

Effective 5/10/2016

11-13-301 Project entity and generation output requirements.

- (1) Each project entity:
 - (a) shall:
 - (i) except for construction of facilities providing replacement project capacity, before undertaking the construction of a project and before undertaking the construction of facilities to provide additional project capacity, offer to sell or make available at least 50% of the generation output of or electric energy produced by the project or additional project capacity, respectively;
 - (ii) establish rules and procedures for an offer under Subsection (1)(a)(i) that provide at least 60 days for a prospective power purchaser to accept the offer before the offer is considered rejected; and
 - (iii) make each offer under Subsection (1)(a)(i):
 - (A) under a long-term arrangement that may be an undivided ownership interest, a participation interest, a power sales agreement, or otherwise; and
 - (B) to one or more power purchasers in the state that supply electric energy at wholesale or retail; and
 - (b) may undertake construction of facilities providing replacement project capacity for its project.
- (2)
 - (a) The generation output or electric energy production available to power purchasers in the state from a project shall be at least 5% of the total generation output or electric energy production of the project.
 - (b)
 - (i) Subject to Subsection (2)(b)(ii)(B), at least a majority of the generation capacity, generation output, or electric energy production facilities providing additional project capacity shall be:
 - (A) made available as needed to meet the estimated electric requirements of entities or consumers within the state; and
 - (B) owned, purchased, or consumed by entities or consumers within the state.
 - (ii)
 - (A) As used in this Subsection (2)(b)(ii), "default provision" means a provision authorizing a nondefaulting party to succeed to or require the disposition of the rights and interests of a defaulting party.
 - (B) The requirements of Subsection (2)(b)(i) do not apply to the extent that those requirements are not met due to the operation of a default provision in an agreement providing for ownership or other interests in facilities providing additional project capacity.

Amended by Chapter 382, 2016 General Session