**** BILL NO. ****

INTRODUCED BY ****

BY REQUEST OF THE ****

A BILL FOR AN ACT ENTITLED: “AN ACT GENERALLY REVISING LAWS RELATED TO GEOTHERMAL RESOURCES; ESTABLISHING GEOTHERMAL WELL DISTINCTION; PRESERVING PROPERTY AND WATER RIGHTS; GRANTING PERMITTING AUTHORITY; PROVIDING DEFINITIONS; AMENDING SECTIONS 70-9-802, 75-20-102, AND 75-20-104, MCA; REPEALING SECTION 75-20-1001, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.”

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

NEW SECTION. **Section 1. Short title.** [Sections 1 through 8] may be cited as the "Montana Geothermal Resource Development Act".

NEW SECTION. **Section 2. Purpose.** The purpose of [sections 1 through 8] is to:

(1) foster, encourage, and promote the discovery, development, production, use, and disposal of geothermal resources for the purposes of electricity production in such manner as will prevent waste, protect correlative rights, and safeguard the natural environment; and the public welfare; and

(2) authorize, encourage, and provide for the development and operation of geothermal resource properties for the purpose of electricity production in such manner that the maximum ultimate economic recovery of geothermal resources may be obtained through, among other things, agreements for cooperative development, production, injection, and pressure maintenance operations.

NEW SECTION. **Section 3. Definitions.** As used in [sections 1 through 8], unless the context clearly indicates otherwise, the following definitions apply:

(1) "Department" means the department of environmental quality.

(2) "Geothermal development area" means the area identified in a permit issued in accordance

with [section 6] that includes the geothermal well field, associated injection and production wells, and other lands approved by the department for geothermal operations.

(3) "Geothermal development" means any of the operations or facilities necessary for the exploration and production of geothermal resources.

(4) "Geothermal fluid" means all minerals in solution or other products obtained from naturally heated fluids, brines, associated gases, and steam, in whatever form, found below the surface of the earth, but excluding oil, hydrocarbon gas or other hydrocarbon substances.

(5) "Geothermal resources" means the natural heat energy of the earth, including the energy, in whatever form, which may be found in any position and at any depth below the surface of the earth, either present in, resulting from, created by, or which may be extracted from such natural heat and all minerals in solution or other products obtained from the material medium of any geothermal resource.

(6) "Geothermal well" means a well that is used for the purpose of exploration, use of a geothermal resource, or reinjection of a geothermal fluid.

(7) " Geothermal well operator" means a person drilling, maintaining, operating, producing, or in control of a geothermal well.

(8) "Geothermal well owner" means a person who has the right to drill into, produce, and make use of a geothermal resource.

NEW SECTION. **Section 4. Geothermal well distinction -- no conflict with board of land commissioners' authority.** (1)(a) A geothermal well used solely for the reinjection of geothermal fluids produced from the same geothermal reservoir shall be regulated as a geothermal well pursuant to [section 6].

(b) Nothing in [sections 1 through 8] transfers, assumes, or claims primary enforcement authority under section 1422 of the federal Safe Drinking Water Act, 42 U.S.C. 300h-1, or 40 CFR Part 145, for Class V injection wells associated with geothermal development. The department shall coordinate with the federal environmental protection agency, or any successor agency administering the federal underground injection control program, under the coordination framework authorized in [section 8] to avoid duplicative permitting, share technical information, and ensure that state and federal reviews of geothermal injection wells are aligned.

(2) No provision of this chapter may be construed to conflict with Title 77, chapter 4, part 1 granting

the board of land commissioners the authority to enter into pooling and unitization agreements for the development and production of geothermal resources, provided that state lands are subject to the provisions of this chapter concerning spacing and statutory pooling and unitization in the absence of voluntary pooling and unitization agreements.

