

SENATE BILL NO. 244

INTRODUCED BY M. BLASDEL

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING PUBLIC UTILITY ELECTRICITY COST RECOVERY; CLARIFYING STANDARDIZED TREATMENT OF PUBLIC UTILITIES SUBJECT TO TITLE 69, CHAPTER 3; AMENDING SECTION 69-8-210, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

NEW SECTION. Section 1. Cost tracking and recovery. (1) The commission shall approve a cost-tracking adjustment for a public utility regulated in accordance with chapter 8 or under this chapter.

(2) Cost-tracking adjustments for a public utility must provide for:

- (a) identical treatment of public utilities subject to chapter 8 or this chapter;
(b) 90% shareholder and 10% customer sharing of costs, if cost sharing is required; and
(c) full recovery of costs incurred by a public utility as a result of qualifying small power production facility purchase requirements established in Title 69, chapter 3, part 6.

(3) A cost-tracking adjustment may not include a deadband.

(4) For the purposes of this section, "deadband" means a level of cost recovery variance, including levels of under-recoveries and over-recoveries to be borne by the public utility.

Section 2. Section 69-8-210, MCA, is amended to read:

"69-8-210. Public utilities -- cost tracking -- environmentally preferred resources. (1) The commission ~~may~~ shall approve a cost-tracking adjustment for a public utility regulated under this part consistent with its regulation of public utilities under Title 69, chapter 3.

(2) Notwithstanding any service options that the commission may require, a public utility shall offer its customers the option of purchasing a product composed of or supporting power from certified environmentally preferred resources that include but are not limited to wind, solar, geothermal, and biomass, subject to review and approval by the commission. The commission shall ensure that these resources have been certified as meeting industry-accepted standards."

1 NEW SECTION. **Section 3. Codification instruction.** [Section 1] is intended to be codified as an
2 integral part of Title 69, chapter 3, and the provisions of Title 69, chapter 3, apply to [section 1].

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

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