

# SB0132S01 compared with SB0132

{Omitted text} shows text that was in SB0132 but was omitted in SB0132S01

inserted text shows text that was not in SB0132 but was inserted into SB0132S01

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1 **Electric Utility Amendments**

. 2025 GENERAL SESSION

. STATE OF UTAH

. **Chief Sponsor: Scott D. Sandall**

. House Sponsor: Colin W. Jack

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3 **LONG TITLE**

4 **General Description:**

5 This bill creates requirements for providing electrical service to large-scale electrical loads.

6 **Highlighted Provisions:**

7 This bill:

- 8 ▶ defines terms;
- 9 ▶ establishes requirements for submitting and processing large-scale electrical service requests;
- 11 ▶ requires the Public Service Commission to review large load contracts;
- 12 ▶ creates requirements for electrical corporations serving large loads;
- 13 ▶ establishes registration and operating requirements for large-scale generation providers;
- 14 ▶ requires separate accounting for large load service costs;
- 15 ▶ prohibits cost shifting to other electrical customers; and
- 16 ▶ requires financial security and insurance for large-scale service.

17 **Money Appropriated in this Bill:**

18 None

19 None

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22 ENACTS:

23 **54-26-101** , Utah Code Annotated 1953 , Utah Code Annotated 1953

24 **54-26-102** , Utah Code Annotated 1953 , Utah Code Annotated 1953

25 **54-26-201** , Utah Code Annotated 1953 , Utah Code Annotated 1953

26 **54-26-202** , Utah Code Annotated 1953 , Utah Code Annotated 1953

27 **54-26-301** , Utah Code Annotated 1953 , Utah Code Annotated 1953

28 **54-26-302** , Utah Code Annotated 1953 , Utah Code Annotated 1953

29 **54-26-401** , Utah Code Annotated 1953 , Utah Code Annotated 1953

30 **54-26-402** , Utah Code Annotated 1953 , Utah Code Annotated 1953

31 **54-26-501** , Utah Code Annotated 1953 , Utah Code Annotated 1953

32 **54-26-502** , Utah Code Annotated 1953 , Utah Code Annotated 1953

33 **54-26-503** , Utah Code Annotated 1953 , Utah Code Annotated 1953

34 **54-26-601** , Utah Code Annotated 1953 , Utah Code Annotated 1953

35 **54-26-602** , Utah Code Annotated 1953 , Utah Code Annotated 1953

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

38 Section 1. Section 1 is enacted to read:

39 **54-26-101. Definitions.**

As used in this chapter:

41 (1) "Feasibility study" means an engineering analysis that:

42 (a) evaluates the impact of a large-scale service request on {an electrical corporation's} a qualified  
electric utility's systems;

44 (b) identifies any necessary:

45 (i) system modifications;

46 (ii) system upgrades; or

47 (iii) transmission service requests;

48 (c) provides cost estimates for any required improvements; and

49 (d) establishes an estimated timeline for implementing any necessary system changes.

50 (2)

. (a) "Intermittent" means available for use on a variable basis that is dependent on elements outside of  
the control of the operator.

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- 52 (b) "Intermittent" does not include resources that are made reliable and dispatchable.
- 50 ~~{(2)}~~ (3) "Large load contract" means a large load construction contract or a large load service contract.
- 52 ~~{(3)}~~ (4) "Large load construction contract" means a contract for the construction of large load facilities  
between:
- 54 (a) ~~{an electrical corporation}~~ a qualified electric utility or a large-scale generation provider; and
- 55 (b) a large load customer.
- 56 ~~{(4)}~~ (5) "Large load customer" means a customer or potential customer that requests electric service  
under a large-scale service request.
- 58 ~~{(5)}~~ (6) "Large load facilities" means facilities and resources reasonably necessary to provide safe and  
reliable electric service for a large-scale service request, including facilities or upgrades necessary  
to facilitate a transmission request from a large-scale generation provider for a large-scale service  
request.
- 62 ~~{(6)}~~ (7) "Large load incremental costs" means all costs reasonably necessary for the design,  
engineering, procurement, construction, and completion of:
- 64 (a) large load facilities; and
- 65 (b) any activities required to provide electric service under a large-scale service request.
- 66 ~~{(7)}~~ (8) "Large load service contract" means a contract for the provision of electric service for a large-  
scale service request between:
- 68 (a) ~~{an electrical corporation}~~ a qualified utility or a large-scale generation provider; and
- 69 (b) a large load customer.
- 70 ~~{(8)}~~ (9) "Large-scale generation provider" means an entity that:
- 71 (a) is not ~~{an electrical corporation}~~ a qualified electric utility;
- 72 (b) is registered with the commission in accordance with Section 54-26-501;
- 73 (c) owns and operates one or more qualifying generation resources; and
- 74 (d) is capable of generating electricity sufficient to fulfill a large-scale service request using exclusively  
qualifying generation resources ~~{that the entity has offered to an electrical corporation through a~~  
public procurement process}.
- 77 ~~{(9)}~~ (10) "Large-scale service request" means a request {for} from a large load customer who:
- 78 (a) intends to contract for new electric service ~~{that is}~~ with a total capacity of 50 megawatts or  
greater, which may be implemented in phases; or
- 79

