

Carl R. Albrecht proposes the following substitute bill:

Utah Energy Generation and Transmission Planning

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Carl R. Albrecht

Senate Sponsor: Evan J. Vickers

LONG TITLE

General Description:

This bill enacts provisions establishing requirements for Public Service Commission participation in regional transmission organizations and independent system operators.

Highlighted Provisions:

This bill:

- defines terms;
- modifies renewable energy requirements for municipal electric utilities;
- requires the commission to participate in regional transmission organizations and independent system operators where Utah utilities are members;
- authorizes the commission to contract for independent analysis of market data;
- requires annual reporting to the Legislature on impacts to Utah customers; and
- requires notification to the Legislature if the commission is denied access or participation.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

10-19-201, as last amended by Laws of Utah 2024, Chapter 53

10-19-202, as last amended by Laws of Utah 2024, Chapter 53

ENACTS:

54-27-101, Utah Code Annotated 1953

54-27-102, Utah Code Annotated 1953

54-27-103, Utah Code Annotated 1953

54-27-104, Utah Code Annotated 1953

29 **54-27-105**, Utah Code Annotated 1953

30

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

32 Section 1. Section **10-19-201** is amended to read:

33 **10-19-201 . Target amount of qualifying electricity -- Renewable energy**
 34 **certificate -- Cost-effectiveness.**

35 (1)[(a) ~~To the extent that it is cost-effective to do so, beginning in 2025 the~~] The portion
 36 of annual retail electric sales in this state of each municipal electric utility [shall
 37 consist of qualifying electricity or renewable energy certificates in an amount equal
 38 to at least 20% of adjusted retail electric sales.] consisting of renewable energy shall
 39 be determined by the municipal electric utility in accordance with the state energy
 40 policy established in Section 79-6-31.

41 [(b) ~~The amount under Subsection (1)(a) is computed based upon adjusted retail sales~~
 42 ~~for the calendar year commencing 36 months before the first day of the year for~~
 43 ~~which the target calculated under Subsection (1)(a) applies.]~~

44 [(c) ~~Notwithstanding Subsections (1)(a) and (b) an increase in the annual target from one~~
 45 ~~year to the next is limited to the greater of:]~~

46 [(i) ~~17,500 megawatt-hours; or]~~

47 [(ii) ~~20% of the prior year's amount under Subsections (1)(a) and (b).]~~

48 [(2) ~~Cost-effectiveness under Subsection (1) is determined using any criteria applicable to~~
 49 ~~the municipal electric utility's acquisition of a significant energy resource established by~~
 50 ~~the municipality's legislative body.]~~

51 [(3)] (2) This section does not require a municipal electric utility to:

52 (a) substitute qualifying electricity for electricity from a generation source owned or
 53 contractually committed, or from a contractual commitment for a power purchase;

54 (b) enter into any additional electric sales commitment or any other arrangement for the
 55 sale or other disposition of electricity that is not already, or would not be, entered into
 56 by the municipal electric utility; or

57 (c) acquire qualifying electricity in excess of its adjusted retail electric sales.

58 [(4) ~~A municipal electrical corporation may combine the following to meet Subsection (1):]~~

59 [(a) ~~qualifying electricity from a clean energy source owned by the municipal electric~~
 60 ~~utility;]~~

61 [(b) ~~qualifying electricity acquired by the municipal electric utility through trade, power~~
 62 ~~purchase, or other transfer; and]~~

63 ~~[(e) a bundled or unbundled renewable energy certificate, including a banked renewable~~
 64 ~~energy certificate.]~~

65 ~~[(5) To meet Subsection (1), a municipal electric utility may also count:]~~

66 ~~[(a) qualifying electricity generated or acquired or renewable energy certificates~~
 67 ~~acquired for a program permitting the municipal electric utility's customers to~~
 68 ~~voluntarily contribute to a renewable energy source; and]~~

69 ~~[(b) electricity allocated to this state that is produced by a hydroelectric facility~~
 70 ~~becoming operational after December 31, 2007, if the hydroelectric facility is located~~
 71 ~~in any state in which the municipal electric utility, or the interlocal entity with which~~
 72 ~~the municipal electric utility has a contract, provides electric service.]~~

73 Section 2. Section **10-19-202** is amended to read:

74 **10-19-202 . Renewable energy certificate -- Use to satisfy other requirements.**

75 (1) A municipal electric utility may buy, sell, trade, or otherwise transfer a renewable
 76 energy certificate issued or recognized under Section 54-17-603.

77 (2) For ~~[the purpose of satisfying Subsection 10-19-201(1) and-]~~the issuance of a renewable
 78 energy certificate under Section 54-17-603:

79 (a) a clean energy source located in this state that derives its energy from solar
 80 photovoltaic and solar thermal energy shall be credited for 2.4 kilowatt-hours of
 81 qualifying electricity for each 1.0 kilowatt-hour generated; and

82 (b) if two or more municipal electric utilities jointly own a renewable energy resource,
 83 each municipal electric utility shall be credited with 1.0 kilowatt-hour of qualifying
 84 electricity for 1.0 kilowatt-hour of the renewable energy resource allocated to the
 85 municipal electric utility by contract, unless the contract otherwise provides.

