

June 2, 2025

Montana Public Service Commission  
1701 Prospect Avenue  
Helena, MT 59601

Re: Implementation Considerations for SB 188

Dear Commissioners,

On behalf of the Coalition for Community Solar Access (CCSA) and our members active in Montana and across the country, we respectfully submit this letter regarding anticipated implementation work should SB 188 be signed into law.

First, we commend the Legislature and the Commission for their focus on expanding access to affordable, locally generated energy for Montana families and businesses. Solar Shares offers a voluntary, market-driven opportunity for ratepayers to lower energy costs while strengthening the local economy—and we are eager to see Montana join the growing list of states enabling this important model.


Second, as the Commission considers the framework for setting a fair and sustainable billing credit for Solar Shares subscribers, based on conversations with the Governor's staff, we agree to support the following principles:

**1. Bill credit should reflect grid value alone.**

While the economic and environmental benefits of distributed energy projects like solar shares are meaningful and well-documented, we have agreed to forgo advocating for "societal benefits", such as a future cost of carbon, being incorporated into rate structures. Instead, we will support the Montana Commission to anchor bill credits on grid-based avoided costs and benefits only.

**2. Ensure the utilities are compensated for the portion of the rate attributable to distribution service charges.**

It is not the industry's intention to advocate for a full retail rate for the Montana Solar Shares program. We recognize the important role utilities play in delivering



energy to end users and fully intend to support a rate structure that appropriately compensates them for use of the local distribution system.

**3. Affirm that interconnection costs remain the developer's responsibility.**

Existing Montana interconnection rules already require all interconnecting customers to pay the actual costs of all administrative fees, studies, and necessary system upgrades.

Both NorthWestern Energy and Montana-Dakota Utilities have Commission-approved tariffs that place full financial responsibility for interconnection impacts on developers—not ratepayers. This is standard practice nationwide whereby interconnecting generators pay the costs to upgrade the distribution grid to interconnect new resources, and we are committed to maintaining it here in Montana. This is also consistent with the requirements outlined in Section 5 of SB 188.

**4. Establish a 100 MW target cap over three years.**

To ensure managed growth and stable market conditions, we support the establishment of a 100 MW statewide target cap over an initial three-year period. This measured approach balances the expansion of community solar with the need for regulatory oversight and grid reliability. It allows the Commission, utilities, and stakeholders to monitor program performance, evaluate cost-effectiveness, determine grid impact, and assess customer participation before scaling further. This target cap would provide a structured framework to grow community solar responsibly while maintaining system integrity.

The community solar industry stands ready to work collaboratively with the Commission, utilities, and other stakeholders to ensure SB 188 is implemented in a way that is financially sustainable, administratively efficient, and beneficial to all Montana ratepayers.

Sincerely,



Jeff Cramer

*CEO and President*

**Coalition for Community Solar Access**