

MONTANA PUBLIC SERVICE COMMISSION UPDATE TO
THE ENERGY & TELECOMMUNICATIONS INTERIM COMMITTEE
STATUS OF DOCKETS

July 17, 2024

1. NorthWestern Energy

Petition for Alternative Method for FERC 302 Filings – Docket 2024.07.071

- Regulations of the Federal Energy Regulatory Commission (“FERC”) implementing the Public Utility Regulatory Policies Act (“PURPA”) require NorthWestern to file with the Commission every two years data from which NorthWestern’s avoided costs can be calculated. *See* 18 C.F.R. § 292.302
- FERC’s regulations require avoided energy cost data for blocks of purchases no larger than 100 MW in daily and seasonal peak and off-peak periods for the filing year and each of the next five years. Avoided capacity cost data must include NorthWestern’s plan for capacity additions and retirements and for purchases of firm energy and capacity for the next 10 years along with the estimated capacity and energy costs for each unit of planned capacity additions and firm purchases.
- FERC’s regulations allow the Commission to substitute alternative data for the data specified in the regulations if the Commission determines that avoided costs can be derived from such data.
- On July 1, 2024, NorthWestern filed a petition requesting that the Commission substitute an alternative methodology for deriving avoided cost data required by FERC’s regulations.
- NorthWestern notes that FERC amended its PURPA regulations in December 2020 to allow state regulatory authorities to require avoided cost of energy rates in long term contracts with qualifying facilities (“QF”) that vary based on the time of delivery of the QF’s energy. *See* FERC Order 872.
- The Commission subsequently amended its rules in September 2022 to require contract rates based on the avoided cost of energy at the time of delivery of QF energy.
- NorthWestern requests that the Commission substitute energy price data from the Western Energy Imbalance Market (WEIM) for the avoided energy cost data required in FERC’s regulations.
- For avoided capacity cost data NorthWestern requests that the Commission substitute the data based on the Peaker Method for the data required in FERC’s regulations. Under the Peaker Method, avoided capacity cost data would be based on the least cost capacity resource identified in NorthWestern’s most recent integrated resource plan.

- NorthWestern also proposes to provide data on the estimated capacity contribution for various types of QF resources based on the capacity accreditation methodology used by the Western Resource Adequacy Program.

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[Electric and Natural Gas Rate Case – Docket 2024.05.053](#)

- NorthWestern intends to file a combined electric and natural gas rate case in the third quarter of 2024.
- The rate case will be based on a 2023 test year.
- NorthWestern will request to include the costs of the Yellowstone County Generating Station in the calculation of retail service rates.
- NorthWestern may also present proposals for complying with newly-adopted rules from the U.S. EPA on power plant emissions for mercury and air toxics, which affect the Colstrip coal-fired generating units.
- NorthWestern filed a request for waiver of a Commission regulation that requires utilities to conduct a marginal cost of service study to support the allocation of total revenue requirements to various customer classes and the design of various rate elements. See Mont. Admin. R. 38.5.176. The motion requests the Commission grant the waiver for the natural gas portion of its pending application. The Commission granted the waiver on June 25, 2024.

[PCCAM Annual Rate Adjustment – Docket 2023.09.081](#)

- In September 2023 NorthWestern filed its annual application to adjust electricity supply rates under its Power Costs and Credits Adjustment Mechanism (PCCAM). The application covers a tracking period of July 2022 through June 2023.
- Under the PCCAM, rate adjustments automatically take effect on October 1 each year, subject to refund after a final Commission decision.
- NorthWestern seeks to recover approximately \$17.5 Million in deferred costs.
- The proposed PCCAM rate adjustment results in a decrease in NorthWestern's electricity supply rates of approximately 4% (because the rates included recovery for a larger deferral from the prior year). A typical residential customer would experience a bill decrease of approximately \$4.50 per month.
- Following the Commission's decision in NorthWestern's electric and natural gas rate case authorizing an increase in the PCCAM base cost, NorthWestern filed a motion to amend the interim rate adjustment implemented in October 2023. Under the authorized PCCAM base cost, the deferred cost increased by \$2.9 million.
- In December 2023 the Commission approved NorthWestern's motion to modify the interim PCCAM rates to reflect the PCCAM base costs approved in the rate case. The

effect of the decision was a slight increase in the PCCAM rates implemented in October. For a typical residential customer, the increase was 0.4% or \$0.42 per month.

