

### State of Utah

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### **Public Service Commission**

JERRY D. FENN Chair

DAVID R. CLARK Commissioner

JOHN S. HARVEY, Ph.D. *Commissioner* 

### MEMORANDUM

To: Service List in Docket No. 25-R318-01

From: Public Service Commission of Utah

Date: October 17, 2025

Subject: Docket No. 25-R318-01, Proposed Rulemaking Concerning Utah Code §§

54-26-101 to -901, Large-Scale Electric Service Requirements

Please see the attached clarification and guidance from Charles River Associates, on behalf of the Public Service Commission.

Docket No. 25-R318-01 October 17, 2025

#### CERTIFICATE OF SERVICE

I CERTIFY that on October 17, 2025, a true and correct copy of the foregoing was served upon the following as indicated below:

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The Public Service Commission ("PSC") has engaged Charles River Associates ("CRA") as an independent evaluator to assist the PSC in this docket.

Based on communications with and direction from PSC Commissioners and staff, CRA submits this information by way of clarification and guidance, on behalf of the PSC, for the initial Large Load Customer rules which will be submitted for publication on October 31, 2025, and which are intended to become effective on January 1, 2026 (the "Rules"). The Rules may be subject to further revisions as experience with large scale electrical standards evolve.

This document summarizes the primary issues raised in the most recent round of comments on the draft rules to implement Senate Bill 132 ("SB 132") and CRA's current understanding of the PSC's plan to address each topic area.

Review of closed private	М
system PPAs	PS
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Issue

### **Planned Approach**

Multiple parties commented on the level of review they believe that the PSC should undertake. The PSC intends to conduct a limited review of private generation contracts between large load customers and large-scale generation providers for service in closed private generation systems.

- PSC review of such contracts and closed private systems is contemplated in Utah Code §§ 54-26-102(1)(d), 54-26-504(2)(c) and (4), and 54-26-505(4) and (5).
- The PSC is interested in conducting a limited review ensuring the protection of system reliability and ratepayers but does not intend to conduct an adjudicated proceeding.
- Scope of review will be focused on the three elements of a closed private system (i.e., 1. Not connected, 2. Serves one or more customers with at least 100MW, and 3. Serves the large load customer(s) through direct connection) and the supplier's technical and financial capacity to deliver on its contractual commitments.

# Access to wholesale markets by retail customers

Multiple participants indicated that ratemaking should be established for RMP that allows retail customers located within the utility's service territory to participate in wholesale markets, including utilizing the RMP system to deliver energy sourced from wholesale markets.

- Legislation provides direction to the PSC to investigate a Large Load Flexible Tariff ("LLFT") but does not provide a deadline (Utah Code § 54-26-701).
- The PSC will open an investigation of the LLFT in the near future.
- The rulemaking to be promulgated on October 31, 2025 will not address the LLFT.

## Allocation of capital and operating costs

Multiple participants requested that the PSC establish standards or criteria or provide guidance to prevent inappropriate assignment of costs to large load customers. Specific concerns and questions were posed about the potential assignment of costs to large loads for capital projects that were not necessitated by their arrival at the system, the treatment of customer contributions in ratemaking, and others.

- The PSC does not intend to address any specific matters regarding cost allocation in the initial rule promulgation.
- The parties' concerns are understandable, but the issue is currently hypothetical and could only be addressed on the basis of conjecture.
- The anticipated LLFT proceeding may be an appropriate venue to discuss some of the issues raised.
- Participants have opportunities to review RMP's cost allocation and rate design in the normal course of rate cases, during which all the concerns raised could be addressed.

### Confidentiality

Parties expressed concern that they will be required to share contractual information between large loads and third-party generators with RMP, whom the generation developers perceive to be a competitor.

- The generation developers should identify which information they believe must be withheld from RMP in order to protect their commercial interests.
- RMP should identify the information from supply agreements that it requires to conduct its review.
- The PSC does not intend to have large-scale generation providers submit commercially sensitive information to RMP.
- The PSC requests the parties provide any additional input on this topic by October 24, 2025.

### Registration of Large-Scale Generation Providers

Multiple parties requested that the Rules reflect that registration of largescale generation providers should be a straightforward exercise, with the substance of PSC review to be with respect to approval of a large load or private generation contract.

- The PSC agrees with having a straightforward registration exercise while upholding its responsibilities.
- PSC review during the large-scale generation provider registration process is not intended to limit the PSC's available options for review and approval of large load and private generation contracts.
- The PSC believes that registrants are obligated to demonstrate credit worthiness and technical capability during the registration exercise.

## Large-scale service request

Another question raised in the comments is whether the rules should address large-scale service requests. The PSC does not intend to include rules governing large-scale service requests in the rules to be submitted for publication on October 31, 2025. The requirements of SB 132 and existing RMP service request procedures may be sufficient in this area. This does not preclude the PSC from addressing any issues around large-scale service requests at a later time.

### Approval of Large Load Contracts

The PSC intends to protect system reliability and Utah ratepayers in accordance with the law. Accordingly, at the time of the submission of large load and private generation contracts for PSC review, the PSC may direct large-scale generation providers to provide information on any material changes in credit worthiness and technical capability since registration.

#### **Procedural timelines**

The PSC will not include expedited timelines in the draft rules. The sixty-day window is already tight given the PSC's resources.