

State of South Dakota

NINETIETH SESSION
LEGISLATIVE ASSEMBLY, 2015

635W0530

HOUSE BILL NO. 1232

Introduced by: Representatives Hawks, Beal, Campbell, Craig, Feickert, Kirschman, Sly, Wiik, and Zikmund and Senators Greenfield (Brock), Lederman, and Sutton

1 FOR AN ACT ENTITLED, An Act to provide for a determination of the value of small power
2 production facilities.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. The Public Utilities Commission shall establish, after notice, hearing, and
5 comment, a methodology to determine the value of electricity produced by small power
6 production facilities as defined under the Public Utility Regulatory Policies Act of 1978, for the
7 purpose of establishing the purchase rate by investor-owned utilities of electricity generated by
8 small power production facilities.

9 Section 2. The methodology shall, at a minimum, account for the value of energy and its
10 delivery, generation capacity, transmission capacity, transmission and distribution line losses,
11 and environmental value. The Public Utilities Commission may, based on known and
12 measurable evidence of the cost or benefit of small power production facilities to the utility,
13 incorporate other values into the methodology, including credit for locally manufactured or
14 assembled energy systems, systems installed at high-value locations on the distribution grid, or
15 other factors.



- 1 Section 3. The methodology shall be reviewed every five years and the Public Utilities
- 2 Commission shall conduct a public hearing upon review.