



LEGISLATIVE CONSUMER COMMITTEE

SENATE MEMBERS

Brad Molnar
Christopher Pope

HOUSE MEMBERS

Mary Ann Dunwell Vice-Chair
Mike Hopkins Chair

MINUTES LOG

April 13, 2022
State Capitol, Room 102
Zoom Videoconference

Please note: This document is a Minutes Log and provides annotation of the time elapsed between the beginning of the meeting and the time at which the item was presented or discussed, a motion was made, or a vote was taken. The narrative presented here is provided only as a guide to the audio or video recording of the meeting. The official discussion, motion, or vote is available on the audio or video archive of this meeting. The Legislature does not prepare a transcript of the meeting activities. The time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

Access to an electronic copy of these minutes and the audio or video recording is provided from the Legislative Branch home page at <http://legmt.gov>. On the left-side menu of the home page, select Committees, then Interim. Once on the page for Interim Committees, scroll down to the appropriate committee. The written Minutes Log, along with the audio and video recordings, is listed by meeting date on the interim committee's web page. Each of the "Exhibits" is linked and can be viewed by clicking on the Exhibit of interest. All Exhibits are public information and may be printed.

Please contact the Montana Consumer Counsel at 406-444-2771 for more information.

COMMITTEE MEMBERS PRESENT

Representative Mary Ann Dunwell, Vice-Chair
Representative Mike Hopkins, Chair
Senator Brad Molnar
Senator Christopher Pope

MONTANA CONSUMER COUNSEL STAFF PRESENT

Jason Brown, Consumer Counsel
Paul Schulz, Rate Analyst
Jaime Stamatson, Economist
Suzanne Snow, Secretary

AGENDA

[\(Attachment 1\)](#)

CALL TO ORDER

13:01:52 Chair Hopkins called the meeting to order with roll call.

[\(Attachment 2\)](#)

APPROVAL OF MINUTES OF PREVIOUS MEETING – January 10, 2022

13:02:30 MOTION: Representative Hopkins moved acceptance of the minutes.

VOTE: Motion passed unanimously on a voice vote.

[\(Attachment 3\)](#)

PUBLIC COMMENT

No public comment was offered at this time.

STATUS OF CASES PENDING

13:03:35 Jason Brown highlighted the cases that have seen some change in status since the Committee's last meeting. [\(Attachment 4\)](#)

13:03:58 NWE Application for Preapproval of Beartooth Energy Storage Agreement, Docket [2021.11.132](#), filed 12/21/21.

13:06:09 NWE Annual PCCAM Filing, Docket [2021.09.112](#), filed 8/31/21.

13:07:01 NWE "Application to Update Base Power Costs and Credits in the PCCAM," Docket [2021.04.047](#), filed 4/21/21.

13:08:05 NWE Gas Tracker, Docket [2020.07.083](#).

13:08:19 NWE Gas Tracker, Docket [2021.07.098](#).

13:08:30 NWE Request for Partial Waiver of In-Person Notice, Docket [2021.08.109](#), filed 8/19/21.

Committee Discussion

13:09:55 Representative Dunwell inquired as to when a decision would be made about the In-Person Notice and NWE's request to waive it.

13:11:20 Representative Dunwell asked if there was a timeframe as to when the new procedure would be implemented if the waiver of the In-Person Notice was allowed.

13:11:50 Representative Dunwell noted that she had weighed in on the hearing believing the company should deliver an in-person message if somebody is about to lose their power, as they may not have the technology to receive electronic notifications.

13:12:48 MDU Electric Tracker (Rate 58), Docket [2021.06.091](#), filed 6/16/21.

13:13:12 MDU Gas Tracker Filings (Rate 88), Docket [2021.09.113](#), filed 9/8/21.

13:13:28 MDU Application to Offer Incentives for Conversion in the Saco/Bowdoin Area, Docket [2021.09.116](#), filed 9/15/21.

13:14:27 MDU 2021 Integrated Resource Plan (“IRP”), Docket [2021.09.117](#), filed 9/15/21.

