

**SJR 39**  
**Energy Planning & Coordinating Entity**  
**for Montana:**

**A Draft Study Plan**

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# Introduction

This is the study plan for Senate Joint Resolution 39 which has been assigned to the Energy and Telecommunications Interim Committee in the 2005-2006 interim. In this document you will find:

- An explanation of how the ETIC plans its work
- Background on SJR 39
- Committee discussion of SJR 39
- Study plan tasks for SJR 39
- An overall interim timeline.

## **How the ETIC Plans its Work**

During a legislative interim the ETIC typically focuses on two major study topics. At the same time, it maintains oversight of any administrative rules adopted or legislation proposed by the Montana Department of Public Service Regulation (DPSR) and the Public Service Commission (PSC). It also monitors the operations of the DPSR and PSC, giving particular attention to opportunities for improving existing law and possibilities for future legislation.

This *draft study plan for SJR 39* is intended to be a decision making tool to help Subcommittee members work together efficiently to set priorities and decide how and where to spend the subcommittee's limited time and resources. Clearly, this study plan (as well as the plan for the committee's second study, SJR 36) fits within the time and resource parameters described in the ETIC's overall Work Plan.

At the end of this document is a draft timeline for the whole interim. It incorporates the scheduled tasks for each of the two studies as well as implementation dates for the ETIC's other duties.

## **SJR 39 Study plan**

**Source / Authority:** Senate Joint Resolution 39 (2005). A resolution requesting the study of the possible creation of an energy planning and coordinating entity for Montana.

**Background:** SJR 39 emphasized the following points: The cost and development of energy resources is critical to all Montanans; there is a large and uncoordinated complex of local, state, federal, non-profit and for-profit bodies all working on energy issues; there is no single Montana-based entity specifically dedicated to broad planning, analysis, and evaluation of energy issues; without such an entity it is almost impossible to have a vision for developing the energy resources and meeting future energy needs of Montana.

The study resolution concluded by resolving that the appropriate interim committee should "evaluate the possible creation of an ongoing energy planning and coordinating entity in Montana." The resolution also specifically requested that the following aspect be incorporated into the study:

1. the potential costs and benefits of creating an energy planning and coordinating entity in the state;
2. the interest groups that should be engaged in the study;
3. the resources available and resources required for supporting energy planning and coordinating entity; and
4. an examination of existing activities that could be better coordinated.

### **Council Action:**

The ETIC allocated **0.35 - 0.45 FTE** for this study. This represented the more in-depth of work study options presented to the committee. The general work goals cited under this draft option were:

- √ Identify and profile the various Montana stakeholders involved with energy issues. Prepare an Inventory/ Matrix of these energy-related entities by function.
- √ Identify other select states with energy planning and coordinating bodies then summarize the mandates and mechanisms of those models.
- √ Gather stakeholder opinion as to whether or not the current array of energy-related groups is optimally arranged to develop energy in the broad best interests of the people of Montana. Also solicit opinion as to whether the addition of a singular planning and coordinating entity might help in this regard.
- √ Host two public forums to gather such opinion.

√ Assess ETIC member opinion on the same questions.

√ Prepare a **Full Interim Report** on the perceived advantages and disadvantages of a planning and coordinating entity for Montana energy policy, and how such an entity might best be structured.

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# Energy Planning & Coordinating Entity

## SJR 39 Study Plan Tasks

- **1.** ETIC committee members choose broad *study options* for the study (ranging from "Cadillac DeVille" to "Station Wagon") prepared by staff.
- Who: ETIC staff and committee members  
Time: At ETIC's June 20-21 meeting
- **2.** Prepare an *inventory* of energy-related stakeholders in Montana. Identify these entities by function.
- Who: ETIC staff  
Time: By ETIC's September 22 meeting
- **3.** Establish *short survey* of core study questions. Mail survey to all stakeholders inventoried. Follow up mailing with calls to attain higher response rate. Prepare summary of these opinions and mail to committee members prior to next meeting.
- Identify other *select states* with energy planning and coordinating "bodies". Summarize the mandate and mechanisms of each model and mail to committee members prior to next meeting.
- Who: ETIC staff  
Time: Before ETIC's November 17 meeting
- **4.** Line up a *panel* of select stakeholders to come before the ETIC, make presentations, and engage in both panel debate with each other and field questions from the committee. Focus to be on the core study questions:
- \_\_\_\_\_.
- Who: ETIC staff  
Time: At ETIC's November 17 meeting
- **5.** Line up a *second panel* of select stakeholders to come before the ETIC, make presentations, and engage in both panel debate with each other and field questions from the committee. Focus to be on the core study questions:
- \_\_\_\_\_.

Who: ETIC staff  
Time: At ETIC's January 19 meeting

- 6. Committee members discuss energy planning and coordinating model(s) which they think might be appropriate for Montana. The committee then directs staff to develop Montana-based scenarios for the model(s) that appear(s) most promising.