- The Consumer Counsel intervened and recommended that the Commission deny a proposal by NorthWestern to include expenses for ammonia used at the Dave Gates Generating Station. Historically, ammonia expenses were accounted for in general rate cases.
- The Consumer Counsel recommended removing \$790,161 from NorthWestern's claimed expenses, which would reduce the rate adjustment by \$711,145 after applying the 90/10 sharing mechanism.
- In May 2024 NorthWestern filed a Notice of No Contested Issues and Motion to Vacate Hearing. The Notice stated that after reviewing NorthWestern's rebuttal testimony and related discovery responses, the Consumer Counsel had informed NorthWestern that it was no longer contesting any issues in the docket.
- On June 7, 2024, the Commission issued a Notice of Commission Action vacating the hearing. The Commission still must issue a decision on NorthWestern's application and in its notice vacating the hearing the Commission stated that if it determines a hearing is necessary it will issue a new procedural order.

[Update of Standard PURPA Rates – Docket 2023.08.076](#)

- In August 2023 NorthWestern filed an application to update its QF-1 tariff schedule, which provides standard rates for purchases by NorthWestern of energy and capacity from QFs under PURPA.
- FERC's regulations require utilities to offer standard rates for QFs 100 kilowatts (kW) or smaller but provide state regulatory commissions the discretion to require standard rates for larger facilities.
- The Commission's rules require Montana utilities to offer standard rates for QFs as large as 3 megawatts (MW).
- In its application, NorthWestern proposes to offer standard rates for contract terms up to 20 years. NorthWestern's proposed energy rates would be based on market prices in the Western Energy Imbalance Market at the time the QF's energy is delivered, as authorized by FERC Order 872. NorthWestern proposes capacity rates that are fixed for the term of the contract and based on the estimated costs of constructing a new natural gas peaking plant.
- NorthWestern also proposes to implement a standard, off-the-shelf contract to streamline the PPA negotiation process.
- Hydrodynamics and Greenfields Irrigation District (jointly) and the Consumer Counsel have intervened.
- The proceedings have been delayed due to the resignation of one of NorthWestern's witnesses, which resulted in NorthWestern refiling its prefiled testimony.

- A hearing is currently scheduled for October 29, 2024.

Natural Gas Cost Tracking Adjustment – Docket 2022.07.077

- In May 2023 NorthWestern filed its application to increase natural gas supply rates pursuant to its annual cost tracking adjustment mechanism.
- The application covers a tracking period from July 1, 2022, through June 30, 2023.
- The proposed rate changes reflect projected increases in the market price of natural gas and deferred unreflected gas costs incurred in the tracker period.
- The Commission issued an interim order in June 2023.
- The Consumer Counsel intervened and subsequently provided testimony recommending the Commission disallow recovery of approximately \$11 million of fixed-price gas expenses NorthWestern incurred to hedge against volatile spot market gas prices.
- The Consumer Counsel contends the hedge-related expenses were significantly higher than average index prices, resulting in hedging losses. The Consumer Counsel argues NorthWestern over-emphasized the potential benefits of hedging.
- NorthWestern counters that it took reasonable steps to mitigate customers' exposure to risk from increased volatility in natural gas markets, given the information available at the time of the transactions. NorthWestern also argues it reasonably implemented Commission guidelines regarding the use of hedging as part of a balanced and diverse natural gas supply portfolio.
- The Commission held a public hearing on NorthWestern's application in February 2024.
- Post-hearing briefing was concluded in April 2024.
- The Commission and staff are currently evaluating the record in preparation for a future work session and decision.

