

**Representative Roger E. Barrus** proposes the following substitute bill:

1                                   **JOINT RESOLUTION ON COST-EFFECTIVE**

2                                   **ENERGY EFFICIENCY AND UTILITY**

3                                   **DEMAND-SIDE MANAGEMENT**

4                                   2009 GENERAL SESSION

5                                   STATE OF UTAH

6                                   **Chief Sponsor: Roger E. Barrus**

7                                   Senate Sponsor: Patricia W. Jones

---

8  
9                                   **LONG TITLE**

10                                  **General Description:**

11                                  This joint resolution of the Legislature urges state and local governments and electrical  
12                                  and natural gas corporations and utilities to encourage all available cost-effective  
13                                  energy efficiency and conservation and participate in existing cost-effective energy  
14                                  efficiency programs.

15                                  **Highlighted Provisions:**

16                                  This resolution:

17                                  ▶ urges state and local governments, electrical corporations, natural gas utility  
18                                  corporations, rural electric cooperatives, and municipal utilities to work together to  
19                                  recognize energy efficiency as a priority resource, to promote and encourage all  
20                                  available cost-effective energy efficiency and conservation, and to participate in  
21                                  existing cost-effective energy efficiency programs;

22                                  ▶ expresses support for cost-effective energy efficiency and load management  
23                                  programs for customers of rural electric cooperatives and municipal electric and gas  
24                                  utilities designed to reduce projected natural gas and electric usage.

25                                  ▶ expresses support for cost-effective energy efficiency and load management



26 programs for customers of Rocky Mountain Power, and the setting of an electricity savings  
27 goal through a regulatory process;

28       ▶ expresses support for cost-effective energy efficiency and load management

29 programs by customers of Questar Gas, and the setting of a natural gas savings goal

30 through a regulatory process;

31       ▶ expresses support for regulator mechanisms intended to help remove utility

32 disincentives and create incentives to efficiency and conservation so long as these

33 mechanisms are found to be in the public interest.

34 **Special Clauses:**

35       None



37 *Be it resolved by the Legislature of the state of Utah:*

38       WHEREAS, according to Section 63M-4-301, Utah Code Annotated, it is the policy of  
39 the state that Utah will pursue energy conservation and energy efficiency;

40       WHEREAS, Governor Huntsman has set a goal of increasing energy efficiency in the  
41 state by 20% by 2015;

42       WHEREAS, the Federal Energy Independence and Security Act of 2007 requires  
43 electrical and natural gas utilities to adopt policies establishing energy efficiency as a priority  
44 resource;

45       WHEREAS, increasing cost-effective efficiency of energy use will save consumers and  
46 businesses money, save resources for future generations, and reduce energy costs for all  
47 Utahns;

48       WHEREAS, electrical corporations, natural gas utility corporations, certain municipal  
49 utilities, and rural electric cooperatives have adopted initiatives to emphasize energy efficiency  
50 and conservation as an integral part of their decision-making process for energy resources;

51       WHEREAS, electrical corporations, natural gas utility corporations, distribution  
52 electric cooperatives, and municipal utilities can play an essential role in helping consumers  
53 and businesses identify and implement cost-effective energy efficiency measures;

54       WHEREAS, if electrical corporations and natural gas utility corporations lose revenues  
55 when they help their customers save energy, it could create a disincentive for the utility to  
56 achieve all cost-effective energy efficiency; and

57 WHEREAS, the Public Service Commission may approve regulatory mechanisms  
58 which remove utility disincentives to efficiency and conservation provided that they result in  
59 just and reasonable rates:

60 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah  
61 urges state and local governments, electrical corporations, natural gas utility corporations, rural  
62 electric cooperatives, and municipal utilities to work together to recognize energy efficiency as  
63 a priority resource and to promote and encourage all available cost-effective energy efficiency  
64 and conservation.

65 BE IT FURTHER RESOLVED that the Legislature urges state and local governments  
66 to participate in existing cost-effective energy efficiency programs.

67 BE IT FURTHER RESOLVED that the Legislature expresses support for cost-effective  
68 energy efficiency and load management programs for customers of rural electric cooperatives  
69 and municipal electric and gas utilities designed to reduce projected natural gas and electric  
70 usage.

71 BE IT FURTHER RESOLVED that the Legislature expresses support for cost-effective  
72 energy efficiency and load management programs for customers of Rocky Mountain Power and  
73 the setting of an electricity savings goal through a regulatory process that includes Rocky  
74 Mountain Power, utility regulators, utility customers, and other interested parties, designed to  
75 reduce projected electrical sales by an amount equal to not less than 1% of its annual retail  
76 sales and that do not penalize the utility if it fails to meet the savings goals so long as it makes  
77 a good faith effort to meet the goals.

78 BE IT FURTHER RESOLVED that the Legislature expresses support for cost-effective  
79 energy efficiency and load management programs by customers of Questar Gas and the setting  
80 of a natural gas savings goal through a regulatory process that includes Questar Gas, utility  
81 regulators, utility customers, and other interested parties designed to reduce projected natural  
82 gas sales by an amount equal to not less than 0.5% of its annual retail sales and that do not  
83 penalize the utility if it fails to meet the savings goals so long as it makes a good faith effort to  
84 meet the goals.

85 BE IT FURTHER RESOLVED that the Legislature expresses support for regulator  
86 mechanisms, which might include performance-based incentives, decoupling fixed cost  
87 recovery from sales volume, and other innovative rate designs intended to help remove utility

88 disincentives and create incentives to efficiency and conservation so long as these mechanisms  
89 are found to be in the public interest.

90 BE IT FURTHER RESOLVED that a copy of this resolution be sent to the Public  
91 Service Commission, the Utah League of Cities and Towns, the Utah Association of Counties,  
92 the Utah Rural Electric Association, Rocky Mountain Power, Questar Gas, Utah Associated  
93 Municipal Power Systems, and the Utah Municipal Power Agency.

---

---

**Fiscal Note****H.J.R. 9 1st Sub. (Buff) - Joint Resolution on Cost-effective Energy Efficiency  
and Utility Demand-side Management**

2009 General Session

State of Utah

---

---

**State Impact**

Enactment of this bill will not require additional appropriations.

---

**Individual, Business and/or Local Impact**

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.

---