

HOUSE BILL NO. 291

INTRODUCED BY J. SESSO

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4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING A REFUND TO CERTAIN CUSTOMERS WHO PAY
5 FOR THE EXTENSION OF A UTILITY LINE TO A RESIDENTIAL STRUCTURE IF ADDITIONAL CUSTOMERS
6 CONNECT TO THE EXTENSION; REQUIRING EACH ADDITIONAL CUSTOMER TO ADVANCE TO THE
7 ELECTRIC UTILITY AN EQUAL PROPORTIONATE SHARE OF THE TOTAL AMOUNT PAID FOR THE
8 EXTENSION; REQUIRING A REFUND OF THE ADVANCE ON A PRO RATA BASIS; LIMITING THE REFUND
9 TO THE CUSTOMER'S PRINCIPAL RESIDENCE; PROHIBITING A SMALL CUSTOMER FROM RECEIVING
10 A REFUND GREATER THAN THE CUSTOMER'S PROPORTIONATE SHARE OF THE COSTS; AND
11 PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

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13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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15 NEW SECTION. **Section 1. Definitions.** As used in [section 2] and this section, the following definitions
16 apply:

- 17 (1) "Electric utility" means a public utility regulated by the public service commission pursuant to Title
18 69, chapter 3, that provides electrical service for heat, light, or power to a small customer.
19 (2) "Extension" means any works or improvements necessary to connect a residential structure of a small
20 customer to an electric utility's distribution or transmission system.
21 (3) "Residential structure" means a single-family house, trailer, manufactured home, or mobile home,
22 excluding any outbuildings, improvements, irrigation pumps, facilities, or other structures located on the property.
23 (4) "Small customer" has the meaning provided in 69-3-2003.

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25 NEW SECTION. **Section 2. Residential utility line extension -- refund.** (1) A small customer of an
26 electric utility who pays for a portion of the construction of an extension to a residential structure or who advances
27 money to the electric utility for a subsequent connection to that extension must receive a refund as provided in
28 subsection (2) if an additional customer connects to the extension.

29 (2) Each additional customer, prior to the initiation of electric service, shall advance to the electric utility
30 an equal proportionate share of the total amount paid for the extension. The electric utility shall refund the

1 advance on a pro rata basis to the small customer who paid for the initial extension or to the small customer who
2 paid for a subsequent connection to that extension.

3 (3) To receive a refund pursuant to this section, the residential structure to which the extension provides
4 electrical service must be the principal residence of the small customer or the small customer's immediate family
5 members. A residential structure may be established as a primary residence based upon such factors as the
6 address listed on the small customer's federal and state tax returns, Montana driver's license, and Montana voter
7 registration card.

8 (4) A small customer who expends funds for an extension may not receive a refund that is greater than
9 the amount necessary to return the small customer to the small customer's proportionate share of the cost of the
10 original extension.

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12 **NEW SECTION. Section 3. Codification instruction.** [Sections 1 and 2] are intended to be codified
13 as an integral part of Title 69, chapter 5, and the provisions of Title 69, chapter 5, apply to [sections 1 and 2].

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15 **NEW SECTION. Section 4. Effective date.** [This act] is effective on passage and approval.

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17 **NEW SECTION. Section 5. Applicability.** [This act] applies to extensions occurring on or after [the
18 effective date of this act].

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