

Bill: 2nd Substitute HB 249 – Nuclear Power Amendments

Sponsor: Representative Carl R. Albrecht

Floor Sponsor: Senator Ann Millner

UASD Position: Tracking

This Bill creates the Nuclear Energy Consortium and the Utah Energy Council, establishes a process for designating energy development zones, and creates the Energy Development Investment Fund.

Discussion: Representative Albrecht presented the 2nd substitute to the Bill, along with Senate Amendment 2. Both were adopted by the Committee. These updates incorporate suggestions made to the Bill and include provisions allowing the Senate Minority Leader and House Minority Leader to appoint an individual to the Utah Energy Council (“UEC”). Additionally, the amendments address potential health impacts associated with Electrical Development Zones. The sponsor explained that the Bill includes several components that may require adjustments over time to address any emerging issues as it is implemented. Representative Albrecht expressed confidence that the 2nd Substitute HB 249 would have a positive impact on all forms of energy production, storage, and transmission lines in the state. Notably, the Bill facilitates the development of Small Modular Reactors by circumventing strict federal regulations. Some data centers, including the Los Angeles Department of Water and Power, have shown interest in coming to Utah.

The Bill establishes the UEC and the Electrical Energy Development Fund, with the UEC serving as the decision-making body for state investments from the Fund. The Council will also be tasked with identifying energy zones, overseeing project development, researching recommendations, and administering the Energy Investment Fund. It will consist of representatives from the Governor’s Office, the House, the Senate, and the Director of the Office of Energy Development.

Designated Electric Energy Development Zones will be established, with a process for counties to apply for such zones. The UEC will not mandate energy projects; to prevent conflicts between counties, public incentives will be limited to projects within designated energy development zones. The 2nd Substitute HB 249 requires the UEC to collaborate with counties to create an increment sharing plan. Grants will also be available for the development of these zones. The UEC will be advised by stakeholders and experts, and the advisory board will consist of two bodies: one specializing in nuclear energy and the other in energy research. The Nuclear Energy Consortium, which includes representatives from the Legislature, the Department of Environmental Quality, the Public Service Commission, the Department of Natural Resources, and other appointed nuclear experts, will also provide guidance. The Director of the Office of Energy Development will serve as the Chair.

The Utah Center for Advanced Energy Research and Development will be established through an agreement between the state, Idaho National Laboratory, and Utah Institutions of Higher Education.

Senator Riebe inquired whether renewable energy sources would be included in the Bill. The sponsor referred to line 598, explaining that the Bill allows for “intermittent sources” to be incorporated. The Governor’s Energy Advisor expressed support for the 2nd Substitute. The Healthy Environment Alliance of Utah expressed approval for many of the changes in the substitutes and amendments but raised concerns about increasing the UEC's accountability to the public and enhancing the reporting process. They also expressed concerns regarding communities near uranium mines, suggesting that a representative from these communities be included in the UEC.

Members of the public voiced both support and opposition to the Bill. Senator Kwan reiterated a comment about the need for greater diversity on the committee and asked the sponsor if this could be considered. Senator Riebe also inquired if the public would be able to access UEC expenses through the Compendium of Budget Information website. The sponsor confirmed that it should be accessible to the public. Additionally, the sponsor noted that further work is needed and mentioned that it may be possible to include representatives from nearby communities on the UEC, such as the Navajo Nation.

Yeas: 6

Nays: 0

N/V: 2

Outcome: 2nd Substitute HB 249, as amended, passed out of the Committee with a favorable recommendation.

Bill: 1st Substitute SCR 3 – Concurrent Resolution Regarding Utah's Authority to Determine its Energy Future

Sponsor: Senator Wayne A. Harper

Floor Sponsor: Representative Carl R. Albrecht

UASD Position: Tracking

This Resolution asserts the state's right to determine its own energy policies and addresses the balance of state and federal authority in energy regulation.

Discussion: Senator Harper began his presentation by providing context for the Resolution, emphasizing that it asserts the state's right to determine its own energy policies and addresses the balance of state and federal authority in energy regulation. The Resolution calls on the federal government to acknowledge the state's constitutional authority and to collaborate as a partner in supporting local decision-making. It urges the federal government to limit its role in energy regulation to issues concerning interstate commerce and national security. Additionally, the Resolution requests ongoing, meaningful consultation between federal agencies and the state in the development of appropriate energy policies. The 1st substitute, found on lines 74-78,

specifies that the Resolution will be distributed to members of the state's congressional delegation and other relevant parties to ensure they are informed of its contents.

Yeas: 4

Nays: 2

N/V: 2

Outcome: 1st Substitute SCR 3 passed out of the Committee with a favorable recommendation.

UNASSD