

SENATE BILL NO. 52

INTRODUCED BY J. KEANE

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A BILL FOR AN ACT ENTITLED: "AN ACT CLARIFYING WHAT ENTITIES ARE RESPONSIBLE FOR REPORTING THE USE OF RENEWABLE ENERGY CREDITS; AMENDING SECTIONS 69-3-2009 AND 69-3-2010, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

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

Section 1. Section 69-3-2009, MCA, is amended to read:

"69-3-2009. Electrical generation facilities renewable energy credit reporting. (1) (a) Except as provided in 69-3-2010, the following entities shall annually file a renewable energy credit report in accordance with this section:

(i) a public utility as defined in 69-5-102 operating in Montana, that buys or sells renewable energy credits for the purposes of complying with 69-3-2004;

(ii) a competitive electricity supplier as defined in 69-3-2003, that buys or sells renewable energy credits for the purposes of complying with 69-3-2004;

(iii) a cooperative utility that buys or sells renewable energy credits for the purposes of complying with 69-3-2008; and

(iv) any owner of an a renewable electrical generation facility operating in Montana that buys or sells renewable energy credits produced by the renewable electrical generation facility shall annually file a renewable energy credit report in accordance with this section.

(b) The report must be filed by March 1 of the year following the purchase or sale of the renewable energy credit.

(2) Except as provided in 69-3-2010, the report must include:

(a) the price of any renewable energy credit bought or sold by the facility or utility; and

(b) whether electrical energy and renewable energy credits were bought or sold together or separately, as a bundled or unbundled product.

(3) Except as provided in subsection (4), the reports are not subject to the regulatory powers of the



1 department of revenue. The department of revenue shall make the report available for public inspection.

2 (4) A public utility, a competitive electricity supplier, a cooperative utility, or an owner of an a renewable
3 electrical generation facility that fails to file the report required pursuant to this section shall pay an administrative
4 penalty, assessed by the department of revenue, of \$1,500. A utility may not recover this penalty through an
5 increase in electricity rates. Money generated from these penalties must be deposited in the universal low-income
6 energy assistance fund established in 69-8-412(1)(b).

7 (5) For the purposes of implementing this section, "renewable electrical generation facility" means any
8 combination of a physically connected generator or generators, associated prime movers, and other associated
9 property, including appurtenant land and improvements and personal property, that are normally operated
10 together to produce electric power that is located in Montana and uses any of the sources of energy listed in
11 69-3-2003(10).

12 (6) (a) The report required in subsection (1) must be filed with the department of revenue in a format
13 determined by the department.

14 (b) A public utility, a competitive electricity supplier, a cooperative utility, or an owner of an a renewable
15 electrical generation facility that is required to file a report pursuant to subsection (1) shall provide a copy of the
16 report to the energy and telecommunications interim committee provided for in 5-5-230. Before September 15
17 of the year preceding a legislative session, the energy and telecommunications interim committee shall review
18 the reports and, if necessary, submit recommendations regarding the use of renewable energy credits in Montana
19 to the legislature."
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21 **Section 2.** Section 69-3-2010, MCA, is amended to read:

22 **"69-3-2010. Exceptions to report contents.** (1) If a public utility, a competitive electricity supplier, a
23 cooperative utility, or an owner of an a renewable electrical generation facility operating in Montana required to
24 file the report pursuant to 69-3-2009 buys or sells a renewable energy credit in a market where the price of a
25 renewable energy credit is not publicly disclosed, the public utility, competitive electricity supplier, cooperative
26 utility, or owner of an a renewable electrical generation facility operating in Montana is not required to disclose
27 the price.

28 (2) The public utility, competitive electricity supplier, cooperative utility, or owner of an a renewable
29 electrical generation facility operating in Montana shall report the number of credits bought or sold and whether
30 the energy and renewable energy credits were bought or sold together or separately as a bundled or unbundled

1 product."

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3 NEW SECTION. **Section 3. Effective date.** [This act] is effective on passage and approval.

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5 NEW SECTION. **Section 4. Retroactive applicability.** [This act] applies retroactively, within the
6 meaning of 1-2-109, to renewable energy credits bought or sold on or after January 1, 2012.

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