NEW SECTION. **Section 5. Preservation of property rights -- water rights.** (1) The issuance of a permit for a geothermal development in accordance with [sections 1 through 8] does not prevent a mineral owner or mineral lessee from drilling through or near a geothermal development to explore for and develop minerals, provided that the drilling, production, and related activities comply with requirements that preserve the geothermal development's integrity and implement [sections 1 through 8].

(2) [Sections 1 through 8] may not be construed to:

(a) change or alter common law in accordance with 1-1-108 as it relates to the rights belonging to or the dominance of the mineral estate;

(b) apply within the exterior boundaries of any federally recognized Indian reservation within the state of Montana unless the governing body of the tribe adopts a geothermal development law and enters into a cooperative agreement with the state; or

(c) affect water rights acquired or adjudicated under Title 85, chapter 2.

(3) If the ownership of the geothermal resource cannot be determined from the deeds or severance documents related to the property by reviewing statutory or common law, it is presumed that the surface owner owns the geothermal resource.

(4) All water used for a geothermal development is subject to appropriation and regulation under Title 85, chapter 2 and must protect existing water rights.

NEW SECTION. **Section 6. Powers, duties, and function -- rulemaking-- fees.** (1) The department shall be the exclusive authority for the issuance of permits for geothermal developments and wells. This subjection does not confer upon the department authority under the federal Safe Drinking Water Act to permit Class V underground injection wells.

(2) The department has the powers, duties, and functions to establish fees, and adopt rules for the

permitting of a geothermal development and geothermal wells as defined in [section 3] to ensure the development complies with:

(a) necessary air and water quality permits under Title 75, chapters 2 and 5;

(b) procedural reviews in accordance with the Montana Environmental Policy Act provided for in Title 7, chapter 1;

(c) any applicable federal underground injection permit issued by the United States Environmental Protection Agency, or successor agency, for a Class V geothermal injection well; and

(d) requirements for public notice.

(3) The department may issue, suspend, modify, or deny permits to drill and operate a geothermal development or well consistent with rules made by it..

(4) The department shall adopt rules for the drilling, design, construction, exploration, testing, prohibited activity, and operation of geothermal developments and wells. The department may not adopt rules that impose permitting requirements duplicative of valid federal Class V underground injection control permits issued for the same well.

(5) (a) The department may establish a fee schedule to defray the expenses incurred for processing an application from a geothermal well owner or geothermal well operator seeking approval of a new or expanded enhanced recovery project, as defined in 15-36-303.

(b) The fee must be paid by the geothermal well owner or geothermal well operator seeking approval of the project.

(c) The department shall, by rule, determine the amount of the fee based on complexity of processing the application.

(d) Each operator of a geothermal well may be required to pay an annual operating fee per geothermal well. The department may establish the fee in rule.

NEW SECTION. **Section 7. Enforcement and judicial review.** (1)(a) A person who violates a provision of [sections 1 through 7], a rule adopted under [sections 1 through 7], or an order or permit issued under [sections 1 through 7] is subject to a civil penalty not to exceed $10,000 for each violation. Each day of a continuing violation constitutes a separate violation.

(b) In determining the amount of a civil penalty under this section, the department shall consider the penalty factors provided in 75-1-1001.

(c) A civil penalty under this section is recoverable in an action brought by the department in the district court for the county in which the violation occurred.

(d) The department may also seek to enjoin an actual or threatened violation of [sections 1 through 7], a rule adopted under [sections 1 through 7], or an order or permit issued under [sections 1 through 7] without the necessity of showing that an adequate remedy at law does not exist.

(2) (a) A challenge to a permit granted under [sections 1 through 7] may only be brought against a final decision document and may only be brought in district court or in federal court, whichever is appropriate. A challenge may only be brought by a person who has exhausted all administrative remedies available within the department and who is aggrieved by a final written decision.

(b) An action or proceeding challenging a final decision document, alleging failure to comply with or inadequate compliance with a requirement under [sections 1 through 7], must be brought within 60 days of the final decision that is the subject of the challenge. The court shall confine its review to the administrative record. The court shall affirm the department's decision unless the court specifically finds that the department's decision was arbitrary and capricious.

