

JOINT CORPORATIONS, ELECTIONS & POLITICAL SUBDIVISIONS COMMITTEE

UPDATE

August 14, 2025



- **ABOUT US**
- **COMMITTEE SCHEDULE**
- **WORK TO DATE**
- **SERVING LARGE LOAD
CUSTOMERS**
- **THIRD PARTY GENERATION**

WYOMING ENERGY AUTHORITY (WEA)

The Wyoming Energy Authority supports the growth of a secure and prosperous future for Wyoming's energy and natural resources.

Our mission is to advocate for, facilitate and advance Wyoming's energy economy.

WEA's Statutory Authority

The WEA was created in part to:

- "Diversify and expand the Wyoming economy through improvements in the State's Electric and Energy Transmission Infrastructure."
- "Engage with stakeholders... on potential market opportunities, energy projects, and technology development that will increase the value of Wyoming energy."

The WEA is authorized to:

- "Work in consultation and coordination with entities" and "do any and all things necessary for the development, regulation, and accomplishment of the purposes of the Authority."
- This includes obtaining and protecting confidential information and creating an environment for frank discussions.



01

Certificated Territory

Integrity

Problem: When the incumbent utility cannot serve a customer or it is more cost-effective for an adjacent utility to serve the customer, all three Parties (the incumbent utility, the serving utility, and the customer) execute a Customer Allocation Agreement. How should conflicts be resolved when incursions occur without an executed Customer Allocation Agreement?

PSC adopted a Final Rule on July 8.

02

Serving Large Loads

Problem: Many economic development projects requiring large amounts of electricity (manufacturing, data centers, oil and gas, and mining) are exploring opportunities to locate and/or expand in Wyoming.

Goals: (1) Protect ratepayers from stranded asset risk and increased rates from incremental costs of connecting large load customers. (2) Create certain processes with timelines that govern engagement of a potential large load customer with each utility filed in a central repository (Commission).

03

Third Party Generation

Problem: Various portions of Wyoming, served by incumbent utilities, are facing a shortage of electricity supply due to generation constraints and/or uneconomically priced electricity. When the incumbent utility cannot serve an economic development project, should unregulated generation facilities be able to serve these projects?

Goal: Establish regulatory certainty for third party generators in limited circumstances to foster economic development opportunities.

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COMMITTEE SCHEDULE

1st Interim Meeting (May 8)

- Reported to Joint Committee on Progress
- Described Issues and Goals

2nd Interim Meeting (August 14)

- Report to the Joint Committee on Progress
- Provide Update on Stakeholder Engagement Efforts and Progress on Serving Large Load Customers and Third-Party Generation

3rd Interim Meeting (November 3-4)

- Report to the Joint Committee on Progress
- Provide Final Recommendations to the Committee



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WORK TO DATE

WEA has led an exhaustive stakeholder engagement process since April with:

Electricity Providers:

- WY Rural Electric Association
Tri-State G&T; Basin Electric
- Black Hills Energy
- Rocky Mountain Power
- Montana-Dakota Utilities

