

SENATE BILL NO. 277

INTRODUCED BY T. RICHMOND

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A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING THE USE OF THE ALTERNATIVE ENERGY REVOLVING LOAN ACCOUNT FOR VIRTUAL NET METERING UNDER CERTAIN CIRCUMSTANCES; AMENDING SECTION 75-25-101, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

Section 1. Section 75-25-101, MCA, is amended to read:

"75-25-101. Alternative energy revolving loan account. (1) There is a special revenue account called the alternative energy revolving loan account to the credit of the department of environmental quality.

(2) The alternative energy revolving loan account consists of money deposited into the account from air quality penalties from 75-2-401 and 75-2-413 and money from any other source. Any interest earned by the account and any interest that is generated from a loan repayment must be deposited into the account and used to sustain the program.

(3) ~~Funds~~ Subject to subsection (4), funds from the alternative energy revolving loan account may be used to provide loans to individuals, small businesses, units of local government, units of the university system, and nonprofit organizations for the purpose of building alternative energy systems, as defined in 15-32-102:

(a) to generate energy for their own use;

(b) for net metering as defined in 69-8-103; and

(c) for capital investments by those entities for energy conservation purposes, as defined in 15-32-102, when done in conjunction with an alternative energy system.

(4) (a) Unless electric utility regulation in Title 69 provides for virtual net metering in Montana or the governing body of a rural electric cooperative under Title 35, chapter 18, establishes a virtual net metering program, funds may not be used to finance an individual's share in a virtual net metering system.

(b) For the purposes of this section, "virtual net metering system" means a system that allows multiple electricity account holders of a utility or cooperative to participate in the same electrical metering system and share the value of the electrical output from an alternative energy system that is not physically connected to the real property where the account holders consume electricity.

1 ~~(4)~~(5) The amount of a loan may not exceed \$40,000, and the loan must be repaid within 10 years."

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

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