

SENATE BILL NO. 1

INTRODUCED BY P. CONNELL

1  
2  
3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING NET METERING TECHNOLOGY REQUIREMENTS;  
5 REQUIRING NEW NET METERING SYSTEMS TO INCLUDE ADVANCED TECHNOLOGIES FOR  
6 DISTRIBUTION GRID MANAGEMENT; LIMITING THE USE OF ADVANCED TECHNOLOGIES BY THE  
7 OWNERS OF DISTRIBUTION FACILITIES AND PUBLIC UTILITIES; ALLOWING CONTRACTS TO  
8 DETERMINE COST SHARING FOR USE OF TECHNOLOGIES; REQUIRING EXISTING OWNERS OF NET  
9 METERING SYSTEMS TO TRANSITION SYSTEMS TO ADVANCED TECHNOLOGIES; PROVIDING FOR A  
10 WAIVER; AMENDING SECTIONS 69-8-602 AND 69-8-604, MCA; AND PROVIDING AN EFFECTIVE DATE."

11  
12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13  
14 **Section 1.** Section 69-8-602, MCA, is amended to read:

15 **"69-8-602. Utility Public utility net metering requirements. (1) (a)** A public utility shall:

16 ~~— (1) allow net metering systems to be interconnected using a standard kilowatt-hour meter a meter or~~  
17 ~~meters capable of registering measuring the flow of electricity in two directions in accordance with this subsection~~  
18 ~~(1), unless the commission determines, after appropriate notice and opportunity for comment:~~

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

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

23 (b) Except as provided in subsection (1)(f), a meter or meters must be capable of transferring data  
24 electronically, and interconnection standards must allow for two-way communications between the owner of  
25 distribution facilities as defined in 69-8-103 and inverters used on a customer-generator's net metering system.

26 (c) Two-way communication between an owner of distribution facilities and a net metering system may  
27 be used by the owner of distribution facilities only for controlling grid voltage, when necessary, promoting line  
28 stability, and ensuring line safety. Neither a public utility nor the owner of distribution facilities may use the  
29 technology or communications to monitor or control a customer-generator's net metering system for any purpose  
30 other than avoiding disruptions to the distribution grid.

1 (d) An agreement between a public utility and a customer-generator must outline the equipment costs  
 2 and how those costs are shared, if at all, between a public utility and customer-generator for technology needed  
 3 to meet the requirements of subsection (1)(b).

4 (e) Except as provided in subsection (1)(f), before January 1, 2023, customer-generators who have  
 5 installed net metering systems prior to [the effective date of this act] shall convert existing meters and inverters  
 6 to comply with the requirements of this subsection (1).

7 (f) A public utility may waive the requirements in subsections (1)(b) and (1)(e). A waiver must be provided  
 8 to a customer-generator in writing.

9 (2) A public utility shall charge the customer-generator a minimum monthly fee that is the same as the  
 10 fee charged to other customers of the electric public utility in the same rate class.

11 (3) The commission shall determine, after appropriate notice and opportunity for comment, whether if:

12 (a) the public utility will incur direct costs associated with interconnecting or administering net metering  
 13 systems that exceed any offsetting benefits associated with these net metering systems; and

14 (b) public policy is best served by imposing these costs on the customer-generator, rather than allocating  
 15 these costs among the public utility's entire customer base."  
 16

17 **Section 2.** Section 69-8-604, MCA, is amended to read:

18 **"69-8-604. Net metering system -- reliability and safety.** (1) A Except for equipment costs as provided  
 19 in 69-8-602(1)(d), a net metering system used by a customer-generator must include, at the customer-generator's  
 20 own expense, all equipment necessary to meet applicable safety, power quality, and interconnection  
 21 requirements established by the national electrical code, national electrical safety code, institute of electrical and  
 22 electronic engineers, and underwriters laboratories.

23 (2) The commission, after appropriate notice and opportunity for comment, may adopt by rule additional  
 24 safety, power quality, and interconnection requirements for customer-generators that the commission ~~or the local~~  
 25 ~~governing body~~ determines are necessary to protect public safety and net metering system reliability."  
 26

27 NEW SECTION. **Section 3. Effective date.** [This act] is effective July 1, 2017.

28 - END -