

## SENATE BILL NO. 226

INTRODUCED BY J. PRIEST

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE USE OF NET METERING SYSTEMS; REQUIRING  
5 THE CUSTOMER-GENERATOR TO HAVE TWO METERS; REQUIRING THE CUSTOMER-GENERATOR TO  
6 PAY TRANSMISSION AND DISTRIBUTION CHARGES; AMENDING SECTIONS 69-8-602 AND 69-8-603, MCA;  
7 AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

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11 **Section 1.** Section 69-8-602, MCA, is amended to read:  
12 **"69-8-602. Utility net metering requirements.** (1) A utility shall:  
13 ~~———(1) allow net metering systems to be interconnected using a two standard kilowatt-hour meter meters with~~  
14 ~~one capable of registering measuring the flow amount of electricity in two directions, unless the commission~~  
15 ~~determines, after appropriate notice and opportunity for comment:~~  
16 ~~———(a) that the use of additional metering equipment to monitor the flow of electricity in each direction is~~  
17 ~~necessary and appropriate for the interconnection of net metering systems, after taking into account the benefits~~  
18 ~~and costs of purchasing and installing additional metering equipment; and~~  
19 ~~(b) how the costs of net metering are to be allocated between the customer-generator and the utility; and~~  
20 ~~———(2) charge the customer-generator a minimum monthly fee that is the same as other customers of the~~  
21 ~~electric utility in the same rate class: produced by the customer-generator and the other capable of measuring~~  
22 ~~the amount of electricity received from the utility. Readings from both meters must be reported to the utility each~~  
23 ~~billing cycle. During each billing cycle:~~  
24 ~~(a) the utility shall credit the number of kilowatt hours of electricity produced by the customer-generator~~  
25 ~~against the number of kilowatt hours of electricity received from the utility; and~~  
26 ~~(b) the customer-generator shall pay the utility a monthly service charge and all transmission and~~  
27 ~~distribution charges for electricity delivered by the utility to the customer-generator.~~  
28 ~~(2) The value of the electricity produced by the customer-generator pursuant to subsection (1) is equal~~  
29 ~~to the value of the electricity supplied to the customer-generator by the utility, excluding transmission and ancillary~~  
30 ~~costs.~~

1           (3) The commission shall determine, after appropriate notice and opportunity for comment if:

2           (a) the utility will incur any additional direct costs associated with interconnecting or administering net  
3 metering systems that exceed any offsetting benefits associated with these net metering systems; and

4           (b) public policy is best served by imposing these costs on the customer-generator, rather than allocating  
5 these costs among the utility's entire customer base."

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7           **Section 2.** Section 69-8-603, MCA, is amended to read:

8           **"69-8-603. Net energy measurement calculation.** Consistent with the other provisions of this part, the  
9 net energy measurement must be calculated in the following manner:

10           (1) The utility shall measure the net electricity produced or consumed during the billing period, in  
11 accordance with ~~normal metering practices~~ 69-8-602.

12           (2) If the electricity supplied by the electricity supplier exceeds the electricity generated by the  
13 customer-generator and fed back to the electricity supplier during the billing period, the customer-generator must  
14 be billed for the net electricity supplied by the electricity supplier, in accordance with normal metering practices  
15 and 69-8-602.

16           (3) If electricity generated by the customer-generator exceeds the electricity supplied by the electricity  
17 supplier, the customer-generator must be:

18           (a) billed for the appropriate customer charges for that billing period, in accordance with 69-8-602; and

19           (b) credited for the excess kilowatt hours generated during the billing period, with this kilowatt-hour credit  
20 appearing on the bill for the following billing period.

21           (4) On January 1, April 1, July 1, or October 1 of each year, as designated by the customer-generator  
22 as the beginning date of a 12-month billing period, any remaining unused kilowatt-hour credit accumulated during  
23 the previous 12 months must be granted to the electricity supplier, without any compensation to the  
24 customer-generator."

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26           NEW SECTION. SECTION 3. SAVING CLAUSE. [THIS ACT] DOES NOT AFFECT RIGHTS AND DUTIES THAT  
27 MATURED, PENALTIES THAT WERE INCURRED, OR PROCEEDINGS THAT WERE BEGUN BEFORE [THE EFFECTIVE DATE OF THIS  
28 ACT].

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

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2 **NEW SECTION. Section 5. Applicability.** [This act] applies to net metering agreements entered into  
3 EQUIPMENT OR FACILITIES INSTALLED or modified on or after [the effective date of this act].

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