

**UTILITY AMENDMENTS**

2009 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Stephen H. Urquhart**

House Sponsor: Kevin S. Garn

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**LONG TITLE**

**General Description:**

This bill amends the rate-setting process for a public utility.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ amends the rate-setting process for a public utility, including:
  - authorizes a public utility's complete filing with the Public Service Commission (PSC) to initiate a 240-day time period for rate case decisions;
  - authorizes the PSC to approve or deny an electrical corporation's or a gas corporation's application for cost recovery of a major plant addition;
  - allows the PSC to authorize an electrical corporation or a gas corporation energy balancing account;
  - authorizes the PSC to approve a bill payment assistance program for low-income residential customers of an electrical corporation or a gas corporation; and
- ▶ makes technical corrections.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides an immediate effective date.



28 This bill provides revisor instructions.

29 **Utah Code Sections Affected:**

30 AMENDS:

31 **54-4-4.1**, as enacted by Laws of Utah 1990, Chapter 29

32 **54-7-12**, as last amended by Laws of Utah 2002, Chapter 319

33 ENACTS:

34 **54-7-13.4**, Utah Code Annotated 1953

35 **54-7-13.5**, Utah Code Annotated 1953

36 **54-7-13.6**, Utah Code Annotated 1953

37 **54-7-14.5**, Utah Code Annotated 1953

38 REPEALS:

39 **54-7-13**, as last amended by Laws of Utah 1987, Chapter 161



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

42 Section 1. Section **54-4-4.1** is amended to read:

43 **54-4-4.1. Rules to govern rates.**

44 (1) The commission may, by rule or order, adopt any method of rate regulation that is:

45 (a) consistent with this title~~[, including a method whereby revenues or earnings of a~~  
46 ~~public utility above a specified level are equitably shared between the public utility and its~~  
47 ~~customers.];~~

48 (b) in the public interest; and

49 (c) just and reasonable.

50 ~~[(2) Not later than 60 days from the entry of an order or adoption of a rule adopting a~~  
51 ~~method of rate regulation whereby revenues or earnings of a public utility above a specified~~  
52 ~~level are equitably shared between the public utility and its customers, the public utility may~~  
53 ~~elect not to proceed with the method of rate regulation by filing with the commission a notice~~  
54 ~~that it does not intend to proceed with the method of rate regulation.]~~

55 (2) In accordance with Subsection (1), a method of rate regulation may include:

56 (a) rate designs utilizing:

57 (i) volumetric rate components;

58 (ii) demand rate components;

- 59 (iii) fixed rate components; and
- 60 (iv) variable rate components;
- 61 (b) rate stabilization methods;
- 62 (c) decoupling methods;
- 63 (d) incentive-based mechanisms; and
- 64 (e) other components, methods, or mechanisms approved by the commission.

65 Section 2. Section **54-7-12** is amended to read:

66 **54-7-12. Rate increase or decrease -- Procedure -- Effective dates -- Electrical or**  
67 **telephone cooperative.**

68 (1) As used in this section:

69 (a) (i) "Base rates" means those charges included in a public utility's generally  
70 applicable rate tariffs, including:

71 (A) a fare;

72 (B) a rate;

73 (C) a rental;

74 (D) a toll; or

75 (E) any other charge generally applicable to a public utility's rate tariffs.

76 (ii) Unless included by a commission order, "base rates" does not include charges  
77 included in:

78 (A) a deferred account;

79 (B) a balancing account;

80 (C) a major plant addition surcharge;

81 (D) a major plant addition surcredit;

82 (E) a special contract; or

83 (F) a public utility program offering.

84 (b) (i) "Complete filing" means an application filed by a public utility that substantially  
85 complies with minimum filing requirements established by the commission, by rule, for a  
86 general rate increase or decrease.

87 (ii) The commission shall 180 days after the effective date of this section create and  
88 finalize rules concerning the minimum requirements to be met for an application to be  
89 considered a complete filing.