Application for Waiver of CREP Requirements, on Remand - Docket Nos. 2016.04.033 & 2017.08.065

- Prior to 2021, Montana law imposed a renewable energy standard that required electric utilities to supply a percentage of their retail load with energy from renewable resources and to contract for specific amounts of renewable generation capacity with Community Renewable Energy Projects (CREPs).
- The law allowed utilities to apply to the Commission for a short-term waiver from compliance with the renewable energy standard. To grant a waiver, the Commission was required to find that a utility had taken all reasonable steps to comply but was unable to comply due to factors outside the utility's control. Additionally, utilities were not required to comply with the standard if the cost of compliance exceeded statutorily defined cost caps.

- In September 2018 the Commission issued a final order in these consolidated dockets granting a request by NorthWestern for a short-term waiver of the requirement to purchase energy and associated renewable energy credits from CREPs for the years 2015 and 2016, pursuant to Mont. Code Ann. § 69-3-2004 (2018, now repealed).
- One of the parties in the proceeding, the Montana Environmental Information Center (MEIC), petitioned for judicial review arguing that the Commission should not have approved the requested waivers because NorthWestern had not shown that it had taken all reasonable steps to comply.
- The court issued its decision on March 19, 2024, remanding the case to the Commission with instructions. See *Litigation Status Update*.
- On remand, the Commission will conduct further proceedings and issue findings on the administrative penalty NorthWestern must pay for failure to comply with the CREP requirements for the 2015 compliance year. The penalty is not recoverable from customers and must be deposited in the universal system benefits low-income energy assistance fund.
- For the 2016 compliance year, the Commission must determine whether the method NorthWestern used to calculate the cost cap, which relied on avoided cost modeling, reasonably approximates the statutory cost cap, which was required to reflect competitive bids for the equivalent quantity of energy for the equivalent contract term from other electricity suppliers.

2. PURPA Implementation

[Jawbone Petition for QF Rates, on Remand – Docket 2020.12.126](#)

- Jawbone is an approximately 80 MW wind facility to be located near Harlowton, in Wheatland County.
- Jawbone submitted its Petition, pursuant to Mont. Code Ann. § 69-3-603, in December 2020 requesting that the Commission set avoided cost rates and terms for a contract with NorthWestern.
- The Commission conducted a public hearing in May 2021, issued a final order on October 29, 2021, and issued an order on reconsideration on January 26, 2022.
- Jawbone petitioned for judicial review of the Commission’s orders on February 25, 2022.
- On April 30, 2024, the Montana First Judicial District Court issued its Opinion and Order, which grants in part and denies in part the petition for judicial review and remands the matter to the Commission for further proceedings on two issues: (1) whether there is an appropriate basis for applying an assumption that the implied market heat rate will decline over the term of the contract; and (2) the appropriate allocation of interconnection cost to Jawbone under the Montana Supreme Court’s decision in *CED Wheatland*.

Petition to Initiate Rulemaking – Docket 2024.01.011

- In January 2024 NorthWestern Energy filed a petition to initiate a rulemaking proceeding to amend an existing Commission rule that addresses how a QF creates a legally enforceable obligation (LEO) under FERC’s PURPA regulations.
- NorthWestern stated that the Commission’s existing rule addresses LEO formation for new QFs that will be constructed but does not address LEO formation for QFs that have already been constructed.
- The Commission provided public notice of NorthWestern’s petition and an opportunity to comment.
- The Commission received comments from two existing QFs: Colstrip Energy Limited Partnership, Yellowstone Energy Limited Partnership.
- In February, the Commission voted to initiate informal rulemaking proceedings. The Commission issued a Notice of Commission Action soliciting comments and input from interested persons and identifying several specific items on which it seeks input.
- In March, the Commission received written comments from NorthWestern, Colstrip Energy Limited Partnership, Yellowstone Energy Limited Partnership, and Hydrodynamics.
- On May 9, 2024, Commission staff conducted an informal roundtable discussion with interested parties to discuss several elements of NorthWestern’s proposed rules and comments from stakeholders.
- The Commission is in the process of evaluating the informal written comments prior to proceeding with formal rulemaking.

