

HOUSE BILL NO. 638

INTRODUCED BY T. WOODS

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4 A BILL FOR AN ACT ENTITLED: "AN ACT CREATING UNIFORM COST RECOVERY METHODS FOR
5 OUTAGES FOR UTILITY COMPANIES DOING BUSINESS IN MONTANA; PROVIDING THAT THE PROPOSED
6 ACT BE SUBMITTED TO THE QUALIFIED ELECTORS OF MONTANA; AMENDING SECTION 69-8-210, MCA;
7 AND PROVIDING AN EFFECTIVE 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 69-8-210, MCA, is amended to read:
12 **"69-8-210. Public utilities -- electricity supply -- environmentally preferred resources.** (1) (a) The
13 Except as provided in subsection (1)(c), the commission shall establish an electricity cost recovery mechanism
14 that allows a public utility to fully recover prudently incurred electricity supply costs, subject to the provisions of
15 69-8-419, 69-8-420, and commission rules.

16 (b) The Except as provided in subsection (1)(c), the commission may include other utility costs and
17 expenses in the cost recovery mechanism if it determines that including additional costs and expenses is
18 reasonable and in the public interest. The cost recovery mechanism must provide for prospective rate
19 adjustments for cost differences resulting from cost changes, load changes, and the time value of money on the
20 differences.

21 (c) A public utility may not recover costs associated with an outage at an electrical generation facility by
22 using a cost recovery mechanism in accordance with this chapter.

23 (2) Notwithstanding any service options that the commission may require, a public utility shall offer its
24 customers the option of purchasing a product composed of or supporting power from certified environmentally
25 preferred resources that include but are not limited to wind, solar, geothermal, and biomass, subject to review
26 and approval by the commission. The commission shall ensure that these resources have been certified as
27 meeting industry-accepted standards."

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29 **NEW SECTION. Section 2. Saving clause.** [This act] does not affect rights and duties that matured,
30 penalties that were incurred, or proceedings that were begun before [the effective date of this act].

