

SENATE FILE NO. SF0037

Wyoming energy authority.

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

A BILL

for

1 AN ACT relating to the administration of government; creating
2 the Wyoming energy authority by merging the Wyoming pipeline
3 authority and the Wyoming infrastructure authority; repealing
4 superseded provisions; conforming provisions related to the
5 two existing authorities; providing for the transfer of funds
6 and obligations; requiring a study; providing for delayed
7 implementation; and providing for effective dates.

8

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

10

11 **Section 1.**

12

13 (a) The Wyoming pipeline authority created by W.S.
14 37-5-101 and the Wyoming infrastructure authority created by
15 W.S. 37-5-301 shall be consolidated into the Wyoming energy

1 authority as of the effective date of this section. All
2 property, equipment, obligations and unexpended funds of the
3 Wyoming pipeline authority and the Wyoming infrastructure
4 authority are transferred to the Wyoming energy authority,
5 except as provided in this section.

6

7 (b) Nothing in this act shall be construed to impair
8 existing bonds, contracts, agreements or other obligations of
9 the Wyoming pipeline authority or the Wyoming infrastructure
10 authority executed before the effective date of this section.
11 The Wyoming energy authority shall, to the greatest extent
12 authorized by law, fulfill existing agreements, contracts and
13 other obligations of the Wyoming pipeline authority and the
14 Wyoming infrastructure authority from funds transferred under
15 this act or other funds appropriated to the Wyoming energy
16 authority for those purposes. To the extent that the Wyoming
17 pipeline authority or the Wyoming infrastructure authority
18 has outstanding contracts or other agreements that cannot be
19 assumed lawfully by the Wyoming energy authority, the
20 governor shall assign the agreements or contracts and any
21 funds necessary to fulfill the outstanding agreements or
22 contracts to a department or separate operating agency of the
23 state to fulfill the obligations. Funds transferred or

1 otherwise appropriated to the Wyoming energy authority under
2 this act shall be expended for administrative purposes of the
3 authority to fulfill the purposes specified in this act.

4
5 (c) The joint minerals, business and economic
6 development interim committee is directed to study before
7 October 1, 2019 the impacts this act will have on the
8 statutory duties and responsibilities of the Wyoming pipeline
9 authority and the Wyoming infrastructure authority. This
10 study shall include the bonding authority of the separate
11 authorities and the effect of merging them into one (1)
12 authority, including the effect merging will have on existing
13 bonds and other obligations. The Wyoming pipeline authority
14 and the Wyoming infrastructure authority shall assist the
15 committee in its study as requested. The committee shall
16 sponsor any necessary legislation to correct or improve the
17 outcome of any issue identified in its study.

18

19 **Section 2.** W.S. 37-5-501 through 37-5-509 and 37-5-601
20 through 37-5-607 are created to read:

21

22

ARTICLE 5

23

WYOMING ENERGY AUTHORITY

1

2 **37-5-501. Definitions.**

3

4 (a) As used in this article:

5

6 (i) "Authority" means the Wyoming energy authority
7 created by W.S. 37-5-502;

8

9 (ii) "Board" means the board of the Wyoming energy
10 authority;

11

12 (iii) "Bonds" means notes, warrants, bonds,
13 temporary bonds and anticipation notes issued by the
14 authority under this article;

15

16 (iv) "Energy project" means any project related to
17 or involving a natural resource associated with energy or an
18 associated natural resource;

19

20 (v) "Natural resource associated with energy" or
21 "associated natural resource" means any technology or any
22 substance, element or compound, either gaseous, liquid or

1 solid, associated with the production, development, refining,
2 processing or transmission of energy;

3

4 (vi) "Pipeline" means a pipeline and related
5 facilities, including storage facilities, and including
6 undivided ownership interests or capacity in a pipeline and
7 related facilities, constructed for the purpose of
8 transporting and treating natural resources associated with
9 energy;

10

11 (vii) "Royalty in kind" means natural resources
12 associated with energy that are received by the federal
13 government, the state or its agencies or political
14 subdivisions as royalties in kind under leases or otherwise.

15

16 **37-5-502. Wyoming energy authority.**

17

18 (a) Commencing July 1, 2020, there is created the
19 Wyoming energy authority, which is a body politic and
20 corporate operating as an instrumentality of the state of
21 Wyoming, with authority to adopt an official seal and to sue
22 and be sued.