Yellowstone Energy Limited Partnership (YELP) Petition – Docket No. 2024.04.047

- On April 12, 2024, Yellowstone Energy Limited Partnership filed a petition requesting the Commission to establish terms and conditions for the sale and purchase of electricity from YELP’s facility to NorthWestern Energy.
- YELP is an existing QF located in Lockwood, Montana. The facility has a nameplate capacity of 65 MW and produces energy using petroleum coke. YELP’s current contract with NorthWestern was executed in 1991 and expires at the end of 2028.
- YELP states in its petition that it has been unable to agree with NorthWestern on certain contract terms and avoided cost rates, including the appropriate proxy resource to be used to determine the rate for capacity and the capacity accreditation method used to be used to determine NorthWestern’s capacity need.
- NorthWestern Energy and Consumer Counsel have intervened in the proceeding.
- On June 4, 2024, the Commission issued a procedural order including a tentative hearing date of September 25, 2024.

3. Montana-Dakota Utilities

Authority to Offer Incentives for Conversion – Docket 2021.09.116

- In September 2022 MDU filed an application for authority to offer incentives for approximately 38 customers in the Saco/Bowdoin area to convert from MDU’s natural gas service to an alternative fuel source.
- MDU states that it does not expect to be able to reliably continue to deliver natural gas service to the customers because service is provided through a natural gas gathering system connected to wells in the Bowdoin area that MDU sold in 2015. Due to third party ownership of the gathering system and upstream gas production, MDU no longer has control over when the wells may be shut in and, hence, its ability to purchase the gas supplies needed to serve customers. MDU further states declining pressures in the wells and gathering system create reliability risks for customers due to increased water in the gas that can freeze during severe weather.
- MDU proposed to offer customers \$10,000 to defray the cost of switching to bulk propane service or another alternative. Customers would have through the end of October 2025 to accept the offer.
- The Consumer Counsel intervened in the docket.
- The Commission issued a procedural order in August 2023.
- The Consumer Counsel filed testimony in December 2023 arguing that service quality has not materially declined for customers in the Saco/Bowdoin area and that the costs of alternative services, such as propane, electricity, or fuel oil, are much higher on an equivalent BTU basis compared to the cost of MDU’s natural gas service. The Consumer Counsel recommends rejecting MDU’s proposed October 2025 deadline to accept a fuel switching incentive and requiring MDU to submit regular reports of the gas field pressures feeding the Saco/Bowdoin distribution system.
- In May 2024 the Commission received a settlement agreement between MDU and the Consumer Counsel purporting to resolve all disputed issues in the proceeding. Under the terms of the agreement, customers would be eligible for up to \$10,000 to defray the cost of switching to alternative fuels and would have until September 2027 to accept MDU’s offer. Thereafter, the cost of conversion would be a customer’s sole responsibility.
- On June 3, 2024, the Commission issued a Notice of Commission Action vacating the hearing that had been scheduled for June 11, 2024.

Natural Gas Rate Case – Docket 2024.05.061

- MDU intends to file an application to increase rates for natural gas service in July 2024.
- On May 24, 2024, MDU filed a request for waiver of Mont. Admin. R. 38.5.176, with requires utilities to perform a marginal cost of service study in support of the proposed

allocation of total revenue requirements to various customer classes and proposed service rates.

- The Commission noticed receipt of the request on May 31, 2024, and provided an opportunity for public comment. No comments were received.
- The Commission approved MDU's request on June 25, 2024.

