

Amendment No. a2

COMMITTEE/SUBCOMMITTEE ACTION

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WITHDRAWN	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

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1 Committee/Subcommittee hearing bill: Regulatory Affairs  
2 Committee

3 Representative Rehwinkel Vasilinda offered the following:

**Amendment to Amendment (893881) by Representative Diaz, J**

6 Remove lines 22-25 of the amendment and insert:

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

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

16 Remove lines 52-59 of the amendment and insert:

17 cost-effective source of power for the consumer. In determining  
18 cost-effectiveness, the utility shall comply with following  
19 requirements in order to be eligible to recover any additional  
20 costs associated with such plant pursuant to this section. For

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

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

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

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

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

45  
46 In an order approving cost recovery for such additional costs,  
47 the commission shall specify the maximum amounts that the  
48 utility may recover in each year of the 30-year period, and

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49 shall also specify the maximum rates that the utility may charge  
50 its customers over the same 30-year period.

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

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

72 (f) The Legislature encourages the use of a competitive  
73 auction process among such energy providers in order to obtain  
74 needed electricity at the lowest possible cost, as demonstrated  
75 by competitive market forces. If a reliable energy provider  
76 offers to provide such energy at prices that are no greater than

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77 90 percent of the projected nuclear energy cost per kilowatt-  
78 hour over the 30-year period, or if a competitive auction  
79 process yields winning bid prices that are less than 90 percent  
80 of the projected nuclear energy cost per kilowatt-hour over the  
81 30-year period, the commission shall approve contracts between  
82 the utility and such providers for cost recovery in accordance  
83 with its normal practices.

84 (g) The commission shall amend its rules to implement this  
85 subsection.

86 (h) The utility may recover the costs qualified under  
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