

COALVILLE CITY ORDINANCE NO. 2026-4

AN ORDINANCE OF COALVILLE CITY ENACTING CHAPTER 34, TO THE COALVILLE CITY DEVELOPMENT CODE, TITLED “COMMUNITY CLEAN ENERGY PROGRAM”

Preamble

WHEREAS, in 2019, the Utah State Legislature enacted House Bill 411, codified at Utah Code Ann. §§ 54-17-901 to -909 (“Act”), titled the “Community Renewable Energy Act”; and

WHEREAS, in 2024, the Utah State Legislature enacted House Bill 241 and Senate Bill 214 which, collectively, renamed the Act the “Community Clean Energy Act” and amended certain provisions of the Act; and

WHEREAS, the Act authorizes the Utah Public Service Commission (“Commission”) to establish a program (“Program”) whereby towns, municipalities, and counties may cooperate with qualified utilities to provide electric energy for participating customers from clean energy resources; and

WHEREAS, the Act provides that a customer of a qualified utility may be served by the Program if the town, municipality, or county (“Community”) in which the customer resides satisfies certain requirements, including:

- (a) the Community must enter into an agreement with a qualified utility (“Utility Agreement”):
 - (i) stipulating to the payment to the qualified utility of the costs of:
 - (A) third-party expertise contracted for by the Division of Public Utilities and the Office of Consumer Services, for assistance with activities associated with initial approval of the Program; and
 - (B) providing notice to the Community’s customers as provided in the Act;
 - (ii) determining the obligation for the payment of any termination charges under the Act that are not paid by a participating customer and not included in participating customer rates; and
 - (iii) identifying any initially proposed replaced asset;
- (b) the Community must, within ninety (90) days after the date of the Commission’s order approving the Program, adopt a local ordinance that:
 - (i) establishes participation in the Program; and

- (ii) is consistent with the terms of the Utility Agreement; and
- (c) the Community must comply with any other terms or conditions required by the Commission; and

WHEREAS, the Act further authorizes the Commission to adopt administrative rules to implement the Act and the Commission has adopted such rules as set forth in Utah Administrative Code R746-314-101 through -402 (“Rules”); and

WHEREAS, the Rules require that a customer of a qualified utility may be served by the Program if, in addition to the requirements of the Act, the Community in which the customer resides also adopts an agreement (“Governance Agreement”) with other eligible Communities to establish a cooperative decision-making process for Program design, resource solicitation, resource acquisition, and other Program issues and provides a means of ensuring that eligible Communities and those that become participating Communities will be able to reach a single joint decision on any necessary Program issues; and

WHEREAS, consistent with the requirements of the Rules, Coalville City entered into an agreement with other eligible Communities entitled the Interlocal Cooperation Agreement Among Public Entities Regarding the Community Renewable Energy Program (“Governance Agreement”), thereby becoming a member of the Community Renewable Energy Agency (“Agency”), which endeavors to make certain joint decisions about the proposed Program on behalf of Communities as set forth in the Governance Agreement; and

WHEREAS, consistent with the requirements of the Act, Coalville City executed a Utility Agreement with Rocky Mountain Power, a qualified utility under the Act, on September 30, 2024 which addresses the issues required by the Act; and

WHEREAS, consistent with the requirements of the Act, on January 24, 2025, and June 4, 2025, Rocky Mountain Power filed an application with the Commission seeking approval of the Program and the Commission opened Docket No. 25-035-06 to consider the application; and

WHEREAS, consistent with the requirements of the Act, on March 4, 2026, the Commission issued an order in Docket No. 25-035-06 (“Commission Order”) approving the Program; and

WHEREAS, as contemplated in the Act, the Coalville City Council desires to adopt this ordinance that satisfies the requirements of the Act; and

WHEREAS, the Coalville City Council desires to take actions which it has determined promotes the health, safety and welfare of Coalville City’s residents; and

WHEREAS, the Coalville City Council has determined that adoption of this ordinance will enhance the economic well-being of Coalville City and its residents through prudent management of Coalville City’s financial resources; and

WHEREAS, the Coalville City Council has determined that adoption of this ordinance will help address concerns related to poor air quality and other environmental concerns due in part to the use of fossil fuels; and

WHEREAS, the Coalville City Council finds that energy sources utilized by and within Coalville City therefore can impact public health, safety and welfare; and

WHEREAS, recent advances in energy technology have made certain clean energy resources more economically viable than in the past and, in some cases, more cost-effective than traditional energy sources; and

WHEREAS, proximity to outdoor recreation is a key economic contributor to Coalville City and one which relies on preservation of the environment and protection of natural resources; and

WHEREAS, Coalville City and its residents have shown an interest in environmental stewardship through various initiatives and activities surrounding growth and development; and

WHEREAS, the Coalville City Council believes that determining and undertaking further actions designed to reduce fossil fuel dependence while appropriately balancing financial stewardship and promoting economic growth is an important component of safeguarding public health, safety and welfare; and

WHEREAS, the Coalville City Council met in regular session on April 11, 2022 to, among other things, consider adopting the Program on behalf of Coalville City’s electric customers; and

NOW, THEREFORE, BE IT ORDAINED BY THE LEGISLATIVE BODY OF COALVILLE CITY AS FOLLOWS:

Section 1. Adoption. Coalville City Development Code, Chapter 34, Community Clean Energy Program, which is published as a code in book form, is adopted in accordance with Exhibit A herein, copies of which have been filed for use and examination in the Office of the Coalville City Recorder(the “Community Clean Energy Program Ordinance”).