5. Telecommunications Regulation Modernization

Modernizing Telecommunications Regulation – Docket 2021.10.125

- The Montana Telecommunications Act was enacted in 1985.
- The Act establishes a policy of universal availability of basic telecommunications service at affordable rates and provides for an “orderly transition from a regulated telecommunications industry to a competitive market environment.” Mont. Code Ann. § 69-3-802.
- The Commission has adopted rules that implement the Act. Mont. Admin. Rs. 38.5.2701 through 38.5.4200.
- As telecommunications markets have evolved over time, the Commission's regulation has responded. For example, in 2000 the Commission waived requirements for certain competitive local phone service providers to file tariffs or price lists, and in 2014 the Commission removed tariff requirements for the two former monopoly local phone companies (Citizens Telecommunications d/b/a Frontier Communications and CenturyLink).
- The Commission initiated this Docket to assess whether current technology and the state of markets for telecommunications services warrant further changes in Commission regulation and/or governing statutes.
- The Commission requested public comment on two primary issues: the appropriate level of Commission regulation given current and expected market structures and communications technologies and potential modifications to Commission regulations.
- In January 2022 the Commission received comments from several stakeholders including the Montana Telecommunications Association, Bresnan, and CenturyLink.
- This process resulted in a Commission request, and subsequent ETIC approval, for pre-introduction of what became HB 492 during the 2023 Legislative Session. HB 492 was intended as a statutory cleanup bill to repeal several obsolete provisions in Title 69, Chapter 3, related to the regulation of telecommunications services.
- After passing out of the House by a vote of 93-5, HB 492 was tabled in the Senate Business, Labor, and Economic Affairs Committee. The Committee was concerned that the bill would remove regulatory protections for the approximately 10% of customers that continue to receive only traditional landline telecommunications services.

- The Commission continues to believe that increased competition in telecommunications markets since the Montana Telecommunications Act was enacted warrant statutory changes.
- The Commission will continue discussions with stakeholders, consider the Legislature's concerns with HB 492, and consider whether to suggest alternative statutory changes in future legislative sessions.

6. Other dockets and non-dockets

Investigation into the Adequacy of Infrastructure of CenturyLink – Docket 2021.12.136

- In December 2021, the Commission initiated an investigation into the adequacy of legacy infrastructure operated by Qwest Corporation d/b/a CenturyLink QC.
- The investigation is based on formal and informal consumer complaints alleging that the infrastructure serving rural areas of CenturyLink's service territory is inadequate, resulting in long service outages, inability to access 911 services, and falsely initiated calls to 911 services.
- The Commission consolidated Docket 2021.12.136 with Docket 2021.10.137, involving a request by CenturyLink for temporary waiver of performance requirements for addressing service outages.
- The Consumer Counsel requested and was granted intervention in the consolidated docket in February 2022.
- The Commission issued a Notice of Investigative Procedures that established a discovery period and a deadline for comments and requests for further process.
- On May 27, 2022, the Consumer Counsel issued discovery to CenturyLink.
- On June 3, 2022, the Commission issued a procedural order modifying previous deadlines in the case and establishing a deadline of July 29, 2022, for written comments and requests for additional process.
- On July 8, 2022, CenturyLink filed a motion requesting a 30-day continuance, in part to allow it to pursue settlement options with the Consumer Counsel.
- In August 2022 the Consumer Counsel requested a further extension because it had not yet received and reviewed certain confidential material requested in discovery.
- The Consumer Counsel submitted its comments in September 2022.
- CenturyLink responded to the Consumer Counsel's comments in October 2022.
- On November 2, 2022, the Commission directed CenturyLink to submit a proposal for resolving the service quality issues in the proceeding because CenturyLink had indicated it would consider subsidizing subscriptions to third-party provided service for rural customers that do not currently receive reasonable and adequate service from CenturyLink.

