

# State of South Dakota

NINETY-FIRST SESSION  
LEGISLATIVE ASSEMBLY, 2016

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## HOUSE BILL NO. 1216

Introduced by: Representatives Hawks, Bordeaux, and Soli and Senators Jensen (Phil),  
Greenfield (Brock), and Hunhoff (Bernie)

1 FOR AN ACT ENTITLED, An Act to provide for the determination of avoided cost by certain  
2 public utilities.

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

4 Section 1. That chapter 49-34A be amended by adding a NEW SECTION to read:

5 For the purpose of establishing the avoided cost rate for electricity produced by any small  
6 renewable power production facility, the public utility shall account for and file the value of the  
7 energy and the energy's delivery, the value of the generation capacity, the value of transmission  
8 capacity and avoided transmission line loss, and the value of any system installed at a high-value  
9 location on the distribution grid. The public utility may include other factors as determined by  
10 the public utility. If the values and methodology used for determining those values are deemed  
11 confidential by the commission, the commission shall make the values and methodology  
12 available to any customer of that public utility upon the request of the customer.

13 Section 2. That § 49-34A-108 be amended to read:

14 49-34A-108. Each electric utility shall file with the commission the electric utility's  
15 minimum rates for purchases of electricity generated from renewable resources, as defined by



1 § 49-34A-94, and produced by a small renewable power facility that has a capacity of one  
2 hundred kilowatts or less. Except for a public utility's standard avoided cost rates set pursuant  
3 to the Public Utility Regulatory Policies Act of 1978, as amended to January 1, 2010, and as  
4 provided in section 1 of this Act, a rate filed under this section is not subject to commission  
5 approval.