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RENEWABLE ENERGY AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Colin W. Jack

Senate Sponsor: David P. Hinkins

LONG TITLE

General Description:

This bill creates the Electrical Service Quality Act.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ grants rulemaking authority to the Public Service Commission (commission);
- ▶ requires certain electric utility companies to prepare an electric service quality plan;
- ▶ grants rulemaking authority to the commission;
- ▶ creates a reporting requirement for the commission to report to the Public Utilities Energy and Technology Interim Committee;
- ▶ makes changes to the state energy policy; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

79-6-301, as last amended by Laws of Utah 2021, Chapter 383 and renumbered and amended by Laws of Utah 2021, Chapter 280



28 ENACTS:

29 [54-25-101](#), Utah Code Annotated 1953

30 [54-25-102](#), Utah Code Annotated 1953

31 [54-25-201](#), Utah Code Annotated 1953



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

34 Section 1. Section **54-25-101** is enacted to read:

35 **CHAPTER 25. ELECTRICAL QUALITY SERVICE ACT**

36 **Part 1. General Provisions**

37 **54-25-101. Definitions.**

38 As used in this chapter:

39 (1) "Electrical service quality plan" means a plan submitted to the commission in
40 accordance with the requirements of this chapter.

41 (2) "Interconnection request" means a request from a utility-scale energy generation
42 system to a qualified utility's transmission line.

43 (3) "Qualified utility" means the same as that term is defined in Section [54-17-801](#).

44 (4) "Utility-scale energy generation system" means an electric generation facility that
45 has a generating capacity of more than two megawatts and is intermittent, non-dispatchable, or
46 controlled by an inverter.

47 Section 2. Section **54-25-102** is enacted to read:

48 **54-25-102. Commission rulemaking authority.**

49 (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
50 commission shall make rules to implement this chapter, including:

51 (a) rules establishing procedures for the review and approval of an electrical service
52 quality plan;

53 (b) rules establishing the procedures for the review and approval of annual
54 expenditures for the implementation of an electrical quality service plan; and

55 (c) any other rules that the commission determines are necessary to protect the public
56 interest and implement this chapter.

57 (2) In establishing the procedures and rules described in Subsection (1), the
58 commission shall consult with:

- 59 (a) qualified utilities;
- 60 (b) utility-scale electricity providers; and
- 61 (c) other state agencies.

62 Section 3. Section **54-25-201** is enacted to read:

63 **Part 2. Electric Service Quality Plans**

64 **54-25-201. Electric service quality plan for a qualified utility.**

65 (1) A qualified utility shall prepare an electric service quality plan in accordance with
66 the requirements of this chapter.

67 (2) An electric service quality plan under Subsection (1) shall include:

68 (a) a description of the procedures, standards, and time frames that the qualified utility
69 will use to assess an interconnection request to:

70 (i) decrease the risk that the interconnected utility-scale generation facilities will
71 adversely affect the electric service quality to other customers on the qualified utility lines,
72 including excessive variations in:

- 73 (A) voltage;
- 74 (B) frequency; or
- 75 (C) harmonics; and

76 (ii) address adverse effects to the electric service quality caused by interconnected
77 customer-owned generation systems that are discovered after the time of interconnection;

78 (b) a description of the equipment and standards that the qualified utility will use to
79 perform the assessment described in Subsection (2)(a); and

80 (c) a description of proposed modifications or upgrades to facilities and preventative
81 programs that the qualified utility will implement to address any interconnection problems
82 discovered by the qualified utility or reported by customers.

83 (3) The commission may only approve an electric service quality plan that meets the
84 requirements of Subsection (2).

85 (4) On or before October 31, 2023, and before October 31 of each year after 2023, the
86 commission shall report to the Public Utilities, Energy, and Technology Interim Committee
87 regarding a qualified utility's compliance with the qualified utility's electric service quality
88 plan.

89 Section 4. Section **79-6-301** is amended to read:

90 **79-6-301. State energy policy.**

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

92 (a) Utah shall have adequate, reliable, affordable, sustainable, and clean energy
93 resources;94 (b) Utah [~~will~~] shall promote the development of:95 (i) nonrenewable energy resources, including natural gas, coal, oil, oil shale, and oil
96 sands;97 (ii) renewable energy resources, including geothermal, solar, wind, biomass, biofuel,
98 and hydroelectric;99 (iii) nuclear power generation technologies certified for use by the United States
100 Nuclear Regulatory Commission including molten salt reactors producing medical isotopes;

101 (iv) alternative transportation fuels and technologies;

102 (v) infrastructure to facilitate energy development, diversified modes of transportation,
103 greater access to domestic and international markets for Utah's resources, and advanced
104 transmission systems;105 (vi) energy storage, pumped storage, and other advanced energy systems, including
106 hydrogen from all sources;107 (vii) electricity systems that can be controlled at the request of grid operators to meet
108 system load demands, to ensure an adequate supply of dispatchable energy generation
109 resources;110 (viii) electricity systems that are stable and capable of serving load without accelerating
111 damage to customer equipment; and112 [~~(viii)] (ix) increased refinery capacity;~~113 (c) Utah will promote the development of resources and infrastructure sufficient to
114 meet the state's growing demand, while contributing to the regional and national energy supply,
115 thus reducing dependence on international energy sources;116 (d) Utah will promote the development of resources, tools, and infrastructure to
117 enhance the state's ability to:118 (i) respond effectively to significant disruptions to the state's energy generation, energy
119 delivery systems, or fuel supplies; and

120 (ii) maintain adequate supply, including reserves of proven and cost-effective

121 dispatchable electricity reserves to meet grid demand;

122 (e) Utah will allow market forces to drive prudent use of energy resources, although
123 incentives and other methods may be used to ensure the state's optimal development and use of
124 energy resources in the short- and long-term;

125 (f) Utah will pursue energy conservation, energy efficiency, and environmental quality;

126 (g) (i) state regulatory processes should be streamlined to balance economic costs with
127 the level of review necessary to ensure protection of the state's various interests; and

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

130 (h) Utah will maintain an environment that provides for stable consumer prices that are
131 as low as possible while providing producers and suppliers a fair return on investment,
132 recognizing that:

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

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

136 (i) Utah will promote training and education programs focused on developing a
137 comprehensive understanding of energy, including:

138 (i) programs addressing:

139 (A) energy conservation;

140 (B) energy efficiency;

141 (C) supply and demand; and

142 (D) energy related workforce development; and

143 (ii) energy education programs in grades K-12.

144 (2) State agencies are encouraged to conduct agency activities consistent with

145 Subsection (1).

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