

**DIGITAL INTEGRATION PROGRESS REPORT FOR
PUBLIC UTILITIES
2020 GENERAL SESSION
STATE OF UTAH**

Chief Sponsor: Stephen G. Handy

Senate Sponsor: _____

LONG TITLE

General Description:

This bill enacts provisions relating to electricity and gas customer usage reporting.

Highlighted Provisions:

This bill:

- ▶ requires municipal utilities, electrical corporations, and gas corporations to file a report on the status and plans for digital integration between the utility and customers;
- ▶ provides for the required contents of a report; and
- ▶ requires the report to be made available to the public.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

10-8-14 (Superseded 01/01/21), as last amended by Laws of Utah 2016, Chapter 419

ENACTS:

54-3-22.5, Utah Code Annotated 1953



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

29 Section 1. Section **10-8-14 (Superseded 01/01/21)** is amended to read:

30 **10-8-14 (Superseded 01/01/21). Utility and telecommunications services -- Service**
31 **beyond municipal limits -- Retainage -- Notice of service and agreement -- Digital**
32 **integration progress report for municipal utilities.**

33 (1) As used in this section[;]:

34 (a) "Data sharing practices" means actions to share with a customer information about
35 the customer's rate of usage of electricity or gas.

36 (b) "Municipal utility" means a municipality that owns, operates, controls, or manages
37 a facility that provides electric power or natural gas for a retail customer, whether domestic,
38 commercial, industrial, or otherwise.

39 (c) [~~"public"~~] "Public telecommunications service facilities" means the same as that
40 term is defined in Section 10-18-102.

41 (d) "Sharing technology" means digital integration between a municipal utility and a
42 customer allowing the municipal utility to directly share customer electricity or gas usage rates
43 with the customer.

44 (2) A municipality may:

45 (a) construct, maintain, and operate waterworks, sewer collection, sewer treatment
46 systems, gas works, electric light works, telecommunications lines, cable television lines,
47 public transportation systems, or public telecommunications service facilities;

48 (b) authorize the construction, maintenance and operation of the works or systems
49 listed in Subsection (2)(a) by others;

50 (c) purchase or lease the works or systems listed in Subsection (2)(a) from any person
51 or corporation; and

52 (d) sell and deliver the surplus product or service capacity of any works or system
53 listed in Subsection (2)(a), not required by the municipality or the municipality's inhabitants, to
54 others beyond the limits of the municipality, except the sale and delivery of:

55 (i) retail electricity beyond the municipal boundary is governed by Subsections (3)
56 through (8); and

57 (ii) cable television services or public telecommunications services is governed by
58 Subsection (12).

59 (3) If any payment on a contract with a private person, firm, or corporation to construct
60 waterworks, sewer collection, sewer treatment systems, gas works, electric works,
61 telecommunications lines, cable television lines, public transportation systems, or public
62 telecommunications service facilities is retained or withheld, it shall be retained or withheld
63 and released as provided in Section 13-8-5.

64 (4) (a) Except as provided in Subsection (4)(b), (6), or (10), a municipality may not sell
65 or deliver the electricity produced or distributed by its electric works constructed, maintained,
66 or operated in accordance with Subsection (2) to a retail customer located beyond its municipal
67 boundary.

68 (b) A municipality that provides retail electric service to a customer beyond its
69 municipal boundary on or before June 15, 2013, may continue to serve that customer if:

70 (i) on or before December 15, 2013, the municipality provides the electrical
71 corporation, as defined in Section 54-2-1, that is obligated by its certificate of public
72 convenience and necessity to serve the customer with an accurate and complete verified written
73 notice described in Subsection (4)(c) that identifies each customer served by the municipality
74 beyond its municipal boundary;

75 (ii) no later than June 15, 2014, the municipality enters into a written filing agreement
76 for the provision of electric service with the electrical corporation; and

77 (iii) the Public Service Commission approves the written filing agreement in
78 accordance with Section 54-4-40.

79 (c) The municipality shall include in the written notice required in Subsection (4)(b)(i)
80 for each customer:

81 (i) the customer's meter number;

82 (ii) the location of the customer's meter by street address, global positioning system
83 coordinates, metes and bounds description, or other similar method of meter location;

84 (iii) the customer's class of service; and

85 (iv) a representation that the customer was receiving service from the municipality on
86 or before June 15, 2013.

87 (5) The written filing agreement entered into in accordance with Subsection (4)(b)(ii)
88 shall require the following:

89 (a) The municipality shall provide electric service to a customer identified in

90 accordance with Subsection (4)(b)(i) unless the municipality and the electrical corporation
91 subsequently agree in writing that the electrical corporation will provide electric service to the
92 customer.

93 (b) If a customer who is located outside the municipal boundary and who is not
94 identified in accordance with Subsection (4)(b)(i) requests service from the municipality after
95 June 15, 2013, the municipality may not provide that customer electric service unless the
96 municipality submits a request to and enters into a written agreement with the electric
97 corporation in accordance with Subsection (6).

98 (6) (a) A municipality may submit to the electrical corporation a request to provide
99 electric service to an electric customer described in Subsection (5)(b).

100 (b) If a municipality submits a request, the electrical corporation shall respond to the
101 request within 60 days.

