



LEGISLATIVE CONSUMER COMMITTEE

SENATE MEMBERS

Brad Molnar
Christopher Pope

HOUSE MEMBERS

Mary Ann Dunwell Vice-Chair
Mike Hopkins Chair

MINUTES LOG

August 19, 2022
State Capitol, Room 152
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
Senator Brad Molnar
Senator Christopher Pope

COMMITTEE MEMBERS EXCUSED

Representative Mary Ann Dunwell

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

12:59:50 Chair Hopkins called the meeting to order with roll call.

[\(Attachment 2\)](#)

APPROVAL OF MINUTES OF PREVIOUS MEETING – April 13, 2022, and June 13, 2022

13:00:46 MOTION: Representative Hopkins moved acceptance of the minutes.

VOTE: Motion passed unanimously.

[\(Attachment 3 – April 13, 2022\)](#)

[\(Attachment 4 – June 13, 2022\)](#)

STATUS OF CASES PENDING

Jason Brown highlighted the cases that have seen some change in status since the Committee's last meeting. [\(Attachment 5\)](#)

13:01:40 NWE Application to Increase Retail Electric and Natural Gas Utility Service Rates, Docket [2022.07.078](#), filed 8/8/22.

Committee Discussion:

13:05:16 Senator Pope asked when the last rate case was filed by NorthWestern Energy.

13:06:56 Senator Pope asked when this docket will be presented in detail by NorthWestern before the PSC.

13:09:02 Senator Molnar asked what rate increase was approved in NorthWestern's last rate case.

13:10:01 Senator Molnar noted that the Laurel gas plant is part of NorthWestern's filing even though only the groundwork has started.

13:11:40 Senator Molnar inquired as to whether battery or wind storage is part of NorthWestern's filing.

- 13:14:12 Senator Pope asked how the utility would start recovering costs if the asset (Yellowstone County Generating Station) has not been rate based.
- 13:16:11 NWE Application for Preapproval of Beartooth Energy Storage Agreement, Docket [2021.11.132](#), filed 12/21/21.
- 13:18:00 NWE Annual PCCAM Filing, Docket [2021.09.112](#), filed 8/31/21.
Committee Discussion:
- 13:19:30 Senator Pope asked if there are protections for the consumer against a hedge that was poorly thought out and ends up costing money.
- 13:22:22 NWE Gas Tracker, Docket [2020.07.083](#).
- 13:22:34 NWE Gas Tracker, Docket [2021.07.098](#).
- 13:22:43 NWE Gas Tracker, Docket [2022.07.077](#).
- 13:22:54 NWE Request for Partial Waiver of In-Person Notice, Docket [2021.08.109](#), filed 8/19/21.
- 13:24:41 NWE Townsend Propane Annual Adjustment Filing, Docket [2022.04.053](#), filed 4/29/22.
- 13:25:30 NWE Application for Emergency Authority to Operate and Acquire the Sleepy Hollow Oil and Gas System, Docket [2022.04.051](#), filed 4/29/22.
- 13:28:23 NWE Application for Approval of Corporate Restructuring, Docket [2022.06.064](#).
- 13:29:09 NWE Application for Approval of an Advanced Metering Opt-Out Tariff, Docket [2022.06.067](#), filed 6/9/22.
- 13:30:51 Havre Pipeline Annual Gas Tracker, Docket [2022.08.079](#), filed 7/29/22.
Committee Discussion:
- 13:31:13 Senator Pope inquired, with respect to NorthWestern's Corporate Restructuring filing, if the company will disclose why the corporate restructure is needed.
- 13:32:44 Senator Pope asked if the company has a new operating division with a new holding company, will it have a separate management team and if so, could it be refinanced, or part of the business sold.
- 13:34:41 MDU Electric Tracker (Rate 58), Docket [2021.06.091](#), filed 6/16/21.
- 13:35:12 MDU Electric Tracker (Rate 58), Docket [2022.06.070](#), filed 6/16/22
- 13:35:33 MDU Gas Tracker Filings (Rate 88), Docket [2021.09.113](#), filed 9/8/21.
- 13:35:51 MDU Application to Offer Incentives for Conversion in the Saco/Bowdoin Area, Docket [2021.09.116](#), filed 9/15/21.
- 13:36:27 MDU Application for an Accounting Order, Docket [2021.12.138](#), filed 12/21/21.