90 ~~[(a) "Rate]~~ (c) "General rate decrease" means:

91 (i) any direct decrease ~~[in a rate, fare, toll, rental, or other charge of a public utility]~~ to a  
92 public utility's base rates; or

93 (ii) any modification of a classification, contract, practice, or rule that decreases a ~~[rate,~~  
94 ~~fare, toll, rental, or other charge of a public utility]~~ public utility's base rates.

95 ~~[(b)]~~ (d) "General rate increase" means:

96 ~~[(i) means:]~~

97 ~~[(A)]~~ (i) any direct increase ~~[in a rate, fare, toll, rental, or other charge of a public~~  
98 ~~utility]~~ to a public utility's base rates; or

99 ~~[(B)]~~ (ii) any modification of a classification, contract, practice, or rule that increases a  
100 ~~[rate, fare, toll, rental, or other charge of a public utility; and]~~ public utility's base rates.

101 ~~[(ii) does not include a tariff under Section 54-7-12.8.]~~

102 (2) (a) ~~[Any]~~ A public utility [or other party that proposes to increase or decrease rates]  
103 that files for a general rate increase or general rate decrease shall file [appropriate schedules] a  
104 complete filing with the commission setting forth the proposed rate increase or decrease.

105 (b) (i) For purposes of this Subsection (2), a public utility's application for a general  
106 rate increase or decrease shall be considered a complete filing unless within 30 days after the  
107 day on which the commission receives the public utility's application, the commission issues an  
108 order describing information that the public utility must provide for the application to be  
109 considered a complete filing.

110 (ii) Subject to Subsection (2)(b)(iii) and within 14 days after the day on which the  
111 application is received by the commission, a party or a person may file a motion to challenge  
112 whether an application for a general rate increase or decrease is a complete filing.

113 (iii) A party or a person may not file a motion described in Subsection (2)(b)(ii) unless  
114 the person or party has first filed a motion to intervene with the commission.

115 (c) If, in accordance with Subsection (2)(b)(i), the commission issues an order that an  
116 application is not a complete filing, the commission shall:

117 (i) determine the materiality of an application deficiency; and

118 (ii) (A) if the deficiencies are not material, issue an order that the 240-day period  
119 described in Subsection (3)(a) shall continue without delay or be suspended and resume when  
120 the public utility files the required information; or

121 (B) if the deficiencies are material, issue an order that the 240-day period described in  
 122 Subsection (3)(a) shall start over when the public utility files the required information.

123 ~~[(b)]~~ (d) (i) The commission shall, after reasonable notice, hold a hearing to determine  
 124 whether the proposed rate increase or decrease, or some other rate increase or decrease, is just  
 125 and reasonable.

126 (ii) If a rate decrease is proposed by a public utility, the commission may waive a  
 127 hearing unless it seeks to suspend, alter, or modify the rate decrease.

128 ~~[(c)]~~ (e) Except as otherwise provided in ~~[Subsections]~~ Subsection (2)(d), (3) [and], or  
 129 (4), a proposed rate increase or decrease is not effective until after completion of the hearing  
 130 and issuance of a final order by the commission concerning the proposed increase or decrease.

131 (3) (a) Within 240 days after a public utility submits a complete filing, the commission  
 132 shall issue a final order to:

133 (i) grant the proposed general rate increase or decrease;

134 (ii) grant a different general rate increase or decrease; or

135 (iii) deny the proposed general rate increase or decrease.

136 (b) If the commission does not issue a final written order within 240 days after the  
 137 public utility submits a complete filing in accordance with Subsection (3)(a):

138 (i) the public utility's proposed rate increase or decrease is final; and

139 (ii) the commission may not order a refund of any amount already collected or returned  
 140 by the public utility under Subsection (4)(a).

