

AMENDMENTS TO HB 642

February 16, 2005

–Amendments *incorporate comments* from PSC and NorthWestern

–General *thrust of amendments* is to *narrow* the *types of* municipal *entities* that may be eligible and to *make more clear the PSC's role* in *protecting existing default supply customers* from any impacts due to migration.

*Definition of "local electricity supply entity" (Sec. 3, para (19)) adds several criteria*

- (1) must be formed by self-government unit;
- (2) government unit must be member of co-op; and
- (3) co-op must have generation facility or permits necessary to construct one. This requirement designed to *prevent premature transfer* of customers

*New Section 11:*

- (1) Deadline for applications July 1, 2009: unlikely any other entity than Great Falls can meet this requirement
- (2) Local entity *must have plan for service* to customers and for transitioning customers before it can petition PSC.
- (3) Local entity must file petition with PSC demonstrating that moving customers from Northwestern to local entity *will not harm remaining Northwestern customers*
- (4) Amendments clarify that *mid-size and large customers still have same right to choose supplier as they have now*
- (5) PSC given *more specific authority* to enter orders designed to protect remaining NorthWestern customers, and *given more time* to consider local entity's petition.