

SENATE BILL NO. 330
INTRODUCED BY MANGAN

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE PUBLIC SERVICE COMMISSION TO TAKE INTO ACCOUNT THE ECONOMIC BENEFITS OF A PRODUCTIVITY AND EFFICIENCY OUTCOMES BENEFITS ASSOCIATED WITH THE DEFAULT SUPPLIER'S PROCUREMENT OF ELECTRICITY SUPPLY; AMENDING SECTION 69-8-210, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 69-8-210, MCA, is amended to read:

"69-8-210. Public utilities -- electricity supply. (1) On the effective date of a commission order implementing a public utility's transition plan pursuant to 69-8-202, the public utility shall remove its generation assets from the rate base.

(2) During the transition period, the commission may establish cost-based prices for electricity supply service for customers that do not have a choice of electricity supply service or that have not yet chosen an electricity supplier.

(3) If the transition period is extended, then the customers' ~~distribution services provider~~ default supplier shall:

(a) extend any cost-based contract with the ~~distribution services provider's~~ default supplier's affiliate supplier for a term of not more than 3 years; or

(b) purchase electricity from the market; and

(c) use a mechanism that recovers electricity supply costs in rates to ensure that those costs are fully recovered.

(4) (A) ~~The~~ SUBJECT TO SUBSECTION (4)(B), THE commission shall, in reviewing the procurement of electricity supply by the default supplier, take into account the ~~STATEWIDE economic benefits~~ ECONOMIC PRODUCTIVITY AND EFFICIENCY OUTCOMES STATEWIDE ECONOMIC BENEFITS that are associated with the electricity supply procurement FOR THE DEFAULT SUPPLY STAKEHOLDERS. ~~THE COMMISSION MAY NOT TAKE INTO ACCOUNT PURELY LOCAL ECONOMIC BENEFITS THAT ARE ASSOCIATED WITH THE ELECTRICITY SUPPLY PROCUREMENT. THE DEFAULT SUPPLY STAKEHOLDERS INCLUDE THE DEFAULT SUPPLIER, CUSTOMERS OF THE DEFAULT SUPPLIER, AND THE PUBLIC.~~

(B) THE CONSIDERATION OF ECONOMIC BENEFITS IS SECONDARY TO THE CONSIDERATION OF THE COSTS AND

BENEFITS TO THE CONSUMER AND OTHER CRITERIA ESTABLISHED BY LAW.

~~(4)~~(5) If a public utility intends to be an electricity supplier through an unregulated division, then the public utility must be licensed as an electricity supplier pursuant to 69-8-404."

NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.

- END -