

**INFORMATIONAL TESTIMONY ON HB 330  
CREATING THE MONTANA CLEAN RENEWABLE ENERGY BOND ACT**

**Greg Jergeson  
Chairman, Montana PSC  
January 24, 2007**

Mr. Chairman and Members of the Committee,

The Public Service Commission has not taken a position on HB 330. We appear as an informational witness to identify several provisions in the bill whose effect is unclear.

Section 3, paragraph (3), authorizes a governmental entity to provide electricity for use of public and private consumers within or outside of its boundaries. Section 3, paragraph (5) authorizes a governmental entity to enter into contracts for the sale of electricity. We cannot tell whether these provisions authorize governmental entities to make wholesale or retail sales. If the bill authorizes retail sales, the PSC would want to consider further its position on the bill.

Additionally, Section 11, paragraph (2)(c), authorizes a receiver to prescribe rates, fees, or charges, subject to any required approval of the Public Service Commission. The only rates that the PSC approves are those charged to retail customers. This "subject to" proviso has no meaning unless the intent of the bill is to authorize a receiver to make retail sales. The PSC recommends clarifying the intent of this paragraph.