

HOUSE BILL NO. 758

INTRODUCED BY T. WOODS

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING ENERGY LAWS; CREATING COAL-FIRED GENERATING UNIT PAYMENT REQUIREMENTS; CREATING REPORTING REQUIREMENTS FOR COAL-FIRED GENERATING UNIT PAYMENTS; CREATING A FEE; PROVIDING RULEMAKING AUTHORITY; AMENDING SECTIONS 69-1-114 AND 69-1-402, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

NEW SECTION. Section 1. Coal-fired generating unit payment cost tracking -- definition. (1) On or before January 1, 2020, the commission shall develop methods to track and detail:

- (a) the annual market value of an electric utility's share in a coal-fired generating unit; and
- (b) the estimated and assumed costs included in the valuation of a coal-fired generating unit accrued annually.

(2) For the purposes of [sections 1 through 3], "coal-fired generating unit" means a unit of a coal-fired generating station located in Montana in which an electric utility that has restructured in accordance with this chapter holds an ownership interest.

NEW SECTION. Section 2. Coal-fired generating unit fee -- rulemaking. (1) (a) The commission shall develop procedures to determine the difference between the amount established in [section 1(1)(a)] and the amount established in [section 1(1)(b)].

(b) The commission shall assess the electric utility a fee equal to the difference when the amount in [section 1(1)(b)] exceeds the amount in [section 1(1)(a)].

(2) The fee collected under subsection (1)(b) must be credited to the state general fund.

NEW SECTION. Section 3. Annual reporting -- rulemaking. (1) The commission shall require and review annual reports from an electric utility that has restructured in accordance with this chapter. Reports must include but are not limited to:

- (a) the estimated and assumed costs included in the valuation of a coal-fired generating unit incurred

1 annually;

2 (b) the current amortization payment schedule for a coal-fired generating unit; and

3 (c) the estimated and assumed cost to the utility's ratepayers incurred in rates by the coal-fired
4 generating unit.

5 (2) The commission may adopt rules to administer [sections 1 through 3].

6

7 **Section 4.** Section 69-1-114, MCA, is amended to read:

8 **"69-1-114. Fees.** (1) Each fee charged by the commission must be reasonable.

9 (2) Except for a fee assessed pursuant to 69-3-204(2), 69-8-421(10), [section 2(1)(b)], or 69-12-423(2),
10 a fee set by the commission may not exceed \$500.

11 (3) All fees collected by the department under 69-8-421(10) must be deposited in an account in the
12 special revenue fund. Funds in this account must be used as provided in 69-8-421(10)."

13

14 **Section 5.** Section 69-1-402, MCA, is amended to read:

15 **"69-1-402. Funding of department of public service regulation.** (1) All fees collected under this
16 section and any other fees, except as provided in 69-1-114(3) and [section 2] [and subject to legislative fund
17 transfer], must be deposited in an account in the state special revenue fund to the credit of the department. An
18 appropriation to the department may consist of a base appropriation for regular operating expenses and a
19 contingency appropriation for expenses due to an unanticipated caseload.

20 (2) In addition to all other licenses, fees, and taxes imposed by law, all regulated companies shall, within
21 30 days after the close of each calendar quarter, pay to the department of revenue a fee based on a percentage
22 of gross operating revenue reported pursuant to 69-1-223(2)(a), as determined by the department of revenue
23 under 69-1-403.

24 (3) The amount of money that may be raised by the fee on the regulated companies during a fiscal year
25 may not be increased, except as provided in 69-1-224(1)(c), from the amount appropriated to the department by
26 the legislature for that fiscal year, including both base and contingency appropriations. Any additional money
27 required for operation of the department must be obtained from other sources in a manner authorized by the
28 legislature. (Bracketed language in subsection (1) terminates June 30, 2019--sec. 28, Ch. 6, Sp. L. November
29 2017.)"

30

1 NEW SECTION. Section 6. Codification instruction. [Sections 1 through 3] are intended to be codified
2 as an integral part of Title 69, chapter 8, and the provisions of Title 69, chapter 8, apply to [sections 1 through 3].

3

4 NEW SECTION. Section 7. Effective date. [This act] is effective on passage and approval.

5

- END -