

1 **COMMUNITY RENEWABLE ENERGY AMENDMENTS**

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: David P. Hinkins

House Sponsor: Trevor Lee

3 **LONG TITLE**

4 **General Description:**

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

6 **Highlighted Provisions:**

7 This bill:

8 ▸ removes the provision that requires a municipality or county to adopt a resolution to
9 achieve 100% renewable energy by 2030; and

10 ▸ makes technical changes.

11 **Money Appropriated in this Bill:**

12 None

13 **Other Special Clauses:**

14 None

15 **Utah Code Sections Affected:**

16 AMENDS:

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

18 **54-17-903**, as enacted by Laws of Utah 2019, Chapter 471

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

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

22 **54-17-902 . Definitions.**

23 As used in this part:

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

25 (i) interconnect and transmit electric power from any renewable energy resource
26 constructed or acquired for a community renewable energy program; and

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

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

- 29 requirements governing transmission and interconnection services.
- 30 (2) "Commission" means the Public Service Commission created in Section 54-1-1.
- 31 (3) "Community renewable energy program" means the program approved by the
32 commission under Section 54-17-904 that allows a qualified utility to provide electric
33 service from one or more renewable energy resources to a participating customer within
34 a participating community.
- 35 (4) "County" means the unincorporated area of a county.
- 36 (5) "Division" means the Division of Public Utilities created in Section 54-4a-1.
- 37 (6) (a) "Initial opt-out period" means the period of time immediately after the
38 community renewable energy program's commencement, as established by the
39 commission by rule made pursuant to Section 54-17-909, during which a
40 participating customer may elect to leave the program without penalty.
- 41 (b) "Initial opt-out period" may not be shorter than three typical billing cycles of the
42 qualified utility.
- 43 (7) "Municipality" means a city or a town as defined in Section 10-1-104.
- 44 (8) "Office" means the Office of Consumer Services created in Section 54-10a-101.
- 45 (9) "Ongoing costs" means the costs allocated to the state for transmission and distribution
46 facilities, retail services, and generation assets that are not replaced assets.
- 47 (10) "Participating community" means a municipality or a county:
48 (a) whose residents are served by a qualified utility; and
49 (b) the municipality or county meets the requirements in Section 54-17-903.
- 50 (11) "Participating customer" means:
51 (a) a customer of a qualified utility located within the boundary of a municipality or
52 county where a community renewable energy program has been approved by the
53 commission; and
54 (b) the customer has not exercised the right to not participate in the community
55 renewable energy program as provided in Section 54-17-905.
- 56 (12) "Qualified utility" means the same as that term is defined in Section 54-17-801.
- 57 (13) "Renewable electric energy supply" means incremental renewable energy resources
58 that are developed to meet the ~~[equivalent of the]~~ annual electric energy consumption of
59 participating customers within a participating community.
- 60 (14) "Renewable energy resource" means:
61 (a) electric energy generated by a source that is naturally replenished and includes one or
62 more of the following:

- 63 (i) wind;
- 64 (ii) solar photovoltaic or thermal solar technology;
- 65 (iii) a geothermal resource; or
- 66 (iv) a hydroelectric plant; or
- 67 (b) use of an energy efficient and sustainable technology the commission has approved
- 68 for implementation that:
- 69 (i) increases efficient energy usage;
- 70 (ii) is capable of being used for demand response; or
- 71 (iii) facilitates the use and development of renewable generation resources through
- 72 electrical grid management or energy storage.

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

- 74 (a) that was built or acquired, in whole or in part, by a qualified utility to serve the
- 75 qualified utility's customers, including customers within a participating community;
- 76 (b) that was built or acquired prior to commission approval and the effective date of the
- 77 community renewable energy program; and
- 78 (c) to the extent the asset is no longer used to serve participating customers.

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

80 **54-17-903 . Program requirement for a municipality or county.**

81 (1) Customers of a qualified utility may be served by the community renewable energy

82 program described in this part if the municipality or county satisfies the requirements of

83 Subsection (2).

84 (2) The municipality or county in which the customer resides shall:

85 ~~[(a) adopt a resolution no later than December 31, 2019, that states a goal of achieving~~

86 ~~an amount equivalent to 100% of the annual electric energy supply for participating~~

87 ~~customers from a renewable energy resource by 2030;]~~

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

89 (i) with the stipulation of payment by the municipality or county to the qualified

90 utility for the costs of:

91 (A) third-party expertise contracted for by the division and the office, for

92 assistance with activities associated with initial approval of the community

93 renewable energy program; and

94 (B) providing notice to the municipality's or county's customers as provided in

95 Section 54-17-905;

96 (ii) determining the obligation for the payment of any termination charges under

97 Subsection 54-17-905(3) that are not paid by a participating customer and not
98 included in participating customer rates under Subsections 54-17-904(2) and (4);
99 and

100 (iii) identifying any initially proposed replaced asset;

101 ~~[(e)]~~ (b) adopt a local ordinance that:

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

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

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

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

109 Section 3. **Effective date.**

110 This bill takes effect on May 1, 2024.