

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO.

Public utilities-net power cost sharing ratio.

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

A BILL

for

1 AN ACT relating to public utilities; specifying the maximum
2 amount of increases in electric costs occurring between
3 rate cases that are the responsibility of customers; and
4 providing for an effective date.

5

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

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8 **Section 1.** W.S. 37-2-121 is amended to read:

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10 **37-2-121. When rate to be changed by commission;**
11 **nontraditional rate making.**

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1 If upon hearing and investigation, any rate shall be found
2 by the commission to be inadequate or unremunerative, or to
3 be unjust, or unreasonable, or unjustly discriminatory, or
4 unduly preferential or otherwise in any respect in
5 violation of any provision of this act, the commission,
6 within the time periods provided under W.S. 37-3-106(c) may
7 fix and order substituted therefor a rate as it shall
8 determine to be just and reasonable, and in compliance with
9 the provisions of this act. The rate so ascertained,
10 determined and fixed by the commission shall be charged,
11 enforced, collected and observed by the public utility for
12 the period of time fixed by the commission. The rates may
13 contain provisions for incentives for improvement of the
14 public utility's performance or efficiency, lowering of
15 operating costs, control of expenses or improvement and
16 upgrading or modernization of its services or facilities.
17 Any public utility may apply to the commission for its
18 consent to use innovative, incentive or nontraditional rate
19 making methods. In conducting any investigation and
20 holding any hearing in response thereto, the commission may
21 consider and approve proposals which include any rate,
22 service regulation, rate setting concept, economic
23 development rate, service concept, nondiscriminatory

1 revenue sharing or profit-sharing form of regulation and
2 policy, including policies for the encouragement of the
3 development of public utility infrastructure, services,
4 facilities or plant within the state, which can be shown by
5 substantial evidence to support and be consistent with the
6 public interest. If the commission approves any form of
7 cost-tracking mechanism for a public utility to recover
8 changes in electric supply costs between rate cases, the
9 mechanism shall provide for a sharing of those costs where
10 customers are responsible for not more than seventy percent
11 (70%) of any cost increases and the public utility is
12 responsible for not less than thirty percent (30%) of any
13 cost increases.

14

15 **Section 2.** This act is effective July 1, 2024.

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(END)