

EXHIBIT 4
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HB HB 642

**Statement of PPL Montana, LLC
Before the Federal Relations, Energy and Telecommunications Committee
Of the Montana State House of Representatives
Regarding House Bill No. 642
February 14, 2005**

On behalf of PPL Montana, I would like to thank the Chairman and the Committee for offering the opportunity for comment on this legislation. In our view, this bill promotes competition, gives citizens of cities and municipalities a choice and provides important incentives for the default supplier. PPL supports this bill.

The legislation would permit, but not require, municipalities to choose to become the default supplier for the electricity users in the municipality. NorthWestern would continue to be the transmission and distribution services provider for the residents of the municipality. The municipality could provide default electric supply by several means, including generation construction or a combination of long-term and short-term power purchases.

If cities and towns were permitted to become default suppliers, that would help focus all default suppliers on being responsive to consumers and at the same time promote long-term rate stability. Satisfied default supply customers would not be likely to push their local municipalities to take over that role. Similarly, local residents of municipalities that choose to become the default supplier would likely force any municipal default suppliers to be extremely responsible to their citizens.

After all, that is what competition is all about – trying to ensure that customers ultimately have choices. In the long run, it is competition, driven by customers' choices at wholesale and at retail, that will bring about the lowest electricity supply costs for Montana consumers. This bill is a start in the right direction of greater choices for all Montanans. You should support this bill. Thank you.