

HOUSE BILL NO. 874

2/18 Introduced  
2/18 Referred to Business & Labor  
2/22 Hearing  
2/22 Adverse Committee Report  
2/23 Bill Killed

1 HOUSE BILL NO. 874  
2 INTRODUCED BY Kadas

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING A UTILITY  
5 SUPPLYING NATURAL GAS OR ELECTRICITY TO INVEST UP TO 10  
6 PERCENT OF ITS FORECASTED TOTAL UTILITY OPERATING INCOME, AS  
7 DETERMINED BY THE PUBLIC SERVICE COMMISSION, IN HOME  
8 WEATHERIZATION FOR LOW-INCOME HOUSING; AMENDING SECTIONS  
9 69-3-103, 69-3-701, AND 69-3-703, MCA."

10  
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 69-3-103, MCA, is amended to read:  
13 "69-3-103. General powers and rulemaking authority of  
14 commission. (1) In addition to the modes of procedure  
15 hereinafter prescribed in particular cases and classes of  
16 cases, said commission shall have power to prescribe rules  
17 of procedure and to do all things necessary and convenient  
18 in the exercise of the powers conferred by this chapter upon  
19 the commission; provided that nothing in this chapter shall  
20 be construed as vesting judicial powers on said commission  
21 or as denying to any person, firm, association, corporation,  
22 municipality, county, town, or village the right to test in  
23 a court of competent jurisdiction the legality or  
24 reasonableness of any fixed order made by the commission in  
25 the exercise of its duties or powers.

1 (2) The commission shall have the power to:  
2 (a) adopt reasonable and proper rules relative to all  
3 inspections, tests, audits, and investigations;  
4 (b) adopt and publish reasonable and proper rules to  
5 govern its proceedings; and  
6 (c) regulate the mode and manner of all investigations  
7 and hearings of public utilities and other parties before  
8 it.

9 (3) The commission may adopt reasonable rules  
10 establishing guidelines for its determination of the  
11 investments that a utility supplying natural gas or  
12 electricity shall make in cost-effective weatherization for  
13 low-income housing."

14 Section 2. Section 69-3-701, MCA, is amended to read:  
15 "69-3-701. Definitions. As used in this part, the  
16 following definitions apply:

17 (1) "Avoided costs" means the incremental costs, as  
18 determined by the commission, to an electric or natural gas  
19 utility of energy or capacity, or both, which, but for the  
20 purchase of conservation, the utility would generate or  
21 supply itself or purchase from another source.

22 (2) "Commission" means the Montana public service  
23 commission created in 2-15-2602.

24 (3) "Conservation" means any reduction in electric  
25 power or natural gas consumption as a result of investment



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1 in measures that increase the efficiency of electricity or  
 2 gas use in building shells, space heating or cooling  
 3 equipment, water heating equipment, or refrigeration  
 4 equipment or other cost-effective measures which, over its  
 5 economic life meet the criteria of 69-3-702.

6 (4) "Residential building" means a building used for  
 7 residential occupancy that:

8 (a) was fully constructed and habitable as of October  
 9 1, 1983;

10 (b) has a system for heating, cooling, or both, that  
 11 uses a fuel supplied by the utility; and

12 (c) contains at least one but not more than four  
 13 separately or centrally heated dwelling units or contains  
 14 more than four separately heated or cooled or both heated  
 15 and cooled units.

16 (5) "Total utility operating income" means utility  
 17 operating revenue less utility operating expenses plus other  
 18 utility operating income."

19 Section 3. Section 69-3-703, MCA, is amended to read:  
 20 "69-3-703. Utility investment in or purchase of  
 21 conservation -- approval by commission. (1) A utility may:

22 (a) purchase conservation from a person or private  
 23 firm; or

24 (b) directly engage in conservation investments.

25 (2) A utility supplying natural gas or electricity

1 shall invest up to 10% of its forecasted total utility  
 2 operating income for the next operating year, as determined  
 3 by the commission, in cost-effective weatherization for  
 4 low-income housing during that operating year. The  
 5 recipients of this assistance must be persons determined to  
 6 have low income according to 42 U.S.C. 6862, as that statute  
 7 reads on [the effective date of this act].

8 (3) The conservation purchases or investments provided  
 9 for in subsection subsections (1) and (2) are subject to  
 10 approval by the commission.

11 ~~(3)~~(4) Cost-effective conservation measures approved  
 12 by the commission may, at the customer's discretion, be  
 13 installed by either:

14 (a) a person or, a private firm, or a nonprofit  
 15 organization;

16 (b) the customer himself; or

17 (c) the utility."

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