



# LEGISLATIVE CONSUMER COMMITTEE

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## SENATE MEMBERS

Brad Molnar  
Christopher Pope

## HOUSE MEMBERS

Mary Ann Dunwell  
Mike Hopkins

## MINUTES LOG

May 19, 2021  
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

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

## MONTANA CONSUMER COUNSEL STAFF PRESENT

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

## AGENDA

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[\(Attachment 1\)](#)

### CALL TO ORDER

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13:05:40 Representative Hopkins called the meeting to order with roll call.

[\(Attachment 2\)](#)

### SELECTION OF COMMITTEE CHAIR AND VICE-CHAIR

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13:07:00 CHAIR

MOTION: Representative Dunwell nominated Representative Hopkins for Chair of the Consumer Counsel Committee.

VOTE: Without objection, Representative Hopkins was approved as Chair.

13:08:20 VICE-CHAIR

MOTION: Senator Pope nominated Representative Mary Ann Dunwell for Vice-Chair of the Consumer Counsel Committee.

VOTE: Without objection, Representative Dunwell was approved as Vice-Chair.

### OVERVIEW OF THE DUTIES OF THE COMMITTEE AND INTRODUCTIONS

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13:09:20 Chair Hopkins gave a brief overview of the role and responsibilities of the Committee.

13:13:12 Chair Hopkins lead the introductions from the members of the Committee, and Consumer Counsel staff.

### APPROVAL OF MINUTES OF PREVIOUS MEETING – November 10, 2020

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13:20:33 MOTION: Vice-Chair Dunwell moved acceptance of the minutes.

VOTE: Without objection, the minutes were unanimously approved.

[\(Attachment 3\)](#)

## STATUS OF CASES PENDING

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

13:22:28 NWE – [2019.09.058](#) - Annual Power Costs and Credits Adjustment Mechanism Filing

13:25:51 NWE – [2020.08.091](#) – Annual Power Costs and Credits Adjustment Mechanism

*Committee Discussion:*

13:27:12 Vice-Chair Dunwell asked for clarification on the terminology 90/10 sharing and the breakdown for shareholders and consumers.

13:29:36 NWE – [2021.02.022](#) - Application for Approval to Acquire Capacity Resources

*Committee Discussion:*

13:32:24 Senator Pope inquired as to whether this application for capacity resource acquisition was the result of an RFP, and whether the context on which a certain project might have been chosen versus other projects will come out in the docket.

13:34:20 Senator Pope expressed his hope that the committee would discuss the docket as it progresses in future meetings.

13:35:20 Chair Hopkins responded to Senator Pope, that this docket will be a topic for future meetings of the committee.

13:36:07 Senator Molnar inquired if it would create a conflict with his role on the committee if he became a public intervenor in this case.

13:39:09 Chair Hopkins clarified for those who might be listening online, or who might view the meeting after the fact, that when it comes to conflicts, all that is asked of legislators when they are interacting or legislating on a topic that they are also involved with outside of legislature is that they announce the conflict; then it is the individual legislator's personal decision on whether they vote or abstain on the matter before them.

13:40:34 Vice Chair Dunwell noted that the Legislative Consumer Committee is advisory only, with no directive power over the Consumer Counsel in legal matters before the PSC.

13:43:23 NWE – [2019.09.059](#) - QF-1 Tariff Update

*Committee Discussion:*

13:45:06 Senator Pope stated it was his understanding that a bill passed in the Legislature, and signed by the Governor, would have prohibited the consideration of avoided costs.

13:47:26 NWE – [2019.11.091](#) – Petition of Apex Solar, LLC to Set Terms and Conditions  
*Apex Solar, LLC v. PSC* – Petition for Judicial Review, Cause No. ADV 2020 1927  
First Judicial District Court

13:49:00 NWE – [2019.06.034](#) – Petition of Caithness Beaver Creek, LLC, to Set Terms and  
Conditions for Qualifying Facility  
*Caithness Beaver Creek, LLC v. PSC* - Petition for Judicial Review, Cause No. CDV-  
2020-290, First Judicial District Court