Section 2. Savings Clause. In the event one or more of the provisions of this Community Clean Energy Program Ordinance shall, for any reason, be held to be unenforceable or invalid in any respect under applicable laws, such unenforceability or invalidity shall not affect any other provision; and in such an event, this Community Clean Energy Program Ordinance shall be construed as if such unenforceable or invalid provision had never been contained herein.

Section 3. Effective Date. This Community Clean Energy Program Ordinance shall take effect immediately upon the date of its first publication.

APPROVED, ADOPTED, AND PASSED and ordered published by the Coalville City Council this 26th day of May, 2026.

ATTEST:

Rory Swensen, Mayor

Halle Mosher, City Recorder

VOTING OF COUNCIL MEMBERS

Lynn Wood

Brandon Brady

Matt Boyer

Shaun Powis

Jeff Peterson

Devin Ovard, City Attorney

EXHIBIT A

COMMUNITY CLEAN ENERGY PROGRAM

CHAPTER 34

SECTION 34-010. COALVILLE CITY'S PARTICIPATION IN COMMUNITY CLEAN ENERGY PROGRAM

- A. Coalville City (the "City") hereby establishes its participation in the Community Clean Energy Program ("Program") as approved by the Public Service Commission of Utah ("Commission").
- B. On March 4, 2026, the Commission issued an order in Docket No. 25-035-06 ("Commission Order") approving the Program. The Commission Order is on file with the Commission. The Program's rates, Rules, and requirements are governed by the Commission Order, and may be modified from time to time by subsequent Rules and orders adopted by the Commission. To the extent that the Commission Order or any subsequent rule or order adopted by the Commission contradicts any portion of this Title, the Commission order or rule or order adopted by the Commission shall govern.
- C. **ELIGIBLE CUSTOMERS.** Pursuant to Utah Code § 54-17-905(5), residential customers participating in the net metering program under Utah Code Title 54, Chapter 15, Net Metering of Electricity, Rocky Mountain Power Schedule 135, are not eligible to participate in the Program. All other retail electric customers of Rocky Mountain Power within the current and future boundaries of the City including all residential, commercial, and industrial customers, are eligible to participate in the Program ("Eligible Customer"). Eligible Customers include rooftop solar customers on Rocky Mountain Power Schedules 136 and 137, which are compensated through an export credit rather than a net metering credit.
- D. **IMPLEMENTATION DATE.** The Program shall be implemented on the date that RMP sends out the first Notices identified in Section 34-020, below ("Program Implementation Date"). Eligible Customers shall be enrolled in the Program if they receive the Notices and decline to opt out of participation in the Program by the date set forth in the Notices. Consistent with the Act and the Rules, the Notices shall be sent to each Eligible Customer before the commencement date that applies to each such customer ("Customer Commencement Date"), as set forth in the Rules.

SECTION 34-020. CUSTOMER PARTICIPATION IN COMMUNITY CLEAN ENERGY PROGRAM.

- A. Each Eligible Customer shall be automatically enrolled in the Program unless the customer opts out of the Program prior to the Customer Commencement Date.
- B. **NOTICES.** As set forth in the Act and the Rules before any Eligible Customer becomes a participant in the Program, Rocky Mountain Power first shall deliver to each Eligible Customer certain notices (collectively, the "Notices") containing content and in the form,

manner, and delivery method as required by the Act and Rules and other orders and Rules.

