

HOUSE BILL NO. 489

INTRODUCED BY R. PINOCCI

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A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING RURAL ELECTRIC COOPERATIVES TO ALLOW NET METERING SYSTEMS TO BE INTERCONNECTED; AMENDING SECTIONS 69-8-311, 69-8-602, 69-8-603, AND 69-8-604, MCA; REPEALING SECTION 69-8-605, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

**Section 1.** Section 69-8-311, MCA, is amended to read:

**"69-8-311. Cooperative utility -- electricity supply service -- exemption.** (1) A local governing body shall establish the price for electricity supply service offered by a cooperative utility.

(2) Except as otherwise provided in the universal system benefits program pursuant to 69-8-402 and for net metering pursuant to Title 69, chapter 8, part 6, a cooperative utility is exempt from the provisions and requirements of this chapter."

**Section 2.** Section 69-8-602, MCA, is amended to read:

**"69-8-602. Utility net metering requirements.** A utility shall:

(1) allow net metering systems to be interconnected using a standard kilowatt-hour meter capable of registering the flow of electricity in two directions, unless the commission or the local governing body determines, after appropriate notice and opportunity for comment:

(a) that the use of additional metering equipment to monitor the flow of electricity in each direction is necessary and appropriate for the interconnection of net metering systems, after taking into account the benefits and costs of purchasing and installing additional metering equipment; and

(b) how the costs of net metering are to be allocated between the customer-generator and the utility; and

(2) charge the customer-generator a minimum monthly fee that is the same as other customers of the electric utility in the same rate class. The commission or the local governing body shall determine, after appropriate notice and opportunity for comment, if:

(a) the utility will incur direct costs associated with interconnecting or administering net metering systems

1 that exceed any offsetting benefits associated with these net metering systems; and

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

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5 **Section 3.** Section 69-8-603, MCA, is amended to read:

6 **"69-8-603. Net energy measurement calculation.** Consistent with the other provisions of this part, the  
7 net energy measurement must be calculated in the following manner:

8 (1) The utility shall measure the net electricity produced or consumed during the billing period, in  
9 accordance with normal metering practices.

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

14 (3) If electricity generated by the customer-generator exceeds the electricity supplied by the ~~electricity~~  
15 ~~supplier~~ utility, the customer-generator must be:

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

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

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

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24 **Section 4.** Section 69-8-604, MCA, is amended to read:

25 **"69-8-604. Net metering system -- reliability and safety.** (1) A net metering system used by a  
26 customer-generator must include, at the customer-generator's own expense, all equipment necessary to meet  
27 applicable safety, power quality, and interconnection requirements established by the national electrical code,  
28 national electrical safety code, institute of electrical and electronic engineers, and underwriters laboratories.

29 (2) The commission or local governing body, after appropriate notice and opportunity for comment, may  
30 adopt by rule additional safety, power quality, and interconnection requirements for customer-generators that the

1 commission or the local governing body determines are necessary to protect public safety and net metering  
2 system reliability."

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4 NEW SECTION. **Section 5. Repealer.** The following section of the Montana Code Annotated is  
5 repealed:

6 69-8-605. Applicability.

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8 NEW SECTION. **Section 6. Saving clause.** [This act] does not affect rights and duties that matured,  
9 penalties that were incurred, or proceedings that were begun before [the effective date of this act].

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11 NEW SECTION. **Section 7. Effective date.** [This act] is effective on passage and approval.

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