NEW SECTION. **Section 8. Coordination with the United States environmental protection agency -- geothermal Class V injection wells.** (1) The department may enter into, and periodically renew or amend, a written coordination agreement, memorandum of agreement, or memorandum of understanding with the United States Environmental Protection Agency, or a successor federal agency administering the federal underground injection control program, regarding Class V injection wells associated with geothermal development in Montana. Nothing in this section requires the department to enter into, maintain, or renew such an agreement.

(2) An agreement entered into under subsection (1):

(a) does not, by itself, constitute an application for, or the assumption of, primary enforcement authority under section 1422 of the federal Safe Drinking Water Act, 42 U.S.C. 300h-1, or 40 CFR Part 145; and

(b) does not authorize the department to issue a state permit that duplicates a valid federal underground injection control permit issued for the same well.

(3) An agreement entered into under this section is not a rule as defined in 2-4-102, but the department shall provide notice of a proposed agreement, and of any material amendment or renewal, on the department's website for a period of not less than 30 days before execution and shall consider public comments received during that period.

(4) The department may adopt rules necessary to implement this section, including rules establishing the department's internal procedures for participating in coordinated federal review of Class V geothermal injection well applications, and for the setting of reasonable fees, if any, to defray the department's costs of participating in coordinated review of Class V geothermal injection well applications.

(5) Unless and until the department obtains primary enforcement authority for Class V geothermal injection wells under section 1422 of the federal Safe Drinking Water Act, 42 U.S.C. 300h-1, and 40 CFR Part 145:

(a) the underground injection of geothermal fluid through a Class V injection well associated with geothermal development is not subject to any state permit, standard, or other requirement otherwise applicable under Title 75, chapter 5, or any rule adopted under that chapter. Jurisdiction over the underground injection of geothermal fluid through a Class V injection well associated with geothermal development rests exclusively with the United States environmental protection agency, or a successor federal agency administering the federal underground injection control program, and is not subject to concurrent or independent state jurisdiction;

(b) jurisdiction over the underground injection of geothermal fluid through a Class V injection well associated with geothermal development rests exclusively with the United States environmental protection agency, or a successor federal agency administering the federal underground injection control program, and is not subject to concurrent or independent state jurisdiction; and

(c) Nothing in this subsection (5) limits the department's authority over any other aspect of a geothermal development or geothermal well not directly regulated as a Class V injection activity under the federal underground injection control program, including but not limited to surface discharges, air quality, and permit authorized under [sections 1 through 7].

Section 9. Section 70-9-802, MCA, is amended to read:

"**70-9-802. Definitions.** In this part, unless the context requires otherwise, the following definitions apply:

(1) "Administrator" means the department of revenue provided for in 2-15-1301.

(2) "Apparent owner" means a person whose name appears on the records of a holder as the person entitled to property held, issued, or owing by the holder.

(3) "Business association" means a corporation, joint-stock company, investment company, partnership, unincorporated association, joint venture, limited liability company, business trust, trust company, land bank, safe deposit company, financial organization, insurance company, mutual fund, utility, or other business entity consisting of one or more persons, whether or not for profit.

(4) "Domicile" means the state of incorporation of a corporation and the state of the principal place of business of a holder other than a corporation.

(5) "Financial organization" means a savings and loan association, bank, banking organization, or credit union.

(6) "Gift certificate" has the meaning provided in 30-14-102.

(7) "Holder" means a person obligated to hold for the account of, or deliver or pay to, the owner property that is subject to this part.

(8) "Insurance company" means an association, corporation, or fraternal or mutual benefit organization, whether or not for profit, engaged in the business of providing life endowments, annuities, or insurance, including accident, burial, casualty, credit life, contract performance, dental, disability, fidelity, fire, health, hospitalization, illness, life, malpractice, marine, mortgage, surety, wage protection, and workers' compensation insurance.

