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S.B. 191

GRID ENHANCING TECHNOLOGIES

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Nate Blouin

House Sponsor: _____

LONG TITLE

General Description:

This bill creates a grid enhancing technologies program.

Highlighted Provisions:

This bill:

- defines terms;
- establishes a grid enhancing technologies program to incentivize electric utilities to deploy technologies that increase transmission system capacity, efficiency, and reliability;
- requires utilities to analyze grid enhancing technologies as alternatives in transmission infrastructure proceedings;
- allows cost recovery and incentives for grid enhancing technology deployments approved by the Public Service Commission (commission);
- provides for expedited review for local permits for grid enhancing technology transmission line projects; and
- provides the commission with rulemaking authority to administer incentives for the implementation of grid enhancing technology.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

S.B. 191

Utah Code Sections Affected:

ENACTS:

54-20-108, Utah Code Annotated 1953

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

Section 1. Section **54-20-108** is enacted to read:

54-20-108. Grid enhancing technologies program.

(1) (a) As used in this section, "grid enhancing technology" means a technology that increases the capacity, efficiency, or reliability of electric transmission infrastructure.

(b) "Grid enhancing technology" includes:

(i) technology that dynamically adjusts the rated capacity of transmission lines based on real-time conditions;

(ii) advanced power flow controls used to actively control the flow of electricity across transmission lines to optimize usage and relieve congestion;

(iii) software and hardware used to identify optimal transmission grid configurations and enable routing power flows around congestion points;

(iv) advanced transmission line conductors that increase the power transfer capacity of transmission lines; and

(v) energy storage technologies that facilitate energy storage during times of excess generation and discharge of stored energy during times of high demand to support transmission system operation.

(c) "Shared savings incentive" means a monetary incentive provided to a large-scale electric utility that has deployed commission-approved grid enhancing technologies, that is calculated based on the quantifiable system-wide cost savings realized as a result of the grid enhancing technologies.

(2) There is established a grid enhancing technologies program as an innovative utility program under Section 54-20-105.

(3) In a rate case or other proceeding in which a large-scale electric utility proposes the deployment of a grid enhancing technology for implementation or addition to the transmission system, the large-scale electric utility shall:

(a) analyze the cost effectiveness and timetable for deployment of grid enhancing

technologies as an alternative strategy; and

(b) submit the analysis to the commission.

(4) If the commission determines, based on the analysis, that deployment of grid enhancing technologies is in the public interest the commission:

(a) as part of an overall solutions strategy, may approve providing funds for deployment of grid enhancing technologies;

(b) may authorize the large-scale electric utility to:

(i) establish a balancing account that includes the commission approved funds to be used for deployment of grid enhancing technologies; and

(ii) recover prudently incurred costs associated with commission approved deployment of grid enhancing technologies; and

(c) if the large-scale electric utility submits a land use application regarding a transmission line project implementing the approved grid enhancing technologies, require a local government to:

(i) expedite review of the land use application, while substantially complying with applicable provisions of Title 10, Chapter 9a, Municipal Land Use, Development, and Management Act; and

(ii) make a final decision to approve or deny the land use application within 30 days after the day on which the utility submits a complete land use application.

(5) (a) A large-scale electric utility that deploys commission-approved grid enhancing technologies is eligible for a shared savings incentive.

(b) The shared savings incentive returns a portion of the quantifiable system-wide cost savings created by the large-scale electric utility's investment in grid enhancing technologies to the utility.

(c) The cost savings calculations under Subsection (5)(b) shall be subject to verification by an independent third-party auditor approved by the Public Service Commission.

(d) The shared savings incentive amount shall be distributed to the large-scale electric utility according to procedures outlined by the Public Service Commission.

(6) An large-scale electric utility that operates a grid enhancing technologies program shall submit a written report annually on or before June 1 to the Public Utilities, Energy. and Technology Interim Committee regarding the program as required under Subsection

54-20-105(6).

(7) The commission may make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to administer the shared savings incentive described in Subsection (5).

Section 2. **Effective date.**

This bill takes effect on May 1, 2024.