MINUTES LOG
January 18, 2022
State Capitol Building Room 152 and Zoom
Helena, Montana

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the meeting and the time at which the item was presented or discussed, a motion was made, or a vote was taken.
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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 Legislative Services Division at 406-444-3064 for more information.

MEMBERS PRESENT:
Sen. Mary McNally, Chair (D)
Sen. Terry Gauthier, Vice Chair (R)
Sen. Duane Ankney (R)
Rep. Michele Binkley (R)
Sen. Janet Ellis (D)
Rep. Steven Galloway (R)
Rep. Denise Hayman (D)
Rep. Andrea Olsen (D)
Rep. Katie Sullivan (D)
Rep. Katie Zolnikov (R)

STAFF PRESENT:
Trevor Graff, Research Analyst
Fong Hom, Secretary
Jameson Walker, Attorney
CALL TO ORDER/ROLL CALL
09:02:30 Sen. Mary McNally called the meeting to order at 9:02 AM. The committee secretary took roll. (Attachment 3)
09:03:12 Sen. McNally provided an introduction for the meeting.

SJ 3: ADVANCED NUCLEAR REACTOR FUEL CYCLE

Introduction and Study Overview
09:03:58 Trevor Graff, research analyst, Legislative Services Division (LSD).

Idaho National Laboratory
09:05:14 Melissa Warner, department manager, Aqueous Separations and Radiochemistry, Idaho National Laboratory (INL). (Exhibit 1)

Nuclear Energy Institute
09:18:01 Rod McCullum, senior director, Decommissioning and Used Fuel, Nuclear Energy Institute. (Exhibit 2)

Princeton School of Public and International Affairs Program on Science and Global Security
09:42:18 Dr. Frank von Hippel, senior research physicist and professor of Public and International Affairs, Princeton University. (Exhibit 3)

Public Comment
None

Questions from the Committee
10:00:28 Rep. Sullivan asked Mr. McCullum about the commercial facilities that accept dry cask storage.
10:01:53 Rep. Sullivan asked Mr. McCullum if dry cask storage will be on-site for new facilities.
10:02:52 Rep. Hayman asked Mr. McCullum about bonding for the decommissioning of advanced nuclear power plants.
10:05:04 Rep. Hayman asked Mr. McCullum about the amount and source of payment for decommissioning.
10:06:27 Sen. Ellis asked Mr. McCullum about uranium and the difference between traditional nuclear and advanced nuclear mining.
10:08:55 Sen. Ellis asked Mr. McCullum about mining uranium and the level of enrichment needed for advanced nuclear mining.
10:10:06 Sen. Ellis asked Dr. von Hippel to also respond.
10:11:51 Sen. Ellis asked about the two different advanced nuclear projects at INL and if the enrichment level use is the same or different.
10:12:49 Dr. von Hippel.
10:13:35 Sen. Gauthier asked Mr. McCullum about extracting uranium from sea water.
10:17:32 Rep. Sullivan asked Mr. McCullum about the circulated and cooled water and the frequency of new water coming in and older water going out.
10:18:49 Mr. von Hippel provided additional information.
10:22:23 Mr. von Hippel provided additional information.
10:23:20 Sen. McNally asked Mr. McCullum why the Connecticut Yankee facility was not totally cleaned up.
10:25:10 Sen. McNally thanked the panelists for their participation.
10:25:45 Recess
10:35:52 Reconvene

SJ 3: ADVANCED NUCLEAR REACTOR TECHNOLOGY

Introduction and Study Overview
10:36:02 Sen. McNally said the purpose of the study is to learn more about the technology for small nuclear reactors and related issues.
10:37:06 Mr. Graff provided an introduction.

Gateway for Accelerated Innovation in Nuclear (GAIN)
10:37:55 Christine King, director, Gateway for Accelerated Innovation in Nuclear (GAIN), gave a presentation on the future role of nuclear energy. (Exhibit 4)

National Reactor Innovation Center
11:03:57 Dr. Ashley Finan, director, National Reactor Innovation Center, gave a presentation on advanced nuclear energy demonstrations. (Exhibit 5)

Nuclear Energy Institute
11:23:00 Marc Nichol, senior director, Nuclear Energy Institute, gave a presentation on considerations for transitioning from a coal plant to a nuclear power plant. (Exhibit 6)

Public Comment
11:45:10 Dwight Rose, IBEW Local 44

Additional public comment received online. (Exhibit 7)

Questions from the Committee
11:52:19 Sen. Gauthier asked Mr. Nichol about expansion of the nuclear industry and the education process for training technicians.
11:54:05 Rep. Hayman asked Mr. Nichol about the cost for developing a 600-megawatt power plant and who will pay for it.
Rep. Hayman thanked the panelists and said she is concerned about the cost for ratepayers. She said because of high energy costs the state will not be able to attract business.