23

1 (b) The authority shall be governed by a board composed
2 of seven (7) voting members appointed by the governor, with
3 the advice and consent of the senate. Except as provided in
4 this subsection, all voting members shall be appointed for
5 four (4) year terms. The governor shall appoint four (4)
6 initial voting board members to a term of four (4) years and
7 shall appoint the remaining three (3) initial voting board
8 members to a term of two (2) years. The governor may remove
9 any member as provided in W.S. 9-1-202. Vacancies shall be
10 filled by appointment by the governor in accordance with W.S.
11 28-12-101. The members shall elect from the membership a
12 chairman, vice-chairman and secretary. A majority of the
13 persons appointed and serving as members shall be qualified
14 voters of the state of Wyoming. Members shall have special
15 knowledge, education or experience in the field of energy or
16 natural resource development, transmission, generation,
17 transportation, financing or marketing, or a field related to
18 industrial or municipal energy consumption. Members of the
19 board may receive the same per diem, expenses and travel
20 allowance as members of the legislature under W.S. 28-5-101
21 while in attendance at meetings of the board and while
22 performing their duties as members of the board.

23

1 (c) The following persons shall serve as ex officio
2 members of the board:

3

4 (i) A member of the Wyoming enhanced oil recovery
5 commission selected by the commission;

6

7 (ii) The chairman of the Wyoming business council
8 or a designee;

9

10 (iii) The governor or a designee from his office;

11

12 (iv) The chairman of the Wyoming oil and gas
13 conservation commission or a designee;

14

15 (v) The director of the University of Wyoming
16 school of energy resources or, if there is no director, a
17 member of the school of energy resources selected by the
18 University of Wyoming energy resources council, or a
19 designee.

20

21 (d) The board shall meet not less than two (2) times
22 each year with representatives of the University of Wyoming
23 school of energy resources and the enhanced oil recovery

1 institute to conduct its business and to consider energy
2 related issues and the state of the energy industry in
3 Wyoming.

4

5 (e) Any agency, board, commission, department or
6 institution of the state and the governing authorities of
7 political subdivisions may make surveys, reports and
8 investigations, and may furnish records and information and
9 other assistance and advice as the authority may require.

10

11 (f) Appointments and terms under this section shall be
12 as provided in W.S. 28-12-101 through 28-12-103.

13

14 (g) The authority is subject to the requirements of:

15

16 (i) W.S. 16-3-101 through 16-3-105;

17

18 (ii) W.S. 16-4-201 through 16-4-205;

19

20 (iii) W.S. 16-4-401 through 16-4-408.

21

22 **37-5-503. Purposes; report.**

23

1 (a) The authority is created to:

2

3 (i) Diversify and expand the Wyoming economy
4 through improvements in the state's electric and energy
5 transmission infrastructure and facilitate Wyoming's
6 production, development and transmission of energy and
7 associated natural resources by planning, financing,
8 constructing, developing, acquiring, maintaining and
9 operating electric, energy export and energy transmission
10 facilities, advanced technology facilities for natural
11 resources associated with energy, distribution facilities and
12 related supporting infrastructure and undivided or other
13 interests therein; and

14

15 (ii) Plan, finance, construct, develop, acquire,
16 maintain and operate a pipeline or other transportation and
17 distribution systems within or outside the state of Wyoming
18 to facilitate the production, transportation, distribution
19 and delivery of associated natural resources that are
20 produced or developed in this state, including energy and
21 associated natural resources received as royalties in kind
22 pursuant to mineral leases by the state, its agencies and
23 political subdivisions.

1

2 (b) In order to provide for the financing,
3 construction, development, maintenance and operation of
4 energy transmission facilities, pipeline and other
5 transportation and distribution systems, the authority may
6 own, lease or rent facilities, structures and properties,
7 both incidental and necessary, constructed in accordance with
8 this article and article 6 of this chapter, to facilitate the
9 production, development, transportation, distribution and
10 delivery of energy and associated natural resources.

11

12 (c) Energy transmission facilities and related
13 supporting infrastructure may include all facilities,
14 structures and properties incidental and necessary or useful
15 in the production, development, transportation, transmission
16 and delivery of energy. Pipeline and other transportation or
17 distribution systems may be inclusive of pipelines, ports,
18 pumps, storage and all other facilities, structures and
19 properties incidental and necessary or useful in the
20 production, development, transportation, distribution and
21 delivery of natural resources associated with energy to
22 points of sale, consumption or to the points of distribution
23 for consumption.

1

2 (d) The authority shall establish and collect fees and
3 prepare a schedule of fees, rentals and other charges for the
4 use of the facilities of the authority, including capacity
5 that the authority procures, as the board may determine.

6

7 (e) The authority may borrow funds for the execution of
8 the purposes of the authority, and mortgage and pledge any
9 leases granted, assigned or subleased by the authority.

10

11 (f) Except as provided in this section, the authority
12 shall not exercise any of the rights or powers granted to it
13 in this section if private persons, firms or corporations are
14 performing the acts, constructing or have constructed the
15 facilities or are providing the services contemplated by the
16 authority.