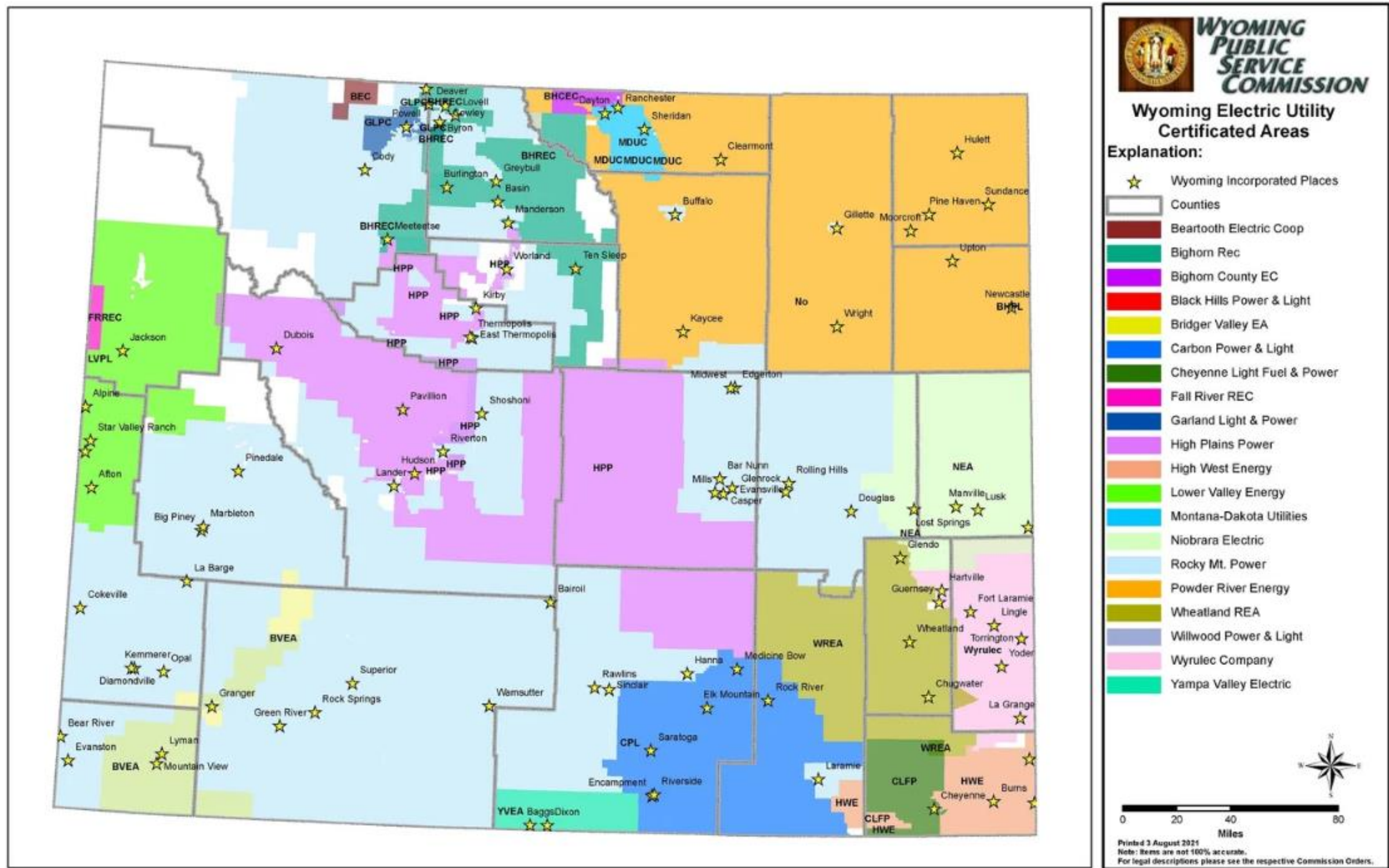
State Agencies:

- Wyoming Public Service Commission
- Office of Consumer Advocate

Stakeholders:

- Wyoming Industrial Energy Consumers
- Petroleum Assoc. of Wyoming
- Wyoming Mining Association
- Independent Power Producers
- Wyoming AARP





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SERVING LARGE LOAD CUSTOMERS

37-3-116: ELECTRIC UTILITY SERVICE AGREEMENTS

Utility may enter into a Service Agreement with customer with usage greater than 5 megawatts

Shall not result in obligating other customers for any utility investments related to the utility's service to these customers

Utility shall retain for its owners any profits or losses that result from the agreement



SERVING LARGE LOAD CUSTOMERS

Status of Utility's Ratepayer Protections and Procurement Processes

RMP

- Schedule 400
- General Rate Case Stipulation

BHE

- Large Power Contract Service (LPCS) Tariff
- Successful Integration of Large Load Customers in CLFP Territory

Tri-State

- Filing a Federal Energy Regulatory Commission (FERC) High Impact Load Tariff
- Contains Member Protections
- Creates Process for Engagement

Basin Electric

- Recent Board Action



SERVING LARGE LOAD CUSTOMERS

Proposals and Stakeholder Feedback

First Two Draft Proposals

- Modeled after Utah's SB132 (become law May 7th)
- Two Proposed Commission Rules

Stakeholder Feedback:

- Consensus that Wyoming does NOT want to follow this approach

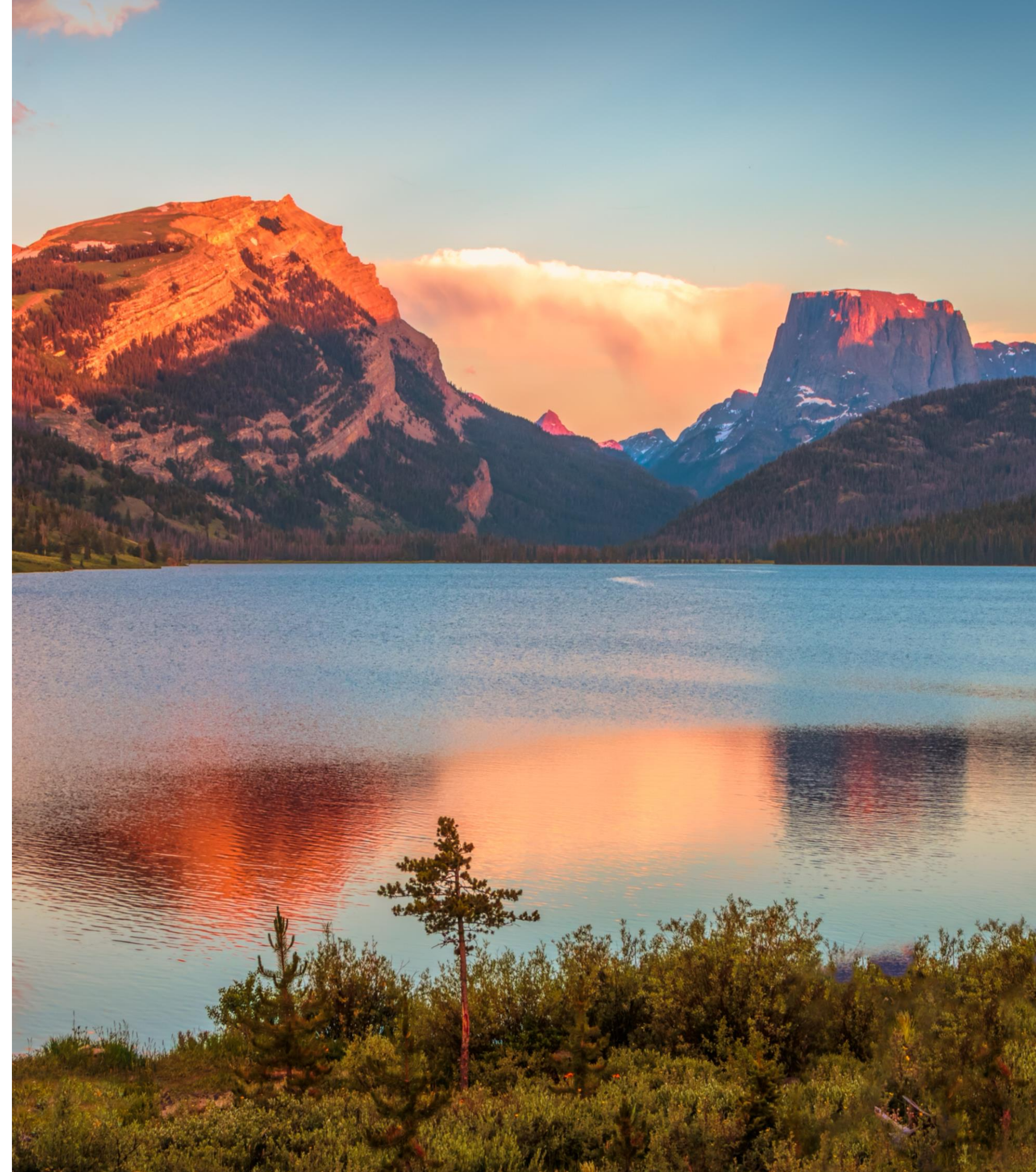
Third Draft Proposal

- Hybrid Approach: Statute Amendment and Commission Draft Rule

Stakeholder Feedback:

- Statutory Amendment is unnecessary to protect ratepayers
- Potential consensus on Commission action for utilities processes

Additional discussions warranted to develop consensus before Committee recommendation in November (All Stakeholder Meeting – October 9th)



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THIRD PARTY GENERATION

Public Utility Definition

W.S. §37-1-101(a)(vi)(C): “Public utility” means and includes every person that owns, operates, leases, controls or has power to operate, lease or control any plant, property or facility for the generation, transmission, distribution, sale or furnishing to or for the public of electricity for light, heat or power, including any conduits, ducts or other devices, materials, apparatus or property for containing, holding or carrying conductors used or to be used for the transmission of electricity for light, heat or power.