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(b) ~~{ additional electric service that increases a }~~ intends to contract to increase the customer's total { service level } contracted capacity by 50 megawatts or greater, which may be implemented in phases.

84 (11) "Qualified electric utility" means a large-scale electric utility.

81 ~~{(10)}~~ (12) "Qualifying generation resource" means an electric generating facility that:

82 (a) is capable of continuous operation at a minimum of 85% of rated capacity for not less than 325 days  
per calendar year;

84 (b) maintains at the facility's own cost:

85 (i) spinning reserves of at least 15% of the facility's capacity; and

86 (ii) the total planning reserve margin required by the Western Electricity Coordinating Council;

88 ~~{(c) { is not dependent upon: } }~~

89 ~~{(i)}~~ (c) is not dependent upon intermittent energy sources; ~~{ or }~~ and

90 ~~{(ii) { energy storage systems; and } }~~

91 (d) meets any other reliability standards established by the commission.

92 ~~{(11)}~~ (13) "Spinning reserve" means spinning reserve as defined by the Western Electricity  
Coordinating Council.

94 ~~{(12)}~~ (14) "Transmission provider" means { an electrical corporation } a qualified electric utility that:

95 (a) owns, operates, or controls facilities used for the transmission of electric energy at voltages above  
100 kilovolts; and

97 (b) provides transmission service under a Federal Energy Regulatory Commission-approved open  
access transmission tariff.

101 Section 2. Section 2 is enacted to read:

### 102 **54-26-102. Application.**

The procedures and standards set forth in this chapter shall govern:

102 (1) large-scale service requests;

103 (2) services sought, provided, or received under a large-scale service request; and

104 (3) the review and approval of large load contracts.

107 Section 3. Section 3 is enacted to read:

### 108 **54-26-201. Large-scale service request requirements.**

107 (1) A customer seeking service under this chapter shall submit a large-scale service request to { an  
electrical corporation } the qualified electric utility serving the proposed location.

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109 (2) A large-scale service request shall include:  
110 (a) the customer's identifying information;  
111 (b) the proposed location for electric service;  
112 (c) the requested amount of electric capacity in megawatts;  
113 (d) a proposed service commencement date that is at least three years, unless otherwise specified by  
mutual agreement between the customer and { ~~electrical corporation~~ } the qualified electric utility,  
after the date on which the customer delivers the large-scale service request to the { ~~electrical~~  
corporation } qualified electric utility;

117 (e) load profile information, including:  
118 (i) anticipated annual energy usage;  
119 (ii) expected hours of operation;  
120 (iii) seasonal variations;  
121 (iv) peak demand requirements; and  
122 (v) any special service requirements;  
123 (f) information sufficient to demonstrate the financial capability to complete the project; and  
125 (g) confirmation that the customer will not use the electric service for resale.

126 (3) After submitting a large-scale service request and before entering into a large load contract, a  
customer shall:

128 (a) ensure that all information submitted under this section remains current; and  
129 (b) promptly notify the { ~~electrical corporation~~ } qualified electric utility of any material changes to  
information submitted under this section.