17

18 (g) Prior to exercising any rights or powers granted to
19 it in this section except for activities related to the
20 administration of pipeline capacity contracted with an entity
21 operating under the jurisdiction of the federal energy
22 regulatory commission or a successor agency, the authority
23 shall publish in a newspaper of general circulation in

1 Wyoming, and in a newspaper in the area where the authority
2 contemplates providing facilities or services, in the manner
3 prescribed by law, a notice describing the acts, facilities
4 or services contemplated by the authority. Private persons,
5 firms or corporations wishing to perform the acts, construct
6 the facilities or provide the services described in the notice
7 shall have ninety (90) days from the date of last publication
8 of the notice within which to notify the authority of their
9 intention to perform the acts, construct the facilities or
10 provide the services described in the notice. A person or
11 entity giving notice to the authority shall include an
12 anticipated timeline for completion of the acts, construction
13 or services. In the absence of notification by a private
14 person, firm or corporation, or if a person, firm or
15 corporation, having given notice of intention to perform the
16 acts, construct the facilities or provide the services
17 contemplated by the authority, fails to commence the same
18 within one hundred eighty (180) days from the date of last
19 publication, the authority may proceed to perform the acts,
20 construct the facilities or provide the services for which
21 notice was given. A private person, firm or corporation that
22 has made necessary applications to acquire any federal,
23 state, local or private permits, certificates or other

1 authorizations necessary to perform the acts, construct the
2 facilities or provide the services included in the
3 authority's notice within the time required is deemed to have
4 commenced the same. When a private person, firm or corporation
5 has given notice of intent to perform or is performing the
6 acts, constructing the facilities or providing the services
7 that the authority contemplated, the authority may conduct
8 hearings or meetings with the person, firm or corporation to
9 assess progress toward completion of the intended acts to be
10 performed, the facilities to be constructed or the services
11 to be provided. If it appears to the authority that progress
12 or completion of any or all of the intended acts may be
13 delayed for one (1) year or more, the authority may proceed
14 to perform the acts, construct the facilities or provide the
15 services originally contemplated.

16

17 (h) The authority may acquire, purchase, hold, use,
18 lease, license, sell, transfer and dispose of an undivided or
19 other interest in or the right to capacity in any pipeline
20 system within or outside the state of Wyoming in order to
21 facilitate the production, transportation, distribution or
22 delivery of associated natural resources that are produced or
23 developed in this state. The provisions of subsection (g) of

1 this section shall not apply to the authority in exercising
2 any power pursuant to this subsection.

3

4 (j) Before any appropriation is made to the authority,
5 the authority shall submit its budget for review as provided
6 by W.S. 9-2-1010 through 9-2-1014. Any appropriation to the
7 authority shall be expended only for administrative purposes,
8 which shall include planning and research.

9

10 **37-5-504. Powers of the authority.**

11

12 (a) The authority may:

13

14 (i) Employ officers, agents and employees as it
15 deems necessary for the performance of its duties and
16 prescribe the powers and duties and fix the compensation of
17 the officers, agents and employees;

18

19 (ii) Contract, upon terms as it may agree upon,
20 for legal, financial, engineering and other professional
21 services necessary or expedient in the conduct of its affairs;

22

1 (iii) Utilize the services of executive agencies
2 of the state upon mutually agreeable terms and conditions;

3

4 (iv) Plan, finance, construct, develop, acquire,
5 own, maintain and operate within and outside the state of
6 Wyoming, energy transmission infrastructure, energy export
7 facilities and pipeline and other transportation or
8 distribution systems including pumps, storage and other
9 attendant facilities, any necessary equipment for energy
10 transmission infrastructure and pipeline and other
11 transportation or distribution systems and for all other
12 property, structures, equipment, facilities and works of
13 public improvement necessary or useful for accomplishing the
14 purposes for which the authority was created, including
15 obtaining permits and acquiring rights-of-way;

16

17 (v) Acquire by condemnation any properties
18 necessary or useful for its purposes, provided the authority
19 shall not have the right to condemn mineral leases, gas
20 supplies, gas reserves, oil supplies, oil reserves, oil
21 refineries, existing energy transmission, distribution and
22 generation facilities, minerals, water rights, other mineral

1 rights or pipelines or other distribution systems used in
2 connection therewith;

3

4 (vi) Receive by gift, grant, donation or
5 otherwise, any sum of money, aid or assistance from the United
6 States, the state of Wyoming, any political subdivision or
7 any other public or private entity;

8

9 (vii) Provide light, water, communications,
10 security and other services for its facilities as it deems
11 advisable;

12

13 (viii) After consultation with any relevant state
14 or federal authority, establish and charge reasonable fees,
15 rates, tariffs or other charges for the use of all facilities
16 administered by the authority and for all services rendered
17 by it;

18

19 (ix) In whole or in part, operate, lease, rent and
20 dispose of facilities, structures and properties constructed
21 under this article. The authority shall review at least every
22 three (3) years the feasibility of disposing of facilities it
23 holds;

1

2 (x) Investigate, plan, prioritize and establish
3 corridors for the transmission of energy and natural
4 resources associated with energy;

5

6 (xi) Enter into partnerships with public or
7 private entities;

8

9 (xii) Conduct hearings and gather and develop
10 relevant data consistent with the duties and powers of the
11 authority;

12

13 (xiii) Work in consultation and coordination with
14 entities including the Wyoming business council to develop,
15 promote and identify markets for natural resources associated
16 with energy and facilitate supply for those markets;

17

18 (xiv) Advocate for or against any energy project
19 before any regulatory body tasked with the oversight of the
20 project;

21

22 (xv) Do any and all things necessary or proper for
23 the development, regulation and accomplishment of the

1 purposes of the authority within the limitations of authority
2 granted by this article.

