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ENERGY STORAGE AMENDMENTS
2024 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Calvin R. Musselman
Senate Sponsor: Kirk A. Cullimore

LONG TITLE

General Description:

This bill requires the Office of Energy Development to conduct a study analyzing Utah's energy fuels infrastructure and supply chain.

Highlighted Provisions:

This bill:

- defines terms;
- directs the Office of Energy Development to study the feasibility and benefits of establishing a transportation, heating, and electricity-generating fuel storage reserve in the state;
- specifies study requirements and considerations;
- allows the Office of Energy Development to contract with consultants for the study; and
- requires a status update on the progress toward the study results and recommendations.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

79-6-404, as Utah Code Annotated 1953

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

Section 1. Section **79-6-404** is enacted to read:

79-6-404 . Authority to study transportation, heating, and electricity-generating fuel storage reserve.

- 28 (1) As used in this section, "energy fuel" means transportation, heating, and
29 electricity-generating fuels used in the state.
- 30 (2) The office shall conduct a study analyzing the potential benefits, risks, feasibility, and
31 requirements of establishing a Utah transportation, heating, and electricity-generating
32 fuel storage reserve.
- 33 (3) A study conducted under this section shall evaluate:
- 34 (a) current and predicted energy fuel consumption patterns and needs for the state;
35 (b) existing energy fuel infrastructure in the state, including refineries, powerplants,
36 pipelines, railroads, transmission lines, and storage facilities;
37 (c) strengths and vulnerabilities in the state's regional and national energy fuel supply
38 chains;
39 (d) impacts on energy fuel availability from natural disasters, accidents, or other causes;
40 (e) feasibility of storage options to mitigate supply risks, including:
41 (i) optimal locations, including salt caverns located in the state;
42 (ii) ownership structures;
43 (iii) inventory management;
44 (iv) strategies for prioritizing fuel supplies in emergency situations;
45 (v) accessibility protocols; and
46 (vi) funding mechanisms;
47 (f) opportunities to work with industry to serve strategic initiatives and critical needs; and
48 (g) economic modeling to analyze required state energy fuel reserve sizes and costs.
- 49 (4) In conducting a study under this section, the office may:
- 50 (a) contract with independent experts and consultants; and
51 (b) coordinate with private industry and others with relevant expertise.
- 52 (5) The office shall present a status update on the study in a report to the Public Utilities,
53 Energy, and Technology Interim Committee by November 30, 2024.
- 54 Section 2. **Effective date.**
55 This bill takes effect on May 1, 2024.