

EXHIBIT "A"

Transcription of House Floor Debate  
on SB 43 After Transmitted From the  
Senate Floor - January 28, 1989

[Record #1, Side 2, Line 3]

[Summary of debate.]

Moody Because of a glitch in the Code not discovered, consequently needed to be in here. Issue of co-generation of electricity came up because of co-generation at Utah State University. The electricity that they were generating there and its sale to UP&L.

The part of the bill addressed is on page 6, line 5. The language in 18 on line 5 was out the Code. Then when there were some change made in 1985 it so happened that this particular paragraph was put in inadvertently. This bill's purpose is to take out the language.

Reason why it is important is because with the language in it would make certain that cities within a state. . . cities with own generators or cities that were with entities or buying the electricity or co-ops within the electrical system of distribution . . .

Consequently with this paragraph back in cities and other entities would be under the PSC and this was not intended.

Because of the fact that these are co-ops and consequently profits that are made out of systems then goes back to the communities and consequently they are not addressed by the PSC and not responsible for that and the bill takes out language so it is as it was before.

Ostler On page 6, lines 5-7 took out and on page 16, line 16-18 identical language without government entities. Why? They both refer to same section why not just cross out government entities? Why definition had to be put in different place?

Moody New language only applicable to section at the end.

Ostler Just two words left out.

[There is irrelevant discussion not transcribed.]

Moody Maybe we ought to circle this and come back to it.

[Committee of the whole is motioned for five minutes. Reed Searle is called to explain.]

Searle Purpose was to correct error made in the legislature in 1985.

Specifically, 1985 the purpose of legislature was to make sure government entities particularly including the universities could become electrical co-generators under the Federal PURPA Act. Generating electricity without waste heat without becoming regulatory by the PSC. The definition of person (by you in 1985) included government entities for the specific purpose just mentioned.

[Verbatim transcription.]

Determine later that it could be read and be interpreted that government entity (i.e. IPA) could be deemed fully regulated by the PSC and this was not intended by the sponsor, not intended by the legislature, and not intended by this body.

This bill is to correct this problem at the same time without disrupting the original purpose of the 1985 Act of allowing some government entities to become power co-generated without becoming subject to the PSC. So the legal staff . . . protect the intent of the legislature moved the definition from the section that applies to the entire title of the Code so that now the special definition of person for co-generation purposes applies only to the specific chapter that applies to co-generators because government entities throughout the Code just like businesses, corporations, citizens or cities should for most of the Code be considered as persons. The specific definition of person now applies - - the attempt is to make it apply only the co-generation chapter of the statutes and allow the general definition of person to remain for the remainder of that particular title as well as the balance of the Utah Code.

Ostler Why was it moved to a new section.

Searle Had to move it so that it would not apply to the entire title.

Moody [Sums up.] The bill in 1985 was amended to provision co-generation. . . the wording in 1985 was in error . . . resulted in the appearance that the PSC may have been granted general jurisdiction over all electrical utility systems owned by municipalities or other government entities. This bill signifies that such general jurisdiction was not granted and it was not intended that it be granted.