86 (3) A renewable energy certificate:

87 ~~[(a) may be used only once to satisfy Subsection 10-19-201(1);]~~

88 ~~[(b)] (a) [may be used to satisfy Subsection 10-19-201(1) and-] together with the~~
 89 ~~qualifying electricity on which the renewable energy certificate is based, may be used~~
 90 ~~to satisfy any federal renewable energy requirement; and~~

91 ~~[(e)] (b) may not be used if it has been used to satisfy any other state's renewable energy~~
 92 ~~requirement.~~

93 Section 3. Section **54-27-101** is enacted to read:

94 **CHAPTER 27. Regional Transmission Organizations and Independent System**

95

Operators

96 **54-27-101 . Definitions.**

97 As used in this chapter:

- 98 (1) "Commission" means the same as that term is defined in Section 54-2-1.
- 99 (2) "Electrical corporation" means the same as that term is defined in Section 54-2-1.
- 100 (3) "Independent system operator" means a regional transmission organization recognized
 101 by the Federal Energy Regulatory Commission that administers electric transmission
 102 and markets.
- 103 (4) "Regional transmission organization" means an entity approved by the Federal Energy
 104 Regulatory Commission that coordinates, controls, or monitors electricity transmission
 105 on a regional basis.
- 106 (5) "Transmission provider" means the same as that term is defined in Section 54-26-101.

107 Section 4. Section **54-27-102** is enacted to read:

108 **54-27-102 . Commission participation in a regional transmission organization or**
 109 **independent system operator.**

- 110 (1) The commission shall actively participate in a regional transmission organization or
 111 independent system operator in which a transmission provider or electrical corporation
 112 serving Utah customers is a member or market participant.
- 113 (2) Participation under Subsection (1) includes engagement in:
- 114 (a) stakeholder processes;
- 115 (b) governance committees;
- 116 (c) technical forums; or
- 117 (d) market-related proceedings.

118 Section 5. Section **54-27-103** is enacted to read:

119 **54-27-103 . Commission data access and analysis.**

- 120 (1) The commission shall obtain operational, market, and reliability data from a regional
 121 transmission organization or independent system operator.
- 122 (2) The commission may enter into a data-sharing agreement or confidentiality agreement
 123 to obtain the data described in Subsection (1).
- 124 (3) Data obtained under this section may include:
- 125 (a) resource sufficiency and adequacy results;
- 126 (b) transmission constraint modeling;
- 127 (c) congestion revenue rights, congestion offsets, and related settlement data;

- 128 (d) unit commitment or dispatch information;
 129 (e) outage coordination data;
 130 (f) tariff test results;
 131 (g) monthly master file data;
 132 (h) Western Energy Imbalance Market neutrality charges;
 133 (i) out-of-market payments, including reliability run cost data;
 134 (j) resource adequacy data; or
 135 (k) deliverability, adequacy, or system impact studies.
 136 (4) The commission may contract with an independent expert or market monitor to review
 137 and verify modeling, analyses, or cost allocations affecting a Utah generation facility or
 138 transmission facility.

139 Section 6. Section **54-27-104** is enacted to read:

140 **54-27-104 . Transparency, accountability, and reporting.**

- 141 (1) On or before November 30 of each year, the commission shall report to the Public
 142 Utilities, Energy, and Technology Interim Committee regarding:
 143 (a) whether Utah customers are paying congestion costs associated with constraints
 144 primarily outside Utah;
 145 (b) whether a regional transmission organization or independent system operator test or
 146 sufficiency measure imposes disproportionate burdens on electrical corporations or
 147 transmission providers serving Utah customers;
 148 (c) the extent to which another state or region relies on a Utah generation facility or
 149 transmission facility to satisfy a regional transmission organization or independent
 150 system operator sufficiency requirement, adequacy requirement, or deliverability
 151 requirement;
 152 (d) whether the commission is afforded parity of access and participation with other
 153 state regulators in regional transmission organization or independent system operator
 154 governance, processes, and data availability; and
 155 (e) a recommended statutory change or regulatory change necessary to maintain parity
 156 of access and participation and ensure continued protection of Utah customers.
 157 (2) The commission shall include in the report described in Subsection (1) a finding on how
 158 Utah's participation in a regional transmission organization or independent system
 159 operator may have a positive impact or negative impact on Utah customers.

160 Section 7. Section **54-27-105** is enacted to read:

161 **54-27-105 . Notification of lack of access or participation.**

- 162 (1) If the commission is denied access to data, a process, or participation available to
163 another state regulatory body, or is otherwise unable to obtain information necessary to
164 fulfill the commission's duties under this chapter, the commission shall, within 30 days
165 after the day on which the commission is denied access or is unable to obtain the
166 information, notify:
167 (a) the Legislative Management Committee; and
168 (b) the Public Utilities, Energy, and Technology Interim Committee.
169 (2) The commission's notice described in Subsection (1) shall identify the data, process, or
170 participation that was denied or unavailable and may include a recommendation for
171 remedying the deficiency.

172 Section 8. **Effective Date.**

173 This bill takes effect on May 6, 2026.