141 ~~[(3) The following rules apply to the implementation of any proposed rate increase or~~  
 142 ~~decrease filed by a utility or proposed by any other party and to the implementation of any~~  
 143 ~~other increase or decrease in lieu of that proposed by a utility or other party that is determined~~  
 144 ~~to be just and reasonable by the commission.]~~

145 ~~[(a) On its own initiative or in response to an application by a public utility or other~~  
 146 ~~party, the commission, after a hearing, may allow any proposed rate increase or decrease, or a~~  
 147 ~~reasonable part of the rate increase or decrease, to take effect, subject to the commission's right~~  
 148 ~~to order a refund or surcharge, upon the filing of the utility's schedules or at any time during the~~  
 149 ~~pendency of the commission's hearing proceedings.]~~

150 (4) (a) (i) A request for interim rates shall be made within 90 days after the day on  
 151 which a public utility files a complete filing for a general rate increase or a general rate

152 decrease.

153 (ii) The commission, on its own initiative or in response to an application by a public  
154 utility or other party, may, after a hearing, allow any rate increase or decrease proposed by a  
155 public utility, or a reasonable part of the rate increase or decrease, to take effect on an interim  
156 basis within 45 days after the day on which the request is filed, subject to the commission's  
157 right to order a refund or surcharge.

158 (iii) The evidence presented in the hearing held pursuant to this Subsection (4) need  
159 not encompass all issues that may be considered in a rate case hearing held pursuant to  
160 Subsection (2)(b)(d), but shall establish an adequate prima facie showing that the interim rate  
161 increase or decrease is justified.

162 (b) (i) If the] The commission [completes a hearing concerning a utility's revenue  
163 requirement] may, after a hearing, issue a final order before the expiration of 240 [days from  
164 the date the rate increase or decrease proposal is filed, the commission may issue a final order  
165 within that period] days after the day on which the public utility files a complete filing  
166 establishing the utility's revenue requirement and fixing the utility's [interim] allowable rates  
167 before the commission determines the final allocation of the increase or decrease among  
168 categories of customers and classes of service.

169 [(ii)] (c) (i) If the commission in the commission's final order on a public utility's  
170 revenue requirement finds that the interim increase [order] ordered under Subsection [(3)(a)]  
171 (4)(a)(ii) exceeds the increase finally ordered, the commission shall order the public utility to  
172 refund the excess to customers.

173 (ii) If the commission in the commission's final order on a public utility's revenue  
174 requirement finds that the interim decrease [order] ordered under Subsection [(3)(a)] (4)(a)(ii)  
175 exceeds the decrease finally ordered, the commission shall order a surcharge to customers to  
176 recover the excess decrease.

177 [(c) If the commission fails to enter the commission's order granting or revising a  
178 revenue increase within 240 days after the utility's schedules are filed, the rate increase  
179 proposed by the utility is final and the commission may not order a refund of any amount  
180 already collected by the utility under its filed rate increase.]

181 [(d) (i) When a public utility files a proposed rate increase based upon an increased  
182 cost to the utility for fuel or energy purchased or obtained from independent contractors, other

183 independent suppliers, or any supplier whose prices are regulated by a governmental agency,  
184 the commission shall issue a tentative order with respect to the proposed increase within ten  
185 days after the proposal is filed, unless it issues a final order with respect to the rate increase  
186 within 20 days after the proposal is filed.]

187 [~~(ii) The commission shall hold a public hearing within 30 days after it issues the~~  
188 ~~tentative order to determine if the proposed rate increase is just and reasonable.]~~

189 [~~(4)~~ (5) (a) Notwithstanding any other provisions of this title, any schedule,  
190 classification, practice, or rule filed by a public utility with the commission that does not result  
191 in any rate increase shall take effect 30 days after the date of filing or within any lesser time the  
192 commission may grant, subject to its authority after a hearing to suspend, alter, or modify that  
193 schedule, classification, practice, or rule.

194 (b) When the commission suspends a schedule, classification, practice, or rule, the  
195 commission shall hold a hearing on the schedule, classification, practice, or rule before issuing  
196 its final order.

197 (c) For purposes of this Subsection [~~(4)~~ (5)], any schedule, classification, practice, or  
198 rule that introduces a service or product not previously offered may not result in a rate increase.

