

Effective 5/1/2024

54-17-1001 Acquiring excess proven dispatchable generation capacity.

- (1) As used in this section:
 - (a) "Allocation agreement" means a multi-state agreement that allocates the costs and benefits from energy resources serving multiple states to each participating state.
 - (b) "Division" means the Division of Public Utilities established in Section 54-4a-1.
 - (c) "Excess proven dispatchable generation capacity" means electric generation capacity from a proven dispatchable generating resource located in the state that is subject to an allocation agreement, where excess capacity becomes available as another state transitions away from the use of proven dispatchable generation resources.
 - (d) "Office" means the Office of Energy Development created in Section 79-6-401.
- (2) If the affected electrical utility becomes aware that the affected electrical utility will have excess proven dispatchable generation capacity at an in-state proven dispatchable generation resource, the affected electrical utility shall provide notice to:
 - (a) the commission;
 - (b) the division;
 - (c) the office;
 - (d) the president of the Senate; and
 - (e) the speaker of the House of Representatives.
- (3) An affected electrical utility that becomes aware of excess proven dispatchable generation capacity shall provide the notice described in Subsection (2):
 - (a) by July 1, 2024, for any excess capacity the utility is aware of on or before May 1, 2024; or
 - (b) within 60 days after the day the utility becomes aware of the excess capacity, for any excess capacity the utility becomes aware of after May 1, 2024.
- (4) An affected electrical utility may not offer excess proven dispatchable generation capacity for sale outside of the state unless the affected electrical utility has complied with Subsection (2).
- (5)
 - (a) After receiving the notice described in Subsection (2), the division shall immediately begin negotiations through an allocation agreement process for excess proven dispatchable generation capacity.
 - (b) The division shall provide regular updates on the status of negotiations under Subsection (5)
 - (a) to the president of the Senate, the speaker of the House of Representatives, and other relevant stakeholders as determined by the commission.
- (6) When reviewing an affected electrical utility's application seeking approval of an agreement to allocate another state's existing share of excess proven dispatchable generation capacity, the commission shall consider:
 - (a) the state energy policy described in Section 79-6-301;
 - (b) recommendations made by the president of the Senate, the speaker of the House of Representatives, and the office;
 - (c) current and forecasted electricity needs within the state and the region;
 - (d) the potential impact on long-term electricity costs for ratepayers in the state;
 - (e) the potential to resell excess electricity on interstate energy markets to lower costs for state ratepayers;
 - (f) the additional operating costs borne by the state as the sole purchaser of capacity or energy from the proven dispatchable generation resource;
 - (g) opportunities to coordinate with neighboring states with similar energy policies and goals;

- (h) that any excess capacity allocated and approved in rates under an agreement described in Subsection (5) shall be operated in a manner that prioritizes the interests of ratepayers in the state;
- (i) that all revenues from the sale of excess capacity that is allocated and approved in rates under an agreement described in Subsection (5) shall be credited to ratepayers in the state; and
- (j) any other factors the commission determines relevant.

Enacted by Chapter 214, 2024 General Session