1. OPT-OUT. Each Eligible Customer may elect not to participate in the Program and instead to pay applicable existing electric rates by giving notice to Rocky Mountain Power in the manner and within the time period set forth in the Notices.
 - a. FIRST OPT-OUT NOTICE. Rocky Mountain Power shall provide a First Opt-Out Notice, separate from standard monthly bills, to each Eligible Customer within The City, no earlier than sixty (60) days and no later than thirty (30) days before the Customer Commencement Date applicable to each customer. The First Opt-Out Notice shall, in all material respects, use the form and content of the First Opt-Out Notice as approved by the Commission.
 - b. SECOND OPT-OUT NOTICE. Rocky Mountain Power shall provide a Second Opt-Out Notice, separate from standard monthly bills, to each Eligible Customer within the City at least fifteen (15) days after the First Opt-Out Notice was provided and at least seven (7) days before the Customer Commencement Date applicable to such customer. The Second Opt-Out Notice shall, in all material respects, use the form and content of the Second Opt-Out Notice as approved by the Commission.
 - c. Each Eligible Customer that receives the First Opt-Out Notice and the Second Opt-Out Notice as described herein and declines to opt out of the Program by the customer's Customer Commencement Date will be enrolled in the Program.
- C. CUSTOMER OPTION TO OPT IN TO PROGRAM. An Eligible Customer located within the City that is not enrolled in the Program may at any time elect to participate in the Program by providing notice to Rocky Mountain Power in the form and content approved by the Commission. Following such notice to opt in to the Program, the customer will be enrolled in the Program starting with the billing period following the notice in which it is reasonably practicable for Rocky Mountain Power to enroll such customer. The reasonably practicable billing period shall be based on when the notice was received from the customer and the customer's billing cycle. Following enrollment in the Program, the customer shall be subject to all Program requirements.
- D. CUSTOMER OPTION TO EXIT PROGRAM. Customers enrolled in the Program may exit the Program by giving notice to Rocky Mountain Power.

SECTION 34-030. TERMINATION FEES

- A. If a customer declines to opt out of the Program prior to the applicable Customer Commencement Date, but subsequently exits the Program, the exiting customer may be required to pay a termination fee, as set forth in this Section.
- B. When applicable, the amount of the termination fee shall be based on the rate schedule of the exiting customer as approved by the Commission and may be modified from time to time by subsequent orders of the Commission.
- C. CIRCUMSTANCES IN WHICH TERMINATION FEE SHALL NOT APPLY: A

Termination Fee shall not apply in the following circumstances:

1. Any customer that opts out of the Program within the “Cancellation Period” applicable to that customer, as defined in the Rules.
2. Any customer that ceases to be an electric customer of Rocky Mountain Power;
3. Any customer that moves to a new location that is not within the boundaries of a community that participates in the Program;
4. Any customer that seeks protection through bankruptcy proceedings;
5. Any customer enrolled in Schedule 3 bill assistance (“Low-Income Lifeline Program”).

SECTION 34-040. ACQUISITION OF CLEAN ENERGY RESOURCES

- A. For purposes of this section, “clean energy resource” shall have the definition set forth in the Act.
- B. Rocky Mountain Power may adopt or procure one or more clean energy resources to serve the needs and goals of the Program. The acquisition of any such clean energy resource must follow solicitation application and evaluation criteria approved by the Commission.
- C. Any clean energy resource adopted or procured by Rocky Mountain Power to serve the needs and goals of the Program must be approved by the Commission based on a finding the same is reasonable and in the public interest.
- D. The Commission shall determine the method of cost recovery for any clean energy resource acquired to meet Program needs and goals, and the Commission’s determination regarding cost recovery may affect Program rates.

SECTION 34-050. PROGRAM RATES AND RATE ADJUSTMENT FILINGS

- A. Program rates will be determined by the Commission.
- B. The initial Program rates were determined by the Commission in the Commission Order.
- C. Program rates may be adjusted by the Commission from time to time, consistent with the procedures approved by the Commission for adjusting Program rates.

SECTION 34-060. UTILITY BILLING FOR PARTICIPATING CUSTOMERS

- A. Rocky Mountain Power shall bill each Participating Customer on a monthly basis and shall:
 1. include information in its monthly bills to participating customers identifying the Program cost; and

2. provide notice to participating customers of any change in rates for participation in the Program.

SECTION 34-070. COALVILLE CITY'S PARTICIPATION IN PROGRAM

- A. Through its membership in the Community Renewable Energy Agency, The City participated in the design and approval of the Program and shall participate in future decisions regarding clean energy resource solicitation, clean energy resource acquisition, and certain other Program issues.
- B. Consistent with Utah Code § 54-17-903(2)(a), the City entered into an agreement with Rocky Mountain Power ("RMP") regarding the facilitation of the Program ("Utility Agreement"). Pursuant to the Utility Agreement, the City:
 1. shall pay for the costs of third-party expertise contracted for in connection with the Program's development and initial approval by the Commission;
 2. shall pay its proportional costs associated with RMP providing the Notices to the City's customers as discussed in Section 34-020, above;
 3. Termination charges not paid by a participating customer shall be included in participating customer rates and shall not be paid by the City
 4. There shall be no initially proposed "Replaced Asset" as that term is defined by Utah Code § 54-17-902(15).
- C. The City has already approved the appropriation of funds and has already paid those funds to the Agency for the Agency to make payments for the costs of third-party expertise contracted for in connection with the Program's development and initial approval by the Commission pursuant to the Governance Agreement.
- D. The City hereby approves the appropriation of funds to pay its proportional costs associated with RMP providing the Notices to the City's customers as discussed in Section 34-020, above.
- E. The City shall not be obligated to pay any costs of the Program other than those costs set forth herein and any costs that the City may bear as a utility customer that participates in the Program, if applicable.