199 [~~(5)(a)~~ (6) Notwithstanding any other provision of this title, whenever a public utility  
200 files with the commission any schedule, classification, practice, or rule that does not result in  
201 an increase in any rate, fare, toll, rental, or charge, the schedule, classification, practice, or rule  
202 shall take effect 30 days after the date of filing or at any earlier time the commission may grant,  
203 subject to the authority of the commission, after a hearing, to suspend, alter, or modify the  
204 schedule, classification, practice, or rule.

205 [~~(b)(i) Notwithstanding any other provision of this title, whenever a public utility files~~  
206 ~~with the commission a request for an increase in rates, fares, tolls, rentals, or charges based~~  
207 ~~solely upon cost increases to the public utility of fuel supplied by an independent contractor or~~  
208 ~~independent source of supply, the requested increase shall take effect ten days after the filing of~~  
209 ~~the request with the commission or at any earlier time after the filing of the request as the~~  
210 ~~commission may by order permit.]~~

211 [~~(ii) The commission shall order the increase to take effect only after a showing has~~  
212 ~~been made by the public utility to the commission that the increase is justified.]~~

213 [~~(iii) The commission may, after a hearing, suspend, alter, or modify the increase.]~~

214            [~~(6)~~] (7) This section does not apply to any rate changes of an electrical or telephone  
215 cooperative that meets all of the requirements of this Subsection [~~(6)~~] (7).

216            (a) (i) The cooperative is organized for the purpose of either distributing electricity or  
217 providing telecommunication services to its members and the public at cost.

218            (ii) "At cost" includes interest costs and a reasonable rate of return as determined by  
219 the cooperative's board of directors.

220            (b) The cooperative's board of directors and any appropriate agency of the federal  
221 government have approved the rate increase or other rate change and all necessary tariff  
222 revisions reflecting the increased rate or rate change.

223            (c) Before implementing any rate increases, the cooperative has held a public meeting  
224 for all its customers and members. The cooperative shall mail a notice of the meeting to all of  
225 the cooperative's customers and members not less than ten days prior to the date that the  
226 meeting is held.

227            (d) The cooperative has filed its tariff revisions reflecting the rate increase or other rate  
228 change with the commission, who shall make the tariffs available for public inspection.

229            [~~(7)~~] (8) Notwithstanding Subsections (2) and [~~(3)~~] (4), the procedures for  
230 implementing a proposed rate increase by a telephone corporation having less than 30,000  
231 subscriber access lines in the state are provided in this Subsection [~~(7)~~] (8).

232            (a) (i) The proposed rate increase by a telephone corporation subject to this Subsection  
233 [~~(7)~~] (8) may become effective on the day the telephone corporation files with the commission  
234 the proposed tariff revisions and necessary information to support a determination by the  
235 commission that the proposed rate increase is just and reasonable.

236            (ii) The telephone corporation shall notify the commission and all potentially affected  
237 access line subscribers of the proposed rate increase 30 days before filing the proposed rate  
238 increase or change.

239            (b) (i) The commission may investigate whether the proposed rate increase is just and  
240 reasonable.

241            (ii) If the commission determines, after notice and hearing, that the rate increase is  
242 unjust or unreasonable in whole or in part, the commission may establish the rates, charges, or  
243 classifications that the commission finds to be just and reasonable.

244            (c) The commission shall investigate and hold a hearing to determine whether any

245 proposed rate increase is just and reasonable if 10% or more of the telephone corporation's  
246 potentially affected access line subscribers file a request for agency action requesting an  
247 investigation and hearing.

248 Section 3. Section **54-7-13.4** is enacted to read:

249 **54-7-13.4. Alternative cost recovery for major plant addition -- Procedure.**

250 (1) As used in this section:

251 (a) (i) "Complete filing" means an application filed by a gas corporation or electrical  
252 corporation that substantially complies with minimum filing requirements established by the  
253 commission, by rule, for cost recovery of a major plant addition.

254 (ii) The commission shall within 180 days after the effective date of this section create  
255 and finalize rules concerning the minimum requirements to be met for an application to be  
256 considered a complete filing.