- 13:39:36 MDU Conservation Program Tracking Mechanism (Rate 90), Docket [2022.03.021](#), filed 2/28/22.
- 13:40:09 EWM Monthly Gas Trackers, Docket [2022.04.052](#), filed 4/27/22.
- 13:40:28 EWM Annual Gas Cost Tracker, Docket [2022.06.065](#), filed 6/1/22.
- 13:40:40 EWM Application to Amend Intercompany Line of Credit, Docket [2022.07.072](#), filed 6/30/22.
- 13:41:35 North Star Development Application for Water and Sewer Rate Increase, Docket [2010.06.060](#), filed 1/23/19.
- North Star Petition for Judicial Review, First Judicial District Cause No. ADV-2020-1703, filed 10/2/20.
- North Star Appeal to Montana Supreme Court, Case No. DA 21-0224, filed 5/12/2.
- 13:42:30 Investigation of Rules, Practices, and Adequacy of Service of North Star Development, LLC, Docket [2020.09.094](#), initiated 9/1/20.
- 13:43:52 Aquanet, Inc. Application for Standard Rates for Sundance Subdivision, Docket [2021.09.115](#), filed 9/14/21.
- 13:44:05 Moonlight Basin Water & Sewer, LLC Application to Increase Rates by Operating Ratio Methodology, Docket [2021.09.121](#), filed 9/29/21.
- 13:44:40 Circle H Water, Inc. Operating Ratio Application, Docket [2020.07.081](#), filed 7/17/20.
- Wettington Water District, Inc., Application for Standard Rates, Docket [2015.10.082](#), filed 10/19/15.
- 13:46:10 ABACO Energy Services Application to Establish Service Rates, Docket [2020.07.082](#), filed 7/16/20.
- 13:47:25 ABACO Propane Cost Tracker, Docket [2022.07.075](#), filed 7/1/22.
- 13:47:54 PSC Investigation into Modernizing Telecommunications Regulation, Docket [2021.10.125](#).
- 13:48:26 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.
- PSC Investigation into the Adequacy of Legacy Infrastructure Operated by Qwest Corporation d/b/a CenturyLink QC, Docket [2021.12.136](#).
- 13:49:11 Air Voice Wireless, LLC Application for Designation as an Eligible Telecommunications Carrier, Docket [2022.04.048](#), filed 4/1/22.
- 13:49:49 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.

13:51:09 CBC [Third] Petition to Set Terms and Conditions, Docket [2021.12.134](#), filed 12/1/21.

13:52:14 Consolidated Edison (“CED”) Petitions to Set Terms and Conditions, Docket [2019.10.076](#), filed 10/4/19.

CED Complaint and Petition for Judicial Review, First Judicial District Cause No. ADV-2020-1292, filed 8/11/20.

CED Appeal to Montana Supreme Court, Case No. DA 21-0250, filed 5/24/21.

13:56:25 Colstrip Energy Limited Partnership’s Petition to Set Terms and Conditions, Docket [2022.07.073](#), filed 7/1/22.

Committee Discussion:

13:58:27 Senator Pope noted that the federal program, Public Utility Regulatory Policies Act (“PURPA”), has been in place for about 40-years and asked if there were lessons learned to avoid the reiterations and regulatory rate making time.

14:01:30 Senator Pope asked if QF portfolios in Montana are offering a reasonable, marketable, competitive product.

14:06:18 Senator Pope inquired whether the federal PURPA law trumps SB201 with respect to QFs.

14:08:12 Senator Pope inquired if SB201 should be revisited during the upcoming session.

14:09:56 NWE Application for Approval of QF Interconnection Procedures and Agreements, Docket [2021.08.106](#), filed 8/4/21.

14:10:36 NWE Revisions to QF-1 Tariff based on Senate Bill 201, Docket [2021.09.111](#), filed 8/31/21.

14:12:35 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.

PUBLIC COMMENT

No Public Comment was offered at this time.

FINANCIAL REPORT

14:14:25 Jason Brown reviewed the budget versus expenditure report for the end of fiscal year 2022 and for the first accounting period (July 2022) of fiscal year 2023.

CONTRACTED SERVICES

14:15:47 Jason Brown requested authorization from the committee to retain the services of the following consultants:

2022.07.072 – Energy West Montana – Application to Amend Intercompany Line of Credit

- Donkin & Associates – George Donkin

2022.07.078 – NorthWestern Energy - Application to Increase Retail Electric and Natural Gas Utility Service Rates

- Duncan & Allen, LLP – John Coyle

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.

NEXT MEETING

The date of the next meeting will set at a later date.

PUBLIC COMMENT

No public comment was offered at this time.

ADJOURNMENT

14:22:09 There being no other matters before the Committee the Chair adjourned the meeting.