(9) "Mineral" means gas; oil; coal; other gaseous, liquid, and solid hydrocarbons; oil shale; cement material; sand and gravel; road material; building stone; chemical raw material; gemstone; fissionable and nonfissionable ores; colloidal and other clay; ~~steam and other geothermal resource~~; or any other substance defined as a mineral by the law of this state.

(10) "Mineral proceeds" means amounts payable for the extraction, production, or sale of minerals

or, upon the abandonment of those payments, all payments that become payable after abandonment. The term includes amounts payable:

(a) for the acquisition and retention of a mineral lease, including bonuses, royalties, compensatory royalties, shut-in royalties, minimum royalties, and delay rentals;

(b) for the extraction, production, or sale of minerals, including net revenue interests, royalties, overriding royalties, extraction payments, and production payments; and

(c) under an agreement or option, including a joint operating agreement, unit agreement, pooling agreement, and farmout agreement.

(11) (a) "Money order" includes an express money order and a personal money order, on which the remitter is the purchaser.

(b) The term does not include a bank money order or any other instrument sold by a financial organization if the seller has obtained the name and address of the payee.

(12) "Owner" means a person who has a legal or equitable interest in property subject to this part or the person's legal representative. The term includes a depositor in the case of a deposit, a beneficiary in the case of a trust other than a deposit in trust, and a creditor, claimant, or payee in the case of other property.

(13) "Payroll card" means a record that evidences a payroll card account as defined in Regulation E, 12 CFR, part 1005, as of April 19, 2023.

(14) "Person" means an individual, business association, financial organization, estate, trust, government, governmental subdivision, agency, or instrumentality or any other legal or commercial entity.

(15) "Personal information" means:

(a) information that identifies or reasonably can be used to identify an individual, such as a first and last name in combination with the individual's:

(i) social security number or other government-issued number or identifier;

(ii) date of birth;

(iii) home or physical address;

(iv) electronic mail address or other online contact information or internet provider address;

(v) financial account number or credit or debit card number;

(vi) biometric data, health or medical data, or insurance information; or

(vii) passwords or other credentials that permit access to an online account or other account; and

(b) personally identifiable financial or insurance information, including nonpublic personal information defined by applicable federal law.

(16) (a) "Property" means tangible property described in 70-9-804 or a fixed and certain interest in intangible property that is held, issued, or owed in the course of a holder's business or, except as provided in subsection (16)(b), by a government, governmental subdivision, agency, or instrumentality and all income or increments from the property. The term includes property that is referred to as or evidenced by:

(i) money, virtual currency, check, draft, deposit, interest, dividend, or payroll card;

(ii) credit balance, customer's overpayment, gift certificate, security deposit, refund, credit memorandum, unpaid wage, unused ticket, mineral proceeds, or unidentified remittance;

(iii) stock or other evidence of ownership of an interest in a business association or financial organization;

(iv) bond, debenture, note, or other evidence of indebtedness;

(v) money deposited to redeem stocks, bonds, coupons, or other securities or to make distributions;

(vi) an amount due and payable under the terms of an annuity or insurance policy, including policies providing life insurance, property and casualty insurance, workers' compensation insurance, or health and disability insurance; and

(vii) an amount distributable from a trust or custodial fund that is established under a plan to provide health, welfare, pension, vacation, severance, retirement, death, stock purchase, profit sharing, employee savings, supplemental unemployment insurance, or similar benefits.

(b) The term does not include:

(i) property that is held, issued, or owed by a local government entity, as defined in 2-7-501;

(ii) property held in state and local government sponsored retirement plans governed by Title 19;

(iii) property held in a plan as described in section 529A of the Internal Revenue Code, 26 U.S.C. 529A, as amended.

(17) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and that is retrievable in perceivable form.