257 (b) "In-service date" means the first day that a gas corporation or an electrical  
258 corporation is no longer allowed to accrue an allowance for funds used during construction for  
259 a major plant addition.

260 (c) "Major plant addition" means any single capital investment project of a gas  
261 corporation or an electrical corporation that in total exceeds 1% of the gas corporation's or  
262 electrical corporation's rate base, based on the gas corporation's or electrical corporation's most  
263 recent general rate case determination, that is:

264 (i) used to serve Utah customers; and

265 (ii) assigned or allocated to Utah.

266 (2) A gas corporation or an electrical corporation may file with the commission a  
267 complete filing for cost recovery of a major plant addition if the commission has, in accordance  
268 with Section 54-7-12, entered a final order in a general rate case proceeding of the gas  
269 corporation or electrical corporation within 18 months of the projected in-service date of a  
270 major plant addition.

271 (3) (a) A gas corporation or an electrical corporation may not file for cost recovery of a  
272 major plant addition more than 150 days before the projected in-service date of the major plant  
273 addition.

274 (b) If the commission determines that the gas corporation or electrical corporation has  
275 not submitted a complete filing for cost recovery of a major plant addition, the commission

276 shall determine:

277 (i) what information the electrical corporation or gas corporation needs to provide to  
278 the commission; and

279 (ii) the materiality of an application deficiency.

280 (c) With respect to the applicable 90 or 150-day time period under Subsection (4) for  
281 the commission to enter an order as described in Subsection (4)(a)(iii), the commission may:

282 (i) if the deficiencies are not material:

283 (A) continue without delay; or

284 (B) suspend the applicable 90 or 150-day time period and resume when the electrical  
285 corporation or gas corporation has filed the required information; or

286 (ii) if the deficiencies are material, start the applicable 90 or 150-day time period over  
287 when the electrical corporation or gas corporation has filed the required information.

288 (4) (a) The commission shall:

289 (i) review the application for cost recovery of a major plant addition;

290 (ii) after a hearing, approve, approve with conditions, or deny cost recovery of the  
291 major plant addition; and

292 (iii) enter an order on cost recovery of a major plant addition within:

293 (A) 90 days after the day on which a complete filing is made with respect to a  
294 significant energy resource approved by the commission under Section 54-17-302 or resource  
295 decision under Section 54-17-402; or

296 (B) 150 days after the day on which a complete filing is made for any other major plant  
297 addition.

298 (b) (i) If the commission approves cost recovery of a major plant addition, the  
299 commission shall determine the state's share of projected net revenue requirement impacts of  
300 the major plant addition, including prudently-incurred capital costs and other reasonably  
301 projected costs, savings, and benefits.

302 (ii) The gas corporation or electrical corporation shall have the burden to prove a major  
303 plant addition's impacts as described in Subsection (4)(b)(i).

304 (c) If the commission has previously issued an order and approved the major plant  
305 addition as a significant energy resource under Section 54-17-302 or resource decision under  
306 Section 54-17-402, the commission shall presume the prudence of the utility's capital costs up

307 to the projected costs specified in the commission's previous significant energy resource order.

308 (5) If the commission approves or approves with conditions cost recovery of a major  
309 plant addition, the commission shall do one or all of the following:

310 (a) subject to Subsection (6)(c), authorize the gas corporation or electrical corporation  
311 to defer the state's share of the net revenue requirement impacts of the major plant addition for  
312 recovery in general rate cases; or

313 (b) adjust rates or otherwise establish a collection method for the state's share of the net  
314 revenue requirement impacts that will apply to the appropriate billing components.

315 (6) (a) Deferral or collection of the state's share of the net revenue requirement impacts  
316 of a major plant addition under this section shall commence upon the later of:

317 (i) the day on which a commission order is issued approving the deferral or collection  
318 amount; or

319 (ii) the in-service date of the major plant addition.

320 (b) The deferral described in this section shall terminate upon a final commission order  
321 that provides for recovery in rates of all or any part of the net revenue requirement impacts of  
322 the major plant addition.

