

Energy and Telecommunications Interim Committee

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62nd Montana Legislature

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July 20, 2012

The Energy and Telecommunications Interim Committee of the Montana Legislature is seeking public comment through <u>August 20</u> on revisions to draft legislation in response to questions raised about rural electric cooperatives related to transparency, organization, and decision-making processes.

Questions about the regulation of rural electric cooperatives in Montana were brought to the committee following Southern Montana Electric Generation and Transmission's October 2011 decision to file Chapter 11 bankruptcy. The ETIC met in July and revised the rural electric cooperative bill draft that was circulated in June. The ETIC instructed staff to make changes to the draft and to post the legislation for another three-week public comment period in advance of a September meeting.

Revisions to the bill are highlighted. The proposal now requires a two-thirds majority vote by a distribution cooperative's board of trustees, as opposed to a simple majority vote. Two-thirds of the generation and transmission cooperative's board of trustees also must approve the project.

The draft legislation is available on the ETIC Web site at www.leg.mt.gov/etic. Click on the link to the September 7 meeting to read the document, which is titled "LCet01".

The ETIC will meet September 7 in Helena to review and discuss the public comments it receives and to consider whether to bring it before the 2013 Legislature.

Public comments should be submitted to Sonja Nowakowski, ETIC staff, at snowakowski@mt.gov (put rural electric in the subject line) or to Legislative Services Division, Attn. Sonja Nowakowski, P.O. Box 201704, Helena, MT 59620-1704.

For more information, contact Sonja Nowakowski at 406-444-3078.