

**ELECTRICAL UTILITY AMENDMENTS -  
EFFICIENCY AND CONSERVATION TARIFF**

2010 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Kevin T. Van Tassell**

House Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill addresses electric energy efficiency and conservation tariffs for electrical utilities.

**Highlighted Provisions:**

This bill:

- ▶ requires the Public Service Commission (PSC) to approve a tariff proposed by an electrical utility for demand side management or energy efficiency programs;
- ▶ requires the PSC to approve a tariff for a cost-effective direct load control program;
- ▶ defines "direct load control program";
- ▶ removes a requirement that an electrical utility seek and receive input from the Office of Consumer Services before submitting a request for an electric energy efficiency or conservation tariff;
- ▶ removes provisions requiring the PSC to hold a hearing on an electric energy efficiency or conservation tariff if requested by the electrical corporation, a customer of the electrical corporation, or another interested party; and
- ▶ makes technical changes.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**



28 None

29 **Utah Code Sections Affected:**

30 AMENDS:

31 **54-7-12.8**, as last amended by Laws of Utah 2009, Chapter 237



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

34 Section 1. Section **54-7-12.8** is amended to read:

35 **54-7-12.8. Electric energy efficiency and conservation tariff.**

36 (1) As used in this section[~~,"demand~~];

37 (a) "Demand side management" means activities or programs that promote electric  
38 energy efficiency or conservation or more efficient management of electric energy loads.

39 (b) "Direct load control program" means a program that allows an electrical  
40 corporation to interrupt a customer's load during a period of high demand or incremental cost  
41 by directly controlling the customer's appliance or equipment.

42 (2) (a) As provided in this section, the commission [~~may~~] shall approve a tariff [~~under~~  
43 ~~which an electrical corporation includes a line item charge on its customers' bills~~] allowing an  
44 electrical corporation to recover costs incurred by the electrical corporation for demand side  
45 management or energy efficiency programs.

46 (b) A tariff approved under Subsection (2)(a) may allow the electrical corporation to  
47 recover the costs under a separate line item charge on a customer's bill.

48 (3) Each electrical corporation proposing a tariff under this section shall, before  
49 submitting the tariff to the commission for approval, seek and receive input from[~~:(a)]~~ the  
50 Division of Public Utilities[~~;~~].

51 [~~(b) the Office of Consumer Services created in Section 54-10a-201; and]~~

52 [~~(c) other interested parties;~~]

53 (4) Before approving a tariff under this section, the commission [~~shall~~] may hold a  
54 hearing if[~~:(a) requested in writing by the electrical corporation, a customer of the electrical~~  
55 ~~corporation, or any other interested party within 15 days after the tariff filing; or (b)]~~ the  
56 commission determines that a hearing is appropriate.

57 (5) The commission may approve a tariff under this section either with or without a  
58 provision allowing an end-use customer to receive a credit against the charges imposed under

59 the tariff for electric energy efficiency measures that:

60 (a) the customer implements or has implemented at the customer's expense; and

61 (b) qualify for the credit under criteria established by the Utah Public Service

62 Commission.

63 (6) (a) The commission shall approve a tariff under this section allowing an electrical  
64 corporation to implement a cost-effective direct load control program.

65 (b) A direct load control program under Subsection (6)(a) may require participation by  
66 all customers or all of a group of customers of the electrical corporation if a customer may  
67 affirmatively choose not to participate in the program.

68 [~~6~~] (7) In approving a tariff under this section, the commission may impose whatever  
69 conditions or limits it considers appropriate, other than a condition limiting participation in a  
70 direct load control program, including a maximum annual cost.

71 [~~7~~] (8) Unless otherwise ordered by the commission, each tariff under this section  
72 approved by the commission shall take effect no sooner than 30 days after the electrical  
73 corporation files the tariff with the commission.

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**Legislative Review Note**  
as of 1-25-10 10:11 AM

**Office of Legislative Research and General Counsel**

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**S.B. 47 - Electrical Utility Amendments - Efficiency and Conservation Tariff**

**Fiscal Note**

2010 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**

Utilities that implement direct load control programs will benefit from tariffs required in this bill.  
Businesses and individuals may be required to pay higher utility costs related to load control programs.

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