

59 (b) "Current replacement cost" means the cost the transferring party would incur to
 60 construct the facility at the time of transfer using the transferring party's:

61 (i) standard estimating rates and standard construction methodologies for the facility;
 62 and

63 (ii) standard estimating process.

64 (c) "Depreciation" means an amount calculated:

65 (i) based on:

66 (A) the life and depreciation mortality curve most recently set for the type of facility in
 67 the depreciation rates set by the commission or other governing regulatory authority for the
 68 electrical corporation; or

69 (B) a straight-line depreciation rate that represents the expended life if agreed to by the
 70 transferring and receiving parties; and

71 (ii) to include the gross salvage value of the type of facility based on the latest
 72 depreciation life approved by the commission or other governing regulatory authority for the
 73 electrical corporation, with a floor at the gross salvage value of the asset and in no case less
 74 than zero.

75 (d) "Electrical corporation" ~~§~~→ **[has the same meaning]** means:

75a (i) an entity ~~←§~~ as defined in Section 54-2-1 ~~§~~→ ; and

75b (ii) an improvement district system described in Subsection 17B-2a-403(1)(a)(iv) ~~←§~~.

76 (e) "Facility" means electric equipment or infrastructure used to serve an electric
 77 customer, above ground or underground, including:

78 (i) a power line, transformer, switch gear, pole, wire, guy anchor, conductor, cable, or
 79 other related equipment; or

80 (ii) a right-of-way, easement, or any other real property interest or legal right or interest
 81 used to operate and maintain the electric equipment or infrastructure.

82 (f) "Facility transfer" means the transfer of a facility from a transferring party to a
 83 receiving party in accordance with Subsection (3).

84 (g) "Lost or stranded facility" means a facility that is currently used by a transferring
 85 party that will no longer be used, whether in whole or in part, as a result of a facility transfer.

86 (h) "Receiving party" means a municipality or electrical corporation to whom a facility
 87 is transferred.

88 (i) "Transferring party" means a municipality or electrical corporation that transfers a
 89 facility.

152 (vi) the transferring party's book value of a right-of-way or easement transferred with
 153 each facility.

154 (b) (i) (A) The receiving party may review the estimation of the current replacement
 155 costs of each facility, including the wage rates, material costs, overhead assumptions, and other
 156 pricing used to establish the estimation of the current replacement costs of the facility.

157 (B) Prior to reviewing the estimation, the receiving party shall enter into a
 158 nondisclosure agreement acceptable to the transferring party.

159 (C) The nondisclosure agreement shall restrict the use of the information provided by
 160 the transferring party solely for the purpose of reviewing the estimation of the current
 161 replacement cost and preserve the confidentiality of the information to prevent any effect on a
 162 competitive bid received by either party.

163 (ii) (A) If the age of a facility may be readily determined by the transferring party, the
 164 transferring party shall use that age to determine the facility's depreciation.

165 (B) If the age of a facility cannot be readily determined, the transferring party shall
 166 estimate the age of the facility based on the average remaining life approved for the same type
 167 of facility in the most current depreciation rates set by the commission or other governing
 168 regulatory authority for the electrical corporation.

169 (c) (i) (A) A transferring party that transfers a facility in accordance with this section
 170 shall, upon delivery of a document conveying title to the receiving party, transfer the facility
 171 without any express or implied warranties.

172 (B) A receiving party that receives a facility in accordance with this section shall, upon
 173 receipt of a document conveying title, accept the facility in its existing condition and assume
 174 any and all liability, fault, risk, or potential loss arising from or related to the facility.

175 (ii) Notwithstanding Subsection (5)(c)(i), if, within six months after the date that

175a §→ any ←§ oil

176 filled equipment is transferred, the receiving party discovers that §→ [the] a ←§ transferred oil
 176a filled

177 equipment contains polychlorinated biphenyl, the transferring party shall reimburse the
 178 receiving party for the cost of testing and disposal of that oil filled equipment.

179 (6) (a) If the parties cannot agree on each facility to be transferred or the respective
 180 reimbursement amount, the parties shall:

181 (i) proceed with the facility transfer and the reimbursement based on the inventory as
 182 submitted by the transferring party in accordance with Subsection (3)(c) and in accordance with