(18) "Security" means:

(a) a security as defined in 30-8-112;

(b) a security entitlement as defined in 30-8-112, including a customer security account held by a registered broker-dealer, to the extent the financial assets held in the security account are not:

(i) registered on the books of the issuer in the name of the person for which the broker-dealer holds the assets;

(ii) payable to the order of the person; or

(iii) specifically indorsed to the person; or

(c) an equity interest in a business association not included in subsection (18)(a) or (18)(b).

(19) "State" means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or insular possession that is subject to the jurisdiction of the United States.

(20) "Utility" means a person who owns or operates for public use any plant, equipment, real property, franchise, or license for the transmission of communications or the production, storage, transmission, sale, delivery, or furnishing of electricity, water, steam, or gas.

(21) (a) "Virtual currency" means a digital representation of value used as a medium of exchange, unit of account, or store of value that does not have legal tender status recognized by the United States.

(b) The term does not include:

(i) the software or protocols governing the transfer of the digital representation of value;

(ii) game-related digital content; or

(iii) a loyalty card.

(22) "Worthless security" means a security whose cost of liquidation and delivery to the administrator would exceed the value of the security on the date a report is due under this part."

Section 10. Section 75-20-102, MCA, is amended to read:

"**75-20-102. Policy and legislative findings.** (1) The legislature, mindful of its constitutional obligations under Article II, section 3, and Article IX of the Montana constitution, has enacted the Montana Major Facility Siting Act. It is the legislature's intent that the requirements of this chapter provide adequate remedies for the protection of the environmental life support system from degradation and provide adequate

remedies to prevent unreasonable depletion and degradation of natural resources.

(2) It is the constitutionally declared policy of this state to maintain and improve a clean and healthful environment for present and future generations, to protect the environmental life-support system from degradation and prevent unreasonable depletion and degradation of natural resources, and to provide for administration and enforcement to attain these objectives.

(3) It is also constitutionally declared in the state of Montana that the inalienable rights of the citizens of this state include the right to pursue life's basic necessities, to enjoy and defend life and liberty, to acquire, possess, and protect property, and to seek safety, health, and happiness in all lawful ways. The balancing of these constitutional rights is necessary in order to maintain a sustainable quality of life for all Montanans.

(4) The legislature finds that the construction of additional electric transmission facilities, or pipeline facilities, ~~or geothermal facilities~~ may be necessary to meet the increasing need for electricity, energy, and other products. Therefore, it is necessary to ensure that the location, construction, and operation of electric transmission facilities, or pipeline facilities~~, or geothermal facilities~~ are in compliance with state law and that an electric transmission facility, or pipeline facility, ~~or geothermal facility~~ may not be constructed or operated within this state without a certificate of compliance acquired pursuant to this chapter.

(5) The legislature finds that increasing the capacity of existing transmission lines by replacing less efficient aging low-voltage transmission lines with higher-voltage lines, installing new conductors to lower impedance, and adding circuits to existing transmission lines within existing linear corridors reduces energy loss, conserves energy, and prevents unreasonable depletion and degradation of natural resources. Therefore, transmission upgrades within existing corridors serve the public interest, convenience, and necessity and transmission providers are encouraged to construct those transmission upgrades.

(6) The legislature also finds that it is the purpose of this chapter to:

(a) ensure protection of the state's environmental resources, including but not limited to air, water, animals, plants, and soils;

(b) ensure consideration of socioeconomic impacts;

(c) provide citizens with the opportunity to participate in facility siting decisions; and

(d) establish a coordinated and efficient method for the processing of all authorizations required for

regulated facilities under this chapter."

Section 11. Section 75-20-104, MCA, is amended to read:

"**75-20-104. Definitions.** In this chapter, unless the context requires otherwise, the following definitions apply:

(1) "Addition thereto" means the installation of new machinery and equipment that would significantly change the conditions under which the facility is operated.

(2) "Application" means an application for a certificate submitted in accordance with this chapter and the rules adopted under this chapter.

