



ADMINISTRATIVE RULES OF MONTANA



38.5.1903 OBLIGATIONS OF UTILITIES TO QUALIFYING FACILITIES

- (1) Each utility shall purchase any energy and capacity made available by a qualifying facility, except that a utility is not obligated to make purchases from an interconnected qualifying facility:
 - (a) during system emergencies as allowed in 18 CFR 292.307;
 - (b) as agreed upon in the contract between the utility and the qualifying facility; or
 - (c) as allowed in 18 CFR 292.304(f), but only if the qualifying facility is selling its output on an as-available basis.
- (2) Except as provided in this rule, each utility shall purchase any energy and capacity made available by a qualifying facility at the rate established under ARM 38.5.1905.
- (3) Each utility shall sell to any qualifying facility all electricity requested by the facility.
- (4) Each utility shall make such interconnections with a qualifying facility in accordance with the provisions of ARM 38.5.1904.
- (5) Each electric utility shall offer to operate in parallel with a qualifying facility provided that the qualifying facility complies with any applicable standards established by the Commission, as required by 18 CFR 292.303(e).
- (6) Consistent with 18 CFR 292.303(d), any utility which is otherwise obligated to purchase energy or capacity from a qualifying facility may, if the affected qualifying facility agrees, transmit energy or capacity purchased from the facility to any other electric utility. Any electric utility subject to the commission's jurisdiction that receives this energy or capacity shall be subject to the pricing provisions contained in these rules. The rate for purchase by the electric utility to which such energy is transmitted shall be adjusted up or down to reflect line losses and shall not include any charges for transmission.
- (7) Each utility shall, if required by the Commission, include installation and performance incentive provisions in any contract with a qualifying facility. Such provisions shall offer a maximum dollar amount per kw per month for any month in which the facility's energy output meets or exceeds specified levels of performance.
- (8) Each utility shall, upon initial contact with a potential qualifying facility, provide the potential qualifying facility with one (1) copy of:
 - (a) these rules;
 - (b) if it appears the qualifying facility is eligible for the utility's Commission-approved standard rate tariff, a copy of that tariff and any applicable Commission-approved power purchase agreement;

- (c) if the utility's Commission-approved standard rate tariff is not provided under (8)(b):
 - (i) a list of all information required to provide an initial calculation of avoided costs pursuant to ARM 38.5.1910; and
 - (ii) upon the request of the qualifying facility and the receipt of all required information, an initial calculation of avoided costs pursuant to ARM 38.5.1910;
- (d) the Commission's standard complaint procedure; and
- (e) the utility's Commission-approved standard power purchase agreement, as applicable.

Authorizing statute(s): 69-3-103, MCA

Implementing statute(s): 69-3-102, MCA

History: NEW, 1981 MAR p. 459, Eff. 5/15/81; AMD, 2022 MAR p. 1919, Eff. 9/24/22.