

4th Sub. S.B. 115

SUSTAINABLE TRANSPORTATION AND ENERGY PLAN ACT

HOUSE COMMITTEE AMENDMENTS

AMENDMENT 1

MARCH 8, 2016 9:55 AM

Representative **Patrice M. Arent** proposes the following amendments:

1. *Page 14, Lines 415 through 424:*

415 (b) The commission ~~{shall}~~ may authorize a large-scale electric utility that is allowed to
416 charge a customer for demand side management under Subsection (2)(a) to:
417 (i) if requested by the large-scale electric utility, capitalize the annual costs incurred for
418 demand side management provided in Subsection (2)(a);
419 (ii) amortize the annual cost for demand side management over a period of 10 years;
420 (iii) apply a carrying charge to the unamortized balance that is equal to the large-scale
421 electric utility's pretax weighted average cost of capital approved by the commission in the
422 large-scale electric utility's most recent general rate proceeding; and
423 (iv) recover the amortization cost described in Subsection (2)(b)(ii) and the carrying
424 charge described in Subsection (2)(b)(iii) in customer rates.

2. *Page 16, Lines 465 through 470:*

465 (6) (a) During the pilot program period, of the funds a large-scale electric utility
466 collects via the line item charge described in Subsection (3), the commission ~~{shall}~~ may authorize
467 the
468 large-scale electric utility to allocate on an annual basis:
469 (i) up to \$10,000,000 to the sustainable transportation and energy plan; and
470 (ii) the funds not allocated to the sustainable transportation and energy plan to demand
470 side management.

3. *Page 16, Lines 485 through 490:*

485 (7) A large-scale electric utility ~~{shall}~~ may establish a balancing account that includes:
486 (a) funds allocated under Subsection (6)(a)(i);
487 (b) the program expenditures described in Subsection (6)(b);
488 (c) the unrecovered Utah solar incentive program costs described in Subsection (6)(c);
489 and
490 (d) a carrying charge in an amount determined by the commission.

4. *Page 17, Lines 491 through 494:*

491 (8) ~~{A}~~ The commission may exempt a customer that is paying a contract rate under an
492 agreement with a large-scale

492 electric utility as of January 1, 2016 ~~{, is exempt}~~ from the costs recovered under Subsection (3),
493 except for costs created by or arising from the Utah solar incentive program included in
494 Subsection 54-7-12.8(3)(b).

5. *Page 19, Lines 558 through 561:*

558 (d) Beginning June 1, 2016, for an electrical corporation with an energy balancing
559 account established before January 1, 2016, the commission shall ~~evaluate whether to~~ allow an electrical
560 corporation to recover 100% of the electrical corporation's prudently incurred costs as
561 determined and approved by the commission under this section.

6. *Page 20, Lines 601 through 604:*

601 (6) The commission shall report to the Public Utilities and Technology Interim
602 Committee before December 1 in 2017 and 2018 regarding whether allowing an electrical
603 corporation to ~~{continue to}~~ recover costs under Subsection (2)(d) ~~{is}~~ ~~would be~~ reasonable
and in the public
604 interest.