3

4 (b) The sole recourse of any party contracting with the
5 authority shall be against the authority, and there shall be
6 no cause of action against the state or any county,
7 municipality or other political subdivision of the state.

8

9 **37-5-505. Bonds.**

10

11 (a) In addition to the powers otherwise granted to the
12 authority and in order to accomplish its purposes, the
13 authority shall have the power to borrow money and evidence
14 the borrowing in the issuance and sale of bonds or other
15 obligations of the authority, the principal and interest of
16 which shall be payable solely out of revenues authorized to
17 be dedicated and pledged for the payment.

18

19 (b) Bonds issued under this section shall be solely the
20 obligation of the authority and shall recite on their face
21 that they do not constitute obligations of the state of
22 Wyoming or any county, municipality or other political
23 subdivision of the state. The bonds or other obligations shall

1 be authorized and issued by resolution of the authority. The
2 bonds shall be executed in the form and manner provided by
3 the resolution authorizing their issuance. The resolution
4 shall include:

5

6 (i) The series of the bond or obligation;

7

8 (ii) The date of issuance of the bond or
9 obligation;

10

11 (iii) The date of maturity of the bond or
12 obligation;

13

14 (iv) That the bond or obligation shall bear
15 interest, and the interest rate;

16

17 (v) The form that the bond or obligation shall be
18 in;

19

20 (vi) The registration and exchangeability
21 privileges of the bond or obligation;

22

1 (vii) The medium of payment and the place of
2 payment of the bond or obligation;

3

4 (viii) The terms of redemption and that the bond
5 or obligation shall be subject to those terms;

6

7 (ix) That the bond or obligation shall be entitled
8 only to a priority on the revenues of the authority as the
9 authority's resolution provides, subject to subsection (d) of
10 this section.

11

12 (c) The bonds or other obligations issued under this
13 section may be sold by the authority at, above or below par
14 value, at public or private sale, in a manner and from time
15 to time as the authority determines.

16

17 (d) Except as provided by subsection (k) of this
18 section, any bonds issued under this section shall be payable
19 from and be secured by the pledge of the revenues derived
20 from the operation of the pipeline or other transportation or
21 distribution system or energy transmission facility as
22 constructed, acquired, extended or improved with the proceeds
23 of the bonds, subject only to prior payment of the reasonable

1 and necessary expenses of operating and maintaining the
2 system or facility. Any holder of the bonds may by appropriate
3 legal action compel performance of all duties required of the
4 authority in order to enforce payment of the bonds when due.
5 If any bond issued under this section is permitted to go into
6 default as to principal or interest, any court of competent
7 jurisdiction may, pursuant to the application of the holder
8 of the bonds, appoint a receiver for the system or facility,
9 who shall operate the same and collect and distribute the
10 revenues thereof pursuant to the provisions and requirements
11 of the resolution authorizing the bonds.

12

13 (e) If more than one (1) series of bonds is issued
14 payable from the revenues of the facility or bond proceeds,
15 priority of lien on the revenues shall be as provided by the
16 resolution authorizing the bonds.

17

18 (f) All bonds issued under the provisions of this
19 section shall constitute negotiable instruments within the
20 meaning of the Uniform Commercial Code. The bonds and income
21 from them shall be exempt from all taxation within the state
22 of Wyoming.

23

1 (g) No board or commission other than the authority
2 shall fix or supervise the making of fees and charges stated
3 in this subsection, which shall be in amounts reasonably
4 necessary for the purposes stated in this article. When the
5 authority has issued bonds and pledged the revenues of the
6 pipeline or other transportation or distribution system or
7 facility or the energy transmission facility for the payment
8 of the bonds as provided in this article, the authority shall
9 operate and maintain the system or facility and shall impose
10 and collect fees and charges for the services furnished by
11 the system or facility, including those furnished to the
12 authority itself, in the amounts and at rates as shall be
13 fully sufficient at all times to:

14

15 (i) Pay the expenses of operating and maintaining
16 the system or facility;

17

18 (ii) Provide a sinking fund sufficient to assure
19 the prompt payment of principal and interest on the bonds as
20 each falls due;

21

1 (iii) Provide a reasonable fund for contingencies
2 as may be required by any bond underwriting or by the
3 resolution authorizing the bonds; and

4

5 (iv) Provide an adequate depreciation fund for
6 repairs, extensions and improvements to the system or
7 facility necessary to assure adequate and efficient service
8 to the public.

