65th Legislature

1	HOUSE RESOLUTION NO. 2	
2	INTRODUCED BY D. ZOLNIKOV	
3		
4	A RESOLUTION OF THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA SUPPORTIN	١G
5	ELIMINATION OF THE MONTANA INTERTIE RATE.	
6		
7	WHEREAS, the Eastern Intertie is a segment of high-voltage transmission line running betwe	en
8	Townsend and Garrison, Montana, owned and operated by the Bonneville Power Administration; and	
9	WHEREAS, the Montana Intertie rate is a transmission tariff governing the use of 200 megawatts	of
10	transmission capacity on the Eastern Intertie; and	
11	WHEREAS, the Townsend to Garrison rate is a transmission tariff governing the use of 1,734 megawa	itts
12	of transmission capacity on the Eastern Intertie; and	
13	WHEREAS, the Bonneville Power Administration has overcollected, by nearly \$1 million per year	' in
14	recent years, the Eastern Intertie's revenue requirement from Colstrip partners, including NorthWestern Energy	gy,
15	a regulated utility with 360,000 customers in Montana; and	
16	WHEREAS, equitable transmission rates are necessary to new and existing generation facilities seeki	ing
17	to export electrical energy from Montana, including continued operations at the Colstrip generating facility; a	nd
18	WHEREAS, the Bonneville Power Administration's transmission network consists of 15,000 miles	of
19	electric transmission lines throughout Montana, Idaho, Washington, and Oregon; and	
20	WHEREAS, the Eastern Intertie is less than 100 miles in distance, but the Montana Intertie adds roug	hly
21	40% to the cost of traversing the Bonneville Power Administration's network transmission system; and	
22	WHEREAS, since the original Montana Intertie Agreement was signed in 1981, 184 megawatts	of
23	transmission capacity on the Eastern Intertie has never been subscribed for long-term transmission service a	nd
24	remains unsubscribed today; and	
25	WHEREAS, it is in the best interest of Montana and for economic development to maximize the utilizati	ion
26	of the existing transmission system and available transmission capacity; and	
27	WHEREAS, development of energy generation facilities in Montana, of any kind, to serve Paci	ific
28	Northwest loads will contribute to the economic development of Montana; and	
29	WHEREAS, full subscription of the Eastern Intertie would facilitate the reduction of network rates for	all
30	Bonneville Power Administration transmission customers by 0.3%; and	
	Legislative Services - 1 - Authorized Print Version - HF	२ २



## 65th Legislature

1	WHEREAS, full subscription of the Eastern Intertie would reduce the Townsend to Garrison rate paid by
2	the Colstrip transmission system partners by as much as 9.5%, including costs passed on to Montana consumers;
3	and
4	WHEREAS, a reduction in the Townsend to Garrison rate paid by the Colstrip transmission system
5	partners would make the operating units at Colstrip more economically attractive and competitive; and
6	WHEREAS, an elimination of the Montana Intertie rate would make new generation facilities in Montana
7	more economically competitive.
8	
9	NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF
10	MONTANA:
11	That the Montana House of Representatives supports the elimination of the Montana Intertie rate and
12	supports updating the Bonneville Power Administration's tariffs to recover the revenue requirement of the Eastern
13	Intertie, but not more.
14	BE IT FURTHER RESOLVED, that the Secretary of State forward copies of this resolution to the
15	Administrator of the Bonneville Power Administration, the Secretary of the U.S. Department of Energy, each
16	member of Montana's Congressional Delegation, the Northwest Power and Conservation Council, and the
17	Governors of Montana, Idaho, Washington, and Oregon.
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- END -

