

Decommissioned Asset Disposition Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Colin W. Jack

Senate Sponsor: Derrin R. Owens

LONG TITLE**Committee Note:**

The Public Utilities, Energy, and Technology Interim Committee recommended this bill.

Legislative Vote: 8 voting for 3 voting against 5 absent

General Description:

This bill makes changes to the requirements related to the decommissioning and disposal of electrical generation facilities and equipment by a project entity.

Highlighted Provisions:

This bill:

- defines terms;
- prohibits a project entity from:
 - altering facilities that provide power to station service;
 - disconnecting from or modifying existing interconnections and critical switchyard equipment; and
 - taking actions that would require a new plant owner to make an interconnection request; and
- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

11-13-318, as last amended by Laws of Utah 2024, Third Special Session, Chapter 4

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

Section 1. Section **11-13-318** is amended to read:

11-13-318 . Notice of decommissioning or disposal of project entity assets.

- 31 (1) As used in this section:
- 32 (a) "Alternative permit" means the same as that term is defined in Section 11-13-320.
- 33 (b) "Critical switchyard equipment" means equipment located in a switchyard that is
- 34 necessary for the delivery of electricity to the transmission or distribution system,
- 35 including transformers, circuit breakers, disconnect switches, and other essential
- 36 interconnection equipment.
- 37 [~~(b)~~] (c) "Decommissioning" means to remove an electrical generation facility from
- 38 active service.
- 39 [~~(e)~~] (d) "Disposal" means the sale, transfer, dismantling, or other disposition of a project
- 40 entity's assets.
- 41 [~~(d)~~] (e) "Division" means the Division of Air Quality created in Section 19-1-105.
- 42 [~~(e)~~] (f) "Fair market value" means the same as that term is defined in Section 79-6-408.
- 43 (g) "Interconnection" means the physical system that connects an electrical generation
- 44 facility to the transmission or distribution system, including all switching stations,
- 45 transformers, and other equipment necessary to deliver electricity to customers.
- 46 [~~(f)~~] (h)(i) "Project entity asset" means a project entity's:
- 47 (A) land;
- 48 (B) water;
- 49 (C) buildings; or
- 50 (D) essential equipment, including turbines, generators, transformers, and
- 51 transmission lines.
- 52 (ii) "Project entity asset" does not include an asset that is not essential for the
- 53 generation of electricity in the project entity's coal-powered electrical generation
- 54 facility.
- 55 (i) "Station service" means the electric supply required for the operation of an electrical
- 56 generation facility and associated facilities, essential auxiliary equipment, and all
- 57 facilities necessary to maintain electrical output.
- 58 (2) A project entity shall provide a notice of decommissioning or disposal to the Legislative
- 59 Management Committee at least 180 days before:
- 60 (a) the disposal of any project entity assets; or
- 61 (b) the decommissioning of the project entity's coal-powered electrical generation
- 62 facility.
- 63 (3) The notice of decommissioning or disposal described in Subsection (2) shall include:
- 64 (a) the date of the intended decommissioning or disposal;

- 65 (b) a description of the project entity's coal-powered electrical generation facility
66 intended for decommissioning or any project entity asset intended for disposal; and
67 (c) the reasons for the decommissioning or disposal.
- 68 (4) A project entity may not:
- 69 (a) intentionally prevent the functionality of the project entity's existing coal-powered
70 electrical generation facility[-] ;
- 71 (b) alter, remove, disable, or otherwise modify any facilities that provide power to
72 station service;
- 73 (c) disconnect, remove, disable, or otherwise modify any existing interconnection or
74 critical switchyard equipment; or
- 75 (d) take any action that would require a new interconnection request to deliver electricity
76 from the facility.
- 77 (5) Notwithstanding the requirements in Subsections (2) through (4), a project entity may
78 take any action necessary to transition to a new electrical generation facility powered by
79 natural gas, hydrogen, or a combination of natural gas and hydrogen, including any
80 action that has been approved by a permitting authority[-] , provided that such actions:
- 81 (a) do not violate the prohibitions in Subsection (4); or
- 82 (b) are specifically required by a permitting authority as an essential component of the
83 transition, with no feasible alternative that would avoid violating Subsection (4).
- 84 (6) A project entity shall provide the state the option to purchase for fair market value a
85 project entity asset intended for decommissioning, with the option remaining open for at
86 least two years, beginning on July 2, 2025.

87 Section 2. **Effective Date.**

88 This bill takes effect:

- 89 (1) except as provided in Subsection (2), May 7, 2025; or
- 90 (2) if approved by two-thirds of all members elected to each house:
- 91 (a) upon approval by the governor;
- 92 (b) without the governor's signature, the day following the constitutional time limit of
93 Utah Constitution, Article VII, Section 8; or
- 94 (c) in the case of a veto, the date of veto override.