Sen. Ellis asked Ms. Finan if advancing nuclear projects in order to be operational by 2025 and going commercial by 2030 is a goal for the pacific northwest or a national goal.

Sen. Ellis asked Ms. Finan about generation for reactors and when they might be commercially viable.

Sen. Ankney said investment in the construction and operation of a 700-watt unit in Colstrip will not go on the rate base in Montana unless NorthWestern Energy chooses to be a participant or buys power from one of the participants.

Rep. Olsen asked Mr. Nichol about the study from INL.

Rep. Olsen asked Mr. Nichol about infrastructure and addressing what to do with the waste generated.


Rep. Galloway asked Mr. Nichol about renewable energy.

Rep. Sullivan asked Ms. King about the site analysis for the potential transfer of a coal plant to a nuclear facility.

Sen. McNally thanked the panelists for their participation and requested they send any additional information to staff.

Recess for lunch

Reconvened

ENVIRONMENTAL QUALITY COUNCIL UPDATE

Joe Kolman, research director, LSD, and staff for the Environmental Quality Council (EQC), gave an update on the EQC meeting scheduled for next week.

SJ 33 MONTANA'S GRID CAPACITY: STATE OF THE GRID

Introduction

Mr. Graff

NorthWestern Energy

John Carmody, director, Asset Management, NorthWestern Energy (NWE).

Bonneville Power Administration

Mark Reller, Montana liaison, Bonneville Power Administration.

Montana Electric Cooperatives

Doug Hardy, Montana Electric Cooperatives’ Association.

Renewable Northwest

Robin Arnold, Markets and Transmission director, Renewable Northwest.

Public Comment

Charles Denowh, Rosebud Power Plant and Yellowstone Power Plant (Exhibit 8)
Questions from the Committee
14:04:59 Rep. Hayman asked Ms. Arnold if more projects like the Beck Hill microgrid pilot project should be incorporated into the grid.
14:07:55 Rep. Sullivan asked Mr. Reller about the cost of transmission lines.
14:09:08 Rep. Sullivan asked Mr. Reller about the cost of building a brand-new transmission line.
14:09:41 Rep. Olsen asked Mr. Reller about rebuilding the transmission line from Hot Springs to Garrison and why it does not increase capacity.
14:10:41 Sen. Ellis asked Mr. Hardy about smart meters and where co-ops are in the process.
14:12:56 Sen. Ellis asked Mr. Hardy if any co-ops are using advanced meters to help consumers make choices to reduce peak load.
14:14:49 Sen. Ellis asked Mr. Carmody if NWE is allowing consumers to reduce peak loads.
14:16:23 Sen. Ellis asked Mr. Carmody where NWE is in the process of replacing meters.
14:18:49 Rep. Galloway asked Mr. Carmody about the danger of overbuilding certain types of supplies, having a saturation problem, and not being able to get any returns.
14:20:32 Rep. Olsen asked Mr. Carmody about support for solar panels and increasing community participation.
14:23:30 Sen. McNally asked Mr. Carmody about transitioning the system into a two-way system.
14:24:56 Sen. McNally asked Mr. Carmody if wind and solar storage can provide firm power for planning and address the issue of losing money.
14:26:14 Sen. McNally thanked the participants.

PUBLIC SERVICE COMMISSION DISTRICTS CASE

Introduction
14:26:55 Jameson Walker, staff attorney, provided a summary of the district case.
14:28:29 Mr. Walker presented information on the plaintiff's complaint dated December 6, 2021. (Exhibit 9)
14:34:14 Mr. Walker said the plaintiffs filed a temporary restraining order on December 17, 2021. (Exhibit 10)
14:35:52 Mr. Walker discussed the court order filed December 22, 2021. (Exhibit 11)
14:36:39 Mr. Walker said the state filed its brief in response to plaintiff's motion for temporary restraining order on January 3. (Exhibit 12)
14:40:37 Mr. Walker said the court issued its order granting a temporary injunction on January 13, 2022.
14:43:25 Mr. Walker said the court set an expedited summary judgement schedule and an order to have a final bench trial or hearing by March 4.

Public Comment
14:48:59 Sen. McNally said it is not yet clear what the outcome will be.
Questions from the Committee
14:49:31 Rep. Galloway said he supports allowing the ETIC to review PSC districts after the conclusion of a census and establish criteria to ensure constitutionality.
14:51:28 Rep. Zolnikov discussed the letter she sent requesting that the ETIC discuss redistricting the PSC at its January meeting. *(Exhibit 13)*

Motion
14:52:37 Rep. Zolnikov moved that the ETIC adopt the issue of reapportionment of the PSC districts during this interim and establish a schedule so it can be revisited during the 2023 Legislative Session.

