

Representative Trevor Lee proposes the following substitute bill:

COMMUNITY RENEWABLE ENERGY AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: David P. Hinkins

House Sponsor: Trevor Lee

LONG TITLE

General Description:

This bill removes a provision related to the community renewable energy program.

Highlighted Provisions:

This bill:

- ▶ removes the provision that requires a municipality or county to adopt a resolution to achieve 100% renewable energy by 2030; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

54-17-902, as enacted by Laws of Utah 2019, Chapter 471

54-17-903, as enacted by Laws of Utah 2019, Chapter 471

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

Section 1. Section **54-17-902** is amended to read:



26 **54-17-902. Definitions.**

27 As used in this part:

28 (1) (a) "Auxiliary services" means those services necessary to safely and reliably:

29 (i) interconnect and transmit electric power from any renewable energy resource

30 constructed or acquired for a community renewable energy program; and

31 (ii) integrate and supplement electric power from any renewable energy resource.

32 (b) "Auxiliary services" shall include applicable Federal Energy Regulatory

33 Commission requirements governing transmission and interconnection services.

34 (2) "Commission" means the Public Service Commission created in Section 54-1-1.

35 (3) "Community renewable energy program" means the program approved by the
36 commission under Section 54-17-904 that allows a qualified utility to provide electric service
37 from one or more renewable energy resources to a participating customer within a participating
38 community.

39 (4) "County" means the unincorporated area of a county.

40 (5) "Division" means the Division of Public Utilities created in Section 54-4a-1.

41 (6) (a) "Initial opt-out period" means the period of time immediately after the
42 community renewable energy program's commencement, as established by the commission by
43 rule made pursuant to Section 54-17-909, during which a participating customer may elect to
44 leave the program without penalty.

45 (b) "Initial opt-out period" may not be shorter than three typical billing cycles of the
46 qualified utility.

47 (7) "Municipality" means a city or a town as defined in Section 10-1-104.

48 (8) "Office" means the Office of Consumer Services created in Section 54-10a-101.

49 (9) "Ongoing costs" means the costs allocated to the state for transmission and
50 distribution facilities, retail services, and generation assets that are not replaced assets.

51 (10) "Participating community" means a municipality or a county:

52 (a) whose residents are served by a qualified utility; and

53 (b) the municipality or county meets the requirements in Section 54-17-903.

54 (11) "Participating customer" means:

55 (a) a customer of a qualified utility located within the boundary of a municipality or
56 county where a community renewable energy program has been approved by the commission;

57 and

58 (b) the customer has not exercised the right to not participate in the community
59 renewable energy program as provided in Section 54-17-905.

60 (12) "Qualified utility" means the same as that term is defined in Section 54-17-801.

61 (13) "Renewable electric energy supply" means incremental renewable energy
62 resources that are developed to meet the ~~[equivalent of the]~~ annual electric energy consumption
63 of participating customers within a participating community.

64 (14) "Renewable energy resource" means:

65 (a) electric energy generated by a source that is naturally replenished and includes one
66 or more of the following:

67 (i) wind;

68 (ii) solar photovoltaic or thermal solar technology;

69 (iii) a geothermal resource; or

70 (iv) a hydroelectric plant; or

71 (b) use of an energy efficient and sustainable technology the commission has approved
72 for implementation that:

73 (i) increases efficient energy usage;

74 (ii) is capable of being used for demand response; or

75 (iii) facilitates the use and development of renewable generation resources through
76 electrical grid management or energy storage.

77 (15) "Replaced asset" means an existing thermal energy resource:

78 (a) that was built or acquired, in whole or in part, by a qualified utility to serve the
79 qualified utility's customers, including customers within a participating community;

80 (b) that was built or acquired prior to commission approval and the effective date of the
81 community renewable energy program; and

82 (c) to the extent the asset is no longer used to serve participating customers.

83 Section 2. Section 54-17-903 is amended to read:

84 **54-17-903. Program requirement for a municipality or county.**

85 (1) Customers of a qualified utility may be served by the community renewable energy
86 program described in this part if the municipality or county satisfies the requirements of
87 Subsection (2).

88 (2) The municipality or county in which the customer resides shall:
89 [~~(a)~~ adopt a resolution no later than December 31, 2019, that states a goal of achieving
90 an amount equivalent to 100% of the annual electric energy supply for participating customers
91 from a renewable energy resource by 2030;]

92 [~~(b)~~] (a) enter into an agreement with a qualified utility:

93 (i) with the stipulation of payment by the municipality or county to the qualified utility
94 for the costs of:

95 (A) third-party expertise contracted for by the division and the office, for assistance
96 with activities associated with initial approval of the community renewable energy program;
97 and

98 (B) providing notice to the municipality's or county's customers as provided in Section
99 [54-17-905](#);

100 (ii) determining the obligation for the payment of any termination charges under
101 Subsection [54-17-905](#)(3) that are not paid by a participating customer and not included in
102 participating customer rates under Subsections [54-17-904](#)(2) and (4); and

103 (iii) identifying any initially proposed replaced asset;

104 [~~(c)~~] (b) adopt a local ordinance that:

105 (i) establishes participation in the renewable energy program; and

106 (ii) is consistent with the terms of the agreement entered into with the qualified utility
107 under Subsection [~~(2)(b)~~] (2)(a); and

108 [~~(d)~~] (c) comply with any other terms or conditions required by the commission.

109 (3) The local ordinance required in Subsection [~~(2)(c)~~] (2)(b) shall be adopted by the
110 municipality or county within 90 days after the date of the commission order approving the
111 community renewable energy program.

112 Section 3. **Effective date.**

113 This bill takes effect on May 1, 2024.