SENATE FILE NO. SF0023

Public utilities-energy resource procurement.

Sponsored by: Joint Corporations, Elections & Political Subdivisions Interim Committee

A BILL

for

- 1 AN ACT relating to public utilities; establishing a
- 2 solicitation process for specified electrical utilities
- 3 acquiring or constructing significant energy resources;
- 4 providing a waiver process; providing for the use of
- 5 independent evaluators; providing rulemaking authority;
- 6 authorizing a full time position; providing an
- 7 appropriation; and providing for an effective date.

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

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11 **Section 1.** W.S. 37-2-135 is created to read:

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13 37-2-135. Energy resource procurement.

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SF0023

1 (a) An affected electrical utility shall comply with 2 this section to acquire or construct a significant energy

3 resource after July 1, 2024, provided that this section

4 shall not apply to a significant energy resource for which

5 the affected electrical utility has issued a solicitation

6 before July 1, 2024.

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8 Except as provided in subsection (c) of this (b) 9 section, to acquire or construct a significant energy 10 resource, an affected electrical utility shall conduct a 11 solicitation process that is approved by the commission. To 12 obtain the approval of the commission of a solicitation process, the affected electrical utility shall file with 13 the commission a request for approval that includes a 14 15 description of the solicitation process that the affected 16 electrical utility will use, a complete proposed 17 solicitation and any other information that the commission 18 requires by rule.

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20 (c) An affected electrical utility may obtain a 21 waiver of the requirements of subsection (b) of this 22 section if the commission determines that waiving the 23 requirement is in the public interest because of a clear

- 1 emergency, a time limited commercial or technical
- 2 opportunity that provides value to the customers of the
- 3 affected electrical utility or any other factor determined
- 4 by the commission that makes waiving the requirement in the
- 5 public interest. The commission shall adopt rules regarding
- 6 the waiver process.

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- 8 (d) The commission shall adopt rules outlining the
- 9 requirements for the solicitation approval process under
- 10 this section. Rules adopted under this subsection may
- 11 account for circumstances where an affected electrical
- 12 utility is subject to regulation in more than one (1) state
- 13 regarding the acquisition, construction or cost recovery of
- 14 a significant energy resource, in which event the rules may
- 15 allow the commission to consider the impact of the
- 16 multistate regulation on the solicitation process, cost
- 17 recovery of resources and methods by which the affected
- 18 electrical utility may be able to mitigate the potential
- 19 for cost disallowances.

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- 21 (e) The commission shall appoint an independent
- 22 evaluator to monitor any solicitation submitted for
- 23 approval under this section. The independent evaluator

1	shall not make the determination as to which bid shall be
2	awarded under the solicitation. The independent evaluator
3	shall actively monitor the solicitation approval process
4	for fairness and compliance with this section and rules of
5	the commission. The independent evaluator shall report to
6	the commission and others as directed by the commission and
7	shall develop one (1) or more reports addressing the
8	solicitation approval process, any concerns related to the
9	solicitation and the ultimate results of the solicitation
10	approval process including the opinions and conclusions of
11	the independent evaluator. The report shall include an
12	opinion as to whether the solicitation approval process is
13	fair, done in compliance with this section and whether any
14	modeling used by the affected electrical utility regarding
15	the solicitation is sufficient. The independent evaluator
16	shall perform other functions and provide other input and
17	reports as directed by the commission. The commission shall
18	adopt rules regarding independent evaluators under this
19	subsection.

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21 (f) As used in this section:

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             (i) "Affected electrical utility" means a public
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    utility other than a cooperative electric utility as
3
    defined in W.S. 37-17-101(a)(i);
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             (ii) "Significant energy resource":
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                  (A) means a resource that consists of:
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                       (I) A total of one hundred (100)
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    megawatts or more of new generating capacity that has a
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    dependable life of ten (10) or more years;
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                       (II)
                             The purchase of electricity,
    electric generating capacity or both if the contract is for
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    a term of ten (10) or more years and a total of not less
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    than one hundred (100) megawatts;
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                       (III) The purchase or lease by
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    affected electrical utility from an affiliated company of a
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    generating facility, electricity, electrical generating
    capacity or both electricity and electrical generating
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    capacity;
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1	(IV) A contract with an option for the
2	affected electrical utility or an affiliate to purchase a
3	resource that consists of not less than one hundred (100)
4	megawatts of new generating capacity that has a remaining
5	dependable life of ten (10) or more years; or
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7	(V) A type of resource designated by
8	rule of the commission as a significant energy resource
9	after considering the affected electrical utility's
10	integrated resource plan and action plan.
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12	(B) Shall not include a resource procured
13	for one (1) or more customers pursuant to an approved
14	tariff, at the customer's request and agreed upon with the
15	affected electrical utility, provided that the agreement
16	does not negatively impact the affected electrical
17	utility's other customers.
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19	(iii) "Solicitation" means a request for
20	proposals or other invitation for persons to submit a bid
21	or proposal through an open bid process for construction or

acquisition of a significant energy resource.

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23

1 Section 2.

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3 (a) The public service commission is authorized up to
4 one (1) full-time position for the period beginning with
5 the effective date of this act and ending June 30, 2026 for
6 an analyst to implement the requirements of this act. It is
7 the intent of the legislature that the public service
8 commission include this full-time position in its standard
9 budget request for the immediately succeeding fiscal

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biennium.

12 (b) There is appropriated two hundred thousand dollars (\$200,000.00) from the public service account under 13 W.S. 37-2-106 within the special revenue fund to the public 14 service commission for the period beginning with the 15 16 effective date of this act and ending June 30, 2026 to be 17 expended only for purposes of funding the position subsection (a) of this section. 18 authorized in This 19 appropriation shall not be transferred or expended for any 20 other purpose and any unexpended, unobligated funds 21 remaining from this appropriation shall revert as provided by law on June 30, 2026. 22

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Section 3. This act is effective July 1, 2024.

2 (END)