323 (c) If the commission authorizes deferral under Subsection (5)(a), the amount deferred  
324 shall accrue a carrying charge on the net revenue requirement impacts as determined by the  
325 commission.

326 Section 4. Section **54-7-13.5** is enacted to read:

327 **54-7-13.5. Energy balancing accounts.**

328 (1) As used in this section:

329 (a) "Base rates" is as defined in Subsection 54-7-12(1).

330 (b) "Energy balancing account" means an electrical corporation account for some or all  
331 components of the electrical corporation's incurred actual power costs, including:

332 (i) (A) fuel;

333 (B) purchased power; and

334 (C) wheeling expenses; and

335 (ii) the sum of the power costs described in Subsection (1)(b)(i) less wholesale  
336 revenues.

337 (c) "Gas balancing account" means a gas corporation account to recover on a

338 dollar-for-dollar basis, purchased gas costs, and gas cost-related expenses.  
339 (2) (a) The commission may authorize an electrical corporation to establish an energy  
340 balancing account.  
341 (b) An energy balancing account shall become effective upon a commission finding  
342 that the energy balancing account is:  
343 (i) in the public interest;  
344 (ii) for prudently-incurred costs; and  
345 (iii) implemented at the conclusion of a general rate case.  
346 (c) An electrical corporation:  
347 (i) may, with approval from the commission, recover costs under this section through:  
348 (A) base rates;  
349 (B) contract rates;  
350 (C) surcredits; or  
351 (D) surcharges; and  
352 (ii) shall file a reconciliation of the energy balancing account with the commission at  
353 least annually with actual costs and revenues incurred by the electrical corporation.  
354 (d) An energy balancing account may not alter:  
355 (i) the standard for cost recovery; or  
356 (ii) the electrical corporation's burden of proof.  
357 (e) The collection method described in Subsection (2)(c)(i) shall:  
358 (i) apply to the appropriate billing components in base rates; and  
359 (ii) be incorporated into base rates in an appropriate commission proceeding.  
360 (f) The collection of costs related to an energy balancing account from customers  
361 paying contract rates shall be governed by the terms of the contract.  
362 (g) Revenues collected in excess of prudently incurred actual costs shall:  
363 (i) be refunded as a bill surcredit to an electrical corporation's customers over a period  
364 specified by the commission; and  
365 (ii) include a carrying charge.  
366 (h) Prudently incurred actual costs in excess of revenues collected shall:  
367 (i) be recovered as a bill surcharge over a period to be specified by the commission;  
368 and

- 369 (ii) include a carrying charge.
- 370 (i) The carrying charge applied to the balance in an energy balancing account shall be:
- 371 (i) determined by the commission; and
- 372 (ii) symmetrical for over or under collections.
- 373 (3) (a) The commission may:
- 374 (i) establish a gas balancing account for a gas corporation; and
- 375 (ii) set forth procedures for a gas corporation's gas balancing account in the gas
- 376 corporation's commission-approved tariff.
- 377 (b) A gas balancing account may not alter:
- 378 (i) the standard of cost recovery; or
- 379 (ii) the gas corporation's burden of proof.
- 380 (4) (a) All allowed costs and revenues associated with an energy balancing account or
- 381 gas balancing account shall remain in the respective balancing account until charged or
- 382 refunded to customers.
- 383 (b) The balance of an energy balancing account or gas balancing account may not be:
- 384 (i) transferred by the electrical corporation or gas corporation; or
- 385 (ii) used by the commission to impute earnings or losses to the electrical corporation or
- 386 gas corporation.
- 387 (c) An energy balancing account or gas balancing account that is formed and
- 388 maintained in accordance with this section does not constitute impermissible retroactive
- 389 ratemaking or single-issue ratemaking.
- 390 (5) This section does not create a presumption for or against approval of an energy
- 391 balancing account.
- 392 Section 5. Section **54-7-13.6** is enacted to read:
- 393 **54-7-13.6. Low-income assistance program.**
- 394 (1) As used in this section, "eligible customer" means an electrical corporation or a gas
- 395 corporation customer:
- 396 (a) that earns no more than:
- 397 (i) 125% of the federal poverty level; or
- 398 (ii) another percentage of the federal poverty level as determined by the commission by
- 399 order; and

400 (b) whose eligibility is certified by the Utah Department of Community and Culture.

