

ENROLLED ACT NO. 69, SENATE

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING  
2024 BUDGET SESSION

AN ACT relating to public utilities; amending requirements and deadlines for low-carbon energy generation standards; amending reporting requirements for meeting the low-carbon energy standards; amending rate recovery mechanisms associated with low-carbon energy standards; requiring rulemaking; and providing for an effective date.

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

**Section 1.** W.S. 37-18-101(a)(iii) and 37-18-102(a)(i) through (iv), (v)(A), (c)(iii) and (e) are amended to read:

**37-18-101. Definitions.**

(a) As used in this article:

(iii) "Low-carbon" means electricity that is generated while using carbon capture, utilization and storage technology that ~~produces carbon emissions~~ captures not greater-less than six hundred fifty (650) pounds eighteen thousand seven hundred fifty (18,750) metric tons of carbon dioxide per megawatt-hour of generated electricity averaged over during one (1) calendar year and that has a capture design capacity of not less than seventy-five percent (75%) of the baseline carbon dioxide production of the generation unit as specified in 26 U.S.C. § 45Q(e)(2).

**37-18-102. Energy generation portfolio standards; reporting requirements; rate recovery and limitations.**

(a) Consistent with the objective of ensuring Wyoming electric utilities maintain access to reliable and cost effective electric generation resources, the public service

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commission shall establish by rule energy portfolio standards that will maximize the use of dispatchable and reliable low-carbon electricity. In establishing standards, the commission:

(i) Shall require a public utility servicing more than ten thousand (10,000) Wyoming electric customers to generate a specified percentage of electricity generated to be that is dispatchable and reliable low-carbon electricity from an existing coal-fired generation unit or an equivalent new coal-fueled generation unit;

(ii) Shall establish a date not later than July 1, 2030—2033 for requiring a percentage of electricity generated by a public utility to be dispatchable and reliable low-carbon electricity taking into consideration any potentially expiring federal tax credits;

(iii) Shall establish intermediate standards and requirements for dispatchable and reliable low-carbon electricity that public utilities must generate before the electricity generation standard established in paragraphs (i) and (ii) of this subsection;

(iv) Beginning July 1, 2024, shall require each public utility to demonstrate in each integrated resource plan submitted to file with the commission an annual report outlining the steps in the past calendar year the public utility is taking has taken to determine the market for carbon dioxide from the electricity generation and to achieve the electricity generation standard established in paragraphs (i) through (iii) of this subsection. In the annual report required under this paragraph, each public utility shall, for purposes of determining the market for carbon dioxide from electricity generation, report the

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potential customers the public utility has contacted and any information or estimates the customers are willing to make public on the quantities of carbon dioxide they may need;

(v) Shall for each public utility:

(A) Not later than December 15, 2024, establish baseline standards for electric reliability to ensure adequate reliable dispatchable power in Wyoming. The standards established under this subparagraph may include limits on outages and shall ensure that new or expanded intermittent generation resources do not unreasonably diminish power quality or increase momentary outages across a utility's service territory or in any particular location;

(c) Subject to W.S. 37-3-117(a) and the limitation in subsection (b) of this section, the commission shall consider the following when establishing reasonable rates for a public utility working toward and achieving the electricity generation standards established under subsection (a) of this section:

(iii) To the extent a public utility can demonstrate that it will incur incremental costs to comply with the reliable and dispatchable low-carbon energy standard, the commission shall authorize the public utility to implement a rate recovery mechanism that collects a surcharge from customers not to exceed two percent (2%) of each customer's total electric bill to provide for the recovery of the prudently incurred incremental costs to comply with the reliable and dispatchable low-carbon energy standard. A rate recovery mechanism may be authorized and established prior to the public utility incurring

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incremental costs to comply with the reliable and dispatchable low-carbon energy standard and the public utility may retain funds collected through a mechanism in a regulatory account approved by the commission to offset future costs. To the extent the rate recovery mechanism is insufficient to compensate the public utility for its prudently incurred incremental costs to comply with the reliable and dispatchable low-carbon energy standard, the commission shall take such actions as necessary ~~notwithstanding any other provision of this section~~ to ensure the public utility is able to recover its prudently incurred incremental costs and customers are not charged for those incremental costs other than through the rate recovery mechanism specified in this subsection. No rate recovery shall be allowed by the commission under this paragraph after the public utility has been authorized by the commission to collect these costs through the utility's base rates or another recovery mechanism approved by the commission.

(e) Beginning in 2023, and occurring every second year thereafter, the commission shall report to the ~~legislature~~ joint minerals, business and economic development interim committee and the joint corporations, elections and political subdivisions interim committee regarding implementation of the electricity portfolio standards and recommend whether it should be continued, modified or repealed. To the extent the electricity portfolio standards are modified or discontinued, nothing shall impair the ability of a public utility that has incurred costs to comply with the electricity portfolio standards to recover its prudently incurred costs as authorized by the commission.

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**Section 2.** The public service commission shall promulgate all rules necessary to implement this act. As part of this rulemaking process, the public service commission shall amend deadlines for public utilities to submit final plans for achieving low-carbon energy production standards to the commission to account for the extension of deadlines provided by section 1 of this act.

**Section 3.** This act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.

(END)

\_\_\_\_\_  
Speaker of the House

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Governor

TIME APPROVED: \_\_\_\_\_

DATE APPROVED: \_\_\_\_\_

I hereby certify that this act originated in the Senate.

\_\_\_\_\_  
Chief Clerk