

HOUSE BILL NO. HB0012

Electric utility resources.

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

A BILL

for

1 AN ACT relating to public utilities; providing for electric  
2 utility resource planning; establishing requirements for  
3 resource plans; establishing requirements for periodic  
4 review of electric utility resources; granting rulemaking  
5 authority; and providing for an effective date.

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

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9 **Section 1.** W.S. 37-3-116 through 37-3-118 are created  
10 to read:

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12 **37-3-116. Electric utility resource planning;**  
13 **rulemaking authority.**

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1           (a) Any public utility providing service pursuant to  
2 W.S. 37-1-101(a)(vi)(C) may file a resource plan with the  
3 commission in accordance with this section.

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5           (b) Any public utility providing service pursuant to  
6 W.S. 37-1-101(a)(vi)(C) to fifty thousand (50,000) or more  
7 retail electric customers in Wyoming shall file a resource  
8 plan with the commission in accordance with this section.

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10           (c) The commission shall:

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12                   (i) Establish criteria and procedures for  
13 resource plan approval;

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15                   (ii) Establish the data and analysis necessary  
16 for a full and fair consideration of the prudence and  
17 reasonableness of each resource plan;

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19                   (iii) Designate any minimum short and long term  
20 planning horizons used in the resource plan;

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22                   (iv) Establish public hearing requirements; and

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1           (v) Address any requirements for periodic  
2 updating of the resource plan.

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4           (d) A resource plan shall at a minimum:

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6           (i) Fully explain the electric utility's future  
7 resource needs;

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9           (ii) Describe how the electric utility intends  
10 to satisfy future resource needs;

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12           (iii) Describe the planning and forecasting  
13 processes utilized; and

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15           (iv) Furnish supporting documentation for all  
16 aspects of the resource plan.

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18           (e) Within nine (9) months of the filing of a  
19 resource plan, and after notice and opportunity for  
20 hearing, the commission shall by order decide on the  
21 prudence and reasonableness of the resource plan and  
22 whether the resource plan is consistent with the public  
23 interest. The commission shall:

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1 (i) Approve the resource plan as written;

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3 (ii) Specify changes and additions which, if  
4 accepted by the electric utility, would permit the  
5 commission to approve the resource plan; or

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7 (iii) Reject the plan.

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9 **37-3-117. Electric utility periodic review of**  
10 **resources; hearings.**

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12 (a) The commission shall establish a process,  
13 including an opportunity for hearing, in which an electric  
14 utility may elect to seek approval of a specific electrical  
15 generation or transmission resource the electric utility  
16 intends to construct or acquire in furtherance of its  
17 approved resource plan, regardless of whether the resource  
18 is to be located in Wyoming or another state. The process  
19 shall also provide a subsequent hearing process for  
20 periodic review and approval by order of the actual costs  
21 incurred and progress of construction of the approved  
22 resource prior to the electric utility including the costs  
23 of the resource in the electric utility's Wyoming retail  
24 rates.

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2 (b) An electric utility shall not be precluded from  
3 using the processes established pursuant to subsection (a)  
4 of this section for a resource which was commenced without  
5 seeking commission approval prior to construction.  
6 However, the subsequent inclusion in Wyoming rates of the  
7 costs incurred prior to submitting the project to  
8 commission review shall be at the electric utility's risk  
9 until these costs are reviewed and approved by the  
10 commission.

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12 (c) When an electric utility seeks to include the  
13 cost of a generation or transmission resource, or a portion  
14 thereof, in its retail electric rates in Wyoming, the  
15 electric utility shall have the burden of proving the  
16 prudence and reasonableness of the resource and associated  
17 costs. If the resource is part of a resource plan approved  
18 by the commission pursuant to W.S. 37-3-116 and has been  
19 reviewed and approved by the commission in periodic reviews  
20 pursuant to subsection (a) of this section, the electric  
21 utility shall be deemed to have satisfied its burden of  
22 proof regarding the prudence and reasonableness of the  
23 resource and the costs of the resource to the extent these  
24 costs have been reviewed and approved by the commission in

1 the periodic reviews. The burden of proof shall remain  
2 with the electric utility with respect to other issues  
3 including, but not limited to:

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5 (i) The reasonableness of the costs of the  
6 resource to the extent not approved in a periodic review;

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8 (ii) Whether the resource is in operation; and

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10 (iii) Whether the resource is operated  
11 prudently.

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13 (d) All hearings provided pursuant to W.S. 37-3-116  
14 and this section shall be deemed contested cases as defined  
15 in W.S. 16-3-101(b)(ii).

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17 (e) The commission shall promulgate any rules it  
18 deems necessary to implement W.S. 37-3-116 and this  
19 section. All rules and procedures established by the  
20 commission shall comply with the Wyoming Administrative  
21 Procedure Act.

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23 **37-3-118. Authority to confer with other regional,**  
24 **state and federal entities; expenses.**

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2 The commission may confer in person, participate in  
3 meetings and represent the interests of the citizens of  
4 Wyoming in any regional or multi-state planning or cost  
5 allocation process with other state and federal entities  
6 regarding electric generation resources or transmission  
7 facilities and shall be allowed actual traveling expenses  
8 when engaged in such work.

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10 **Section 2.** W.S. 37-3-106(a) is amended to read:

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12 **37-3-106. Temporary suspension of rates; burden of**  
13 **proof; notice of rate changes; bonding; refunding of**  
14 **amounts collected in excess of final rates.**

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16 (a) Except as provided in W.S. 37-3-117(c) at any  
17 hearing as provided in this act involving an increase in  
18 rates or charges sought by a public utility, the burden of  
19 proof to show that the increased rate or charge is just and  
20 reasonable shall be upon the utility.

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22 **Section 3.** This act is effective July 1, 2007.

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(END)