401 (2) A customer's income eligibility for the program described in this section shall be  
402 renewed annually.

403 (3) An eligible customer may not receive assistance at more than one residential  
404 location at any one time.

405 (4) Notwithstanding Section 54-3-8, the commission may approve a low-income  
406 assistance program to provide bill payment assistance to low-income residential customers of:

407 (a) an electrical corporation with more than 50,000 customers; or

408 (b) a gas corporation with more than 50,000 customers.

409 (5) (a) (i) Subject to Subsection (5)(a)(ii), low-income assistance program funding  
410 from each rate class may be in an amount determined by the commission.

411 (ii) Low-income assistance program funding described in Subsection (5)(a)(i) may not  
412 exceed 0.5% of the rate class's retail revenues.

413 (b) (i) Low-income assistance program funding for bill payment assistance shall be  
414 provided through a surcharge on the monthly bill of each Utah retail customer of the electrical  
415 corporation or gas corporation providing the program.

416 (ii) The surcharge described in Subsection (5)(b)(i) may not be collected from  
417 customers currently participating in the low-income assistance program.

418 (c) (i) Subject to Subsection (c)(ii), the monthly surcharge described in Subsection  
419 (5)(b)(i) shall be calculated as an equal percentage of revenues from all rate schedules.

420 (ii) The monthly surcharge described in Subsection (5)(b)(i) may not exceed \$50 per  
421 month for any customer, adjusted periodically as the commission determines appropriate for  
422 inflation.

423 (6) (a) An eligible customer shall receive a billing credit on the monthly electric or gas  
424 bill for the customer's residence.

425 (b) The amount of the billing credit described in Subsection (6)(a) shall be determined  
426 by the commission based on:

427 (i) the projected funding of the low-income assistance program;

428 (ii) the projected customer participation in the low-income assistance program; and

429 (iii) other factors that the commission determines relevant.

430 (c) The monthly billing credit and the monthly surcharge shall be adjusted concurrently

431 with the final order in a general rate increase or decrease case under Section 54-7-12 for the  
432 electrical corporation or gas corporation providing the program or as determined by the  
433 commission.

434 Section 6. Section **54-7-14.5** is enacted to read:

435 **54-7-14.5. Rescission or amendment of orders or decisions.**

436 (1) The commission may, at any time after providing an affected utility notice and an  
437 opportunity to be heard, rescind, alter, or amend any order or decision made by the  
438 commission.

439 (2) An order rescinding, altering, or amending an original commission order or  
440 decision shall have the same effect on the public utility as the original order or decision.

441 Section 7. **Repealer.**

442 This bill repeals:

443 Section **54-7-13, Rescission or amendment of orders or decisions.**

444 Section 8. **Effective date.**

445 If approved by two-thirds of all the members elected to each house, this bill takes effect  
446 upon approval by the governor, or the day following the constitutional time limit of Utah  
447 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto,  
448 the date of veto override.

449 Section 9. **Revisor instructions.**

450 It is the intent of the Legislature that, in preparing the Utah Code database for  
451 publication, the Office of Legislative Research and General Counsel shall replace the reference  
452 in Subsections 54-7-12(1)(b)(ii) and 54-7-13.4(1)(a)(ii) from "the effective date of this section"  
453 with the bill's actual effective date.

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**Legislative Review Note**  
as of 2-13-09 11:15 AM

**Office of Legislative Research and General Counsel**

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**S.B. 75 - Utility Amendments**

**Fiscal Note**

2009 General Session

State of Utah

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**State Impact**

Enactment of this bill will not require additional appropriations.

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**Individual, Business and/or Local Impact**

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals or local governments. Businesses may be impacted due to this change in the proposed statute.

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