

1 HOUSE BILL NO. 291

2 INTRODUCED BY SESSO, WILMER, NOONAN, HINER, DRISCOLL, MALEK, F. SMITH, FUREY, YATES,
3 SWANSON, HANDS, PEASE-LOPEZ, BELCOURT, SANDS, MENAHAN, MCCHESENEY, REINHART,
4 KEANE, MCCLAFFERTY

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

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

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

20 (1) "Electric utility" means a public utility regulated by the public service commission pursuant to Title
21 69, chapter 3, that provides electrical service for heat, light, or power to a small customer.

22 (2) "Extension" means any works or improvements necessary to connect a residential structure of a small
23 customer to an electric utility's distribution or transmission system.

24 (3) "Residential structure" means a single-family house, trailer, manufactured home, or mobile home,
25 excluding any outbuildings, improvements, irrigation pumps, facilities, or other structures located on the property.

26 (4) "Small customer" has the meaning provided in 69-3-2003.
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28 NEW SECTION. Section 2. Residential utility line extension -- refund. (1) A small customer of an
29 electric utility who pays for a portion of the construction of an extension to a residential structure or who advances
30 money to the electric utility for a subsequent connection to that extension must receive a refund as provided in

1 subsection (2) if an additional customer connects to the extension.

2 (2) Each additional customer, prior to the initiation of electric service, shall advance to the electric utility
3 an equal proportionate share of the total amount paid for the extension. The electric utility shall refund the
4 advance on a pro rata basis to the small customer who paid for the initial extension or to the small customer who
5 paid for a subsequent connection to that extension. A REFUND MAY NOT BE ISSUED AFTER 20 10 YEARS FROM THE
6 DATE THE INITIAL EXTENSION IS ESTABLISHED.

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

12 ~~(4)(3)~~ (4) A small customer who expends funds for an extension may not receive a refund that is greater
13 than the amount necessary to return the small customer to the small customer's proportionate share of the cost
14 of the original extension.

15 (4) A SMALL CUSTOMER MAY RECEIVE A REFUND PURSUANT TO THIS SECTION ONLY IF:

16 (A) THE SMALL CUSTOMER PAID FOR THE INITIAL EXTENSION OR SUBSEQUENT CONNECTION TO THE EXTENSION
17 PURSUANT TO SUBSECTION (1); AND

18 (B) AT THE TIME THE REFUND IS ISSUED, THE SMALL CUSTOMER OWNS THE RESIDENTIAL STRUCTURE TO WHICH
19 THE EXTENSION OR SUBSEQUENT CONNECTION TO THE EXTENSION WAS MADE.

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21 NEW SECTION. Section 3. Codification instruction. [Sections 1 and 2] are intended to be codified
22 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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24 NEW SECTION. Section 4. Effective date. [This act] is effective on passage and approval.

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

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