

Proposed amendment to HB 389

69-8-210. Public utilities -- electricity supply. (1) A public utility's distribution services provider shall provide default supply service.

(2) The commission shall establish an electricity cost recovery mechanism that allows a default supplier to fully recover prudently incurred electricity supply costs, subject to the provisions of 69-8-419 and 69-8-420. The cost recovery mechanism must provide for prospective rate adjustments for cost differences resulting from cost changes, load changes, and the time value of money on the differences.

(3) The commission may direct a default supplier to offer its customers multiple default supply service options if the commission determines that those options are in the public interest and are consistent with the provisions of 69-8-104 and 69-8-201.

(4) Notwithstanding any service options that the commission may require pursuant to subsection (3), a default supplier shall offer its customers the option of purchasing a product composed of or supporting power from certified environmentally preferred resources that include but are not limited to wind, solar, geothermal, and biomass, subject to review and approval by the commission. The commission shall ensure that these resources have been certified by the department of environmental quality as meeting industry-accepted standards.

(5) (a) Subject to subsection (5)(b), the commission shall, in reviewing the procurement of electricity supply by the default supplier, take into account the statewide economic benefits that are associated with the electricity supply procurement for the default supply stakeholders. The default supply stakeholders include the default supplier, customers of the default supplier, and the public.

(b) The consideration of economic benefits is secondary to the consideration of the costs and benefits to the consumer and other criteria established by law.

(6) If a public utility intends to be an electricity supplier through an unregulated division, then the public utility must be licensed as an electricity supplier pursuant to 69-8-404.

(7) A default supplier must provide transmission, distribution, billing, load balancing, brokering and ancillary services, for a reasonable fee, to any certified small producer of electrical energy within Montana that sells its electrical energy to a customer within the distribution area of the default supplier. A small producer is an entity producing between 25 kilowatts and 1.5 megawatts of electrical energy from environmentally preferred resources certified in (4). A default supplier is allowed to, but may not be required to, provide the same services to a certified producer producing more than 1.5 megawatts of electrical energy.

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