

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

SENATE FILE NO.

Industrial power zones.

Sponsored by: Joint Minerals, Business & Economic
Development Interim Committee

A BILL

for

1 AN ACT relating to public utilities; providing for the
2 creation of industrial power zones; providing for the
3 exemption of rate regulation and service territory
4 requirements for electrical service as specified; providing
5 a definition; specifying applicability; making conforming
6 and technical amendments; requiring rulemaking; amending
7 obsolete provisions related to public utilities; and
8 providing for effective dates.

9

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

11

1 **Section 1.** W.S. 37-19-101 through 37-19-104 are
2 created to read:

3

4

CHAPTER 19

5

INDUSTRIAL POWER ZONES

6

7

37-19-101. Short title.

8

9 This act shall be known and may be cited as the "Industrial
10 Power Zones Act."

11

12

37-19-102. Definitions.

13

14

(a) As used in this act:

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(i) "Industrial power zone" means an area of
designated state lands not less than six hundred forty
(640) contiguous acres situated entirely within a single
county and within which the statutory and regulatory
exemptions in W.S. 37-19-104 are available;

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23

(ii) "State lands" means as defined in W.S.
36-1-101(a)(iv);

1

2 (iii) "This act" means W.S. 37-19-101 through 37-
3 19-104.

4

5 **37-19-103. Designation of land.**

6

7 (a) The board of county commissioners in each county
8 or a project proponent with the consent of the applicable
9 board of county commissioners may petition the board of
10 land commissioners to designate not more than one (1) area
11 of unincorporated state land within the county constituting
12 not less than six hundred forty (640) contiguous acres as
13 an industrial power zone. The designated land shall not
14 include any part of a municipality or land outside the
15 boundaries of the county. A petition may be filed under
16 this subsection to create an industrial power zone or
17 modify an industrial power zone previously established
18 under this act.

19

20 (b) Before filing a petition with the board of land
21 commissioners or before granting consent to a project
22 proponent to file a petition under subsection (a) of this
23 section, the board of county commissioners shall hold not

1 less than one (1) public hearing with an opportunity for
2 public comment. Notice of the time and place of the public
3 hearing shall be given by publication in a newspaper of
4 general circulation in the county not less than one (1)
5 time and not less than fourteen (14) days before the date
6 of the hearing.

7

8 (c) Upon the board of land commissioners receiving a
9 petition filed under this section, the commission shall
10 provide the board of land commissioners and the applicable
11 board of county commissioners with an analysis of the
12 potential impact the industrial power zone may have on
13 retail customers outside of the zone and nonparticipating
14 retail customers within the zone and any other information
15 required by rule promulgated by the board of land
16 commissioners.

17

18 (d) The board of land commissioners may consider the
19 analysis provided under subsection (c) of this section and
20 any other information the board deems relevant in
21 determining whether to approve a petition submitted under
22 this section. The board of land commissioners shall not
23 approve a petition that does not meet the requirements of

1 subsection (a) of this section but may otherwise approve or
2 deny a petition at its discretion.

3

4 **37-19-104. Regulation exemptions; limitations.**

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6 (a) Except as otherwise provided in this section, the
7 provisions of this title with respect to public service
8 commission electricity rate regulation shall not apply to
9 rates charged for the sale of electricity to a customer
10 who:

11

12 (i) Receives and consumes the electricity
13 entirely within an approved industrial power zone;

14

15 (ii) Consumes the electricity only for
16 commercial or industrial use; and

17

18 (iii) Is not purchasing the electricity to
19 replace electrical service capacity that existed before the
20 commission's approval of the industrial power zone in which
21 the customer is receiving and consuming electricity.

22

1 (b) Except as otherwise provided in this section, the
2 provisions of this title that prohibit the sale of
3 electricity outside a specified service territory shall not
4 apply to the sale of electricity to a customer within an
5 industrial power zone who meets the requirements of
6 subsection (a) of this section.

7

8 (c) Nothing in this section shall be construed to
9 reduce, modify, eliminate or otherwise alter any applicable
10 requirements of federal law or any local, state or federal
11 tax that may be imposed.

12

13 (d) Any public utility providing electric service
14 under this act shall not recover costs associated with that
15 service provided in approved industrial power zones through
16 rates imposed on:

17

18 (i) Retail customers located outside of an
19 industrial power zone;

20

21 (ii) Retail customers located within an
22 industrial power zone who are not participating or availing
23 themselves of the exemptions provided under this act.

1

2 (e) Electric service provided by a public utility
3 under this act shall not reduce or otherwise adversely
4 affect the service provided to other retail customers not
5 participating in the industrial power zone.

6

7 (f) The public service commission shall regulate
8 rates charged for the use of transmission lines
9 transmitting electricity generated outside of an industrial
10 power zone to the industrial power zone through
11 transmission lines otherwise regulated by the commission by
12 setting rates that ensure other retail customers not
13 receiving the benefits of any exemption under this act are
14 not disproportionately paying joint and common costs of
15 electricity transmission to an industrial power zone.

16

17 **Section 2.** W.S. 36-2-101, 37-1-101(a)(intro) and
18 37-2-118 are amended to read:

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20 **36-2-101. Composition; powers generally.**

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22 The governor, secretary of state, state treasurer, state
23 auditor, and superintendent of public instruction, being

1 constituted a "board of land commissioners" by the
2 provisions of section 3, article 18, of the constitution of
3 the state of Wyoming, shall as such board, have the
4 direction, control, leasing, care and disposal of all lands
5 heretofore or hereafter granted or acquired by the state
6 for the benefit and support of public schools or for any
7 other purpose whatsoever, subject to the limitations
8 contained in the constitution of the state, and the laws
9 enacted by the legislature. The board shall have the power
10 and authority to take such official action as may be
11 necessary in securing title to land grants, or any other
12 lands acquired by the state. The board shall oversee the
13 compensatory mitigation credit system established under
14 W.S. 9-19-201 through 9-19-204 and shall promulgate rules
15 and regulations in accordance with W.S. 9-19-201 through
16 9-19-204. The board shall consider and render decisions on
17 petitions submitted to the board under the Industrial Power
18 Zones Act.

19

20 **37-1-101. Definitions.**

21

22 (a) As used in chapters 1, 2, 3, 12, 17, ~~and~~ 18 and
23 19 of this title:

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2 **37-2-118. Who may make complaint.**

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4 Any public utility, person, municipality or the attorney
5 general may complain to the commission of anything, actual
6 or proposed, done or omitted to be done in violation of
7 W.S. ~~37-1 through 37-64 [§§ 37-1-101 through 37-3-114] or~~
8 ~~W.S. 37-260 through 37-272 [§§ 37-12-201 through~~
9 ~~37-12-213],~~ 37-1-101 through 37-3-114, 37-12-201 through
10 37-12-213, 37-19-101 through 37-19-104 or of an order of
11 the commission.

12

13 **Section 3.** This act shall not apply to contracts for
14 electric utility services that were entered into before
15 July 1, 2023.

16

17 **Section 4.** The board of land commissioners and the
18 public service commission shall promulgate any rules
19 necessary to implement this act on or before July 1, 2023.

20

1 **Section 5.**

2

3 (a) Except as provided in subsection (b) of this
4 section, this act is effective July 1, 2023.

5

6 (b) Sections 4 and 5 of this act are effective
7 immediately upon completion of all acts necessary for a
8 bill to become law as provided by Article 4, Section 8 of
9 the Wyoming Constitution.

10

11

(END)