9

10 (h) Any resolution of the authority authorizing the
11 issuance of bonds shall be published once in a newspaper of
12 general circulation published in Wyoming, and in a newspaper
13 in the area where the facility or services are contemplated.
14 For a period of thirty (30) days from the date of the
15 publication any person in interest may contest the legality
16 of the resolution and of the bonds to be issued under the
17 resolution and the provisions securing the bonds, including
18 the validity of any lease or other contract pledged to the
19 payment thereof. After the expiration of thirty (30) days
20 from the date of the publication no one shall have any right
21 of action to contest the validity of the bonds, the validity
22 of the security pledged to the payment thereof or the
23 provisions of the resolution under which the bonds were

1 issued, and all the bonds and all related proceedings shall
2 be conclusively presumed to be legal.

3

4 (j) The authority may authorize the issuance of bonds
5 for the purpose of refunding, extending and unifying the whole
6 or any part of the principal, interest and redemption premiums
7 on any outstanding bonds issued under this article, as well
8 as bonds issued by the Wyoming pipeline authority under W.S.
9 37-5-101 through 37-5-109 and by the Wyoming infrastructure
10 authority under W.S. 37-5-301 through 37-5-307, before July
11 1, 2020. The refunding bonds may either be sold and the
12 proceeds applied to or deposited in escrow for the retirement
13 of the outstanding bonds, or may be delivered in exchange for
14 the outstanding bonds. The refunding bonds shall be
15 authorized in all respects as original bonds are herein
16 required or were required at the time of their issuance to be
17 authorized. The authority, in authorizing the refunding
18 bonds, shall provide for the security of the bonds, the
19 sources from which the bonds are to be paid and for the rights
20 of the holders thereof in all respects as herein provided for
21 other bonds issued under this article. The board may also
22 provide that the refunding bonds shall have the same or

1 different priority of lien on the revenues pledged for their
2 payment as was enjoyed by the bonds refunded.

3

4 (k) The authority may authorize the issuance of bonds
5 for the purpose of purchasing pipeline capacity as authorized
6 by W.S. 37-5-503(h). Any bonds issued under this subsection
7 shall be payable solely from and be secured solely by the
8 pledge of the revenues derived from the subsequent sale, lease
9 or other disposal of the capacity purchased or from bond
10 proceeds. Bonds issued under this subsection shall be
11 authorized in all respects as other bonds of the authority
12 are required to be authorized. The authority, in authorizing
13 the bonds, shall provide for the security of the bonds, the
14 sources from which the bonds are to be paid and for the rights
15 of the holders thereof.

16

17 **37-5-506. Use of net revenues.**

18

19 (a) The authority, acting alone or in cooperation with
20 any agency of the state of Wyoming, may use and employ any
21 net revenues derived from a system or facility authorized in
22 this article and from any other source, after providing for
23 all costs of maintenance and operation of the system or

1 facility and after making the required principal and interest
2 payments on any revenue bonds issued hereunder and any other
3 payments provided in any resolution authorizing the issuance
4 and sale of revenue bonds and obligations, to extend and
5 improve the system or facility as the authority may determine
6 to be warranted by any need for additional intrastate
7 transportation or energy transmission facilities.

8

9 (b) Revenues derived from the issuance of bonds for the
10 purpose of purchasing pipeline capacity as authorized under
11 W.S. 37-5-505(k) shall be used for such purchases and to make
12 principal and interest payments on such bonds as provided by
13 the authority in the resolution authorizing the issuance of
14 the revenue bonds.

15

16 (c) If the authority determines that no need for
17 additional transportation or energy transmission facilities
18 exists and after the administrative expenses of the authority
19 are paid, net revenues derived under this article shall be
20 paid to the state treasurer for credit to the state general
21 fund.

22

1 **37-5-507. Authority not subject to the public service**
2 **commission.**

3

4 Notwithstanding any other provision of law, the authority and
5 the authority's fees, rates, rental and other charges shall
6 not be subject to the supervision, regulation, control or
7 jurisdiction of the public service commission.

8

9 **37-5-508. Subpoena.**

10

11 (a) For the purpose of any investigation or proceeding
12 under this article, the authority or any officer it designates
13 may administer oaths and affirmations, subpoena witnesses,
14 compel their attendance, take evidence and require the
15 production of any books, papers, correspondence, memoranda,
16 agreements or other documents or records that the authority
17 deems relevant or material to the inquiry.

18

19 (b) In case of contumacy by, or refusal to obey, a
20 subpoena issued to any person, a Wyoming district court, upon
21 the authority's application, may issue to the person an order
22 requiring him to appear before the authority or the officer
23 it designates. The order may require the person to produce

1 documentary evidence or to give evidence touching the matter
2 under investigation or in question. Failure to obey the order
3 of the court may be punished by the court as a contempt of
4 court.

