

Effective 5/13/2014

54-3-30 Electric utility service within a provider municipality -- Electrical corporation prohibited as provider -- Exceptions -- Notice and agreement -- Transfer of customer.

- (1) This section applies to an electrical corporation that intends to provide electric service to a customer:
 - (a) who is located within the municipal boundary of a municipality that provides electric service; and
 - (b) who is not described in Subsection 54-3-31(2).
- (2)
 - (a) If an electrical corporation is authorized by the commission to provide electric service to a customer in an area adjacent to a municipality, and the municipality provides electric service to a customer located within its municipal boundary, the electrical corporation may not provide electric service to a customer within the municipal boundary unless:
 - (i) the electrical corporation has entered into a written agreement with the municipality authorizing the electrical corporation to provide electric service:
 - (A) to a specified customer or to customers located within a specified area within the municipal boundary; and
 - (B) in accordance with the terms and conditions of the electrical corporation's tariffs and regulations approved by the commission, or approved by the governing board for an electrical cooperative that meets the requirements of Subsection 54-7-12(7); and
 - (ii)
 - (A) except as provided in Subsection (2)(a)(ii)(B), the commission approves the agreement in accordance with Section 54-4-40; or
 - (B) for an electrical cooperative that meets the requirements of Subsection 54-7-12(7), the governing board of the electrical cooperative approves the agreement.
 - (b) The municipality or the electrical corporation may terminate the agreement for the provision of electric service if the commission imposes a condition authorized in Section 54-4-40 that is a material change to the agreement.
- (3) An electrical corporation that enters into an agreement described in Subsection (2)(a) shall transfer service to a customer described in Subsection (2):
 - (a) at the conclusion of a term specified in the agreement; or
 - (b) upon termination of the agreement by the electrical corporation in accordance with Subsection (4).
- (4) Unless otherwise agreed in writing by the electrical corporation and the municipality, the electrical corporation may terminate an agreement entered into in accordance with Subsection (2)(a) by giving written notice of termination to the municipality:
 - (a) no earlier than two years before the day of termination; or
 - (b) within a period of time shorter than two years if otherwise agreed to with the municipality.
- (5) Upon termination of an agreement in accordance with Subsection (3)(a), (3)(b), or (4):
 - (a)
 - (i) the electrical corporation shall transfer the electric service customer to the municipality; and
 - (ii) the municipality shall provide electric service to the customer; and
 - (b) the electrical corporation shall transfer a facility in accordance with and for the value as provided in Section 10-2-421.
- (6) This section may not be construed to modify or terminate any written franchise agreement or other agreement that expressly provides for electric service by an electrical corporation to a customer within a municipality that was entered into between an electrical corporation and a municipality on or before June 15, 2013.

Amended by Chapter 55, 2014 General Session