133 Section 4. Section 4 is enacted to read:

134 **54-26-202. Service request procedures -- Notice.**

133 (1) { ~~An electrical corporation~~ } A qualified electric utility that receives a large-scale service request  
shall:

134 (a) acknowledge receipt of the request;

135 (b) notify the customer of any missing information within 15 business days after { ~~receipt of~~ } beginning  
to process the requestunder Subsection (2); and

137 (c) { ~~conduct~~ } complete a feasibility study as soon as reasonably practicable after beginning the study  
under Subsection (2), but in no case more than 6 months after beginning the { ~~circumstances~~ } study.

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- (2) A qualified electric utility shall begin processing large-scale service requests, including conducting feasibility studies, only:
- 144 (a) on January 1, for requests received after June 30 and on or before December 31 of the previous year;  
or
- 146 (b) on July 1, for requests received after December 31 of the previous year and on or before June 30 of  
the same year.
- 138 ~~{(2)}~~ (3) During the feasibility study process, the ~~{electrical corporation}~~ qualified electric utility  
shall:
- 139 (a) provide the customer with regular updates; and
- 140 (b) notify the customer when the study is completed.
- 141 ~~{(3)}~~ (4) Within 15 business days after completing a feasibility study, the ~~{electrical corporation}~~  
qualified electric utility shall provide a written response that includes:
- 143 (a) whether the ~~{electrical corporation}~~ qualified electric utility can provide the requested service  
within the time frame required by the customer;
- 145 (b) the estimated large load incremental costs that will be allocated to the customer, based on the  
information provided by the customer;
- 147 (c) any required:
- 148 (i) system upgrades;
- 149 (ii) improvements; or
- 150 (iii) transmission service requests;
- 151 (d) the estimated timeline for commencing electric service; and
- 152 (e) the proposed terms and conditions of service.
- 153 ~~{(4) {An electrical corporation:}}~~
- 163 (5) A qualified electric utility:
- 154 (a) may charge reasonable fees to recover costs of conducting:
- 155 (i) a feasibility study; and
- 156 (ii) any subsequent or related studies; and
- 157 (b) is not required to begin work on a study until the customer:
- 158 (i) pays applicable fees; and
- 159 (ii) provides the information required to the ~~{electrical corporation}~~ qualified electric utility to conduct  
a feasibility study.

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171 Section 5. Section 5 is enacted to read:

172 **54-26-301. Large load contract requirements.**

163 (1) Electric service for a large-scale service request shall be provided only under a large load contract.

165 (2) A large load contract shall:

166 (a) ensure that all large load incremental costs are allocated to and paid by:

167 (i) the large load customer; or

168 (ii) in the case of service by a large-scale generation provider, the large-scale generation provider, by the large load customer;

170 (b) comply with all system requirements;

171 (c) require the large load customer to maintain financial security sufficient to cover the large load customer's obligations;

173 (d) specify:

174 (i) points of interconnection; and

175 (ii) power delivery points;

176 (e) specify the term of service; and

177 (f) provide curtailment provisions if the large load customer's demand exceeds:

178 (i) for service provided by {~~an electrical corporation~~} a qualified electric utility, the amount of contractually supported demand; or

180 (ii) for service provided by a large-scale generation provider, the real-time output, net of transmission losses.

182 (3) {~~An electrical corporation~~} A qualified electric utility or a large-scale generation provider shall:

183 (a) commence design and construction of large load facilities only after:

184 (i) executing a large load construction contract; and

185 (ii) obtaining commission approval in accordance with Section 54-26-302;

186 (b) commence providing electric service for a large-scale service request only after:

187 (i) executing a large load service contract; and

188 (ii) obtaining commission approval in accordance with Section 54-26-302; and

189 (c) negotiate the terms of a large load contract with a large load customer on a case-by-case basis.

191 (4) Within 15 business days after executing a large load contract, a person executing the contract shall submit an application for approval to the commission for review under Section 54-26-302.