5
6 (c) In considering a request by the authority under
7 subsection (b) of this section, the district court shall
8 review the request in camera to protect the confidentiality
9 of the information sought. The court may also restrict
10 disclosure of any confidential information in any other
11 proceeding, administrative or judicial, and may order that
12 the information be sealed.

13

14 **37-5-509. Confidential information.**

15

16 All information obtained by the authority in connection with
17 any hearing or investigation under this article that contains
18 or that might reveal proprietary data shall be considered as
19 confidential for the purposes of this article. The authority
20 shall not disclose confidential information to any person,
21 governmental entity or agency without prior written consent
22 from the owner of the confidential information. Any board or
23 staff member who discloses or causes to be disclosed any

1 confidential information is guilty of a misdemeanor
2 punishable by imprisonment for not more than one (1) year, a
3 fine of not more than one thousand dollars (\$1,000.00), or
4 both.

5

6

ARTICLE 6

7

FINANCING OF OTHER PROJECTS

8

9

37-5-601. Applicability.

10

11 The definitions in W.S. 37-5-501 shall apply to this article.

12

13

37-5-602. Authority revenue bonds; issuance; amount.

14

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16

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18

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21

22

23

(a) The authority may issue and have outstanding bonds to finance energy transmission facilities and related infrastructure consistent with the purposes of W.S. 37-5-503(a), in an amount not to exceed one billion dollars (\$1,000,000,000.00). The authority shall have contracts sufficient to justify the issuance of bonds.

(b) The authority may issue and have outstanding bonds to finance pipeline and other transportation and distribution

1 projects, which may be located within or without the state of
2 Wyoming, in an amount not to exceed three billion dollars
3 (\$3,000,000,000.00). The financing of a pipeline or other
4 transportation and distribution projects under this article
5 may include or consist solely of the purchase of capacity by
6 the authority as authorized by subsection (m) of this section.

7

8 (c) The principal amount of any bonds that have been
9 retired, redeemed, defeased or refunded by the authority need
10 not be taken into account in computing compliance with the
11 maximum amounts of bonds authorized to be issued under
12 subsections (a) and (b) of this section.

13

14 (d) Subject to subsections (a) and (b) of this section,
15 the authority may issue bonds in principal amounts the
16 authority determines necessary to provide sufficient funds
17 for achieving its purposes under this article, including the
18 reduction of principal, the payment of interest, the
19 establishment of reserves, the costs of administration and
20 for the purpose of defraying all other associated costs. All
21 bonds issued under this article are negotiable instruments
22 under the laws of this state unless expressly provided to the
23 contrary on the face of the bonds. The authority may enter

1 into contracts to insure the payment of principal and
2 interest, for interest rate exchange contracts and for
3 financial guarantees to lower the cost of its borrowing.

4

5 (e) All bonds issued by the authority are payable
6 solely out of special funds consisting of all or part of its
7 revenues, receipts, monies and assets, as designated in the
8 proceedings under which the bonds are authorized. All bonds
9 shall bear interest at fixed or variable rates, be executed
10 and delivered at times and in denominations, be of terms and
11 maturities, be in registered form as to principal and interest
12 or principal alone, and bear manual or facsimile signatures
13 and seals as the authority determines. Bonds issued by the
14 authority are not general obligations of this state nor of
15 any political subdivision of this state. The bonds shall
16 solely be the obligation of the authority and shall recite on
17 their face that they do not constitute obligations of the
18 state or any political subdivisions of the state.

19

20 (f) Bonds may be payable in installments and may bear
21 maturities not exceeding forty (40) years from the date issued
22 as the authority determines.

23

1 (g) Bonds and interest may be payable at a time or place
2 whether within or outside the state, as the authority
3 determines. Bonds may contain other provisions not
4 inconsistent with this article.

5

6 (h) Any bonds that the authority issues may contain an
7 option to redeem all or any part as may be specified. The
8 price of redemption, the terms and conditions and the
9 procedure of notice shall be set forth by the authority and
10 may appear on the face of the bonds.

11

12 (j) Any bonds of the authority may be sold at, above or
13 below par value, at public or private sale, in a manner and
14 from time to time as determined by the authority. The
15 authority may pay legal fees, expenses, premiums and
16 commissions that it finds necessary or advantageous to this
17 state in connection with the issuance and sale.

18

19 (k) The authority may provide for the issuance of bonds
20 to refund any bonds of the authority then outstanding,
21 including for the payment of any redemption premium and any
22 interest or premium accrued or to accrue to, the earliest or
23 subsequent date of redemption, purchase or maturity of the

1 bonds. The authority may also refund bonds issued by the
2 Wyoming pipeline authority under W.S. 37-5-201 through
3 37-5-208 and the Wyoming infrastructure authority under W.S.
4 37-5-401 through 37-5-408 before July 1, 2020. Refunding
5 shall be accomplished in the manner prescribed by W.S.
6 16-5-101 through 16-5-119 to the extent it is not inconsistent
7 with this article.

