

1 SENATE JOINT RESOLUTION NO. 31

2 INTRODUCED BY M. MCNALLY

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4 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF
5 MONTANA REQUESTING AN INTERIM STUDY OF UTILITY DECOUPLING.

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7 WHEREAS, decoupling is a policy that separates a regulated utility's profits from its total electric or gas
8 sales so a utility isn't incentivized to sell more electricity or gas; and9 WHEREAS, decoupling itself is not a tool for increasing energy efficiency but is instead a ratemaking
10 function that removes what may be viewed as a utility incentive to discourage energy efficiency and distributive
11 generation; and12 WHEREAS, decoupling ensures that utilities have a reasonable opportunity to collect roughly the same
13 revenue that they would under conventional regulation, independent of changes in sales volume; and

14 WHEREAS, other states are exploring and utilizing various forms of decoupling mechanisms.

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16 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE
17 STATE OF MONTANA:18 That the Legislative Council be requested to designate an appropriate interim committee, pursuant to
19 section 5-5-217, MCA, or direct sufficient staff resources to:

20 (1) identify the merits and drawbacks of different forms of utility decoupling;

21 (2) review options under decoupling to address sales fluctuations;

22 (3) examine the potential impacts to ratepayers and utilities, depending on the design of a decoupling
23 mechanism; and24 (4) make recommendations on how and if Montana should pave a path toward the objectives of
25 decoupling.26 BE IT FURTHER RESOLVED, that if the study is assigned to staff, any findings or conclusions be
27 presented to and reviewed by an appropriate committee designated by the Legislative Council.28 BE IT FURTHER RESOLVED, that all aspects of the study, including presentation and review
29 requirements, be concluded prior to September 15, 2018.

30 BE IT FURTHER RESOLVED, that the final results of the study, including any findings, conclusions,

1 comments, or recommendations of the appropriate committee, be reported to the 66th Legislature.

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