

Proposed Initial Draft Rules Effectuating SB 132

R746-XX1 GENERAL COMMISSION REQUIREMENTS

R746-XX1-1. Authority

This rule is adopted under Utah Code Sections 54-1-1, 54-26-302, and 54-26-602.

R746-XX1-2. Definitions

- (1) “Applicant” means a party who files an Application for Commission approval of a Large Load Contract ~~or Private Generation Contract~~ as ~~those terms are~~ defined in Utah Code § 54-26-101.
- (2) “Application” means an Application for Commission approval of a Large Load Contract ~~or Private Generation Contract~~.
- (3) “Commission” is defined in Utah Code § 54-2-1(4).
- (4) Capitalized terms not defined in this Section have the meaning provided in Utah Code Ann. § 54-26-101.
- (5) Definitions in this Section apply to each Section of R746-XXX et seq.

R746-XX1-3. Applicability

- (1) This rule applies to Applications for Commission approval of
 - (a) Large Load Service Contracts between a Large Load Customer and the Qualified Electric Utility or a Large-Scale Generation Provider; or
 - ~~(b)~~ Large Load Construction Contracts between a Large Load Customer and the Qualified Electric Utility or a Large-Scale Generation Provider; ~~or~~
 - ~~(c)~~ (b) ~~Private Generation Contracts~~.
- (2) This rule governs the process by which the Commission shall review Applications for approval of all Large Load Contracts ~~and Private Generation Contracts~~.

R746-XX1-4. General Requirements for Filing an Application for Approval of a Large Load Contract ~~or Private Generation Contract~~

- (1) An Application for Commission approval of a Large Load Contract ~~or Private Generation Contract~~ must be filed within fifteen business days of execution of the contract.

- (2) An Application for Commission approval of a Large Load Contract ~~or Private Generation Contract~~ may be filed by the Qualified Electric Utility or Large-Scale Generation Provider ~~any person~~ who executes the contract.
- (3) ~~An Application for Commission approval of a Large Load Contract or Private Generation Contract to which the Qualified Electric Utility is not a party shall be served upon the Qualified Electric Utility on the same day it is filed with the Commission~~ The Commission shall mail its notice of agency action for an application for commission approval of a Large Load Contract to the Qualified Electric Utility as permitted under Utah Code § 63G-4-201(2)(b)(iii).
- (4) An Application to the Commission for approval of a Large-Load Contract ~~or Private Generation Contract~~ shall be accompanied by:
- (a) Evidence that the Large Load Customer meets all applicable requirements of Utah Code Title 54 Chapter 26, including that the project is expected to reach a cumulative demand of 100 megawatts or greater within five years;
 - (b) A copy of the relevant portions of the -fully executed Large Load Contract or Private Generation Contract at issue to demonstrate compliance with Utah Code § 54-26-302;
 - (c) A description of how the addition of the Applicant's use will impact the Qualified Electric Utility's system, including the projected increase in electricity demand from the Qualified Electric Utility, if any, to serve the Large Load Customer;
 - (d) Evidence sufficient to allow the Commission to determine Large Load Incremental Costs necessary for the Large Load Customer to receive electric service, including generation resources, distribution system upgrades, and as applicable, any of the following as approved by the Federal Energy Regulatory Commission
 - (i) Transmission system improvements, including network upgrades;
 - (ii) Interconnection facilities;
 - (iii) Transmission service; and
 - (iv) Other necessary infrastructure.

(5) For Large Load Contracts with a Large-Scale Generation Provider, the Applicant must provide:

(a) Proof that the Large-Scale Generation Provider's registration with the Commission is complete;

(a)(b) Certification from the Large Load Customer that the requirements of Utah Code Section 54-26-402(1) are met; and

(b)(c) Sufficient information for the Commission to conclude that all requirements of Utah Code Title 54, Chapter 26 have been satisfied.

(6) For Large Load Contracts with the Qualified Electric Utility, the Application must include a methodology for how the Qualified Electric Utility will maintain separate accounting records demonstrating that costs will be directly assigned to the Large Load Customer. This methodology will be provided by the Qualified Electric Utility.

(7) Spreadsheets provided in support of an Application for approval of a Large Load Contract with a Qualified Electric Utility, may be filed as a confidential document in accordance with Commission rules, but should have all formulae intact.

