

SENATE FILE NO. SF0133

Electric generation facilities-operation and retirement.

Sponsored by: Senator(s) Dockstader and Representative(s)  
Crank and Simpson

A BILL

for

1 AN ACT relating to public utilities; requiring advance  
2 notice of the retirement of electric generation facilities  
3 as specified; specifying procedures; authorizing rate  
4 recovery as specified; defining terms; specifying  
5 applicability; requiring rulemaking; and providing for an  
6 effective date.

7

8 *Be It Enacted by the Legislature of the State of Wyoming:*

9

10 **Section 1.** W.S. 37-2-134 is created to read:

11

12 **37-2-134. Operation and retirement of electric**  
13 **generation facilities; procedures; rate recovery.**

14

15 (a) As used in this section:

1

2 (i) "Dispatch" means electricity that is  
3 available for use on demand and that can be transmitted  
4 upon request of a power grid operator or that can have its  
5 power output adjusted, according to market needs;

6

7 (ii) "Electric utility" means any public  
8 utility, electrical company or electric cooperative that is  
9 engaged in the business of distributing electricity to  
10 electric customers in Wyoming;

11

12 (iii) "Electricity generating resource" means  
13 any plant or equipment used to generate electricity by any  
14 means;

15

16 (iv) "Regional transmission organization" means  
17 the regional transmission organization approved by the  
18 Federal Energy Regulatory Commission for a control area  
19 that includes the electric utility's electricity generating  
20 resource;

21

22 (v) "Reliable" means generated electricity that  
23 is not subject to intermittent availability;

1

2           (vi) "Reliable generation resource" means an  
3 electric generating resource that:

4

5                   (A) Is located in Wyoming;

6

7                   (B) Has a capacity valued by a regional  
8 transmission organization of not less than eighty percent  
9 (80%) of the electricity generating resource's rated  
10 capacity;

11

12                   (C) Maintains an annual average onsite fuel  
13 inventory of at least thirty (30) days of average fuel  
14 consumption.

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16           (b) An electric utility that owns or operates a  
17 reliable generation resource shall operate and maintain the  
18 resource in a manner reasonably likely to secure the  
19 availability of the resource for dispatch and for providing  
20 reliable electric service to the utility's customers.

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22           (c) An electric utility shall provide advance notice  
23 to the commission as follows:

1

2 (i) Except as provided in paragraph (ii) of this  
3 subsection, not less than three (3) years of advance notice  
4 when the electric utility seeks to retire, sell or transfer  
5 a reliable generation resource;

6

7 (ii) If the commission finds that the electric  
8 utility has demonstrated an emergency which necessitates  
9 retirement, sale or transfer of a reliable generation  
10 resource, not less than six (6) months of advance notice.

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12 (d) A public utility providing notice as required by  
13 subsection (c) of this section shall include in the notice  
14 its reasons for the proposed retirement, sale or transfer  
15 of the reliable generation resource, including whether a  
16 federal law, regulation, order or rule is the basis, in  
17 whole or in part, of the planned retirement, sale or  
18 transfer of the reliable generation resource.

19

20 (e) Not less than one hundred twenty (120) days  
21 before the planned retirement, sale or transfer of a  
22 reliable generation resource, the commission shall hold a  
23 public hearing in accordance with the provisions of this

1 title, the Wyoming Administrative Procedure Act and rules  
2 of the commission. The commission shall consider public  
3 comment on the planned retirement, sale or transfer. At  
4 least sixty (60) days before the planned retirement, sale  
5 or transfer, the commission shall issue findings and  
6 conclusions regarding the reasonableness of the planned  
7 retirement, sale or transfer. If an electric utility cites  
8 a federal law, regulation, order or rule as a basis for the  
9 retirement, sale or transfer the commission may consider in  
10 making its findings and conclusions whether the cited  
11 federal mandate is in effect, has been or is planned to be  
12 revoked and the likelihood of the federal law, regulation,  
13 order or rule being enacted if not yet in effect.

14

15 (f) An electric utility shall not retire, sell or  
16 transfer a reliable generation resource with a rated  
17 capacity of eighty (80) megawatts or more until:

18

19 (i) The electric utility complies with the  
20 provisions of W.S. 37-3-117 to the extent applicable; and

21

1           (ii) The commission has held the hearing and  
2 issued its findings as required under subsection (e) of  
3 this section.

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5           (g) Nothing in this section shall be construed to  
6 relieve an electric public utility from the purchase  
7 requirements of W.S. 37-2-133.

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9           (h) Subject to W.S. 37-3-117 and any other provision  
10 of law reducing or limiting rate or cost recovery, an  
11 electric utility may seek to recover rates associated with  
12 new electric generation facilities built to replace  
13 reliable generation resources that are retired, sold or  
14 transferred in accordance with this section.

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16           **Section 2.**

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18           (a) For any electric utility that is planning to  
19 retire, sell or transfer a reliable generation resource for  
20 which the deadline to provide notice under W.S.  
21 37-2-134(c), as created by section 1 of this act, has  
22 passed, then the electric utility shall provide notice as  
23 required by that subsection not later than thirty (30) days

1 after the effective date of this act. The notice shall  
2 include the reasons required by W.S. 37-2-134(d), as  
3 created by section 1 of this act.

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5 (b) Upon receiving notice as required by this  
6 subsection, the public service commission shall hold a  
7 hearing not less than sixty (60) days before the planned  
8 retirement, sale or transfer of the reliable generation  
9 resource in accordance with W.S. 37-2-134(e), as created by  
10 section 1 of this act.

11

12 **Section 3.** The public service commission shall  
13 promulgate rules necessary to implement this act.

14

15 **Section 4.** This act is effective immediately upon  
16 completion of all acts necessary for a bill to become law  
17 as provided by Article 4, Section 8 of the Wyoming  
18 Constitution.

19

20

(END)