

**Grid Enhancing Technologies**

2025 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Christine F. Watkins**

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**LONG TITLE****General Description:**

This bill makes changes to the Energy Resource Procurement Act.

**Highlighted Provisions:**

This bill:

- defines terms;
- outlines cost-effectiveness analyses and approval procedures when a large-scale electric utility (utility) proposes grid enhancement deployment; and
- provides that a utility may recover approved costs.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

ENACTS:

**54-20-108**, Utah Code Annotated 1953

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

Section 1. Section **54-20-108** is enacted to read:

**54-20-108 . Grid enhancing technologies program.**

(1)(a) As used in this section, "grid enhancing technology" means a technology that increases the capacity, efficiency, or reliability of electric transmission infrastructure.

(b) "Grid enhancing technology" includes:

- (i) technology that dynamically adjusts the rated capacity of transmission lines based on real-time conditions;
- (ii) advanced power flow controls used to actively control the flow of electricity across transmission lines to optimize usage and relieve congestion;
- (iii) software and hardware used to identify optimal transmission grid configurations and enable routing power flows around congestion points;

- 32           (iv) advanced transmission line conductors that increase the power transfer capacity  
33           of transmission lines; and
- 34           (v) energy storage technologies that facilitate energy storage during times of excess  
35           generation and discharge of stored energy during times of high demand to support  
36           transmission system operation.
- 37           (c) "Shared savings incentive" means a monetary incentive provided to a large-scale  
38           electric utility that has deployed commission-approved grid enhancing technologies,  
39           that is calculated based on the quantifiable system-wide cost savings realized as a  
40           result of the grid enhancing technologies.
- 41           (2) There is established a grid enhancing technologies program as an innovative utility  
42           program under Section 54-20-105.
- 43           (3) In a rate case or other proceeding in which a large-scale electric utility proposes the  
44           deployment of a grid enhancing technology for implementation or addition to the  
45           transmission system, the large-scale electric utility shall:
- 46           (a) analyze the cost effectiveness and timetable for deployment of grid enhancing  
47           technologies as an alternative strategy; and
- 48           (b) submit the analysis to the commission.
- 49           (4) If the commission determines, based on the analysis, that deployment of grid enhancing  
50           technologies is in the public interest, the commission:
- 51           (a) as part of an overall solutions strategy, may approve providing funds for deployment  
52           of grid enhancing technologies;
- 53           (b) may authorize the large-scale electric utility to:
- 54           (i) establish a balancing account that includes the commission approved funds to be  
55           used for deployment of grid enhancing technologies; and
- 56           (ii) recover prudently incurred costs associated with commission approved  
57           deployment of grid enhancing technologies; and
- 58           (c) if the large-scale electric utility submits a land use application regarding a  
59           transmission line project implementing the approved grid enhancing technologies,  
60           may require a local government to:
- 61           (i) expedite review of the land use application, while substantially complying with  
62           applicable provisions of Title 10, Chapter 9a, Municipal Land Use, Development,  
63           and Management Act; and
- 64           (ii) make a final decision to approve or deny the land use application within 30 days  
65           after the day on which the utility submits a complete land use application.

- 66 (5)(a) A large-scale electric utility that deploys commission-approved grid enhancing  
67 technologies is eligible for a shared savings incentive.
- 68 (b) The shared savings incentive returns a portion of the quantifiable system-wide cost  
69 savings created by the large-scale electric utility's investment in grid enhancing  
70 technologies to the utility.
- 71 (c) The cost savings calculations under Subsection (5)(b) shall be subject to verification  
72 by an independent third-party auditor approved by the Public Service Commission.
- 73 (d) The shared savings incentive amount shall be distributed to the large-scale electric  
74 utility according to procedures outlined by the Public Service Commission.
- 75 (6) An large-scale electric utility that operates a grid enhancing technologies program shall  
76 submit a written report annually on or before June 1 to the Public Utilities, Energy, and  
77 Technology Interim Committee regarding the program as required under Subsection  
78 54-20-105(6).
- 79 (7) The commission may make rules in accordance with Title 63G, Chapter 3, Utah  
80 Administrative Rulemaking Act, to administer the shared savings incentive described in  
81 Subsection (5).

82 Section 2. **Effective date.**

83 This bill takes effect on May 7, 2025.