(3) (a) "Associated facilities" includes but is not limited to transportation links of any kind, aqueducts, diversion dams, pipelines, storage ponds, reservoirs, and any other device or equipment associated with the delivery of the energy form or product produced by a facility.

(b) The term does not include a transmission substation, a switchyard, voltage support, or other control equipment or a facility or a natural gas or crude oil gathering line 25 inches or less in inside diameter.

(4) "Board" means the board of environmental review provided for in 2-15-3502.

(5) "Certificate" means the certificate of compliance issued by the department under this chapter that is required for the construction or operation of a facility.

(6) "Commence to construct" means:

(a) any clearing of land, excavation, construction, or other action that would affect the environment of the site or route of a facility but does not mean changes needed for temporary use of sites or routes for nonutility purposes or uses in securing geological data, including necessary borings to ascertain foundation conditions;

(b) the fracturing of underground formations by any means if the activity is related to the possible future development of a gasification facility ~~or a facility employing geothermal resources~~ but does not include the gathering of geological data by boring of test holes or other underground exploration, investigation, or experimentation;

(c) the commencement of eminent domain proceedings under Title 70, chapter 30, for land or rights-of-way upon or over which a facility may be constructed;

(d) the relocation or upgrading of an existing facility defined by subsection (10)(a) or (10)(b), including upgrading to a design capacity covered by subsection (10)(a), except that the term does not include normal maintenance or repair of an existing facility.

(7) (a) "Commencement of acquisition of right-of-way" means the actual, defined legal transfer of property.

(b) The term does not mean preliminary discussions, option agreements that are not within 60 days of commencement of acquisition, letters of intent, or other documents that do not conclusively result in the legal transfer of property.

(8) "Department" means the department of environmental quality provided for in 2-15-3501.

(9) (a) "Electrical generation facility" means any combination of a physically connected generator or generators, associated prime movers, and other associated property, including appurtenant land and improvements and personal property, that are normally operated together to produce 20 average megawatts or more of electric power. The term is limited to generating facilities that produce electricity from coal-fired steam turbines, oil or gas turbines, or turbine generators driven by falling water.

(b) The term does not include:

(i) electrical generation facilities used for noncommercial purposes or exclusively for agricultural purposes; or

(ii) a qualifying small power production facility, as defined in 16 U.S.C. 796(17), that is owned and operated by a person not primarily engaged in the generation or sale of electricity other than electric power from a small power production facility that is classified under 15-6-134 and 15-6-138.

(10) "Facility" means:

(a) each electric transmission line and associated facilities of a design capacity of more than 69 kilovolts, except that the term:

(i) does not include an electric transmission line and associated facilities of a design capacity of 230 kilovolts or less and 10 miles or less in length;

(ii) does not include an electric transmission line with a design capacity of more than 69 kilovolts for which the person planning to construct the line has obtained right-of-way agreements or options for a right-of-way from more than 75% of the owners who collectively own more than 75% of the property along the

centerline;

(iii) does not include electric transmission lines that are collectively less than 150 miles in length and are required under state or federal regulations and laws, with respect to reliability of service, for an electrical generation facility, for a wind generation facility, biomass generation facility, or energy storage facility, as defined in 15-6-157, or for a green hydrogen facility or green hydrogen storage system, as defined in 15-6-163, to interconnect to a regional transmission grid or secure firm transmission service to use the grid for which the person planning to construct the line or lines has obtained right-of-way agreements or options for a right-of-way from more than 75% of the owners who collectively own more than 75% of the property along the centerline or centerlines;

(iv) does not include an upgrade to an existing transmission line of a design capacity of 50 kilovolts or more to increase that line's capacity, including construction outside the existing easement or right-of-way. Except for a newly acquired easement or right-of-way necessary to comply with electromagnetic field standards, a newly acquired easement or right-of-way outside the existing easement or right-of-way as described in this subsection (10)(a)(iv) may not exceed a total of 10 miles in length or be more than 10% of the existing transmission right-of-way, whichever is greater, and the purpose of the easement must be to avoid sensitive areas or inhabited areas or conform to state or federal safety, reliability, and operational standards designed to safeguard the transmission network and protect electrical workers and the public.

