

SENATE JOINT RESOLUTION NO. 19

INTRODUCED BY M. PHILLIPS

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A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY OF COMMUNITY CHOICE AGGREGATION.

WHEREAS, community choice aggregation can more evenly distribute the benefits of electricity restructuring across the spectrum of customer classes, and in particular, to households and small businesses; and

WHEREAS, community choice aggregation can accelerate the development of renewable resources, allowing any marginal cost differences to be spread across a significant number of consumers; and

WHEREAS, six states -- California, Illinois, Massachusetts, New Jersey, Ohio, and Rhode Island -- have established community choice aggregation; and

WHEREAS, for the purposes of this study, community choice aggregation means a program by means of which a municipality aggregates the electricity demands of its residents to directly purchase electricity in wholesale markets and to develop, own, and operate electric generation facilities while utilizing the distribution system of the utility that previously serviced those customers to deliver electricity directly to those customers.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

(1) That the Legislative Council be requested to designate an appropriate interim committee, pursuant to section 5-5-217, MCA, or direct sufficient staff resources to conduct a study of the benefits, costs, and risks of authorizing municipalities in Montana to implement a community choice aggregation program.

(2) The study must examine existing community choice aggregation programs operating in the six states that have passed legislation to promote community choice aggregation programs.

- (3) The study must include an analysis of:
 - (a) the different authorities granted to municipalities to implement community choice aggregation programs;
 - (b) the different methods used by municipalities to adopt community choice aggregation programs;
 - (c) the level and degree of stability of customer electricity rates, the growth of renewable energy facilities

1 serving or located within the municipality, the energy supply mix, and the impact on the rate of conservation
2 investments made in the municipality under community choice aggregation programs as compared with the same
3 measures achieved by the utility previously supplying electricity to those customers;

4 (d) the different methods that allow customers to opt out of a community choice aggregation program if
5 they wish;

6 (e) the impacts on the utility providing electricity distribution to community choice aggregation program
7 customers of removing its energy supply function for those customers; and

8 (f) barriers to implementing community choice aggregation programs in Montana and recommendations
9 as to how they may be overcome.

10 (4) The report must also recommend organizational structures, authorities, and policies a community
11 choice aggregation program in Montana should have if it is to be most effective.

12 BE IT FURTHER RESOLVED, that if the study is assigned to staff, any findings or conclusions be
13 presented to and reviewed by an appropriate committee designated by the Legislative Council.

14 BE IT FURTHER RESOLVED, that all aspects of the study, including presentation and review
15 requirements, be concluded prior to September 15, 2016.

16 BE IT FURTHER RESOLVED, that the final results of the study, including any findings, conclusions,
17 comments, or recommendations of the appropriate committee, be reported to the 65th Legislature.

18 - END -