

# **Bad Clean Energy Bills (Week of February 12<sup>th</sup>)**

## **SB 32 – Weakening Montana’s Renewable Energy Standard**

This bill would prevent jobs and new clean energy in Montana by repealing the Community Renewable Energy Projects (CREPs) provision of the Renewable Energy Standard. These projects are 25 megawatts or less in size and have majority local ownership. MDU met its requirement years ago, but NorthWestern Energy is only partially compliant. Passage of this bill would mean losing jobs, tax revenue and clean energy that these projects would otherwise create. While some concern has been raised about the definition of local owners, the legislature should attempt to reform the program rather than repeal.

## **SB 7 - Discriminating Against Net Metering Customers**

This bill attempts to discriminate against net metering by saying only customers using net metering may not be cross-subsidized by other customers, despite the fact that many customers on the grid are currently subsidized by others. For example, customers in rural and remote areas require higher costs to provide service due to the extensive transmission and distribution lines that need to be built and maintained to provide service. Despite creating these higher costs, rural and remote customers pay the same rate as customers in densely populated urban areas who do not cost the grid as much to maintain.

## **SB 78 – Legislative rate making for net metering**

SB 78, by Sen. Keith Regier (R-Kalispell), directs the PSC to create a new rate class for net metering utility customers by July 1, 2018 and reduces the credit rate for net metering customers from the retail rate to an avoided cost rate. The Legislature is establishing avoided cost, which is a specific methodology of determining rates. This should be left to the PSC, who has the expertise to make such determinations. This bill makes investing in and installing distributed renewable energy technologies impractical and could harm distributed renewable energy businesses in Montana.

## **SB 102 - Artificially Limit Clean Energy Development**

SB 102, by Sen. Tom Richmond, (R-Billings), would place a 20-year maximum on contracts for wind and solar projects trying to utilize a federal law that encourages alternative energy production. Clean energy project developers, as well as the Montana Bankers Association, testified they would need 20-year minimum contracts in order to finance projects. Contracts greater than 20 years are standard in the energy industry. NorthWestern Energy requested and received a 25-year revenue guarantee when it built its Spion Kop wind farm in 2012. Independent power producers should get equal treatment.