

Attachment C

SB0115S03 compared with SB0115S02

~~text~~ shows text that was in SB0115S02 but was deleted in SB0115S03.

text shows text that was not in SB0115S02 but was inserted into SB0115S03.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Senator J. Stuart Adams proposes the following substitute bill:

SUSTAINABLE TRANSPORTATION AND ENERGY PLAN ACT

2016 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: J. Stuart Adams

House Sponsor: V. Lowry Snow

LONG TITLE

General Description:

This bill amends provisions related to a public utility providing electrical service.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ requires the Public Service Commission to authorize a large-scale electric utility to implement tariffs to provide funding for a sustainable transportation and energy pilot program;
- ▶ allows an electrical corporation to recover 100% of the electrical corporation's prudently incurred costs in an energy balancing account;
- ▶ allows a large-scale electric utility to establish innovative electric efficiency technology programs;

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section either with or without a provision allowing an end-use customer to receive a credit against the charges imposed under the tariff for electric energy efficiency measures that:

- (a) the customer implements or has implemented at the customer's expense; and
- (b) qualify for the credit under criteria established by the [~~Utah Public Service~~

~~Commission~~] commission.

~~[(6)]~~ (13) In approving a tariff under this section, the commission may impose whatever conditions or limits it considers appropriate, including a maximum annual cost.

~~[(7)]~~ (14) Unless otherwise ordered by the commission, each tariff under this section approved by the commission shall take effect no sooner than 30 days after the electrical corporation files the tariff with the commission.

Section 4. Section **54-7-13.5** is amended to read:

54-7-13.5. Energy balancing accounts.

(1) As used in this section:

(a) "Base rates" [~~is as~~] means the same as that term is defined in Subsection 54-7-12(1).

(b) "Energy balancing account" means an electrical corporation account for some or all components of the electrical corporation's incurred actual power costs, including:

- (i) (A) fuel;
- (B) purchased power; and
- (C) wheeling expenses; and
- (ii) the sum of the power costs described in Subsection (1)(b)(i) less wholesale

revenues.

(c) "Gas balancing account" means a gas corporation account to recover on a dollar-for-dollar basis, purchased gas costs, and gas cost-related expenses.

(2) (a) The commission may authorize an electrical corporation to establish an energy balancing account.

(b) An energy balancing account shall become effective upon a commission finding that the energy balancing account is:

- (i) in the public interest;
- (ii) for prudently-incurred costs; and
- (iii) implemented at the conclusion of a general rate case.

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(c) An electrical corporation:

(i) may, with approval from the commission, recover costs under this section through:

(A) base rates;

(B) contract rates;

(C) surcredits; or

(D) surcharges; and

(ii) shall file a reconciliation of the energy balancing account with the commission at least annually with actual costs and revenues incurred by the electrical corporation.

(d) Beginning ~~January~~ June 1, ~~2017~~ 2016, for an electrical corporation with an energy balancing account established before January 1, 2016, the commission shall allow an electrical corporation to recover 100% of the electrical corporation's prudently incurred costs as determined and approved by the commission under this section.

(e) (i) Except as provided in Subsections (2)(e)(ii) and (2)(e)(iii), a large-scale electric utility may not file a request with the commission for a change in base rates if the proposed change in base rates would take effect before May 10, 2018.

(ii) If a person requests or the commission initiates a proceeding for a change in base rates that would take effect before May 10, 2018:

(A) a large-scale electric utility may participate in the proceeding; and

(B) a large-scale electric utility may, after the proceeding, file a request with the commission for a change in base rates that would take effect before May 10, 2018.

(iii) (A) A large-scale electric utility may file a request with the commission to initiate a cost of service proceeding for approval and implementation of a net metering tariff under Section 54-15-105.1.

(B) A large-scale electric utility shall defer the difference in revenue collected from a net metering customer and the revenue that would have been collected from the net metering customer prior to a net metering tariff change adopted pursuant to a request under Subsection 54-7-13.5(e)(iii)(A) until the next change in base rates.

(C) The large-scale electric utility shall allocate the deferred amounts described in Subsection 54-7-13.5(e)(iii)(B) to the large-scale electric utility's customers as determined by the commission in the next general rate case proceeding.

(D) The commission may authorize a change in the tariff rate for a net metering

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customer without initiating a general rate case proceeding.

~~[(d)]~~ (f) An energy balancing account may not alter:

- (i) the standard for cost recovery; or
- (ii) the electrical corporation's burden of proof.

~~[(e)]~~ (g) The collection method described in Subsection (2)(c)(i) shall:

- (i) apply to the appropriate billing components in base rates; and
- (ii) be incorporated into base rates in an appropriate commission proceeding.

~~[(f)]~~ (h) The collection of costs related to an energy balancing account from customers paying contract rates shall be governed by the terms of the contract.

~~[(g)]~~ (i) Revenues collected in excess of prudently incurred actual costs shall:

(i) be refunded as a bill surcredit to an electrical corporation's customers over a period specified by the commission; and

- (ii) include a carrying charge.

~~[(h)]~~ (j) Prudently incurred actual costs in excess of revenues collected shall:

- (i) be recovered as a bill surcharge over a period to be specified by the commission;

and

- (ii) include a carrying charge.

~~[(i)]~~ (k) The carrying charge applied to the balance in an energy balancing account shall be:

- (i) determined by the commission; and
- (ii) symmetrical for over or under collections.

(3) (a) The commission may:

- (i) establish a gas balancing account for a gas corporation; and
- (ii) set forth procedures for a gas corporation's gas balancing account in the gas corporation's commission-approved tariff.

(b) A gas balancing account may not alter:

- (i) the standard of cost recovery; or
- (ii) the gas corporation's burden of proof.

(4) (a) All allowed costs and revenues associated with an energy balancing account or gas balancing account shall remain in the respective balancing account until charged or refunded to customers.