

ENERGY STORAGE AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Calvin R. Musselman

Senate Sponsor: _____

LONG TITLE

General Description:

This bill requires the Office of Energy Development to conduct a study analyzing Utah's liquid fuels infrastructure and supply chain.

Highlighted Provisions:

This bill:

- ▶ defines terms;
 - ▶ directs the Office of Energy Development to study the feasibility and benefits of storing liquid fuel within the state;
 - ▶ specifies study requirements and considerations;
 - ▶ allows the Office of Energy Development to contract with consultants for the study;
- and
- ▶ requires a report of the study results and recommendations.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

79-6-404, Utah Code Annotated 1953



28 *Be it enacted by the Legislature of the state of Utah:*

29 Section 1. Section **79-6-404** is enacted to read:

30 **79-6-404. Authority to study liquid fuel storage reserve.**

31 (1) As used in this section, "liquid fuel" means gasoline, ethanol, diesel, jet fuel,
32 propane, and other transportation fuels used in the state.

33 (2) The office shall conduct a study analyzing the potential benefits, risks, feasibility,
34 and requirements of establishing a Utah liquid fuel storage reserve.

35 (3) A study conducted under this section shall evaluate:

36 (a) current and predicted liquid fuel consumption patterns and needs for the state;

37 (b) existing liquid fuel infrastructure in the state, including refineries, pipelines,
38 railroads, and storage facilities;

39 (c) strengths and vulnerabilities in the state's regional and national liquid fuel supply
40 chains;

41 (d) impacts on fuel availability from natural disasters, accidents, or other causes;

42 (e) feasibility of storage options to mitigate supply risks, including:

43 (i) optimal locations, including salt caverns located in the state;

44 (ii) ownership structures;

45 (iii) inventory management;

46 (iv) strategies for prioritizing fuel supplies in emergency situations;

47 (v) accessibility protocols; and

48 (vi) funding mechanisms;

49 (f) public-private partnership opportunities to serve strategic initiatives and critical
50 needs; and

51 (g) economic modeling to analyze required state fuel reserve sizes and costs.

52 (4) The office may contract with independent experts and consultants to assist with the
53 study described in this section.

54 (5) The office shall present the results and recommendations from the study in a report
55 to the Public Utilities, Energy, and Technology Interim Committee by November 30, 2024.

56 Section 2. **Effective date.**

57 This bill takes effect on May 1, 2024.