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UTAH ENERGY ACT AMENDMENTS

2024 GENERAL SESSION STATE OF UTAH

Chief Sponsor: Colin W. Jack

•	Senate Sponsor: David P. Hinkins
2	LONG TITLE
4	General Description:
5	This bill modifies the Utah Energy Act.
6	Highlighted Provisions:
7	This bill:
8	 modifies reporting requirements for the Office of Energy Development;
9	modifies the purposes of the Office of Energy Development to include:
10	 developing strategies to advocate for state interests on federal energy and
11	environmental programs;
12	 overseeing legal strategy on federal overreach and permitting delays; and
13	 engaging in federal rulemaking and advocacy for regulatory reform;
14	• directs the Office of Energy Development to adopt a master plan with data-driven
15	modeling at a statewide level;
16	 requires adoption of best practices in development of state energy plans; and
17	makes technical changes.
18	Money Appropriated in this Bill:
19	None
20	Other Special Clauses:
21	None
22	Utah Code Sections Affected:
23	AMENDS:
24	79-6-203, as renumbered and amended by Laws of Utah 2021, Chapter 280
25	79-6-401 , as last amended by Laws of Utah 2023, Chapter 196

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28	Section 1. Section 79-6-203 is amended to read:
29	79-6-203 . Reports.
30	(1) The energy advisor shall report annually to:
31	(a) the appointing authority; and
32	(b) the [Natural Resources, Agriculture, and Environment Interim Committee] Public
33	Utilities, Energy, and Technology Interim Committee.
34	(2) The report required in Subsection (1) shall:
35	(a) summarize the status and development of the state's energy resources;
36	(b) summarize the activities and accomplishments of the [Office of Energy Development]
37	office;
38	(c) address the energy advisor's activities under this part; [and]
39	(d) recommend any energy-related executive or legislative action the energy advisor <u>or</u>
40	office considers beneficial to the state, including updates to the state energy policy
41	under Section 79-6-301[-]; and
42	(e) address long-term energy planning required under Subsection 79-6-401(10).
43	Section 2. Section 79-6-401 is amended to read:
44	79-6-401 . Office of Energy Development Creation Director Purpose
45	Rulemaking regarding confidential information Fees Transition for
46	employees.
47	(1) There is created an Office of Energy Development in the Department of Natural
48	Resources.
49	(2) (a) The energy advisor shall serve as the director of the office or, on or before June
50	30, 2029, appoint a director of the office.
51	(b) The director:
52	(i) shall, if the energy advisor appoints a director under Subsection (2)(a), report to
53	the energy advisor; and
54	(ii) may appoint staff as funding within existing budgets allows.
55	(c) The office may consolidate energy staff and functions existing in the state energy
56	program.
57	(3) The purposes of the office are to:
58	(a) serve as the primary resource for advancing energy and mineral development in the
59	state;
60	(b) implement:
61	(i) the state energy policy under Section 79-6-301; and

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52	(ii) the governor's energy and mineral development goals and objectives;
63	(c) advance energy education, outreach, and research, including the creation of
64	elementary, higher education, and technical college energy education programs;
65	(d) promote energy and mineral development workforce initiatives; [and]
66	(e) support collaborative research initiatives targeted at Utah-specific energy and
67	mineral development[-];
58	(f) in coordination with the Department of Environmental Quality and other relevant
59	state agencies:
70	(i) develop effective policy strategies to advocate for and protect the state's interests
71	relating to federal energy and environmental entities, programs, and regulations;
72	(ii) participate in the federal environmental rulemaking process by:
73	(A) advocating for positive reform of federal energy and environmental
74	regulations and permitting;
75	(B) coordinating with other states to develop joint advocacy strategies; and
76	(C) conducting other government relations efforts; and
77	(iii) direct the funding of legal efforts to combat federal overreach and unreasonable
78	delays regarding energy and environmental permitting; and
79	(g) fund the development of detailed and accurate forecasts of the state's long-term
30	energy supply and demand, including a baseline projection of expected supply and
31	demand and analysis of potential alternative scenarios.
32	(4) By following the procedures and requirements of Title 63J, Chapter 5, Federal Funds
33	Procedures Act, the office may:
34	(a) seek federal grants or loans;
35	(b) seek to participate in federal programs; and
36	(c) in accordance with applicable federal program guidelines, administer federally
37	funded state energy programs.
88	(5) The office shall perform the duties required by Sections 11-42a-106, 59-5-102,
39	59-7-614.7, 59-10-1029, 63C-26-202, Part 5, Alternative Energy Development Tax
90	Credit Act, and Part 6, High Cost Infrastructure Development Tax Credit Act.
91	(6) (a) For purposes of administering this section, the office may make rules, by
92	following Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to maintain as
93	confidential, and not as a public record, information that the office receives from any
94	source.
95	(b) The office shall maintain information the office receives from any source at the level

