

Unofficial Draft Copy

As of: April 17, 2012 (8:47am)

LCet03

**** Bill No. ****

Introduced By *****

By Request of the *****

A Bill for an Act entitled: "An Act exempting public utilities and competitive electricity suppliers from the graduated renewable energy standard if the cost of the renewable energy credits is less than or equal to the applicable administrative penalty; amending section 69-3-2007, 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 69-3-2007, MCA, is amended to read:

"69-3-2007. Cost caps. (1) A public utility that has restructured pursuant to Title 69, chapter 8, is not obligated to take electricity from an eligible renewable resource unless the eligible renewable resource has demonstrated through a competitive bidding process that the total cost of electricity from that eligible resource, including the associated cost of ancillary services necessary to manage the transmission grid and firm the resource, is less than or equal to bids for the equivalent quantity of power over the equivalent contract term from other electricity suppliers.

(2) A public utility that has not restructured pursuant to Title 69, chapter 8, is not obligated to take electricity from an eligible renewable resource unless the cost per kilowatt hour of

the generation from the renewable resource does not exceed by more than 15% the cost of power from any other alternate generating resource available to the public utility.

(3) A competitive electricity supplier is not obligated to take electricity from an eligible renewable resource unless the total cost of the electricity from that eligible renewable resource, including ancillary services, is less than or equal to a cost cap determined by the commission based on:

(a) the cost of alternate power supplies available to the competitive electricity supplier; and

(b) the cost caps applicable to other utilities under this section.

(4) A public utility or competitive electricity supplier is not obligated to procure renewable energy credits unless the cost of the renewable energy credits is less than or equal to the applicable administrative penalty under 69-3-2004(10)."

{ Internal References to 69-3-2007:
69-3-2004x }

NEW SECTION. **Section 2. {standard} Saving clause.** [This act] does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before [the effective date of this act].

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

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NEW SECTION. **Section 4. {standard} Retroactive**

applicability. [This act] applies retroactively, within the meaning of 1-2-109, to to the compliance year beginning January 1, 2013.

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