

**54-17-403 Cost recovery.**

- (1)
  - (a) Except as otherwise provided in this section, if the commission approves any portion of an energy utility's resource decision under Section 54-17-402, the commission shall, in a general rate case or other appropriate commission proceeding, include in the energy utility's retail rates the state's share of costs:
    - (i) relevant to that proceeding;
    - (ii) incurred by the energy utility in implementing the approved resource decision; and
    - (iii) up to the projected costs specified in the commission's order issued under Section 54-17-402.
  - (b) Except to the extent that the commission issues an order under Section 54-17-404, any increase from the projected costs specified in the commission's order issued under Section 54-17-402 shall be subject to review by the commission as part of a rate hearing under Section 54-7-12.
- (2)
  - (a) Subsequent to the commission issuing an order described in Subsection (2)(a)(i) or (ii), the commission may disallow some or all costs incurred in connection with an approved resource decision if the commission finds that an energy utility's actions in implementing an approved resource decision are not prudent because of new information or changed circumstances that occur after:
    - (i) the commission approves the resource decision under Section 54-17-402; or
    - (ii) the commission issues an order to proceed under Section 54-17-404.
  - (b) In making a determination of prudence under Subsection (2)(a), the commission shall use the standards identified in Section 54-4-4.
- (3) Notwithstanding any other provision of this chapter, the commission may disallow some or all of the costs incurred by an energy utility in connection with an approved resource decision upon a finding by the commission that the energy utility is responsible for a material misrepresentation or concealment in connection with an approval process under this chapter.

Enacted by Chapter 11, 2005 General Session