

NATURAL GAS UTILITY REGULATION

LEGISLATOR NOTICE

The Legislative Services Division is required to offer a brief history on the subject matter of a bill draft request prior to drafting (5-4-105, MCA; [Chapter 309, Laws of 2017](#)). The history must include related legislation introduced over the last five sessions and hyperlinks to the bill, hearing information, and fiscal notes. The legislation links below open to the page showing the status and history of bills introduced on this topic in the past. The bill text and any related fiscal notes can be accessed through the link at the top of that page.

Legislation can be complex and this history is not intended to be exhaustive. Please contact the drafter of the requested bill for more information.

Background Materials and Research

Topic Summary: Three distribution utilities and two transmission pipeline systems handle more than 99 percent of the natural gas consumed in Montana. The distribution utilities are NWE, MDU, and Energy West, which uses NWE for gas transmission. NWE and the Williston Basin Interstate Pipeline (affiliated with MDU) provide transmission service for in-state consumers and, with a handful of other pipelines, export Montana natural gas. Distribution lines are typically smaller and serve local customers, whereas transmission lines are larger lines that carry gas from production areas to large consumers and the distribution networks of populated areas. NWE is the largest provider of natural gas in Montana, accounting for almost 60 percent of all regulated sales in the state according to annual reports from Montana utilities. NorthWestern Energy serves Montana natural gas customers in 105 communities, and provides gas storage and transmission to other parties. NWE provides natural gas transmission and distribution services to about 194,100 natural gas customers in the western two-thirds of Montana (including the Conoco and Cenex oil refineries in Billings). These customers include residences, commercial businesses, municipalities, state and local governments, and industry. NWE's gas transportation system, both long-distance pipeline transmission and local distribution, lies entirely within Montana.

Legislative Services Division Materials:

[Understanding Energy in Montana, 2018](#)

[HJ 28 Natural Gas Customer Choice Final Report, 2018](#)

Introduced Legislation

Include year, most recent first. Hyperlink to status page. *Chapter number assigned means bill was passed and approved. Most recent action. Cut and paste title. Example provided.

2017

[House Bill 189](#) – (H) Died in Committee -- AN ACT ELIMINATING AUTOMATIC UTILITY RATE ADJUSTMENT AND TRACKING FOR TAXES AND FEES; REQUIRING A UTILITY TO DISCLOSE TAXES AND FEES; AMENDING SECTIONS 69-3-302 AND 69-3-303, MCA; REPEALING SECTION 69-3-308, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

[House Bill 269](#) – (H) Died in Standing Committee -- A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING NATURAL GAS UTILITIES TO PROVIDE CUSTOMERS WITH A CHOICE OF NATURAL GAS SUPPLIERS; AMENDING SECTIONS 69-3-1401, 69-3-1403, 69-3-1404, 6 69-3-1406, AND 69-3-1414, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

[House Bill 365](#) – Chapter Number Assigned -- AN ACT GENERALLY REVISING LAWS REGARDING EXCAVATIONS NEAR UNDERGROUND FACILITIES; CREATING AN UNDERGROUND FACILITY PROTECTION ADVISORY COUNCIL; ALLOCATING THE COUNCIL TO THE DEPARTMENT OF LABOR AND INDUSTRY; ESTABLISHING THE COUNCIL'S DUTIES AND RESPONSIBILITIES; ESTABLISHING THE DEPARTMENT'S DUTIES AND RESPONSIBILITIES; GRANTING THE DEPARTMENT RULEMAKING AUTHORITY; REQUIRING THE DEPARTMENT TO AWARD GRANTS TO NOTIFICATION CENTERS; ESTABLISHING A GRANT PROGRAM; ALLOWING FOR THE COLLECTION OF FEES, FINES, AND CIVIL PENALTIES BY THE DEPARTMENT; PROVIDING DIRECTION ON THE COLLECTION OF FEES, FINES, AND CIVIL PENALTIES; ESTABLISHING CIVIL PENALTIES; ESTABLISHING DAMAGE LIABILITY REQUIREMENTS; PROVIDING FOR MEDIATION OF CIVIL PENALTIES; ALLOWING THE DEPARTMENT TO REVIEW CIVIL PENALTIES IN A CONTESTED CASE; ESTABLISHING AN ANNUAL FEE PAID BY UNDERGROUND FACILITY OWNERS; REQUIRING THE REPORTING OF INCIDENTS; ESTABLISHING SAFE EXCAVATION REQUIREMENTS PERTAINING TO UNDERGROUND FACILITIES; ESTABLISHING AN UNDERGROUND FACILITY PROTECTION ACCOUNT; PROVIDING A STATUTORY APPROPRIATION; AMENDING SECTIONS 17-7-502, 69-4-501, 69-4-502, 69-4-503, 69-4-504, 69-4-508, AND 69-4-512, MCA; REPEALING SECTIONS 69-4-505, 69-4-513, AND 69-4-514, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE.