102 (c) If the electrical corporation agrees to allow the municipality to provide electric
103 service to the customer:

104 (i) the electrical corporation and the municipality shall enter into a written agreement;

105 (ii) the municipality shall agree in the written agreement to subsequently transfer
106 service to the customer described in Subsection (5)(b) if the electrical corporation notifies, in
107 writing, the municipality that the electrical corporation has installed a facility capable of
108 providing electric service to the customer; and

109 (iii) the municipality may provide the service if:

110 (A) except as provided in Subsection (6)(c)(iii)(B), the Public Service Commission
111 approves the agreement in accordance with Section 54-4-40; or

112 (B) for an electrical cooperative that meets the requirements of Subsection 54-7-12(7),
113 the governing board of the electrical cooperative approves the agreement.

114 (d) The municipality or the electrical corporation may terminate the agreement for the
115 provision of electric service if the Public Service Commission imposes a condition authorized
116 in Section 54-4-40 that is a material change to the agreement.

117 (7) If the municipality and electrical corporation make a transfer described in
118 Subsection (6)(c)(ii):

119 (a) (i) the municipality shall transfer the electric service customer to the electrical
120 corporation; and

121 (ii) the electrical corporation shall provide electric service to the customer; and

122 (b) the municipality shall transfer a facility in accordance with and for the value as
123 provided in Section 10-2-421.

124 (8) (a) In accordance with Subsection (8)(b), the municipality shall establish a
125 reasonable mechanism for resolving potential future complaints by an electric customer located
126 outside its municipal boundary.

127 (b) The mechanism shall require:

128 (i) that the rates and conditions of service for a customer outside the municipality's
129 boundary are at least as favorable as the rates and conditions of service for a similarly situated
130 customer within the municipality's boundary; and

131 (ii) if the municipality provides a general rebate, refund, or other payment to a
132 customer located within the municipality's boundary, that the municipality also provide the
133 same general rebate, refund, or other payment to a similarly situated customer located outside
134 the municipality's boundary.

135 (9) The municipality is relieved of any obligation to transfer a customer described in
136 Subsection (5)(b) or facility used to serve the customer in accordance with Subsection (6)(c)(ii)
137 if the municipality annexes the property on which the customer is being served.

138 (10) (a) A municipality may provide electric service outside of its municipal boundary
139 to a facility that is solely owned and operated by the municipality for municipal service.

140 (b) A municipality's provision of electric service to a facility that is solely owned and
141 operated by the municipality does not expand the municipality's electric service area.

142 (11) Nothing in this section expands or diminishes the ability of a municipality to enter
143 into a wholesale electrical sales contract with another municipality that serves electric
144 customers to sell and deliver wholesale electricity to the other municipality.

145 (12) A municipality's actions under this section related to works or systems involving
146 public telecommunications services or cable television services are subject to the requirements
147 of Chapter 18, Municipal Cable Television and Public Telecommunications Services Act.

148 (13) (a) On or before September 1, 2020, a municipal utility shall file with the
149 municipal legislative body a report on the municipal utility's data sharing practices.

150 (b) A report under Subsection (13)(a) shall contain:

151 (i) (A) the municipal utility's current status and plans for using or implementing

152 sharing technology; or
 153 (B) the reason the municipal utility does not use or plan to use or implement sharing
 154 technology;
 155 (ii) an analysis of the cost-effectiveness of the municipal utility:
 156 (A) using sharing technology; or
 157 (B) not using sharing technology;
 158 (iii) an explanation of the municipal utility's cost-effectiveness methods used in the
 159 analysis under Subsection (13)(a)(ii);
 160 (iv) if applicable, the means by which the municipal utility:
 161 (A) is protecting customer data in the municipal utility's current use of sharing
 162 technology; or
 163 (B) plans to protect customer data in the municipal utility's future use of sharing
 164 technology; and
 165 (v) any other information the municipal utility considers relevant.

166 (c) In a report under Subsection (13)(a), a municipal utility:
 167 (i) shall disaggregate customer information by class of service; and
 168 (ii) may not include an individual customer's name or address.
 169 (d) Within five business days after receiving a report under Subsection (13)(a), the
 170 municipal legislative body shall make the report available for public inspection.

171 Section 2. Section **54-3-22.5** is enacted to read:

172 **54-3-22.5. Progress report for electrical corporations and gas corporations --**
 173 **Direct and digital integration of customer data sharing.**

174 (1) As used in this section:
 175 (a) "Data sharing practices" means actions to share with a customer information about
 176 the customer's rate of usage of electricity or gas.
 177 (b) "Sharing technology" means digital integration between a utility and a customer
 178 allowing the utility to directly share customer electricity or gas usage rates with the customer.
 179 (c) "Utility" means an electrical corporation or a gas corporation.
 180 (2) On or before September 1, 2020, a utility shall file with the commission a report on
 181 the utility's data sharing practices.
 182 (3) A report under Subsection (2) shall contain:

- 183 (a) (i) the utility's current status and plans for using or implementing sharing
184 technology; or
- 185 (ii) the reason the utility does not use or plan to use or implement sharing technology;
186 (b) an analysis of the cost-effectiveness of the utility:
- 187 (i) using sharing technology; or
188 (ii) not using sharing technology;
- 189 (c) an explanation of the utility's cost-effectiveness methods used in the analysis under
190 Subsection (3)(b);
- 191 (d) if applicable, the means by which the utility:
- 192 (i) is protecting customer data in the utility's current use of sharing technology; or
193 (ii) plans to protect customer data in the utility's future use of sharing technology; and
- 194 (e) any other information the utility considers relevant.
- 195 (4) In a report under Subsection (2), a utility:
- 196 (a) shall disaggregate customer information by class of service; and
197 (b) may not include an individual customer's name or address.
- 198 (5) Within five business days after receiving a report under Subsection (2), the
199 commission shall make the report available for public inspection.