8

9 (m) The authority may acquire, purchase, make
10 prepayments for, finance, hold, use, lease, license, sell,
11 transfer and dispose of an undivided or other interest in or
12 the right to capacity in any pipeline or other transportation
13 or distribution system within or without the state of Wyoming.
14 The authority may acquire, purchase, make prepayments for
15 proven developed reserves, hold, use, lease, license, sell,
16 transfer and dispose of an undivided or other interest in
17 natural resources associated with energy, including royalties
18 taken in kind. The powers specified in this subsection may be
19 exercised in order to facilitate the production,
20 transportation, distribution or delivery of associated
21 natural resources produced or developed in this state. The
22 authority is exempt from the provisions of W.S. 37-5-503(g)
23 when exercising the powers granted by this article.

1

2 **37-5-603. Authority revenue bonds; security; payments**
3 **after retirement.**

4

5 (a) The principal and interest on any bonds that the
6 authority issues shall be secured by a pledge of revenues
7 from the operation of the pipeline or other transportation or
8 distribution system or energy transmission project financed,
9 by a first mortgage on the facilities, by guarantees and
10 pledges of the entity owning the project, pipeline or system,
11 or of the parent corporation owning said entity or by any
12 combination thereof or other security as the authority may
13 determine to be reasonable and prudent. The guarantees and
14 pledges shall be no less favorable to the authority than those
15 granted other lenders of the same class.

16

17 (b) The authority may require additional payments, as
18 negotiated, to bondholders to be made either in a lump sum at
19 the time of retirement of the bonds or annually from the time
20 of retirement of the bonds until project, pipeline or system
21 use is terminated or may require additional incentives from
22 the owner of the project or pipeline to prospective

1 bondholders so long as the incentives are not contrary to the
2 Wyoming constitution.

3

4 (c) The authority may require such other security for
5 repayment of the bonds as it deems necessary.

6

7 (d) Each pledge, agreement, mortgage or other
8 instrument made for the benefit or security of any bonds of
9 the authority is valid and binding from the time when made.
10 The revenues, receipts, monies and assets pledged are
11 immediately subject to the lien of the pledge without delivery
12 or further act. The lien is valid and binding against persons
13 having claims of any kind against the authority whether or
14 not the persons have actual notice of the lien. The resolution
15 or the indenture or other instrument by which a pledge is
16 created need not be recorded or filed.

17

18 **37-5-604. Exemptions from taxation.**

19

20 The exercise of the powers granted by this article constitutes
21 the performance of an essential governmental function. Any
22 bonds issued under this article and the income therefrom shall

1 be free from taxation of every kind by the state,
2 municipalities and political subdivisions of the state.

3

4 **37-5-605. Bonds as legal investments.**

5

6 The bonds of the authority are legal investments that may be
7 used as collateral for public funds of the state, insurance
8 companies, banks, savings and loan associations, investment
9 companies, trustees and other fiduciaries that may properly
10 and legally invest funds in their control or belonging to
11 them in bonds of the authority. With the written approval of
12 the state loan and investment board and the attorney general,
13 the state treasurer may invest monies from the permanent
14 Wyoming mineral trust fund in bonds of the authority in an
15 amount specified by the state loan and investment board and
16 the attorney general but not to exceed the amount specified
17 in W.S. 37-5-602(a) and (b). The interest payable on the bonds
18 shall be not less than four percent (4%), and revenue under
19 W.S. 37-5-602(b) shall be credited as received to the general
20 fund. The limitation on specific public purpose investments
21 under W.S. 9-4-715(n) shall not apply to investments made
22 under this section.

23

1 **37-5-606. State pledge not to impair bondholder's**
2 **rights and remedies.**

3

4 The state pledges to the holders of any bonds issued under
5 this article that the state will not limit or alter the rights
6 vested in the authority to fulfill the terms of agreements
7 made with the holders, or in any way impair the rights and
8 remedies of the holders until the bonds together with the
9 interest, with interest on any unpaid installments of
10 interest and all costs and expenses in connection with any
11 action or proceeding by or on behalf of the holders are fully
12 met and discharged. The authority is authorized to include
13 this pledge of the state in any agreement with the holders of
14 the bonds.

15

16 **37-5-607. Powers; duties; limitations.**

17

18 (a) The authority has the powers granted by W.S.
19 37-5-501 through 37-5-509 as necessary to carry out the
20 purposes of this article, including the power to hire
21 technical consultants, financial advisors and legal advisors
22 and specifically including the powers granted by W.S.

