



AN ACT PROVIDING FOR A SELECT COMMITTEE ON ENERGY RESOURCE PLANNING AND ACQUISITION; PROVIDING FOR MEMBERSHIP AND DUTIES; PROVIDING AN APPROPRIATION; ESTABLISHING REPORTING REQUIREMENTS; AND PROVIDING EFFECTIVE DATES AND A TERMINATION DATE.

WHEREAS, access to reliable, least-cost power is foundational to the health, safety, and economic well-being of all Montanans; and

WHEREAS, power outages during extreme weather conditions may create devastating economic and human consequences for the citizens of Montana, including the loss of human life; and

WHEREAS, electric consumers in Montana face growing reliability risks and rising energy bills due to overreliance on volatile energy markets and the rapid retirement of on-demand generation throughout Montana and the region; and

WHEREAS, the ability of Montana energy providers to participate in emerging wholesale electricity markets, resource adequacy programs, and other regional coordination efforts is dependent on adequate access to reliable generation resources; and

WHEREAS, the Montana Public Service Commission's oversight of the electricity supply planning and resource acquisition plays a vital role in effectuating the state's energy policy and ensuring access to adequate, reliable power for the citizens of Montana; and

WHEREAS, inefficiency and redundancy in this process impedes deployment of electric supply resources and new technologies needed to secure Montana's energy future.

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

Section 1. Select committee on energy resource planning and acquisition -- membership. (1)

There is a select committee on energy resource planning and acquisition.

(2) The committee is composed of 12 members, including:

(a) three members of the house of representatives, two of whom must be appointed by the speaker of the house of representatives and one of whom must be appointed by the minority leader of the house of representatives;

(b) three members of the senate, two of whom must be appointed by the president of the senate and one of whom must be appointed by the minority leader of the senate;

(c) the president of the Montana public service commission or a designee;

(d) the Montana consumer counsel or a designee;

(e) two representatives from a public utility, appointed by the president of the senate;

(f) a representative from an independent power producer or trade organization representing independent power producers selected by the president of the senate; and

(g) one representative from a public interest nonprofit, appointed by the minority leader of the senate.

(3) The president of the senate shall designate one of the members as the presiding officer of the committee. The committee may elect additional officers it considers necessary.

(4) Committee members are entitled to receive compensation and expenses as provided in 5-2-302.

(5) The legislative services division shall provide staff assistance to the committee.

(6) State agencies, including the Montana public service commission, the Montana consumer counsel, and the Montana department of environmental quality shall provide information on request.

(7) The committee may contract with other entities as needed to obtain adequate and necessary information and technical expertise.

Section 2. Select committee on energy resource planning and acquisition -- duties. The committee shall:

(1) undertake a comprehensive review of Montana statutes and administrative rules governing electricity supply planning and resource acquisition;

(2) review electricity supply planning and resource acquisition requirements in other states with similar characteristics to Montana;

(3) evaluate the extent to which Montana's planning requirements support access to adequate, reliable power at just and reasonable rates for Montana customers, including but not limited to:

(a) objectives of the planning process and their relation to resource acquisition and approval;

(b) participation by the Montana public service commission and the Montana consumer counsel at each stage of the planning process;

(c) composition and involvement of a technical advisory committee;

(d) public involvement and participation by special interest groups;

(e) risks and alternate scenarios to be analyzed in resource planning;

(f) documentation of assumptions, methodologies, models, and other planning inputs;

(g) the extent to which planning requirements align with state law; and

(h) the role of the Montana public service commission in evaluating or approving resource plans;

(4) analyze whether competitive solicitation requirements and other resource acquisition rules facilitate timely deployment of electricity supply resources and new technologies, including:

(a) at what stage in the supply planning and acquisition process resource approval should take place;

(b) the Montana public service commission's role in overseeing utility competitive solicitations;

(c) requirements for participation of utility resources in competitive solicitations;

(d) the requirements and selection process for a third-party administrator to open, consider, and evaluate bids on behalf of a utility;

(e) the role of an independent monitor to evaluate the competitive solicitation process on behalf of the Montana consumer counsel;

(f) the role of public comment in the scoping process for a competitive solicitation;

(g) exceptions to competitive solicitation requirements and the process for approving opportunity resources; and

(h) the process for approving resources selected through a competitive solicitation or an opportunity resource exemption; and

- (5) prepare a final report of its findings and recommendations, and draft legislation if appropriate.

The committee shall submit the final report to the energy and telecommunications interim committee for approval prior to submission to the governor and the 69th legislature.

Section 3. Appropriation. There is appropriated \$85,000 from the general fund to the legislative services division for the biennium beginning July 1, 2023, to support the activities of the select committee on energy resource planning and acquisition.

Section 4. Effective dates. (1) Except as provided in subsection (2), [this act] is effective on passage and approval.

- (2) [Section 3] is effective July 1, 2023.

Section 5. Termination. [This act] terminates December 31, 2024.

- END -

I hereby certify that the within bill,
HB 220, originated in the House.

Chief Clerk of the House

Speaker of the House

Signed this _____ day
of _____, 2023.

President of the Senate

Signed this _____ day
of _____, 2023.

HOUSE BILL NO. 220

INTRODUCED BY J. KASSMIER

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