204 Section 6. Section 6 is enacted to read:

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### 205 **54-26-302. Commission review -- Approval of contracts.**

- 196 (1) ~~{ An electrical corporation }~~ A large-scale electric utility or a large-scale generation provider shall  
file an application with the commission for approval of a large load contract that includes:
- 198 (a) a copy of the large load contract for which the applicant seeks review and approval; and  
200 (b) evidence sufficient to demonstrate compliance with Subsection (2)(b).
- 201 (2) The commission shall approve a large load contract submitted as under Subsection (1) if the  
commission finds by a preponderance of the evidence that:
- 203 (a) the contract complies with the requirements of this chapter; and  
204 (b) service to the large load customer under the contract will not~~{ }~~ adversely impact the ratepayers  
served by the qualified utility or by any cooperative, municipal or other utility;
- 205 ~~{ (i) { adversely impact the reliability of an electrical corporation's system; or } }~~  
206 ~~{ (ii) { prevent an electrical corporation from providing electric service to other customers. } }~~
- 208 (3) Commission review of a large load contract:
- 209 (a) is limited to the requirements described in Subsection (2); and  
210 (b) does not include review of other contract terms.
- 211 (4) The commission shall approve or disapprove an application submitted under this section within {45  
} 60 days after the day on which a person files the application.
- 213 (5) The commission may establish rules to expedite the review of applications for approval of a large  
load contract under this chapter.

224 Section 7. Section 7 is enacted to read:

### 225 **54-26-401. Electric corporation service obligations.**

- 217 (1) Subject to Subsection (2), ~~{ an electrical corporation }~~ a qualified electric utility has the sole right to  
provide electric service to a large load customer in the qualified utility's service territory.
- 219 ~~{ (2) { An electrical corporation: } }~~
- 228 (2) A qualified electric utility:
- 220 (a) is not required to provide electric service in response to a large-scale service request if:
- 222 (i) the large load customer has not complied with the requirements of this chapter;  
223 (ii) the ~~{ electrical corporation }~~ qualified electric utility cannot provide the requested service within the  
timeframe required by the large-scale service request;
- 225 (iii) the large load customer and the ~~{ electrical corporation }~~ qualified electric utility cannot agree upon  
terms for a large load contract;



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227 (iv) the large load customer fails or refuses to comply with the requirements of a large load contract; or  
229 (v) the large load customer is receiving service from a large-scale generation provider in accordance  
with Section 54-26-402; and

231 (b) that does not agree to terms with a large load customer for a large load contract:

232 (i) has no duty to serve the large load customer;

233 (ii) is not required to provide backup services to the large load customer; and

234 (iii) is not required to provide any services to a large-scale generation provider.

244 Section 8. Section **8** is enacted to read:

245 **54-26-402. Alternative service requirements.**

237 (1) A large load customer may enter into a large load contract with a large-scale generation provider if  
{ after 180 days following the issuance of a feasibility study, unless the period is mutually extended  
by the electrical corporation and the large load customer } :

248 (a) 90 days have elapsed after the day on which the large load customer receives the feasibility study  
described in Section 54-26-202, unless the qualified electric utility and the large load customer  
mutually agree to a longer period of time;

240 ~~{(a)}~~ (b) the {electrical corporation} qualified electric utility and large load customer cannot agree to a  
large load contract; and

242 ~~{(b)}~~ (c) the {electrical corporation} qualified electric utility has not exercised its right to provide  
service under this chapter.

255 (2) After submitting a large-scale service request, a large load customer:

244 ~~{(2)}~~ (a) ~~{If}~~ may negotiate a ~~{large load customer intends to}~~ contract with a large-scale generation  
provider~~{, the large load customer shall:}~~ ; and

246 ~~{(a)}~~ (b) ~~{provide written notice to the electrical corporation of the terms of the large load contract~~  
~~negotiated}~~ may not execute a contract with ~~{the}~~ a large-scale generation provider~~{; and}~~ unless  
the conditions described in Subsection (1) are met.

248 ~~{(b)}~~ ~~{allow the electrical corporation 60 business days after delivery of the information under~~  
~~Subsection (2)(a) to:}~~ }

250 ~~{(i)}~~ ~~{agree to provide service to the large load customer on the same terms; or}~~ }

251 ~~{(ii)}~~ ~~{submit a revised service proposal that is accepted by the large load customer.}~~ }

259 Section 9. Section **9** is enacted to read:

260 **54-26-501. Large-scale generation provider requirements.**

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- 254 (1) A large-scale generation provider shall:  
255 (a) register with the commission before providing service;  
256 (b) maintain technical and financial qualifications established by the commission;  
257 (c) provide service only through qualifying generation resources;  
258 (d) maintain spinning reserve capacity of at least 15% above contracted power delivery obligations;  
260 (e) comply with all applicable reliability standards required by the commission; and  
261 (f) post security deemed sufficient by the commission to cover potential damages from service  
interruptions.