[House Joint Resolution 28](#) – (H) Filed with Secretary of State -- A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY OF WHETHER UTILITIES IN MONTANA SHOULD BE REQUIRED TO ALLOW CUSTOMER CHOICE OF NATURAL GAS SUPPLIER.

[Senate Bill 374](#) – Chapter Number Assigned -- AN ACT REVISING ELECTRIC UTILITY LINE EXTENSION REQUIREMENTS; ALLOWING CERTAIN CUSTOMERS TO SEEK AN ALTERNATIVE COST ESTIMATE AND HAVE A CONTRACTOR CONSTRUCT AN EXTENSION WHEN APPROPRIATE; REQUIRING THAT A FEE BE PAID TO THE PUBLIC SERVICE COMMISSION BY CERTAIN CUSTOMERS; REQUIRING AN ELECTRIC UTILITY TO INSPECT THE CONSTRUCTION AND BE ONSITE FOR CONSTRUCTION; REQUIRING A SMALL CUSTOMER TO COVER EXTENSION COSTS IF AN ALTERNATIVE CONTRACTOR IS SELECTED;

LIMITING THE REFUND OF CERTAIN EXTENSION COSTS; REQUIRING THE PAYMENT OF THE STANDARD PREVAILING WAGE; REQUIRING A JOURNEYMAN LINEMAN OR PROFESSIONAL ENGINEER TO BE PART OF A PROJECT; REVISING DEFINITIONS; AMENDING SECTIONS 69-5-121 AND 69-5-122, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE.

2015

[House Bill 189](#) – (H) Missed Deadline for General Bill Transmittal -- AN ACT REVISING HOW UTILITIES ACCOUNT FOR CERTAIN COSTS; PROHIBITING A PUBLIC UTILITY FROM RECOVERING COSTS ASSOCIATED WITH AN OUTAGE AT AN ELECTRICITY GENERATION FACILITY BY USING AN ELECTRICITY COST RECOVERY MECHANISM; ALLOWING A UTILITY TO ACCOUNT FOR CERTAIN COSTS IN A GENERAL RATE CASE; AMENDING SECTION 69-8-210, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

[House Bill 190](#) – (H) Missed Deadline for General Bill Transmittal -- AN ACT ELIMINATING AUTOMATIC UTILITY RATE ADJUSTMENT AND TRACKING FOR TAXES AND FEES; ALLOWING A UTILITY TO DISCLOSE TAXES AND FEES; AMENDING SECTIONS 69-3-302 AND 69-3-303, MCA; REPEALING SECTION 69-3-308, MCA; AND PROVIDING A RETROACTIVE APPLICABILITY DATE.

[House Bill 484](#) – (H) Missed Deadline for General Bill Transmittal -- AN ACT REVISING LAWS RELATED TO UTILITY SERVICE BILLING; REQUIRING THE ASSIGNMENT OF UTILITY SERVICE BILLING AND THE DISCLOSURE OF CERTAIN BILLING INFORMATION TO CERTAIN PROPERTY OWNERS; REQUIRING COUNTIES, CONSOLIDATED CITIES AND COUNTIES, AND DISTRICTS THAT PROVIDE WATER OR SEWER SERVICE TO ASSIGN UTILITY SERVICE BILLING AND PROVIDE CERTAIN BILLING INFORMATION TO CERTAIN PROPERTY OWNERS; ALLOWING PROPERTY OWNERS TO PAY CERTAIN DELINQUENT UTILITY SERVICE BILLS AND COLLECT THAT AMOUNT FROM TENANTS; REQUIRING MUNICIPAL UTILITIES THAT PROVIDE WATER AND SEWER SERVICE TO ASSIGN UTILITY SERVICE BILLING AND PROVIDE CERTAIN BILLING INFORMATION TO CERTAIN PROPERTY OWNERS; REQUIRING RURAL ELECTRIC COOPERATIVES TO PROVIDE CERTAIN COOPERATIVE BILLING AND PAYMENT INFORMATION TO PROPERTY OWNERS; REQUIRING PUBLIC UTILITIES TO PROVIDE CERTAIN BILLING AND PAYMENT INFORMATION TO PROPERTY OWNERS; AMENDING SECTION 69-3-222, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE.

