re: 20 CSR 4240-20.060 Cogeneration

Dear Secretary Hoskins,

CERTIFICATION OF ADMINISTRATIVE RULE

I do hereby certify that the attached is an accurate and complete copy of the proposed amendment lawfully submitted by the Missouri Public Service Commission.

The Public Service Commission further certifies it has conducted an analysis of whether or not there has been a taking of real property pursuant to section 536.017, RSMo, that the proposed amendment does not constitute a taking of real property under relevant state and federal law.

The Public Service Commission has determined and hereby also certifies that if the proposed amendment does affect small business pursuant to sections 536.300 to 536.310, RSMo, a small business impact statement has been filed as required by those sections. If no small business impact statement has been filed the proposed amendment either does not affect small business or the small business requirements do not apply pursuant to section 536.300.4, RSMo.

Statutory Authority: *section 386.250 and 393.140, RSMo.*

If there are any questions regarding the content of this proposed amendment, please contact:

Nancy Dippell
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
200 Madison Street
P.O. Box 360
Jefferson City, MO 65102
(573) 751-8518
Nancy.Dippell@psc.mo.gov



Nancy Dippell

Nancy Dippell
Secretary

Enclosures



Missouri Public Service Commission

MAIDA J. COLEMAN
Commissioner

KAYLA HAHN
Chair

JOHN P. MITCHELL
Commissioner

GLEN KOLKMEYER
Commissioner

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JEFFERSON CITY, MISSOURI 65102
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<http://psc.mo.gov>

VACANT
Commissioner

August 28, 2026

Sarah Schappe
Director
Joint Committee on Administration Rules
State Capitol, Room B8A
Jefferson City, Missouri 65101

Re: 20 CSR 4240-20.060 Cogeneration

Dear Director Schappe,

CERTIFICATION OF ADMINISTRATIVE RULE

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Nancy Dippell

Nancy Dippell
Secretary

Enclosures

**AFFIDAVIT
PUBLIC COST**

**STATE OF MISSOURI)
)
COUNTY OF COLE)**

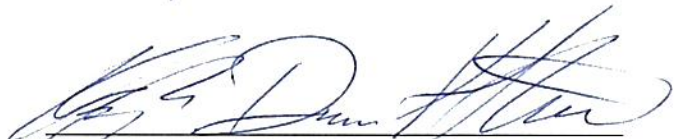
I, Rodney Massman, General Counsel of the Public Service Commission, first being duly sworn, on my oath, state that it is my opinion that the cost of proposed amendment, 20 CSR 4240-20.060, is less than five hundred dollars in the aggregate to this agency, any other agency of state government or any political subdivision thereof.



Rodney Massman
General Counsel
Public Service Commission

Subscribed and sworn to before me this 26th day of August, 2026 I am commissioned as a notary public within the County of Cole, State of Missouri, and my commission expires on June 19, 2029.




Notary Public

**Title 20—DEPARTMENT OF
COMMERCE AND INSURANCE
Division 4240—Public Service Commission
Chapter 20—Electric Utilities**

PROPOSED AMENDMENT

20 CSR 4240-20.060 Cogeneration. The Public Service Commission is amending the rule purpose and paragraph (4)(E)1.

PURPOSE: This amendment updates citation references from the originally filed rule of 4 CSR 240-20.060 and 4 CSR 240-3.155, which were moved on August 28, 2019.

*PURPOSE: This rule implements Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978 with regard to small power production and cogeneration. The objective of Sections 201 and 210 of Public Utility Regulatory Policies Act is to provide a mechanism to set up a cogeneration program for Missouri for regulated utilities. Additional requirements regarding this subject matter are also found at [4 CSR 240-3.155] **20 CSR 4240-3.155.***

(4) Rates for Purchases.

(E) Factors Affecting Rates for Purchases. In determining avoided costs, the following factors, to the extent practicable, shall be taken into account:

1. The data provided pursuant to [4 CSR 240-3.155] **20 CSR 4240-3.155**, including PSC review of any such data;

2. The availability of capacity or energy from a qualifying facility during the system daily and seasonal peak periods, including:

A. The ability of the utility to dispatch the qualifying facility;

B. The expected or demonstrated reliability of the qualifying facility;

C. The terms of any contract or other legally enforceable obligation, including the duration of the obligation, termination notice requirement and sanctions for noncompliance;

D. The extent to which scheduled outages of the qualifying facility can be usefully coordinated with scheduled outages of the utility's facilities;

E. The usefulness of energy and the capacity supplied from a qualifying facility during system emergencies, including its ability to separate its load from its generation;

F. The individual and aggregate value of energy and capacity from qualifying facilities on the electric utility's system; and

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G. The smaller capacity increments and the shorter lead times available with additions of capacity from qualifying facilities;

3. The relationship of the availability of energy or capacity from the qualifying facility as derived in paragraph (4)(E)2. of this rule, to the ability of the electric utility to avoid costs, including the deferral of capacity additions and the reduction of oil use; and

4. The costs or savings resulting from variations in line losses from those that would have existed in the absence of purchases from a qualifying facility, if the purchasing electric utility generated an equivalent amount of energy itself or purchased an equivalent amount of electric energy or capacity.

*AUTHORITY: sections 386.250 and 393.140, RSMo [2000] **2016**.^{*} This rule originally filed as 4 CSR 240-20.060. Original rule filed Oct. 14, 1980, effective May 15, 1981. Amended: Filed Aug. 16, 2002, effective April 30, 2003. Moved to 20 CSR 4240-20.060, effective Aug. 28, 2019. **Amended: Filed, effective.***

^{}Original authority: 386.250, RSMo 1939, amended 1963, 1967, 1977, 1980, 1987, 1988, 1991, 1993, 1995, 1996 and 393.140, RSMo 1939, amended 1949, 1967.*

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: Anyone may file comments in support of or in opposition to this proposed amendment with the Missouri Public Service Commission, Nancy Dippell, Secretary of the Commission, P.O. Box 360, Jefferson City, MO 65102. To be considered, comments must be received at the commission's offices on or before November 2, 2026, and should include a reference to Commission Case No. EX-2027-0060. Comments may also be submitted via a filing using the commission's electronic filing and information system at https://psc.mo.gov/General/Submit_Comments. A public hearing regarding this proposed amendment is scheduled for November 5, 2026, at 10 a.m., in Room 310 of the Governor Office Building, 200 Madison St., Jefferson City, MO. Interested persons may appear at this hearing to submit additional comments and/or testimony in support of or in opposition to this proposed amendment and may be asked to respond to commission questions. Any persons with special needs as addressed by the Americans with Disabilities Act should contact the Missouri Public Service Commission at least ten (10) days prior to the hearing

at one (1) of the following numbers: Consumer Services Hotline 1-800-392-4211 or TDD Hotline 1-800-829-7541.