(8) An Application to the Commission for approval of a Large-Load Contract may designate commercially sensitive information in any supporting document as confidential in accordance with Commission rules and file such supporting document in redacted public format.

R746-XX1-5. Process for Approval of a Large Load Contract ~~or Private Generation Contract~~

(1) Applications for approval of a Large Load Contract are designated as informal proceedings pursuant to Utah Code Ann. § 63G-4-202.

(2) Pursuant to Utah Code Ann. § 63G-4-203, except upon a motion and a finding of good cause, the Commission shall not permit responses, interventions, or discovery in a proceeding for approval of a Large Load Contract. The Commission will rule on the application without hearing unless good cause can be shown why a hearing is required.

- ~~(1)(3)~~ The Commission shall approve or disapprove an Application for review of a Large Load Contract ~~or Private Generation Contract~~ within 60 days of the Application being filed.
- ~~(2)~~ Any party to a Large Load Contract ~~n-Application~~ may file a motion with the Commission seeking expedited Commission approval of the Large Load Contract. The Commission may grant such motion for good cause.
- ~~(3)(4)~~ ~~An Applicant seeking expedited review of an Application must demonstrate why the statutory 60-day time frame is insufficient and good cause exists for expedited consideration of the Application.~~

R746-XX2 TRANSMISSION AND LARGE-SCALE GENERATOR REQUIREMENTS

R746-XX2-1. Authority

This rule is adopted under Utah Code Sections 54-1-1, 54-26-503, and 54-26-901.

R746-XX2-2. Applicability

- (1) This rule applies to the provision of service to a Large Load Customer that requires Utah jurisdictional transmission or distribution service, including Large Load Customer transmission or distribution service requests related to:
- (a) Large Load Service Contracts between a Large Load Customer and the Qualified Electric Utility or a Large-Scale Generation Provider; or
 - (b) Large Load Construction Contracts between a Large Load Customer and the Qualified Electric Utility or a Large-Scale Generation Provider.
- (2) This rule shall not apply to the provision of Federal Energy Regulatory Commission--jurisdictional service except that QEUs are required to permit Large Load Customers to become, at the Large Load Customer's option, Federal Energy Regulatory Commission--jurisdictional transmission customers of QEUs. ~~This rule provides methods by which the Commission shall review cost allocation of associated transmission requests, which methods are consistent with federal requirements.~~

R746-XX2-3. General Requirements for ~~Cost the~~ Allocation of Transmission ~~Service Costs~~

- (1) An Application for Commission approval of a Large Load Contract that provides a Large Load Customer transmission service shall provide:

- (a) Evidence sufficient to allow the Commission to ensure all incremental transmission costs are allocated to the Large Load Customer, including but not limited to:
- (i) A description of transmission costs the Qualified Electric Utility or the Large-Scale Generation Provider will incur or pay to provide service to a Large Load Customer;
 - (ii) A description of how the addition of the Applicant's use will impact the Qualified Electric Utility's transmission system, including:
 - (A) The projected increase in electricity demand from the Large Load Customer,
 - (B) The incremental transmission costs required to serve the Large Load Customer,
 - (C) Any excess transmission capacity and the time when that capacity is projected to become used and useful for the Qualified Electric Utility;
 - (iii) An explanation of if and how the Qualified Electric Utility, in its sole discretion, proposes to recover from ratepayers any transmission costs that are excess to, and should not be directly assigned to, the Large Load Customer.

R746-XX3 GENERAL COMMISSION REQUIREMENTS FOR LARGE-SCALE GENERATION PROVIDERS

R746-XX3-1. Authority

This rule is adopted under Utah Code Sections 54-1-1 and 54-26-501 and 54-26-502.

R746-XX3-2. Applicability

This provision applies to any Large-Scale Generation Provider seeking to provide service to a Large Load Customer.