Who: Committee members  
Time: At ETIC's January 19 meeting

- 7. Develop *Montana-based scenarios* for the committee's selected model(s). The scenarios adapt a generic model to Montana specifics. Key considerations might be: (a) What is the entity's intended mandate? What is its authority vis-a-vis public and private stakeholders, state regulation and oversight, etc. (b) Where is the entity to be "housed"? (c) Which agencies and/or what type individuals comprise the entity? (d) What does the entity cost? (e) Where does the funding come from? Mail this material to committee members with ample time for their review.

Who: ETIC staff  
Time: Before ETIC's March 23 meeting

- 8. Committee members discuss staff's draft scenario(s) of an energy planning and coordinating entity. They make *comments* and suggest *revisions*.

Who: Committee members  
Time: At ETIC's March 23 meeting

- 9. Incorporate committee comments and suggested revisions.  
If the committee so chooses, the draft report will be made available for 30 days of public review and comment.

Who: Committee members  
Time: Before ETIC's May 4 meeting

- 10. Present revised draft interim report to the committee. Obtain *final comments* and suggestions from committee members. If the committee wants any pre-introduced *legislation* associated with this report, it will inform staff at this meeting.

Who: ETIC staff and Committee members  
Time: For ETIC's May 4 meeting

— **11.** Committee reviews and either *rejects or approves* the staff interim report. The draft of pre-introduced *legislation* (if any was requested) will also be presented for review at this meeting.

Who: Committee members  
Time: At ETIC's September 7 meeting

Additional tasks?

— **XX.** \_\_\_\_\_  
\_\_\_\_\_

Who:  
Timeline:

— **XX.** \_\_\_\_\_  
\_\_\_\_\_

Who:  
Timeline:

## Draft Interim Timeline 2005-2006

*Note: This timeline incorporates the scheduled tasks for each of ETIC's studies (SJR 36 & 39) as well as implementation dates for the ETIC's other duties.*

### **June 20-21, 2005** (Roundup)

- Election of Chair and Vice Chair.
- Overview of responsibilities and guidelines.
- Update by Public Service Commission.
- Discussion of ETIC work plan and calendar. Committee gives initial directive.
- Presenter on the Southern Montana Electric Generation and Transmission Cooperative.
- Presenter on the Rocky Mountain Ethanol plant.
- Staff update on PPL's market-based rate authority.
- Tour of Bull Mountain Mine.

### **September 22, 2005** (Helena)

- Presenter on *SJR 36*.
- Staff overview of study plans for *SJR 36* and *SJR 39*.
- Presenters on Montana transmission issues.
- Presenters update on Governor's Energy Summit and other energy issues.
- Presenter on the Montana-Alberta Tie, Ltd.
- Staff update on Great Plains Wind and Energy.
- Update by Public Service Commission.
- Presenters on university system roles in energy development.
- Staff update on telecom issues (requested tracking).
- Other: (1) Committee to approve ETIC overall work plan and two study plans.  
(2) Other?
- Public comment.

### **November 17, 2006** (Helena)

- Members review utility USBP reports and decide if any comments on compliance are needed or if staff should assist.
- Panel on the state of the regulated telecommunications industry in Montana.
- Staff report on Governor's Energy Summit.
- Presenter on qualifying facilities.
  
- *SJR 36*

- Staff recap of views expressed by interested persons.
- *SJR 39*
  - Staff summary (mailed in advance) of responses to short survey.
  - Staff summary (mailed in advance) of models used by other select states.
  - Panel of presenters.
- Public comment.

**January 19, 2006** (Helena)

- Panel to discuss mercury.
- *SJR 36*
  - Staff recap of views expressed by public and interested persons.
  - Review of study plan. Make changes if necessary.
- *SJR 39*
  - Panel of presenters.
  - Committee directs staff to develop given Montana-specific model(s).
  - Review of study plan. Make changes if necessary.
- Public comment.

**March 23, 2006** (Helena)

- *SJR 36*
  - Staff presents draft white paper (mailed in advance). Committee offers comments and revisions.
- *SJR 39*
  - Staff presents specified Montana-specific model(s). Committee offers comments and revisions, and specifies if there should be a 30 day period for public review and comment.
- Public comment.

**May 4, 2006** (Helena)

- Review any legislation proposed by the Department of Public Service Regulation or the Public Service Commission. Committee decides if staff should draft such legislation for pre-introduction.
- Members review utility USBP reports and decide if any comments on compliance are needed or if staff should assist.
- *SJR 36*
  - Staff presents revised draft white paper (mailed in advance). Committee offers final comments. It also requests any draft legislation for pre-introduction by this date.
- *SJR 39*
  - Staff presents revised draft interim report (mailed in advance). Committee offers final comments. It also requests any draft legislation for pre-introduction by this date.
- Public comment.

**September 7, 2006** (Helena)

- Any legislation (mailed in advance) drafted by staff on behalf of the DPSR or PSC is reviewed and accepted or rejected.
- *SJR 36*
  - White paper (mailed in advance) reviewed and accepted or rejected. Draft legislation for pre-introduction, if any, accepted or rejected, and sponsor selected.
- *SJR 39*
  - Interim report (mailed in advance) reviewed and accepted or rejected. Draft legislation for pre-introduction, if any, accepted or rejected, and sponsor selected.
- Public comment.

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