- 263 (2) A large-scale generation provider shall submit to the commission:  
264 (a) proof of compliance with Subsection (1);  
265 (b) proof of financial capability to provide service as required by the large-scale service request;  
267 (c) the provider's operational history and experience;  
268 (d) an explanation of the qualifying generation resources the provider intends to use;  
269 (e) the provider's maintenance schedules for the qualifying generation resource; and  
270 (f) the provider's emergency response procedures.

278 Section 10. Section **10** is enacted to read:

279 **54-26-502. Operating requirements -- Registration suspension.**

- 273 (1) A large-scale generation provider that fails to satisfy the requirements of this chapter:  
274 (a) may not initiate new service to a large load customer;  
275 (b) shall remedy any deficiencies within 90 days after the day on which the deficiency arises; and  
277 (c) may have its registration suspended or revoked by the commission.  
278 (2) If the commission suspends or revokes a large-scale generation provider's registration:  
279 (a) the provider may not provide service to a large load customer; and  
280 (b) the large load customer may not receive electric service from {~~an electrical corporation~~} a qualified  
electric utility until the customer agrees upon the terms of a large load contract with the {~~electrical~~  
corporation} qualified electric utility.

290 Section 11. Section **11** is enacted to read:

291 **54-26-503. Transmission requirements.**

- 285 (1) If a large-scale service request requires transmission service:  
286 (a) the large-scale generation provider shall submit a transmission service request to the transmission  
provider;

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- 288 (b) the large-scale generation provider or large load customer shall:  
289 (i) pay for:  
290 (A) any interconnection or transmission-related studies;  
291 (B) any identified interconnection upgrades, transmission upgrades, network upgrades, or system  
upgrades; and  
293 (C) the transmission service rates in the transmission provider's open access transmission tariff; and  
295 (ii) pay and provide for:  
296 (A) ancillary services;  
297 (B) balancing services; and  
298 (C) backup services.  
299 (2) A customer of {~~an electrical corporation~~ } a qualified electric utility may not be required to pay for  
any cost described in Subsection (1).

308 Section 12. Section **12** is enacted to read:

309 **54-26-601. Large load customer requirements -- Cost allocation.**

A large load customer shall pay all reasonably allocated large load incremental costs,  
including the costs of:

- 305 (1) generation resources;  
306 (2) transmission system improvements, including network upgrades;  
307 (3) distribution system upgrades;  
308 (4) interconnection facilities;  
309 (5) electrical and transmission service; and  
310 (6) other necessary infrastructure.

318 Section 13. Section **13** is enacted to read:

319 **54-26-602. Accounting requirements -- Service standards.**

- 313 (1) A large-scale generation provider shall:  
314 (a) maintain separate accounting records for all investments, revenues, and expenses associated with  
large-scale service requests using generally accepted accounting principles;  
317 (b) demonstrate that customers other than a large load customer are not paying large load incremental  
costs;  
319 (c) provide all:  
320 (i) energy;

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- 321 (ii) capacity;
- 322 (iii) reserves;
- 323 (iv) balancing services; and
- 324 (v) ancillary services necessary to ensure reliable service to the large load customer without reliance on  
{an electrical corporation} a qualified electric utility;
- 326 (d) meet all applicable North American Electric Reliability Corporation standards; and
- 327 (e) maintain commercial liability insurance for the benefit of the {~~electrical corporation~~} qualified  
electric utility and the {~~electrical corporation's~~} qualified electric utility's customers of at least  
\$100,000,000 per occurrence.
- 329 (2) {~~An electrical corporation~~} A qualified electric utility shall:
- 330 (a) maintain separate accounting records for all investments, revenues, and expenses associated with  
large-scale service requests using generally accepted accounting principles; and
- 333 (b) provide information sufficient to demonstrate that customers other than a large load customer are  
not paying large load incremental costs.
- 335 (3) All revenues and large load incremental costs associated with a large-scale service request shall be  
excluded from any rate determinations by the commission.

344 Section 14. **Effective date.**

This bill takes effect on May 7, 2025.

1-31-25 4:24 PM