R746-XX3-3. Large-Scale Generation Provider Registration

- (1) A Large-Scale Generation Provider that seeks to provide service to a Large Load Customer must ~~file an application to submit a registration register with the and~~

- ~~receive Commission approval before providing commencing service to the Large Load Customer. No such service may commence until the Commission has deemed the registration complete in accordance with this Rule. ; the application to register and receive Commission approval to provide service to a Large Load Customer shall be served upon the Qualified Electric Utility on the same day it is filed with the Commission.~~
- (2) The Large-Scale Generation Provider's ~~application to register~~ shall provide the Commission with all registration materials~~information~~ identified in Utah Code Section 54-26-501. The Large-Scale Generation Provider may meet with Commission Staff in advance of registration to confer on its registration materials.
- ~~(3) Upon the Commission's review of the Large-Scale Generation Provider's registration materials, and no later than 60 days after submission, the Commission shall deem the registration complete, or allow the Large-Scale Generation Provider 90 days to supplement its registration materials in order to remedy any deficiencies identified. Upon the submission of any supplemental materials, the Commission shall have 30 days to deem the registration complete, or identify any additional deficiencies. The Large-Scale Generation Provider may supplement its registration materials to resolve any Commission-identified deficiencies until the registration is deemed complete or the Large-Scale Generation Provider otherwise withdraws its registration.~~ an application to register, the Commission shall open a docket and establish a schedule to evaluate compliance with Utah Code Section 54-26-501.
- ~~(3)(4) If a Large Scale Generation Provider changes ownership or control, it shall update is registration with the Commission within 30 days.~~
- ~~(4) Upon conclusion of the investigation, the Commission shall either:~~
- ~~(a) approve the application to register;~~
 - ~~(b) impose reasonable conditions on the applicant's status; or~~
 - ~~(c) notify the applicant of deficiencies in its application to register and allow the applicant 90 days to remedy any such deficiencies.~~
- ~~(5) If an applicant is permitted to remedy deficiencies within 90 days, the Commission shall review the revised application to register and;~~

- ~~(a) If the Commission, in its discretion, determines that the revised application to register failed to remedy the deficiencies previously identified, the Commission may deny registration and the applicant shall be prohibited from providing service to a Large Load Customer.~~
- ~~(b) If the Commission, in its discretion, determines that a revised application to register successfully remedied the deficiencies the Commission previously identified, the Commission shall grant the application to register and the applicant shall be permitted to provide service to the Large Load Customer as if the application had been granted in the first instance, subject to reasonable conditions imposed by the Commission.~~
- ~~(6)(5) If at any time, upon a complaint filed by a Large Load Customer or the Qualified Electric Utility or in its own discretion, the Commission determines that the Large-Scale Generation Provider has failed to comply with obligations imposed by agreement or the Commission pursuant to this rule, the Commission may suspend or revoke the Large-Scale Generation Provider's registration, such suspension or revocation shall be a final order subject to Utah Code Ann. § 54-26-502(2).; -~~

R746-XX3-4. Large-Scale Generation Provider Notice to Large Load Customers

- (1) A registered Large-Scale Generation Provider must provide notice to any potential Large Load Customer of any conditions imposed on its registration by the Commission.
- (2) A registered Large-Scale Generation Provider must include in every Large Load Contract ~~or Private-Generation Contract~~ notice to the Large Load Customer that
- (a) If the Large-Scale Generation Provider fails to comply with its legal requirements under Utah Code Title 54, Chapter 26, the Commission ~~can~~ may suspend or revoke the Large-Scale Generation Provider's registration. In such a case, the Large Load Customer shall be provided a reasonable opportunity to secure alternative service from another Large-Scale Generation Provider or the Qualified Electric Utility at the large load customers sole discretion. and prohibit it from continuing to provide service after the Large Load Customer is given reasonable opportunity to secure alternative service;

- (b) The Large Load Customer's load is subject to curtailment if the Large Load Customer's demand exceeds the real-time dispatch of the Large-Scale Generation Provider's resources under the Large Load Contract or Private Generation Contract, net of transmission losses;
- (c) The Qualified Electric Utility has no duty to serve a Large Load Customer that has entered a Large Load Contract with a Large-Scale Generation Provider or Private Generation Contract; and
- (d) The Qualified Electric Utility is not required to provide backup power to a Large Load Customer that has entered a Large Load Contract with a Large-Scale Generation Provider or Private Generation Contract.

R746-XX4 CONNECTED GENERATION

R746-XX4-1. Authority

This rule is adopted under Utah Code Sections 54-1-1, 54-26-505.