14:53:03 Sen. Ellis asked about allowing committee questions before the motion.
14:53:46 Sen. Ellis said the candidate filing deadline is March 14 and asked Mr. Walker about the process for the two PSC districts that are up for election.
14:56:21 Mr. Walker said the scheduling order is on the ETIC website. *(Exhibit 14)*
14:56:51 Sen. Ellis asked Mr. Walker if the court can extend the filing deadline for candidates. Mr. Walker said he will provide an update for the committee.
14:58:21 Sen. Ellis asked Mr. Graff about the past interim study that was done by the ETIC regarding the PSC and the structure of other states' commissions.
15:01:13 Mr. Walker provided information on the salient statute, 13-10-201(7), MCA, in response to Sen. Ellis' earlier question.
15:02:00 Sen. Gauthier said he believes the issue is outside the scope of the ETIC's responsibility and recommended allowing the courts to decide the districts. He said it can be brought before the 2023 Legislative Session.
15:03:30 Sen. McNally asked Mr. Walker if the ETIC has the legislative authority to establish PSC districts.
15:04:31 Sen. McNally said it is not feasible for the ETIC to be able to have this done by March 14. She asked Mr. Walker about potential outcomes for the judicial process.
15:07:22 Sen. Ellis said she believes the districts are in statute and the ETIC does not have the authority to change statute.
15:08:16 Mr. Walker said 69-9-104, MCA, sets up the PSC districts and the ETIC cannot change statutory law.
15:09:03 Sen. McNally said there is currently nothing in statute that explicitly requires redistricting after every census. She said it could be a committee bill in the future.

Motion

Discussion on the Motion
15:14:15 Sen. Ankney
15:15:17 Mr. Walker
15:16:50 Sen. Ankney
Mr. Graff

Commission Update
15:25:40 James Brown, chairman, PSC, introduced the PSC staff present in the audience and that are available for questions.
15:26:50 Mr. Brown provided a copy of draft legislation amending section 69-3-207, MCA, for possible consideration as a committee bill. (Exhibit 15)
15:28:53 Mr. Brown said the PSC’s 2023 budget request will include a request for new FTE in the area of railroad and safety regulation.
15:30:58 Mr. Brown discussed PSC regulatory jurisdiction. (Exhibit 16)
15:33:47 Mr. Brown said the committee received information on the status of agency dockets (Exhibit 17) and the status of rulemaking. (Exhibit 18)
15:34:14 Mr. Brown said the PSC submitted comments on Federal Energy Regulatory Commission (FERC) proposed rulemaking related to various transmission issues. (Exhibit 19)
15:34:48 Mr. Brown discussed the status of agency dockets.
15:38:34 Mr. Brown discussed the status of rulemaking proceedings.
15:39:22 Mr. Brown provided a copy of proposed regulations to implement HB467 (2019). (Exhibit 20)

Public Comment
None

Questions from the Committee
15:41:45 Sen. Ellis asked about the process for endorsing draft legislation. Mr. Graff provided information on the interim process for proposed agency legislation.
15:44:23 Sen. Gauthier asked Mr. Brown about the request for additional FTEs.
15:45:44 Rep. Galloway asked Mr. Brown about the reduction in FTEs and if there is any action needed by the ETIC.
15:48:20 Rep. Galloway asked Mr. Brown about funding for the PSC.
15:49:09 Rep. Galloway commented about the job of the PSC.
15:50:09 Sen. Ellis asked Mr. Brown about the subcommittee section that is involved in the appropriation process.
15:50:55 Mr. Brown discussed a scam involving the PSC and provided a copy of a press release that was subsequently issued by the PSC. *(Exhibit 21)*

**ADMINISTRATIVE RULE REVIEW**

**Introduction and Overview**
15:53:08 Mr. Walker said there have been no new rules since the November 2021 update to the committee. *(Exhibit 22)*

**Questions from the Committee**
None

**Public Comment**
None

**OTHER BUSINESS/INSTRUCTIONS TO STAFF**

**Review of March Field Trip**
15:54:05 Mr. Graff discussed the field trip scheduled for March 17-18 to the INL.
15:56:15 Mr. Graff discussed the meeting scheduled for May 19-20.
15:58:34 Sen. McNally said she will stay in contact with staff regarding the field trip.

**PUBLIC COMMENT ON MATTERS WITHIN THE JURISDICTION OF THE ETIC**
None

16:00:02 Sen. McNally thanked the committee.

**ADJOURNMENT**
16:00:25 Sen. McNally adjourned the meeting at 4:00 p.m.