(v) does not include a transmission substation, a switchyard, voltage support, or other control equipment;

(vi) does not include an energy storage facility, as defined in 15-6-157;

(vii) does not include a green hydrogen facility or green hydrogen storage system, as defined in 15-6-163;

(b) (i) each pipeline, whether partially or wholly within the state, greater than 25 inches in inside diameter and 50 miles in length, and associated facilities, except that the term does not include:

(A) a pipeline within the boundaries of the state that is used exclusively for the irrigation of agricultural crops or for drinking water;

(B) a pipeline greater than 25 inches in inside diameter and 50 miles in length for which the person planning to construct the pipeline has obtained right-of-way agreements or options for a right-of-way from more

than 75% of the owners who collectively own more than 75% of the property along the centerline; or

(C) a green hydrogen pipeline, as defined in 15-6-163;

(ii) each pipeline, whether partially or wholly within the state, greater than 17 inches in inside diameter and 30 miles in length, and associated facilities used to transport coal suspended in water;

~~(c) any use of geothermal resources, including the use of underground space in existence or to be created, for the creation, use, or conversion of energy, designed for or capable of producing geothermally derived power equivalent to 50 megawatts or more or any addition thereto, except pollution control facilities approved by the department and added to an existing plant, except that the term does not include a compressed air energy storage facility, as defined in 15-6-157, or a green hydrogen facility or green hydrogen storage system, as defined in 15-6-163;~~ or

~~(d)~~(c) for the purposes of 75-20-204 only, a plant, unit, or other facility capable of generating 50 megawatts of hydroelectric power or more or any addition thereto.

(11) "Person" means any individual, group, firm, partnership, corporation, limited liability company, cooperative, association, government subdivision, government agency, local government, or other organization or entity.

(12) "Sensitive areas" means government-designated areas that have been recognized for their importance to Montana's wildlife, wilderness, culture, and historic heritage, including but not limited to national wildlife refuges, state wildlife management areas, federal areas of critical environmental concern, state parks and historic sites, designated wilderness areas, wilderness study areas, designated wild and scenic rivers, or national parks, monuments, or historic sites.

(13) "Transmission reliability agencies" means the federal energy regulatory commission, the western electricity coordinating council, the national electric reliability council, and the midwest reliability organization.

(14) "Transmission substation" means any structure, device, or equipment assemblage, commonly located and designed for voltage regulation, circuit protection, or switching necessary for the construction or operation of a proposed transmission line.

(15) "Upgrade" means to increase the electrical carrying capacity of a transmission line by actions including but not limited to:

(a) installing larger conductors;

(b) replacing insulators;

(c) replacing pole or tower structures;

(d) changing structure spacing, design, or guying; or

(e) installing additional circuits.

(16) "Utility" means any person engaged in any aspect of the production, storage, sale, delivery, or furnishing of heat, electricity, gas, hydrocarbon products, or energy in any form for ultimate public use."

NEW SECTION. **Section 12. Repealer.** The following sections of the Montana Code Annotated are repealed:

75-20-1001. Geothermal exploration -- notification of department.

NEW SECTION. **Section 13. Codification instruction.** [Sections 1 through 8] are intended to be codified as a new chapter of Title 82, and the provisions of Title 82 apply to [sections 1 through 8]. [Section 9] is intended to be codified in Chapter 5 of Title 75, and the provisions of Chapter 5 of Title 75 apply to [section 9].

NEW SECTION. **Section 14. Saving clause.** [This act] does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before [the effective date of this act].

NEW SECTION. **Section 15. Severability.** If a part of [this act] is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

NEW SECTION. **Section 16. Effective date.** [This act] is effective on passage and approval.

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