

UTAH ENERGY ACT AMENDMENTS

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: David P. Hinkins

House Sponsor: Scott H. Chew

LONG TITLE

General Description:

This bill modifies provisions related to the governor's energy advisor.

Highlighted Provisions:

This bill:

- ▶ modifies and clarifies the duties of the governor's energy advisor; and
- ▶ allows the governor's energy advisor to serve as the director of the Office of Energy Development.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

63M-4-203, as last amended by Laws of Utah 2012, Chapter 37

63M-4-301, as renumbered and amended by Laws of Utah 2008, Chapter 382

63M-4-401, as last amended by Laws of Utah 2012, Chapters 37 and 410

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

Section 1. Section **63M-4-203** is amended to read:

63M-4-203. Reports.

(1) The governor's energy advisor shall report annually to:

(a) the governor; and

30 (b) the Natural Resources, Agriculture, and Environment Interim Committee.

31 (2) The report required in Subsection (1) shall:

32 (a) summarize the status and development of the state's energy resources;

33 (b) summarize the activities and accomplishments of the Office of Energy

34 Development;

35 ~~[(b)]~~ (c) address the governor's energy advisor's activities under this part; and

36 ~~[(c)]~~ (d) recommend any energy-related executive or legislative action the governor's
37 energy advisor considers beneficial to the state, including updates to the state energy policy
38 under Section 63M-4-301.

39 Section 2. Section 63M-4-301 is amended to read:

40 **63M-4-301. State energy policy.**

41 (1) It is the policy of the state that:

42 (a) Utah shall have adequate, reliable, affordable, sustainable, and clean energy
43 resources;

44 (b) Utah will promote the development of:

45 (i) nonrenewable energy resources, including natural gas, coal, oil, oil shale, and ~~[tar]~~
46 oil sands; and

47 (ii) renewable energy resources, including geothermal, solar, wind, biomass,
48 ~~[biodiesel,]~~ biofuel, and hydroelectric~~[-, and ethanol];~~

49 ~~[(c) Utah will promote the study of nuclear power generation;]~~

50 (iii) nuclear power generation technologies certified for use by the United States

51 Nuclear Regulatory Commission;

52 (iv) alternative transportation fuels and technologies; and

53 (v) infrastructure to facilitate energy development and diversified modes of
54 transportation;

55 ~~[(d)]~~ (c) Utah will promote the development of resources and infrastructure sufficient
56 to meet the state's growing demand, while contributing to the regional and national energy
57 supply, thus reducing dependence on international energy sources;

58 ~~[(e)]~~ (d) Utah will allow market forces to drive prudent use of energy resources,
59 although incentives and other methods may be used to ensure the state's optimal development
60 and use of energy resources in the short- and long-term;

61 ~~[(f)]~~ (e) Utah will pursue energy conservation, energy efficiency, and environmental
62 quality;

63 ~~[(g)]~~ (f) (i) state regulatory processes should be streamlined to balance economic costs
64 with the level of review necessary to ensure protection of the state's various interests; and

65 (ii) where federal action is required, Utah will encourage expedited federal action and
66 will collaborate with federal agencies to expedite review;

67 ~~[(h)]~~ (g) Utah will maintain an environment that provides for stable consumer prices
68 that are as low as possible while providing producers and suppliers a fair return on investment,
69 recognizing that:

70 (i) economic prosperity is linked to the availability, reliability, and affordability of
71 consumer energy supplies; and

72 (ii) investment will occur only when adequate financial returns can be realized; and

73 ~~[(i)]~~ (h) Utah will promote training and education programs focused on developing a
74 comprehensive understanding of energy, including programs addressing:

75 (i) energy conservation;

76 (ii) energy efficiency;

77 (iii) supply and demand; and

78 (iv) energy related workforce development.

79 (2) State agencies are encouraged to conduct agency activities consistent with
80 Subsection (1).

81 (3) A person may not file suit to challenge a state agency's action that is inconsistent
82 with Subsection (1).

83 Section 3. Section **63M-4-401** is amended to read:

84 **63M-4-401. Creation of Office of Energy Development -- Director -- Purpose --**
85 **Rulemaking regarding confidential information.**

- 86 (1) There is created an Office of Energy Development.
- 87 (2) (a) The governor's energy advisor shall serve as the director of the office or
88 appoint a director of the office.
- 89 (b) The director [~~shall~~]:
- 90 (i) shall, if the governor's energy advisor appoints a director under Subsection (2)(a),
91 report to the governor's energy advisor; and
- 92 (ii) may appoint staff as funding within existing budgets allows.
- 93 (c) The office may consolidate energy staff and functions existing in the state energy
94 program.
- 95 (3) The purposes of the office are to:
- 96 (a) serve as the primary resource for advancing energy and mineral development in the
97 state; [~~and~~]
- 98 (b) implement:
- 99 (i) the state energy policy under Section [63M-4-301](#); and
- 100 (ii) the governor's energy and mineral development goals and objectives[-];
- 101 (c) advance energy education, outreach, and research, including the creation of
102 elementary, higher education, and technical college energy education programs;
- 103 (d) promote energy and mineral development workforce initiatives; and
- 104 (e) support collaborative research initiatives targeted at Utah-specific energy and
105 mineral development.
- 106 (4) By following the procedures and requirements of Title 63J, Chapter 5, Federal
107 Funds Procedures Act, the office may:
- 108 (a) seek federal grants or loans;
- 109 (b) seek to participate in federal programs; and
- 110 (c) in accordance with applicable federal program guidelines, administer federally
111 funded state energy programs.
- 112 (5) The office shall perform the duties required by Sections [59-7-614.7](#) and [59-10-1029](#)
113 and Part 5, Alternative Energy Development Tax Credit Act.

114 (6) (a) For purposes of administering this section, the office may make rules, by
115 following the procedures and requirements of Title 63G, Chapter 3, Utah Administrative
116 Rulemaking Act, to maintain as confidential, and not as a public record, information that the
117 office receives from any source.

118 (b) The office shall maintain information the office receives from any source at the
119 level of confidentiality assigned by the source.