- 13:51:16 NWE – [2020.12.126](#) – Petition of Jawbone Holdings LLC to Set Terms and Conditions
- Committee Discussion:*
- 13:52:05 Senator Pope inquired if the MCC and Committee would discuss the issue of the competitiveness of any the technologies in these various QF dockets in future meetings.
- 13:56:03 South Dry Creek – [2020.12.125](#) – Petition of South Dry Creek Partnership for Declaratory Ruling
- 13:46:47 NWE – [2020.10.102](#) – Petition for Certification of Community Renewable Energy Project  
 NWE – [2020.10.105](#) – Petition for Certification of Community Renewable Energy Project  
 NWE – [2020.10.104](#) – Petition for Certification of Community Renewable Energy Project  
 HB576 Repealed the renewable portfolio standard in Montana, including the CREP requirement.
- Committee Discussion:*
- 13:58:12 Vice Chair Dunwell inquired whether repealing the renewable energy standard is something the MCC would act on for the benefit of ratepayers.
- 14:00:37 Senator Molnar addressed Vice Chair Dunwell’s concerns regarding the repeal of the renewable energy standard, noting that the renewable portfolio had a set goal of obtaining 15-percent renewable energy. The standard was repealed as the 15-percent goal had been achieved.
- 14:01:24 NWE – [2020.09.097](#) – Petition for Declaratory Ruling Regarding Storage Only Community Renewable Energy Projects
- 14:02:23 NWE – [2021.04.055](#) – Petition for Waivers from Community Renewable Energy Project Purchase Requirement for 2017-2020
- 14:03:07 NWE – [2020.07.083](#) – Monthly Gas Trackers
- Committee Discussion:*
- 14:03:52 Senator Pope asked Mr. Brown to describe the difference in how the gas versus the residential rates are calculated.
- 14:04:42 Chair Hopkins responded to Senator Pope, noting that the committee would look to its next meeting for a deep dive into how the rates are calculated.
- 14:05:14 NWE – [2020.05.066](#) – Petition for Accounting Order
- 14:09:27 NWE – [2020.11.112](#) – Annual Tax Tracker
- 14:10:05 NWE – [2020.04.043](#) – Annual Townsend Propane Tracker
- 14:11:20 NWE – [2021.04.051](#) – Annual Townsend Propane Tracker
- 14:11:38 Havre Pipeline Co. – [2020.07.088](#) – Annual Gas Tracker

14:11:58 NWE – [2021.03.038](#) – Annual USB Tracker Application

*Committee Discussion*

14:12:24 Senator Pope asked if the committee would get more details about the issues that might drive the costs up or down.

14:13:55 NWE – [2021.04.047](#) – Application to Update Base Power Costs and Credits in PCCAM

14:15:46 MDU – [2020.10.103](#) – Annual Avoided Cost Update (Rate 93)

14:16:27 MDU – [2020.11.110](#) – Application for Approval of Solar Energy Purchase Agreement

14:18:24 MDU – [2020.06.076](#) - General Natural Gas Rate Application

14:19:33 MDU – [2020.06.075](#) – Monthly Electric Trackers (Rate 58)

14:19:56 MDU – [2020.09.095](#) - Annual Gas Cost Tracker

14:20:13 MDU – [2020.09.095](#) – Monthly Gas Trackers (Rate 88)

14:21:18 MDU – [2020.05.055](#) - Application for Accounting Order to Track and Defer Financial Effects of COVID-19

14:22:03 MDU – [2020.03.042](#) - Annual Gas Conservation Program Tracker (Rate 90)

14:22:30 EWM – [2020.06.069](#) - Annual Gas Cost Tracker  
EWM – [2020.03.038](#) – Monthly Gas Trackers  
EWM – [2020.06.068](#) - Annual USB Tracker Application

14:23:27 EWM – [2021.01.015](#) - Joint Application for Approval of Sale and Transfer of Stock

14:24:20 Circle H Water – [2020.07.081](#) – Operating Ratio Application

*Committee Discussion:*

14:27:42 Vice Chair Dunwell inquired as to why the cost of water and service varied from company to company.

14:28:59 North Star Development – [2010.06.060](#) – Application for Water and Sewer Rate Increase

*Committee Discussion:*

14:31:47 Vice Chair Dunwell inquired as to what the residents of North Star were paying for water.

14:32:48 Vice Chair Dunwell inquired if there had been any water outages since the last time the committee met.

14:33:07 North Star Development – [2020.09.094](#) – Investigation of Rules, Practices, and Adequacy of Service

14:34:16 General Committee discussion on small water cases.