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96	of confidentiality assigned by the source.
97	(7) The office may charge application, filing, and processing fees in amounts determined by
98	the office in accordance with Section 63J-1-504 as dedicated credits for performing
99	office duties described in this part.
100	(8) (a) An employee of the office is an at-will employee.
101	(b) For an employee of the office on July 1, 2021, the employee shall have the same
102	salary and benefit options the employee had when the office was part of the office of
103	the governor.
104	(9) (a) The office shall prepare a strategic energy plan to achieve the state's energy
105	policy, including:
106	(i) technological and infrastructure innovation needed to meet future energy demand
107	including:
108	(A) energy production technologies;
109	(B) battery and storage technologies;
110	(C) smart grid technologies;
111	(D) energy efficiency technologies; and
112	(E) any other developing energy technology, energy infrastructure planning, or
113	investments that will assist the state in meeting energy demand;
114	(ii) the state's efficient [utilization] use and development of:
115	(A) [nonrenewable] energy resources, including natural gas, coal, clean coal,
116	hydrogen, oil, oil shale, and oil sands;
117	(B) renewable energy resources, including geothermal, solar, hydrogen, wind,
118	biomass, biofuel, and hydroelectric;
119	(C) nuclear power; and
120	(D) earth minerals;
121	(iii) areas of energy-related academic research;
122	(iv) specific areas of workforce development necessary for an evolving energy
123	industry;
124	(v) the development of partnerships with national laboratories; and
125	(vi) a proposed state budget for economic development and investment.
126	(b) In preparing the strategic energy plan, the office shall[-] :
127	(i) consult with stakeholders, including representatives from:
128	[(i)] (A) energy companies in the state;
129	[(ii)] (B) private and public institutions of higher education within the state

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130	conducting energy-related research; and
131	[(iii)] (C) other state agencies[-];
132	(ii) use modeling and industry standard data to:
133	(A) define the energy services required by a growing economy;
134	(B) calculate energy needs;
135	(C) develop state strategy for energy transportation, including transmission lines
136	pipelines, and other infrastructure needs;
137	(D) optimize investments to meet energy needs at the least cost and least risk
138	while meeting the policy outlined in this section;
139	(E) address state needs and investments through a prospective 30-year period,
140	divided into five-year working plans; and
141	(F) update the plan at least every two years.
142	(c) On or before the October 2023 interim meeting, the office shall report to the Public
143	Utilities, Energy, and Technology Interim Committee and the Executive
144	Appropriations Interim Committee describing:
145	(i) progress towards creation of the strategic energy plan; and
146	(ii) a proposed budget for the office to continue development of the strategic energy
147	plan.
148	(10) The office shall include best practices in developing actionable goals and
149	recommendations as part of preparing and updating every two years the strategic energy
150	plan required under Subsection (9).
151	(11) The office shall maintain and regularly update a public website that provides an
152	accessible dashboard of relevant metrics and reports and makes available the data used
153	to create the strategic energy plan.
154	Section 3. Effective date.
155	This bill takes effect on May 1, 2024.