

**Effective 5/13/2014**

**54-3-31 Electric utility service within a provider municipality -- Electrical corporation authorized as continuing provider for service provided on or before June 15, 2013 -- Notice of service and agreement -- Transfer of customer.**

- (1) This section applies to an electrical corporation that:
  - (a)
    - (i) provides electric service to a customer on or before June 15, 2013, within the municipal boundary of a municipality that provides electric service; or
    - (ii) provides electric service to a customer within an area:
      - (A) established by an agreement dated on or before June 15, 2013, with a municipality; and
      - (B) within the municipal boundary of a municipality that provides electric service; and
  - (b) intends to continue providing service to that customer.
- (2) Notwithstanding Section 54-3-30, if an electrical corporation provides electric service to a customer as described in Subsection (1), and the municipality provides electric service to another customer within its municipal boundary, the electrical corporation may continue to provide electric service to the customer within the municipality's boundary after the termination of, or in the absence of, a written agreement, if:
  - (a) the electrical corporation provides, on or before December 15, 2013, the municipality with an accurate and complete verified written notice, in accordance with Subsection (3), identifying each customer within the municipality served by the electrical corporation on or before June 15, 2013;
  - (b) the electrical corporation enters into a written agreement with the municipality:
    - (i)
      - (A) prior to the termination of any prior written agreement; or
      - (B) in the absence of a written agreement; and
    - (ii) no later than June 15, 2014; and
  - (c)
    - (i) except as provided in Subsection (2)(c)(ii), the commission approves the agreement in accordance with Section 54-4-40; or
    - (ii) for an electrical cooperative that meets the requirements of Subsection 54-7-12(7), the governing board of the electrical cooperative approves the agreement.
- (3) The written notice provided in accordance with Subsection (2)(a) shall include for each customer:
  - (a) the customer's meter number;
  - (b) the location of the customer's meter by street address, global positioning system coordinates, metes and bounds description, or other similar method of meter location;
  - (c) the customer's class of service; and
  - (d) a representation that the customer was receiving service from the electrical corporation on or before June 15, 2013.
- (4) The agreement entered into in accordance with Subsection (2) shall require the following:
  - (a) The electrical corporation is the exclusive electric service provider to a customer identified in the notice described in Subsection (2)(a) unless the municipality and electrical corporation subsequently agree, in writing, that the municipality may provide electric service to the identified customer.
  - (b) If a customer who is located within the municipal boundary and who is not identified in Subsection (2)(a) requests service after June 15, 2013, from the electrical corporation, the electrical corporation may not provide that customer electric service unless the electrical

corporation subsequently submits a request to and enters into a written agreement with the municipality in accordance with Section 54-3-30.

- (5)
- (a) Unless otherwise agreed in writing by the electrical corporation and the municipality, the electrical corporation may terminate an agreement entered into in accordance with Subsection (2)(b) by giving written notice of termination to the municipality:
    - (i) no earlier than two years before the day of termination; or
    - (ii) within a period of time shorter than two years if otherwise agreed to with the municipality.
  - (b) Upon termination of an agreement in accordance with Subsection (5)(a):
    - (i)
      - (A) the electrical corporation shall transfer an electric service customer located within the municipality to the municipality; and
      - (B) the municipality shall provide electric service to the customer; and
    - (ii) the electrical corporation shall transfer a facility in accordance with and for the value as provided in Section 10-2-421.
- (6) This section may not be construed to modify or terminate any written franchise agreement or other agreement that expressly provides for electric service by an electrical corporation to a customer within a municipality that was entered into between an electrical corporation and a municipality on or before June 15, 2013.

Amended by Chapter 55, 2014 General Session  
Amended by Chapter 189, 2014 General Session