



AN ACT APPROPRIATING MONEY TO THE DEPARTMENT OF JUSTICE TO ASSIST IN SECURING THE FUTURE OF COMMUNITIES AFFECTED BY THE CLOSURE OF COAL-FIRED GENERATING UNITS IN MONTANA THROUGH PARTICIPATION IN PROCEEDINGS AND RELATED DOCKETS BEFORE OUT-OF-STATE UTILITY OR REGULATORY COMMISSIONS THAT ADDRESS PLANNING FOR THE FUTURE OF COAL-FIRED GENERATION FACILITIES LOCATED IN MONTANA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, in March 2016, the Washington Utilities and Transportation Commission agreed to extend the date by which Puget Sound Energy must file a general rate case to allow Puget Sound Energy to continue to work toward developing a plan to address the future of Colstrip Units 1 and 2; and

WHEREAS, Puget Sound Energy has committed to include a comprehensive plan addressing the future of Colstrip Units 1 and 2 in its next general rate case, including a depreciation schedule for all four units that aligns with Puget Sound Energy's most current analysis of the plants' useful life; an analysis of Units 1 and 2 that includes known major maintenance obligations and their projected costs; a narrow window of dates for the planned retirement of Units 1 and 2; detailed information regarding planned decommissioning and remediation activities for Units 1 and 2, including costs associated; and a basic framework for how power replacement decisions will be made if the planned retirement of Units 1 and 2 is out of sync with the development of the 2017 Integrated Resource Plan; and

WHEREAS, the rate case will be filed before the Washington Utilities and Transportation Commission no later than January 17, 2017; and

WHEREAS, the proceedings surrounding Colstrip Units 1 and 2 are complex and rapidly changing, and Montana needs to be prepared to participate and intervene as necessary; and

WHEREAS, Montana has an interest in the proceedings because the decommissioning and remediation of Colstrip Units 1 and 2 will significantly impact Montana's economy, with state and local tax reductions and a general fund tax reduction; Montana has a responsibility to advocate for power replacement decisions by Puget Sound Energy that can benefit the state; state and federal taxpayers in Montana have in the past spent millions

of dollars to clean up environmental problems caused by out-of-state corporate failures to properly account for remediation and restoration of Montana's land and water; and Montana must have a seat at the table when a "narrow window of dates" for the planned retirement of Units 1 and 2 is established; and

WHEREAS, the decommissioning of Units 1 and 2 will create an opportunity for long-term central power replacement investments in Montana that will create quality jobs, sustain otherwise affected communities, and strengthen the valuable historic interstate partnerships serving robust power markets between Montana and the West coast.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Appropriation for intervention in out-of-state energy proceedings. (1) (a) There is appropriated from the coal natural resource account established in 90-6-1001(2) \$80,000 to the department of justice for the biennium beginning July 1, 2015, to participate in proceedings and related dockets before out-of-state utility or regulatory commissions that address planning for the future of coal-fired generation facilities located in Montana.

(b) For the biennium beginning July 1, 2017, there is appropriated to the department of justice from the coal natural resource account established in 90-6-1001(2) the amount of \$80,000 less any appropriations expended in the previous fiscal year pursuant to subsection (1)(a).

(c) The department shall represent Montana's investment in coal-fired generation facilities by advocating for proper decommissioning and remediation, opportunities for long-term power replacement investments in Montana, and recovery of appropriate social costs, including commitments to benefit and pension plans and workforce and community reinvestment opportunities.

(2) The department of justice may request technical assistance from state government agencies, including but not limited to the department of environmental quality, the department of labor and industry, and the department of public service regulation, to assist in their efforts.

(3) Any funds not expended or encumbered in the biennium revert to the general fund.

Section 2. Effective date. [This act] is effective on passage and approval.

- END -

I hereby certify that the within bill,
HB 0022, originated in the House.

Speaker of the House

Signed this _____ day
of _____, 2017.

Chief Clerk of the House

President of the Senate

Signed this _____ day
of _____, 2017.

HOUSE BILL NO. 22

INTRODUCED BY J. KEANE

BY REQUEST OF THE ENERGY AND TELECOMMUNICATIONS INTERIM COMMITTEE

AN ACT APPROPRIATING MONEY TO THE DEPARTMENT OF JUSTICE TO ASSIST IN SECURING THE FUTURE OF COMMUNITIES AFFECTED BY THE CLOSURE OF COAL-FIRED GENERATING UNITS IN MONTANA THROUGH PARTICIPATION IN PROCEEDINGS AND RELATED DOCKETS BEFORE OUT-OF-STATE UTILITY OR REGULATORY COMMISSIONS THAT ADDRESS PLANNING FOR THE FUTURE OF COAL-FIRED GENERATION FACILITIES LOCATED IN MONTANA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.