

MDU – Electricity

USBC:

$$\text{USBC} = 916 \text{ kWh} \times \$0.001566 = \mathbf{\$1.43}$$

Universal system benefits programs are established for the state of Montana to ensure continued funding of and new expenditures for energy conservation, renewable resource projects and applications, and low-income energy assistance. 69-8-402, MCA

The Universal System Benefits program (USB) requires all utilities in Montana to spend money on activities related to energy conservation, renewable energy projects, and low-income energy assistance. On a residential MDU bill, the charge is \$0.001566 per kWh.

USB legislation was enacted in 1997 at the time of electric deregulation in an effort to ensure the continued existence of public purpose programs by regulated utilities. The Legislature determined that a minimum 17 percent of total USB funds should be dedicated to low-income programs. There are no minimal funding requirements for conservation and renewable projects.

USB money is collected through customer bills and began in 1999. Each interim, the Energy and Telecommunications Interim Committee of the Legislature is required to review the USB programs and, if necessary, submit recommendations regarding these programs to the Legislature.

For electricity, the base funding level for each utility is fixed: 2.4 percent of the utility's annual retail sales revenue in Montana for calendar year 1995. The customer's distribution utility is required to collect USB funds from the customer. The PSC sets USB rates for utilities.
