

RENEWABLE ENERGY AMENDMENTS

2017 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Stephen G. Handy

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends provisions related to renewable energy contracts.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ decreases the amount of electricity that a qualified utility may deliver to contract customers at any one time under all renewable energy contracts; and
- ▶ provides circumstances under which the public service commission may approve renewable energy contracts in excess of a statutory limit.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

54-17-801, as last amended by Laws of Utah 2016, Chapter 393

54-17-802, as enacted by Laws of Utah 2012, Chapter 182

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

Section 1. Section **54-17-801** is amended to read:



28 **54-17-801. Definitions.**

29 As used in this part:

30 (1) "Contract customer" means a person who executes or will execute a renewable
31 energy contract with a qualified utility.

32 (2) "Qualified utility" means an electric corporation that serves more than 200,000
33 retail customers in the state.

34 (3) "Renewable energy contract" means a contract under this part for the delivery of
35 electricity from one or more renewable energy facilities to a contract customer requiring the use
36 of a qualified utility's transmission or distribution system to deliver the electricity from a
37 renewable energy facility to the contract customer.

38 (4) (a) "Renewable energy facility" ~~[(a) except as provided in Subsection (4)(b);]~~
39 means a renewable energy source as defined in Section 54-17-601 that ~~[is]~~:

40 (i) is located in the state~~[-and];~~ or

41 (ii) (A) is located outside the state; and

42 (B) provides energy from baseload renewable resources.

43 (b) Renewable energy facility does not include an electric generating facility ~~[whose~~
44 ~~costs have been]~~ for which the electric generating facility's costs are included in a qualified
45 utility's rates as a facility ~~[providing]~~ that provides electric service to the qualified utility's
46 system.

47 (5) "Renewable energy tariff" means a tariff offered by a qualified utility that allows
48 the qualified utility to procure renewable generation on behalf of and to serve its customers.

49 Section 2. Section **54-17-802** is amended to read:

50 **54-17-802. Contracts for the purchase of electricity from a renewable energy**
51 **facility.**

52 (1) Within a reasonable time after receiving a request from a contract customer and
53 subject to reasonable credit requirements, a qualified utility shall enter into a renewable energy
54 contract with the requesting contract customer to supply some or all of the contract customer's
55 electric service from one or more renewable energy facilities selected by the contract customer.

56 (2) Subject to a contract customer agreeing to pay the qualified utility for all
57 incremental costs associated with metering facilities, communication facilities, and
58 administration, a renewable energy contract may provide for electricity to be delivered to a

59 contract customer:

60 (a) from one renewable energy facility to a contract customer's single metered delivery
61 location;

62 (b) from multiple renewable energy facilities to a contract customer's single metered
63 delivery location; or

64 (c) from one or more renewable energy facilities to a single contract customer's
65 multiple metered delivery locations.

66 (3) (a) A single contract customer may aggregate multiple metered delivery locations to
67 satisfy the minimum megawatt limit under Subsection (4).

68 (b) Multiple contract customers may not aggregate their separate metered delivery
69 locations to satisfy the minimum megawatt limit under Subsection (4).

70 (4) The amount of electricity provided to a contract customer under a renewable energy
71 contract may not be less than 2.0 megawatts.

72 (5) The amount of electricity provided in any hour to a contract customer under a
73 renewable energy contract may not exceed the contract customer's metered kilowatt-hour load
74 in that hour at the metered delivery locations under the contract.

75 (6) A renewable energy contract that meets the requirements of Subsection (4) may
76 provide for one or more increases in the amount of electricity to be provided under the contract
77 even though the amount of electricity to be provided by the increase is less than the minimum
78 amount required under Subsection (4).

79 ~~[(7) The total amount of electricity to be generated by renewable energy facilities and
80 delivered to contract customers at any one time under all renewable energy contracts may not
81 exceed 300 megawatts, unless the commission approves in advance a higher amount].~~

82 (7) (a) Except as provided in Subsection (7)(b), a qualified utility may not deliver to all
83 contract customers a total amount of electricity generated by renewable energy facilities under
84 renewable energy contracts that, at any one time, is greater than 200 megawatts.

85 (b) The commission may allow a qualified utility to deliver a total amount of electricity
86 to contract customers that is greater than 200 megawatts if:

87 (i) the commission approves the increased total amount in advance; and

88 (ii) in evaluating whether to increase the total amount, the commission considers the
89 impact of the increase on the costs of a qualified utility's existing facilities.

90 (8) Electricity generated by a renewable energy facility and delivered to a contract
91 customer under a renewable energy contract may not be included in a net metering program
92 under Chapter 15, Net Metering of Electricity.

Legislative Review Note
Office of Legislative Research and General Counsel