THIRD PARTY GENERATION

Court Precedent

Rural Electric Co. V. State Bd. of Equalization (1942)

Phillips Petroleum Co. v. Public Service Comm'n of Wyoming (1976)

Bridle Bit Ranch Co. v. Basin Elec. Power Coop (2005)

Krenning v. The State of Wyoming (2009)

Legislature

Statutory Exemptions to Public Utility Definition

Commission

→ Rulemaking

→ Anschutz Petition

THIRD PARTY GENERATION

Court Precedent

Factors to Determine whether the Entity is Devoted to Public Use:

- Deals in the Commodity in which the Public is Interested;
- Engages in Supply of the Commodity to Some of the Public;
- Serves a Substantial Portion of the Public;
- Has a Monopoly in the Area where it Operates;
- Solicited practically everyone in the Territory;
- Is in Direct Contract with the Utility such that it can Compete to Take the Utility's Customers;
- Has the Power of Eminent Domain; and
- Puts Poles and Wires in the Public Right of Way



THIRD PARTY GENERATION

Commission Proposed Rulemaking

January 2023

Commission Commenced Informal Rulemaking
Technical Conference: February 2023

August 2023

Commission Issued Revised Proposal
Technical Conference: October 2023

August 2024

Commission Commenced Formal Rulemaking
Public Comment Hearing: November 14, 2024

December 2024

Commission Deliberations
Did Not Adopt a Final Rule



THIRD PARTY GENERATION

Anschutz Petition

April 16, 2025

Anschutz Corporation and two subsidiaries filed a Petition for Declaratory Order for Non-Public Utility Status.

Constructing generation facilities (wind, gas-fired generation, and solar) in Carbon County, which is in Rocky Mountain Power's certificated service territory.

Anschutz filed the Petition "to resolve the legal uncertainty of whether it would become a 'public utility.'

The Commission has not issued a Scheduling Order.
Petitions for Intervention



THIRD PARTY GENERATION

Public Utility Definition

Current Statutory Exemptions to “Public Utility”
Definition

(W.S. 37-1-101(a)(vi)(H)):

- Municipal owned Utilities
- Joint Powers Entity owned Utilities
- Farmers’ Mutual Telephone Associations
- Mutual Water Companies or Associations
- Self-Generation Electricity Facilities
- Retail Sale of Compressed Natural Gas for use as Motor Vehicle Fuel
- Some Direct Sales of Water to less than 15 customers
- Retail Sale of Electricity for Charging Electric Vehicles



THIRD PARTY GENERATION

Public Utility Definition

Current Self-Generation Exemptions to “Public Utility” Definition (W.S. 37-1-101(a)(vi)(H)(VI)):

- None of the provisions of this chapter shall apply to: The generation, transmission, or distribution of electricity... by a producer or other person, for the sole use of a producer or other person, or for the use of tenants of a producer or other person and not for sale to others.



THIRD PARTY GENERATION

NOT Deregulation

- Would not apply to Residential, Commercial or Small Industrial Customers

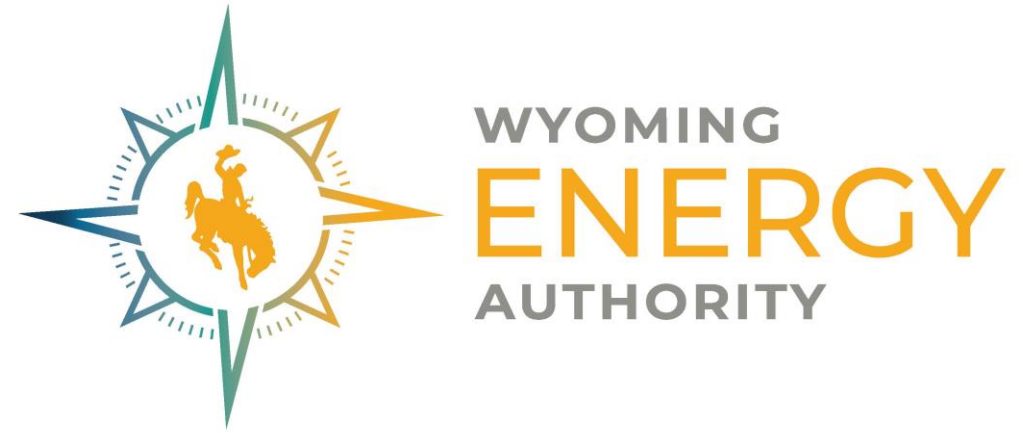
Limited Circumstances

Potential Qualifiers

- Number of Customers
- Megawatt Threshold: Customer and/or Generating Facility

Additional discussions warranted to develop consensus before Committee recommendation in November (All Stakeholder Meeting – October 9th)





1912 Capitol Avenue • Suite 305 • Cheyenne, Wyoming 82001

307-635-3573

www.wyoenergy.org