- CenturyLink submitted its proposal in December 2022.
- In February 2023, the Commission issued discovery to CenturyLink regarding several aspects of the proposal.
- The Commission held a public hearing on CenturyLink’s proposal in September 2023.
- In post-hearing briefing, CenturyLink argues that the investigation has not revealed service quality issues, the service restoration requirements are no longer appropriate, and CenturyLink’s proposal satisfied the Commission’s request.
- On March 13, 2024, the Commission issued its final order. The Commission was not persuaded that its service restoration rules are obsolete and, in any case, modifying or repealing the rule would require a rulemaking process so findings regarding the rule in these consolidated dockets would be inappropriate.
- The Commission further found that CenturyLink does not comply with the service restoration rules and the costs required to upgrade facilities and provide sufficient staffing do not appear financially feasible. Consequently, the Commission determined CenturyLink’s service is not reasonably adequate.
- Regarding CenturyLink’s proposal to subsidize third-party provided service for rural customers, the Commission found the record lacked sufficient evidence that such third-party service would yield reasonably adequate services at just and reasonable rates.
- As an alternative to CenturyLink’s proposal, the Consumer Counsel recommended requiring CenturyLink to apply for funding through the Broadband Equity Access and Deployment (BEAD) Program, which is designed to upgrade the most rural areas of the country to broadband services.
- Regarding the Consumer Counsel’s recommendation, the Commission noted that BEAD funding cannot be assured and absent a waiver of the program requirement for CenturyLink to provide 25% of the cost of upgrading the network, BEAD funding may be insufficient to make the investments economical. While it declined to order CenturyLink to apply for BEAD funding, the Commission stated that such an application may be in CenturyLink’s best interest.
- CenturyLink filed a motion for reconsideration of the Commission's final order on March 22, 2024. CenturyLink asks the Commission to reconsider its decision not to accept CenturyLink’s proposal and to direct Commission staff to engage in discussions with the parties with the aim of developing a mutually acceptable resolution of the matter.
- On May 29, 2024, the Commission issued a Notice of Commission Action appointing certain Commission staff to engage in negotiations with CenturyLink. The Commission directed that negotiation be completed by July 31, 2024, and that any agreement reached would be subject to review and approval by the Commission.

[PURPA Section 111\(d\) – Docket 2022.09.084](#)

- The Infrastructure Investment and Jobs Act of 2021 (“IIJA”) amended Section 111(d) of

the Public Utility Regulatory Policies Act (“PURPA”) to require that states consider measures to promote greater electrification of the transportation sector, including the establishment of utility rates that:

- Promote affordable and equitable electric vehicle charging options for residential, commercial, and public electric vehicle charging infrastructure;
 - Improve the customer experience associated with electric vehicle charging, including by reducing charging times;
 - Accelerate third-party investment in electric vehicle charging; and
 - Appropriately recover the marginal costs of delivering electricity to electric vehicles and electric vehicle charging infrastructure.
- Pursuant to Section 112 of PURPA, state regulatory authorities, such as the Commission, must commence consideration of these potential measures by November 2022.
 - The IIJA contains similar provisions for demand response resources/programs.
 - On August 23, the Commission voted to initiate a proceeding to investigate these provisions of the IIJA. Through the proceeding the Commission will obtain information and opinions from regulated utilities and the public relevant to the Commission’s consideration of utility rates that meet IIJA criteria.
 - A Notice of Opportunity to Comment was issued on September 2, 2022.
 - The Commission received comments from BroadbandMT in October 2022. No other comments were received.
 - No further action has been taken in the docket to date.

