

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO.

Reclamation and decommissioning costs.

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

A BILL

for

1 AN ACT relating to public utilities; requiring a study
2 identify already incurred liabilities for the
3 decommissioning and cleanup of coal fired electric
4 generation facilities as specified; specifying
5 responsibility for additional decommissioning and cleanup
6 costs; requiring a study and reports; providing an
7 appropriation; and providing for an effective date.

8

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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1 **37-2-135. Reclamation and decommissioning costs;**
2 **identification of costs already recovered in rates;**
3 **specifying the responsibility for additional reclamation**
4 **costs.**

5
6 (a) This section shall apply to each coal-fired
7 electric generation facility, regardless of size, that is
8 identified in the public utility's integrated resource plan
9 submitted to the commission before September 30, 2023 as
10 scheduled for retirement, closure or conversion to another
11 fuel source including natural gas or nuclear energy before
12 January 1, 2034. This section shall apply to the expected
13 costs of decommissioning all units of the facility and
14 reclaiming the site at the facility, including but not
15 limited to any costs related to fly ash, hazardous waste or
16 other solid or liquid waste disposal sites for which the
17 present or any future owner of the facility site is likely
18 to be liable for damages and cleanup costs.

19
20 (b) For facilities subject to subsection (a) of this
21 section, the commission shall undertake an analysis of the
22 extent to which rates charged by the public utility before
23 the effective date of this section included rate recovery

1 for decommissioning and reclamation costs. In conducting an
2 analysis under this subsection:

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4 (i) The commission shall consider rates charged
5 in Wyoming and all other states where power generated by
6 the facility was sold. For rates charged outside of
7 Wyoming, the commission may impute a share of the rate for
8 decommissioning and reclamation similar to that charged in
9 Wyoming if the rate-setting practices of the relevant state
10 or an applicable multi-state protocol justify this
11 treatment;

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13 (ii) If the commission is unable to reasonably
14 separate the amounts for reclamation that were charged to
15 customers for power from a specific facility or a unit
16 thereof from those charged for all Wyoming facilities or
17 units of the public utility, the total for all units and
18 facilities owned by the public utility in Wyoming shall be
19 identified;

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21 (iii) The commission may, to the extent useful,
22 hire outside consultants and assess their costs to the
23 utility involved.

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2 (c) To the extent rates charged by the public utility
3 before the effective date of this section did not fully
4 cover or include decommissioning and reclamation costs for
5 a facility subject to subsection (a) of this section,
6 recovery for any additional decommissioning and recovery
7 costs in Wyoming shall be limited to a portion of the costs
8 equal to the portion of the power generated from the
9 facility that was provided to ratepayers in Wyoming.

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11 **Section 2.**

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13 (a) The public service commission, in consultation
14 with the department of environmental quality, shall
15 complete a study for each coal-fired electric generation
16 facility that is or potentially may be subject to this act,
17 including any facility that was closed, retired or
18 converted to a new fuel source after January 1, 2018 if
19 reclamation has not been completed, to determine the
20 reclamation and decommissioning obligations related to the
21 facility or each unit thereof. The study shall identify the
22 needs for reclamation and decommissioning of the facility
23 and how those needs can best be met.

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2 (b) The public service commission shall assess the
3 costs of the study to each public utility subject to the
4 study under this section on a pro rata basis as determined
5 by the commission.

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7 (c) The public service commission and the department
8 of environmental quality shall report to the joint
9 minerals, business and economic development interim
10 committee and to the joint corporations, elections and
11 political subdivisions interim committee:

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13 (i) Not later than September 1, 2024 with a
14 report and status update on the study required under this
15 section. The update may include any requests for an
16 additional appropriation to complete the study; and

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18 (ii) A final report not later than September 1,
19 2025.

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21 (d) There is appropriated X dollars (\$x.00) from the
22 general fund to the public service commission for the
23 purpose of completing the study and report as required

1 under this section. This appropriation shall be for the
2 period beginning with the effective date of this act and
3 ending June 30, 2026. This appropriation shall not be
4 transferred or expended for any other purpose and any
5 unexpended, unobligated funds remaining from this
6 appropriation shall revert as provided by law on June 30,
7 2026. It is the intent of the legislature that this
8 appropriation not be included in the commission's standard
9 budget for the immediately succeeding fiscal biennium.

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

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16

(END)