

SENATE BILL NO. 12

INTRODUCED BY P. CONNELL

BY REQUEST OF THE ENERGY AND TELECOMMUNICATIONS INTERIM COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING AND UPDATING THE PUBLIC SERVICE COMMISSION'S ROLE OF REVIEWING NET METERING EQUIPMENT AND TECHNOLOGIES; AMENDING SECTIONS 69-8-602, 69-8-603, AND 69-8-604, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

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

"69-8-602. ~~Utility~~ Public utility net metering requirements. A public utility shall:

(1) allow net metering systems to be interconnected using a standard kilowatt-hour meter capable of registering the flow of electricity in two directions, unless the commission makes a determination in accordance with 69-8-604(3) that alternative net metering equipment should be used ~~determines, after appropriate notice and opportunity for comment:~~

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

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

(2) charge the customer-generator a minimum monthly fee that is the same as other customers of the electric public utility in the same rate class. The commission shall determine, after appropriate notice and opportunity for comment if:

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

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

Section 2. Section 69-8-603, MCA, is amended to read:

"69-8-603. Net energy measurement calculation. Consistent with the other provisions of this part, the

1 net energy measurement must be calculated in the following manner:

2 (1) The public utility shall measure the net electricity produced or consumed during the billing period, in
3 accordance with normal metering practices.

4 (2) If the electricity supplied by the ~~electricity-supplier~~ public utility exceeds the electricity generated by
5 the customer-generator and fed back to the ~~electricity-supplier~~ public utility during the billing period, the
6 customer-generator must be billed for the net electricity supplied by the ~~electricity-supplier~~ public utility, in
7 accordance with normal metering practices.

8 (3) If electricity generated by the customer-generator exceeds the electricity supplied by the ~~electricity~~
9 ~~supplier~~ public utility, the customer-generator must be:

10 (a) billed for the appropriate customer charges for that billing period, in accordance with 69-8-602; and

11 (b) credited for the excess kilowatt hours generated during the billing period, with this kilowatt-hour credit
12 appearing on the bill for the following billing period.

13 (4) On January 1, April 1, July 1, or October 1 of each year, as designated by the customer-generator
14 as the beginning date of a 12-month billing period, any remaining unused kilowatt-hour credit accumulated during
15 the previous 12 months must be granted to the ~~electricity-supplier~~ public utility, without any compensation to the
16 customer-generator."

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18 **Section 3.** Section 69-8-604, MCA, is amended to read:

19 **"69-8-604. Net metering system -- reliability and safety.** (1) A net metering system used by a
20 customer-generator must include, at the customer-generator's own expense, all equipment necessary to meet
21 applicable safety, power quality, and interconnection requirements established by the national electrical code,
22 national electrical safety code, institute of electrical and 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 (3) The commission, after appropriate notice and opportunity for comment, shall determine whether the
27 use of additional metering equipment or technologies to monitor the flow of electricity in each direction is
28 necessary and appropriate for the interconnection of net metering systems. In making the determination, the
29 commission shall consider:

30 (a) the benefits and costs of purchasing and installing additional metering equipment or technologies;

1 (b) how the costs of additional net metering equipment or technologies are to be allocated between the
2 customer-generator and the public utility; and

3 (C) ADVANCEMENTS IN THE USE OF METERING TECHNOLOGY TO ALLOW FOR THE TRANSFER OF DATA
4 ELECTRONICALLY THROUGH TWO-WAY COMMUNICATIONS BETWEEN THE OWNER OF DISTRIBUTION FACILITIES AND
5 INVERTERS USED ON CUSTOMER-GENERATORS' NET METERING SYSTEMS; AND

6 (c)(D) whether additional metering equipment or technologies, INCLUDING THOSE THAT PROMOTE TWO-WAY
7 COMMUNICATIONS, would improve:

8 (i) grid operability, LINE STABILITY, SAFETY, and reliability; and

9 (ii) net-metered customer billing."

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11 NEW SECTION. Section 4. Effective date. [This act] is effective on passage and approval.

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