Resource Adequacy and Risk Profiles in the Montana and Regional Electricity Supply – Docket 2022.09.087

- On August 30, 2022, the Commission voted to initiate an investigative docket on resource adequacy and risks to the electrical supply of the State of Montana.
- On September 20, 2022, the Commission issued a Notice of Investigative Docket and Opportunity to Comment.
- In the Notice, the Commission described that the purpose of the investigation is to determine the size and scope of resource adequacy issues facing Montana and the Western Region. The Commission intends to use the docket as a catalyst and a forum for ongoing discussions about resource adequacy issues.
- In October 2022, the Commission received written comments from NorthWestern Energy, Friends of 2 Rivers, Department of Environmental Quality, Colstrip Energy Limited Partnership, and the Northwest Independent Power Producers Coalition. In November 2022, the Commission received supplemental comments from Northwest Energy Coalition.
- In December 2022, the Commission hosted a two-day conference with regional regulators and other interested stakeholders focused on resource adequacy issues.

- The Commission and its staff continue to research and participate in regional planning for resource adequacy.
- In mid-January 2024 Montana and the broader Pacific Northwest experienced an extreme cold weather event that lasted for several days. NorthWestern’s system set a new system peak demand record and recorded its highest sustained peak load. Market prices for wholesale electricity approached the \$1,000 per MWh cap set by the Western Electricity Coordinating Council. Just ahead of the most severe weather, a portion of the Colstrip generating plant was off-line for maintenance.
- The Commission determined that this event provided an opportunity to further examine resource adequacy and associated risks for Montana customers.
- On January 30, 2024, the Commission sent a letter to NorthWestern requesting that the Company provide a range of information regarding the operation of its system for the period January 8 – 18, 2024.
- NorthWestern provided the information on February 20, 2024, and the Commission held an informational meeting with NorthWestern on March 6, 2024.
- No further action in this matter has been taken to date.

Petition for Rulemaking regarding Consideration of Climate Impacts – Docket 2024.03.028

- On February 28, 2024, the PSC received a petition requesting the PSC to initiate rulemaking pertaining to the PSC’s consideration of adverse climate impacts from greenhouse gas emissions.
- The petition argues that Montanans have a fundamental constitutional right to a clean and healthful environment, which includes climate as part of the environmental life-support system, that greenhouse gas emissions from burning fossil fuels causes climate impacts in the state of Montana, and that the PSC makes consequential decisions that affect utility investments in fossil fuel-burning power plants.
- The petitioners ask the PSC to adopt proposed rules that make explicit the need for the PSC to consider and act on the climate consequences of its decisions.
- The petitioners also seek declarations from the PSC that: (1) the Montana Constitution imposes an affirmative obligation on the PSC to consider the harmful climate consequences of its decisions to prevent constitutional harm and protect Montanans’ fundamental right to a clean and healthful environment; and (2) the statutory and regulatory framework governing the PSC’s regulation of public utilities instructs it to make decisions in the public interest that ensure just and reasonable utility rates; these standards require the PSC to consider climate change and its harmful effects in Montana in the context of its regulatory duties.
- The petitioners comprise a group of 42 Montana organizations, businesses, and individuals.

- Pursuant to Mont. Code Ann. § 2-4-315 and Mont. Admin. R. 1.3.308, the PSC has 60 days to either deny the petition in writing or initiate rulemaking proceedings.
- On March 19, 2024, the Commission provided public notice of the petition and scheduled a public hearing to gather additional viewpoints and advice of interested persons pursuant to Mont. Code Ann. § 2-4-304.
- On April 8, 2024, the Commission held a public hearing to accept oral comments. The Commission established a written comment deadline of April 12, 2024. The Commission received over 800 written and oral comments regarding the petition.
- Based on the Petition, the Petitioners' presentation at the public hearing, and public comments, the Commission was left with several unanswered questions.
- On April 30, 2024, the Commission issued a Notice of Extended Opportunity to Comment, which invites the Petitioners and any other interested parties to provide further written comment on the proposed rule, including but not limited to responses to specific questions regarding the effect and implications of the proposed rule stated in the Notice. The extended deadline for comment is July 1, 2024.
- On June 11, 2024, the Petitioners filed for a Writ of Mandate in the Fourth Judicial District Court. *See Status of Litigation Report.*