13:14:51 MDU Application for an Accounting Order, Docket [2021.12.138](#), filed 12/21/21.

13:15:36 MDU Conservation Program Tracking Mechanism (Rate 90), Docket [2022.03.021](#), filed 2/28/22.

Committee Discussion:

13:16:00 Senator Pope asked for a brief outline of the MDU Conservation Program and whether NorthWestern has a similar program.

13:17:24 EWM Monthly Gas Trackers, Docket [2021.04.061](#), filed 3/25/21.

13:17:40 EWM/CBGC Annual Tax Tracker, Docket [2021.11.127](#), filed 11/30/21.

Committee Discussion:

13:19:39 Senator Molnar noted that during last session the Legislature passed an exemption for the first \$300,000 in personal property tax. He inquired as to when that reduction would show up in one of the trackers for Energy West, MDU and NorthWestern to make sure that it is being passed onto the consumer.

13:21:06 North Star Development Application for Water and Sewer Rate Increase, Docket [2010.06.060](#), filed 1/23/19.

13:22:10 Investigation of Rules, Practices, and Adequacy of Service of North Star Development, LLC, Docket [2020.09.094](#), initiated 9/1/20.

Committee Discussion

13:23:12 Representative Dunwell inquired as to the timeline for the Supreme Court to decide on this case, and if there was any relief for the residents regarding continued water outages.

- 13:26:17 Aquanet, Inc. Application for Standard Rates for Sundance Subdivision, Docket [2021.09.115](#), filed 9/14/21.
- 13:26:33 Moonlight Basin Water & Sewer, LLC Application to Increase Rates by Operating Ratio Methodology, Docket [2021.09.121](#), filed 9/29/21.
- 13:27:25 Town of Kevin Complaint, Docket [2021.05.073](#), filed 5/24/21.
- Committee Discussion:
- 13:28:17 Senator Pope inquired as to why the water utilities were increasing their costs substantially.
- 13:33:12 Circle H Water, Inc. Operating Ratio Application, Docket [2020.07.081](#), filed 7/17/20.
- 13:34:16 Wettington Water District, Inc., Application for Standard Rates, Docket [2015.10.082](#), filed 10/19/15.
- 13:34:37 ABACO Energy Services Application to Establish Service Rates, Docket [2020.07.082](#), filed 7/16/20.
- 13:35:31 Qwest d/b/a CenturyLink Petition for Elimination of Performance Assurance Plan and Performance Indicator Definitions, Docket [2021.07.102](#), filed 7/13/21
- 13:36:17 PSC Investigation into Modernizing Telecommunications Regulation, Docket [2021.10.125](#).
- 13:36:51 Qwest Corporation d/b/a CenturyLink QC Petition for Temporary Waiver Pending Resolution of Docket [2021.10.125](#), Docket [2021.12.137](#), filed 12/9/21.
- 13:37:36 PSC Investigation into the Adequacy of Legacy Infrastructure Operated by Qwest Corporation d/b/a CenturyLink QC, Docket [2021.12.136](#).
- 13:38:32 Denbury Green Pipeline-Montana, LLC Notice of Filing Rates and Terms, Docket [2021.12.139](#), filed 12/22/21.

Committee Discussion:

- 13:38:52 Representative Dunwell asked Jason Brown if he could explain what the Commission is investigating with respect to the CenturyLink docket.
- 13:40:20 Senator Molnar inquired if the Denbury docket was in relation to the company's pipeline in the south-east corner of the state.
- 13:41:09 Senator Molnar noted an ongoing investigation into wages offered by Denbury's primary contractor, which may result in increased taxes.
- 13:42:20 Caithness Beaver Creek, LLC ("CBC") [Second] Petition to Set Terms and Conditions, Docket [2019.06.034](#), filed 6/12/19.

CBC [First] Petition for Judicial Review, First Judicial District Cause No. CDV 2020-290, filed 3/9/20.

CBC [Second] Petition for Judicial Review and Request for Enforcement of Court Order, First Judicial District Cause No. CDV 2020-290, filed 12/6/21.

