

HOUSE BILL NO. 297

INTRODUCED BY A. HERTZ, J. WELBORN

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A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING AN INCUMBENT ELECTRIC UTILITY WITH A FIRST RIGHT TO CONSTRUCT, OWN, AND MAINTAIN CERTAIN ELECTRIC TRANSMISSION LINES APPROVED BY FEDERALLY REGISTERED PLANNING AUTHORITIES AND LOCATED IN CERTAIN AREAS; PROVIDING FILING REQUIREMENTS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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

NEW SECTION. **Section 1. Definitions.** As used in [sections 1 and 2], the following definitions apply:

(1) (a) "Electric transmission line" means a line used to convey electrical energy connected to transmission facilities ~~on or after January 1, 2017~~, that is energized at 115 kilovolts or more phase to phase.

(b) The term does not include an electric transmission line used solely to connect an energy generation facility to transmission facilities owned by an incumbent electric utility.

(2) "Federally registered planning authority" means a regional transmission organization responsible for moving electricity, planning for the movement of electricity, or both over large interstate areas registered with the federal energy regulatory commission.

(3) "Incumbent electric utility" means a public utility regulated by the public service commission pursuant to Title 69, chapter 3, or a utility qualifying as an electric cooperative pursuant to Title 35, chapter 18, or their successors or assignees, that owned, controlled, or operated transmission facilities on or before January 1, 2017.

(4) "Transmission facilities" means facilities that are used to provide transmission services and are owned, controlled, or operated by an incumbent electric utility.

NEW SECTION. **Section 2. Right of first refusal.** (1) (a) Except as provided in subsection (1)(b), an incumbent electric utility has the right to construct, own, and maintain an electric transmission line ON OR AFTER JANUARY 1, 2017:

- (i) located in an area included in the midwest reliability organization;
- (ii) approved for construction by a federally registered planning authority; and
- (iii) planned to interconnect with an incumbent electric utility's transmission facilities.



1 (b) An incumbent electric utility may waive its right to construct, own, and maintain an electric
2 transmission line by providing notice to the federally registered planning authority.

3 (2) If an incumbent electric utility intends to construct, own, and maintain an electric transmission line
4 in accordance with subsection (1)(a), the incumbent electric utility shall provide notice to the federally registered
5 planning authority of its intent within 120 days after the federally registered planning authority's approval of the
6 project.

7 (3) If an electric transmission line constructed, owned, and maintained in accordance with subsection
8 (1)(a) is connected between two separate incumbent electric utilities, the electric transmission line must be shared
9 equally between the incumbent utilities, unless the incumbent utilities agree to different terms and conditions.

10 (4) Nothing in this section may be construed to limit, alter, or modify the authority of the commission to
11 make findings relative to 69-3-109 and 69-3-201 as they relate to transmission facilities or to regulate utilities
12 subject to Title 69, chapter 3.

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

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

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