14:39:50 Wetington Water – [2015.10.082](#) – Application for Standard Charges

14:40:28 AquaFlo – [2020.10.100](#) – Application to Increase Water and Sewer Rates

- 14:41:23 HLH – [2021.02.017](#) – Application to Increase Water Rates
- 14:42:28 ABACO Energy Services – [2020.07.082](#) - Application to Establish Service Rates
- 14:45:28 Starlink Services, LLC – [2021.01.005](#) - Application for Designation as Eligible Telecommunications Carrier  
Blackfoot Communications, Inc. – [2021.01.006](#) - Application for Designation as Eligible Telecommunications Carrier  
InterBel Telephone Coop – [2021.02.020](#) – Petition for Designation as an Eligible Telecommunications Carrier
- 14:46:45 At the request of the Chair, Jason Brown gave a brief synopsis of legislation from the 2021 Session on the following bills:  
HB 85 - Revising utility cost tracking and recovery laws.  
HB606 - Requiring opt-in for advanced meter installation.  
Required Study on the Economic Impacts of Cost Disallowances by Montana Bureau of Business and Economic Research.  
SB201 - Revise avoided cost rate-making.  
SB237 - Revise community renewable energy project requirements.  
SJ33 - Interim study of Montana electric grid capacity.

#### PUBLIC COMMENT

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No Public Comment was taken at this time.

#### FINANCIAL REPORT

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- 14:53:45 Jason Brown presented a brief overview of the current budget report, dated May 13, 2021, and noted that he had no concerns with the budget as presented.
- 14:54:32 Chair Hopkins inquired as to whether there would be any concerns with the Other Services budget (62100) if the four requests for retaining consultant services were approved.
- 14:54:54 Jason Brown responded to the Chair that these contracts would be managed within the MCC budget.

#### CONTRACTED SERVICES

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- 14:44:27 Jason requested authorization from the committee to retain the services of the following consultants:
- 2021.01.15 – Energy West Montana and Cut Bank Gas Company – Application to Approve Sale & Transfer
    - George L. Donkin, LLC - George Donkin
  - 2021.04.47 – NorthWestern Energy – Application to Update PCCAM Base Power Costs & Credits
    - Acadian Consulting – David Dismukes

2021.02.022 – NorthWestern Energy – Application for Preapproval of Capacity Resources

- Acadian Consulting – David Dismukes
- Duncan & Allen, LLP – John Coyle

2020.07.83 – NorthWestern Energy – Annual Gas Cost Tracker

- Donkin & Associates - George Donkin

*Committee Discussion:*

- 14:57:31 Senator Molnar inquired if docket 2021.01.015, Energy West & Cut Bank Gas, would be complex, or challenging enough that the MCC would need an advisor.
- 14:59:24 Senator Molnar inquired as to why there would be a need for two consultants in the NorthWestern acquisition docket 2021.02.022.
- 15:00:46 Vice Chair Dunwell inquired as to how many attorneys NorthWestern would have on a case like the capacity resources.
- 15:02:41 Chair Hopkins made a motion to approve all four requests for retention of consultant services before the committee and moved the Committee into discussion on that motion.
- 15:03:17 Senator Pope asked Jason Brown to describe the process on the hiring of consultants.
- 15:07:05 MOTION: Chair Hopkins moved to approve the retention of the consultants as per the request made by the Consumer Counsel.
- VOTE: The motion passed unanimously on a voice vote

No public comment was taken at this time.

PERSONNEL MATTERS

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- 15:07:52 MOTION: Chair Hopkins moved to approve the appointment of Jason Brown as the Acting Consumer Counsel
- 15:08:20 Committee Discussion
- VOTE: Given testimony, there being no objection, the motion passed unanimously.
- 15:13:43 Chair Hopkins noted, without objection, that he would skip the public comment at this time and asked if committee members had anything else for the good of the committee.
- 15:14:00 Vice-Chair Dunwell expressed her gratitude to Mr. Bob Nelson for his 32 plus years as the Montana Consumer Counsel. She thanked him for his service, and wished him well in his retirement. Chair Hopkins seconded those sentiments.
- 15:14:56 Senator Molnar asked for clarification about talking to majority leadership before the vote on the hire of the Consumer Counsel.

- 15:15:13 Chair Hopkins responded to Senator Molnar, noting that the reason for the specific wording of the motion was that it gave an opportunity for both the majority and minority to have conversations, if there are any conversations to be had, so the committee could finish up work at the next meeting.
- 15:16:17 Vice Chair Dunwell inquired if the Committee should grant the Consumer Counsel emergency authority to hire consultants in the event the committee cannot meet once a quarter.
- 15:17:48 Chair Hopkins responded to Vice-Chair Dunwell by stating that the Committee would be back to regular order, and that the committee can call itself into a meeting to handle any unexpected matters.
- 15:18:50 Senator Pope complimented the Chair on a well-run meeting.

#### NEXT MEETING

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The next meeting would be set at a later date.

#### PUBLIC COMMENT

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No additional public comment was offered at this time.

#### ADJOURNMENT

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15:20:26 There being no other matters before the Committee the Chair adjourned the meeting.