



LEGISLATIVE CONSUMER COMMITTEE

SENATE MEMBERS

Brad Molnar
Christopher Pope

HOUSE MEMBERS

Mary Ann Dunwell Vice-Chair
Mike Hopkins Chair

MINUTES LOG

October 4, 2021
State Capitol, Room 455
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 Mike Hopkins, Chair
Representative Mary Ann Dunwell, Vice-Chair
Senator Brad Molnar
Senator Christopher Pope

MONTANA CONSUMER COUNSEL STAFF PRESENT

Jason Brown, Staff Attorney
Paul Schulz, Rate Analyst
Jaime Stamatson, Economist
Suzanne Snow, Secretary

AGENDA

[\(Attachment 1\)](#)

CALL TO ORDER

13:05:22 Chair Hopkins called the meeting to order with roll call.

[\(Attachment 2\)](#)

13:16:05 Chair Hopkins called the Committee back to order after a brief recess

APPROVAL OF MINUTES OF PREVIOUS MEETING – September 13, 2021

13:16:41 MOTION: Chair Hopkins moved acceptance of the minutes.

VOTE: The motion passed unanimously on a voice vote.

[\(Attachment 3\)](#)

STATUS OF CASES PENDING

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

13:18:08 NWE Application for Preapproval of Capacity Resources, Docket [2021.02.022](#), filed 5/19/21

13:19:38 Committee discussion on NorthWestern Energy's decision to withdraw the preapproval application.

13:26:06 NWE Annual PCCAM Filing, Docket [2021.09.112](#), filed 8/31/21

13:27:10 NWE "Application to Update Base Power Costs and Credits in the PCCAM," Docket [2021.04.047](#), filed 4/21/21.

13:28:06 NWE 2020 Gas Tracker, Docket [2020.07.083](#)

13:28:22 NWE 2021 Gas Tracker, Docket [2021.07.098](#)

13:28:38 NWE Request for Partial Waiver of In-Person Notice, Docket [2021.08.109](#), filed 8/19/21.

- 13:29:23 Havre Pipeline Co. Annual Gas Tracker, Docket [2021.07.103](#), filed 7/30/21.
- Committee Discussion:
- 13:29:52 Vice-Chair Dunwell inquired, with regard to NorthWestern’s docket [2021.08.109](#) (Partial Waiver of In-Person Notice), what the current procedure was for delinquent customers.
- 13:30:00 Senator Molnar joined the meeting.
- 13:30:45 Vice-Chair Dunwell in a follow up asked if the temporary emergency rule, in which utilities cannot shut off services, was still in effect.
- 13:31:10 Senator Pope referenced the NorthWestern 2021 Gas Tracker docket [2021.07.098](#) and asked during the review of NorthWestern’s gas tracker if it would be determined whether these monthly gas rate changes were reasonable.
- 13:34:09 PSC Investigation into Impacts of COVID-19 on NWE’s Fixed Cost Recovery Mechanism (“FCRM”), Docket [2020.05.064](#), initiated 5/29/20.
- 13:36:35 MDU Electric Tracker (Rate 58), Docket [2021.06.091](#), filed 6/16/21.
- 13:36:55 MDU Gas Tracker Filings (Rate 88), Docket [2021.09.113](#), filed 9/8/21.
- 13:37:30 MDU Application to Offer Incentives for Conversion in the Saco/Bowdoin Area, Docket [2021.09.116](#), filed 9/15/21.
- Committee Discussion:
- 13:39:28 Vice-Chair Dunwell asked whether converting to an alternate fuel source as proposed by MDU would hurt the landowners.
- 13:40:40 Vice-Chair Dunwell asked in a follow-up whether the conversion to an alternate fuel source would be mandatory or optional.
- 13:41:30 As the result of a committee discussion on the different units of measurements for the various gas trackers - Dekatherm (MDU) versus Kilowatt hours (NorthWestern), Chair Hopkins asked the Consumer Counsel to put together some background information on the history of these units for the next committee meeting.
- 13:51:06 MDU Integrated Resource Plan (“IRP”), Docket [2021.09.117](#), filed 9/15/21.
- 13:53:38 EWM/CBGC Joint Application for Approval of Sale and Transfer of Stock, Docket [2021.01.015](#), filed 1/26/21.
- 13:54:37 EWM Monthly Gas Trackers, Docket [2021.04.061](#), filed 3/25/21.
- 13:54:42 EWM Annual Gas Cost Tracker, Docket [2021.06.082](#), filed 6/1/21.

- 13:54:55 Investigation of Rules, Practices, and Adequacy of Service of North Star Development, LLC, Docket [2020.09.094](#), initiated 9/1/20.
- 13:55:47 Aquanet, Inc. Application for Standard Rates for Sundance Subdivision, Docket [2021.09.115](#), filed 9/14/21
- 13:56:20 ABACO Energy Services Application to Establish Service Rates, Docket [2020.07.082](#), filed 7/16/20.
- 13:57:50 NWE Revisions to QF-1 Tariff based on Senate Bill 201, Docket [2021.09.111](#), filed 8/31/21.
- 13:59:28 NWE Petition for Rulemaking to Amend ARM 38.5.1902, 1903, & 1905 to Require Variable Avoided Cost Energy Rates under PURPA, Docket [2021.09.118](#), filed 9/8/21.

PUBLIC COMMENT

No public comment was offered at this time.

UTILITY RATE SETTING PROCESS

- 14:01:22 Paul Schulz presented a brief overview of the public utility rate setting process.
- 14:17:54 Vice-Chair Dunwell asked for clarification on the Rate of Return – Slide 7.
- 14:21:02 Committee Discussion – Slide 7 - *Depreciation - on in-service, used & useful utility plant.*
- 14:27:12 Utility Rate Setting Presentation continued with Slide 8.
- 14:36:20 Vice-Chair Dunwell thanked Mr. Schulz for his informative presentation.
- 14:36:40 Senator Pope asked whether the MCC represents both residential and commercial consumers before the PSC.
- 14:27:44 Senator Pope in a follow-up asked whether the industrial customers were carrying their weight and if that class of consumer was growing or shrinking.
- 14:40:17 Committee Discussion on the Consumer Counsel holding a utility rate setting training for legislators during a regular session, if asked.

FINANCIAL REPORT

- 14:47:51 Jason Brown reviewed the budget versus expenditure report, dated September 30, 2021, which accounted for the first three months of fiscal year 2022.

CONTRACTED SERVICES

14:49:01 Jason Brown requested authorization from the committee to retain the services of the following consultants:

2021.09.116 – MDU Application to Offer Incentives for Conversion in Saco/Bowdoin Area
- Donkin & Associates – George Donkin

2021.09.113 – MDU Gas Tracker (Rate 88)
- Donkin & Associates – George Donkin

2021.07.098 – NWE Gas Tracker
- Donkin & Associates – George Donkin

14:50:02 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.

PERSONNEL MATTERS – APPOINTMENT OF CONSUMER COUNSEL

14:51:35 MOTION: Chair Hopkins moved to appoint Jason Brown as the Consumer Counsel for the state of Montana, setting the base pay rate at \$63.50 per hour.

VOTE: The motion passed unanimously on a voice vote.
Chair Hopkins, Vice-Chair Dunwell, Senator Molnar, and Senator Pope voting in favor of the appointment.

NEXT MEETING

15:01:00 The date of the next meeting was set for Monday, January 10, 2022, at 1 p.m.

PUBLIC COMMENT

No public comment was offered at this time.

ADJOURNED

15:01:54 There being no other matters before the Committee Chair Hopkins adjourned the meeting.