CBC [Third] Petition to Set Terms and Conditions, Docket [2021.12.134](#), filed 12/1/21.

13:44:50 Jawbone Holdings, LLC Petition to Set Terms and Conditions, Docket [2020.12.126](#), filed 12/30/20.

Jawbone Petition for Judicial Review, First Judicial District Cause No. CDV 2022-161, filed 2/25/22.

Committee Discussion:

13:45:29 Senator Pope inquired if the timeline in the Caithness docket is standard for these types of cases, as most businesses would have a hard time waiting two or three years for a determination.

13:48:55 NWE Application for Approval of QF Interconnection Procedures and Agreements, Docket [2021.08.106](#), filed 8/4/21.

13:50:12 NWE Revisions to QF-1 Tariff based on Senate Bill 201, Docket [2021.09.111](#), filed 8/31/21.

13:52:50 NWE Petition for Rulemaking to Amend ARM 38.5.1902, 1903, & 1905 to Require Variable Avoided Cost Energy Rates, Docket [2021.09.118](#), filed 9/8/21.

13:53:22 MDU Annual Avoided Cost Update (Rate 93), Docket [2021.10.123](#), filed 10/13/21.

FINANCIAL REPORT

13:54:05 Jason Brown reviewed the budget versus expenditure report, dated April 7, 2022.

CONTRACTED SERVICES

13:54:50 Jason Brown requested authorization from the committee to retain the services of the following consultants:

NWE Electric Rate Case

- Acadian Consulting Group, LLC – David Dismukes
- Larkin & Associates, PLLC – Ralph Smith
- Resolve Utility Consulting, PLLC – David J. Garrett

NWE Gas Rate Case

- Acadian Consulting Group, LLC – David Dismukes
- Donkin & Associates – George Donkin
- Larkin & Associates, PLLC – Ralph Smith
- Resolve Utility Consulting, PLLC – David J. Garrett

MOTION: Chair Hopkins moved to approve the retention of consultants as per the request made by the Consumer Counsel.

VOTE: The motion passed unanimously on a voice vote.

PUBLIC COMMENT

No public comment was offered at this time.

PERSONNEL MATTERS – STAFF ATTORNEY

13:57:32 Jason Brown briefly summarized the steps taken in the hiring process. He reported that the agency had found a candidate for the vacant attorney position and asked for Committee approval to hire James H. (Jaime) Pollard.

14:00:11 Committee Discussion.

MOTION: Chair Hopkins moved to approve the hiring of Jaime Pollard as staff attorney for the Office of the Consumer Counsel at the pay scale discussed.

Starting Salary - \$79,000

After completion of six-month training assignment - \$81,500

Upon completion of one-year probationary period - \$84,000.

VOTE: The motion passed unanimously on a voice vote.

PERSONNEL MATTERS – CONSUMER COUNSEL STAFF PAY

14:11:09 Jason Brown presented a request for an increase in the base pay rate for the Consumer Counsel staff, effective April 23, 2022.

14:13:20 Committee Discussion.

MOTION: Chair Hopkins moved to approve proposed base rate wage adjustments.

Paul Schulz from \$44.94 to \$46.52

Jaime Stamatson from \$39.97 to \$40.37

Suzanne Snow from \$26.65 to \$27.58

VOTE: The motion passed three to one on a voice vote with Senator Molnar opposing.

PUBLIC COMMENT

No public comment was offered at this time.

14:26:33 Senator Pope noted that recent newspaper articles across the state of Montana reported that there could be conversations about potential bankruptcy in the Colstrip arena. In the context of the Consumer Counsel's mission statement to look after the interests and needs

of Consumers, Senator Pope inquired if there was anything from MCC'S point of view that is alarming in terms of consumer's interest. Senator Pope also inquired whether the MCC would instigate proceedings relative to the future needs of consumers

NEXT MEETING

14:32:22 The date of the next meeting was set for Thursday, July 21, 2022, at 1 p.m.

ADJOURNED

13:32:58 There being no other matters before the Committee the Chair adjourned the meeting.