1 37-5-504(a)(ii). In addition to the powers otherwise granted
2 to the authority, the authority shall have the power to:

3

4 (i) Enter into loan or other agreements with
5 respect to one (1) or more projects, energy transmission
6 infrastructure, energy export facilities, pipelines or
7 systems upon terms and conditions the authority considers
8 advisable;

9

10 (ii) Make and execute agreements, contracts and
11 other instruments necessary or convenient in the exercise of
12 its powers and functions, including contracts with any
13 individual, firm, corporation, governmental agency or other
14 entity.

15

16 (b) The authority may assess and collect fees that are
17 nonrefundable from applicants seeking to obtain authority
18 financing of an energy transmission infrastructure project,
19 energy export facility, pipeline, system or other project in
20 total amounts not to exceed five hundred thousand dollars
21 (\$500,000.00), which shall be credited to the state general
22 fund.

23

1 (c) The authority shall maintain such records and
2 accounts of revenues and expenditures as required by the
3 director of the state department of audit. The director of
4 the state department of audit or his designee shall conduct
5 an annual financial and legal compliance audit of the accounts
6 of the authority and file copies of the audit with the
7 governor and the legislature.

8

9 (d) The authority shall require that any project owner
10 receiving a loan under this article shall maintain records
11 and accounts relating to the receipt and disbursements of
12 loan proceeds, transportation costs and information on energy
13 and associated natural resource sales and deliveries and make
14 the records available to the state auditor for inspection.

15

16 (e) The sole recourse of any party contracting with the
17 authority shall be against the authority, and there shall be
18 no cause of action against the state, or any county,
19 municipality or other political subdivision of the state.

20

21 **Section 3.** W.S. 1-26-801(c)(intro), 9-1-224(b)(xi),
22 9-4-715(n)(intro) and 9-4-831(a)(xi) are amended to read:

23

1 **1-26-801. Authority of state, counties and municipal**
2 **corporations to acquire by condemnation proceedings; uranium**
3 **mill tailings; public purpose.**

4
5 (c) As used in and for purposes of this section only,
6 "public purpose" means the possession, occupation and
7 enjoyment of the land by a public entity. "Public purpose"
8 shall not include the taking of private property by a public
9 entity for the purpose of transferring the property to another
10 private individual or private entity except in the case of
11 condemnation for the purpose of protecting the public health
12 and safety, in which event the public entity may transfer the
13 condemned property for value to a private individual or
14 entity. However, nothing in this section shall restrict or
15 impair the right or authority of the Wyoming ~~pipeline-energy~~
16 ~~authority or the Wyoming infrastructure authority~~ to transfer
17 property condemned by the authority to another public or
18 private entity insofar as the transfer is consistent with the
19 statutory purposes or duties of ~~÷~~ the authority.

20
21 **9-1-224. Collection of data; creation of a repository;**
22 **dissemination of data.**

23

1 (b) The governor shall assign the collection of data
2 under subsection (a) of this section to the appropriate state
3 agency or political entity of the state, including, but not
4 limited to, the following:

5

6 (xi) The ~~pipeline~~Wyoming energy authority;

7

8 **9-4-715. Permissible investments.**

9

10 (n) The state treasurer shall not invest state funds
11 for a specific public purpose authorized or directed by the
12 legislature in excess of a total of one billion dollars
13 (\$1,000,000,000.00), excluding investments made pursuant to
14 W.S. 37-5-406 or 37-5-605. By November 1 of each calendar
15 year, the state treasurer, in consultation with the board,
16 the Wyoming water development office, the Wyoming business
17 council and the office of state lands and investments, shall
18 provide a report to the select committee on capital financing
19 and investments on all state funds invested for a specific
20 public purpose authorized or directed by the legislature.
21 The report shall include:

22

23 **9-4-831. Investment of public funds.**

1

2 (a) The state treasurer, or treasurer of any political
3 subdivision, municipality or special district of this state,
4 and the various boards of trustees and boards of directors of
5 county hospitals, airports, fairs and other duly constituted
6 county boards and commissions, may invest in:

7

8 (xi) As authorized by W.S. ~~37-5-206 and 37-5-406~~
9 37-5-605, bonds of the Wyoming pipeline-energy authority; ~~and~~
10 ~~the Wyoming infrastructure authority;~~

11

12 **Section 4.** W.S. 1-26-801(c)(i) and (ii),
13 9-1-224(b)(xii), 37-5-101 through 37-5-109, 37-5-201 through
14 37-5-208, 37-5-301 through 37-5-307 and 37-5-401 through
15 37-5-408 are repealed.

16

17 **Section 5.** The governor shall submit appointments to
18 the Wyoming energy authority by the date specified in W.S.
19 28-12-101(a)(ii) during the 2020 budget session.

20

21 **Section 6.**

22

1 (a) Except as provided in subsection (b) of this
2 section, this act is effective July 1, 2020.

3

4 (b) Sections 1(c) and 5 of this act are effective
5 immediately upon completion of all acts necessary for a bill
6 to become law as provided by Article 4, Section 8 of the
7 Wyoming Constitution.

8

9

(END)