R746-XX4-2. Additional Requirements for Connected Generation with Large-Scale Generation Providers

In addition to meeting the requirements of R746-XX1-4:

- (1) An Application for approval of a Large Load Contract between a Large-Scale Generation Provider and a Large Load Customer for service through a connected generation system must include:
 - ~~(a)~~ Proof that the Large-Scale Generation Provider satisfies all requirements of Utah Code Section 54-26-505(2) and
 - ~~(b) The Large Scale Generation Provider is registered with the Commission in accordance with Utah Code Section 54-26-501;~~
 - ~~(c)(a)~~ The Large Load Customer has complied with Utah Code Section and 54-26-402(1), ~~and,~~
 - ~~(i) The Large Scale Generation Provider will serve the Large Load Customer using only Qualifying Generation Resources, as that term is defined in Utah Code Section 54-26-101(15);~~
 - ~~(d) Proof that the Large Scale Generation Provider has delivered the required notices in R746-XX3-3;~~

~~(e)~~(b) A declaration from the Large-Scale Generation Provider either that:

- (i) No costs associated with Large Load Facilities will be incurred by the Qualified Electric Utility in conjunction with the Large Load Contract, or
- (ii) The Large-Scale Generation Provider or Large Load Customer has entered a Large Load Construction agreement to reimburse the costs of any necessary Large Load Facilities;

~~(f)~~(c) A declaration from the Qualified Electric Utility that :

- (i) No electric services will be provided by the Qualified Electric Utility in conjunction with the Large Load Contract, or
- (ii) The Large-Scale Generation Provider or Large Load Customer has entered a Large Load Service Agreement for the provision of any necessary electric services from the Qualified Electric Utility in conjunction with the Large Load Contract, and
- (iii) The Qualified Electric Utility has had an opportunity to review the Private Generation Contract and has concurred with the findings in the declaration under subpart (a) of this Rule.

~~(g)~~(d) The Large-Scale Generation Provider has established curtailment provisions with the Large Load Customer in the Large Load Contract in the event the Large Load Customer's demand exceeds the real-time dispatch of the Large-Scale Generation Provider's resources under the Large Load Contract, net of transmission losses.

R746-XX5 CLOSED PRIVATE GENERATION

R746-XX5-1. Authority

This rule is adopted under Utah Code Sections 54-1-1 and 54-26-504.

R746-XX5-2. Applicability

This Section applies to all Closed Private Generation Systems.

R746-XX5-3. ~~Additional Requirements for~~ Closed Private Generation Systems Certification with Large-Scale Generation Providers

(1) A Large-Scale Generation Provider serving a large load customer shall submit a certification to the Commission, prior to commencing service to the large load customer, certifying that

(a) its system is wholly separate from facilities owned and operated by any qualified electric utility, cooperative utility, municipal utility, or other utility except to the extent authorized in Utah Code §§ 54-26-504 and 54-26-505,

(b) it is using qualified generation resources, and

(a)(c) has registered with the Commission as a Large-Scale Generation Provider.

(2) The Commission should review and deem the filed certification complete or require additional information from the Large-Scale Generation Provider within 30 days.

~~(b) In addition to meeting the requirements of R746-XX1-4:~~

~~(c) An Application for approval of a Private Generation Contract between a Large-Scale Generation Provider and a Large Load Customer must include proof that the Large-Scale Generation Provider satisfies all requirements of Utah Code Section 54-26-505(2) and~~

~~(d) The Large-Scale Generation Provider is registered with the Commission in accordance with Utah Code Section 54-26-501,~~

~~(e) The Large-Scale Generation Provider will serve the Large Load Customer using only Qualifying Generation Resources, as that term is defined in Utah Code Section 54-26-101(15),~~

~~(f) A declaration from the Qualified Electric Utility that the Closed Private Generation System will operate with sufficient separation from the Qualified Electric Utility's system to protect the bulk electric grid and the Qualified Electric Utility's system, and~~

~~(g) The Large-Scale Generation Provider has delivered the required notices in R746-XX3-3 as well as the following additional notices:~~

~~(i) the Closed Private Generation System is not connected to and operates independently from the transmission system of the Qualified Electric Utility, cooperative utility, municipal utility, or any other utility;~~

~~(ii) the Qualified Electric Utility has no duty to provide electric service;~~

~~(iii)there is no backup power available in the event of an outage except as provided under the terms of the Private Generation Contract; and~~
~~(iv)any request for interconnection to the Qualified Electric Utility for any level of service, requires the Large Load Customer to submit a Large-Scale Service Request to the Qualified Electric Utility and adhere to the process, cost allocations, and timelines set forth in Utah Code Title 54, Chapter 26.~~

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