[House Bill 638](#) – (H) Missed Deadline for Referendum Proposal Transmittal -- AN ACT CREATING UNIFORM COST RECOVERY METHODS FOR OUTAGES FOR UTILITY COMPANIES DOING BUSINESS IN MONTANA; PROVIDING THAT THE PROPOSED ACT BE SUBMITTED TO THE QUALIFIED ELECTORS OF MONTANA; AMENDING SECTION 69-8-210, MCA; AND PROVIDING AN EFFECTIVE DATE.

[Senate Bill 10](#) – Chapter Number Assigned -- AN ACT EXEMPTING CERTAIN NATURAL GAS UTILITIES FROM THE REQUIREMENTS OF A UNIVERSAL SYSTEM BENEFITS PROGRAM; AMENDING SECTION 69-3-1408, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE.

2011

[House Bill 291](#) – Chapter Number Assigned -- AN ACT PROVIDING A REFUND TO CERTAIN CUSTOMERS WHO PAY FOR THE EXTENSION OF A UTILITY LINE TO A RESIDENTIAL STRUCTURE IF ADDITIONAL CUSTOMERS CONNECT TO THE EXTENSION; REQUIRING EACH ADDITIONAL CUSTOMER TO

ADVANCE TO THE ELECTRIC UTILITY AN EQUAL PROPORTIONATE SHARE OF THE TOTAL AMOUNT PAID FOR THE EXTENSION; REQUIRING A REFUND OF THE ADVANCE ON A PRO RATA BASIS; PROHIBITING A SMALL CUSTOMER FROM RECEIVING A REFUND GREATER THAN THE CUSTOMER'S PROPORTIONATE SHARE OF THE COSTS; LIMITING THE REFUND TO A CERTAIN PERIOD OF TIME; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE.

[House Bill 503](#) – (H) Died in Standing Committee -- AN ACT GENERALLY REVISING LAWS REGARDING EXCAVATIONS NEAR UNDERGROUND FACILITIES; CREATING AN UNDERGROUND UTILITY SAFETY BOARD; ALLOCATING THE BOARD TO THE DEPARTMENT OF LABOR AND INDUSTRY; ESTABLISHING THE BOARD'S DUTIES AND RESPONSIBILITIES; REQUIRING BOARD REVIEW OF DISPUTED CLAIMS; REQUIRING NOTIFICATION CENTERS TO PROVIDE REPORTS; GRANTING THE BOARD RULEMAKING AUTHORITY; ALLOWING FOR THE COLLECTION OF A FEE; ESTABLISHING FINES; AMENDING SECTIONS 17-7-502, 69-4-501, 69-4-502, 69-4-503, 69-4-504, 69-4-505, 69-4-512, AND 69-4-514, MCA; REPEALING SECTIONS 69-4-508 AND 69-4-513, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

[Senate Bill 205](#) – Chapter Number Assigned -- AN ACT PROHIBITING A UTILITY FROM PROVIDING ELECTRICITY SUPPLY SERVICE IN ANOTHER UTILITY'S SERVICE TERRITORY; AMENDING SECTIONS 69-5-102 AND 69-8-411, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

2009

[House Bill 294](#) – Chapter Number Assigned -- AN ACT ALLOWING A NATURAL GAS UTILITY THAT HAS RESTRUCTURED TO ACQUIRE NATURAL GAS PRODUCTION AND GATHERING RESOURCES AND INCLUDE THEM IN THE RATE BASE; ESTABLISHING PROCEDURES FOR THE ACQUISITION AND INCLUSION OF THE RESOURCES IN THE RATE BASE; AMENDING SECTIONS 69-3-1402 AND 69-3-1404, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE.

[House Bill 597](#) – (H) Died in Standing Committee -- AN ACT REQUIRING A PUBLIC UTILITY TO MAINTAIN A TRADITIONAL AND A NONTRADITIONAL ELECTRIC PORTFOLIO; ALLOWING CUSTOMERS TO CHOOSE TO PURCHASE ELECTRICITY SUPPLY FROM A PORTFOLIO; REQUIRING A UTILITY TO SUPPLY A CUSTOMER WITH POWER FROM A SELECTED PORTFOLIO AT RATES ASSOCIATED WITH THAT PORTFOLIO; EXTENDING PUBLIC SERVICE COMMISSION RULEMAKING AUTHORITY; AMENDING SECTIONS 69-3-1204, 69-8-419, 9 69-8-420, AND 69-8-421, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

[Senate Bill 376](#) – Chapter Number Assigned -- AN ACT EXEMPTING UTILITIES' AFFILIATES FROM A CUSTOMER FISCAL IMPACT ANALYSIS; AND AMENDING SECTION 69-2-217, MCA.