



1 (v) the proposed process the utility intends to use to solicit bids for energy and capacity resources to  
2 be acquired through a competitive solicitation process in accordance with 69-3-1207; and

3 (vi) descriptions of at least two alternate scenarios that can be used to represent the costs and benefits  
4 from increasing amounts of renewable energy resources and demand-side management programs, based on  
5 rules developed by the commission.

6 (b) The utility shall fully explain, justify, and document the data, assumptions, methodologies, models,  
7 determinants, and any other inputs on which it relied to develop information required in subsection (2)(a).

8 (3)(a) The commission may adopt rules providing guidelines to be used in preparing a plan and  
9 identifying the criteria to be used in determining cost-effectiveness.

10 (b) The criteria may include externalities associated with the acquisition of a resource by a public utility.

11 (c) The rules must establish the minimum filing requirements for acceptance of a plan by the  
12 commission for further review. If a plan does not meet the minimum filing requirements, it must be returned to  
13 the public utility with a list of deficiencies filing requirements not met. A corrected plan must be submitted within  
14 the time established by the commission.

15 (4) A plan filed with the commission by a utility, as defined in 75-20-104, must be provided to the  
16 department of environmental quality and the consumer counsel.

17 (5) Within 120 days of receipt of a plan, the The commission shall:

18 (a) review the plan;

19 (b) publish a copy of the plan;

20 (c) allow for a minimum of 30~~60~~ days for the public to comment on the plan; and

21 ~~(d) provide public meetings in accordance with 69-3-1205.~~

22 (6) The commission may provide public meetings in accordance with 69-3-1205.

23 ~~(6)(7)~~ (a) The commission may identify deficiencies in the plan, including:

24 (i) any concerns of the commission regarding the public utility's compliance with commission rules; and

25 (ii) ways to remedy the concerns.

26 (b) The commission may engage independent engineering, financial, and management consultants or  
27 advisory services to evaluate a public utility's plan. The consultants shall demonstrate~~must have demonstrated~~  
28 knowledge and experience with resource procurement and resource portfolio management, modeling, risk

1 management, and engineering practices. The commission shall charge a fee to the public utility to pay for the  
2 costs of consultants or advisory services. These costs are recoverable in rates."

3

4 **Section 2.** Section 69-3-1205, MCA, is amended to read:

5 **"69-3-1205. Public comment -- public meetings.** (1) When developing a plan in accordance with  
6 this part and prior to submitting a plan to the commission, a public utility shall hold at least ~~two~~four public  
7 meetings in the utility's Montana service territory to ensure a plan best meets the diverse goals of shareholders,  
8 ratepayers, and society.

9 ~~(2) A utility may petition the public service commission to forego up to two public meetings based on~~  
10 ~~public participation in previous public meetings held in compliance with section 1.~~

11 ~~(2)(3)~~ After a plan is submitted, the commission ~~shall~~may conduct ~~two~~ public meetings for the purpose  
12 of receiving comment on a plan. The commission or the department of public service regulation may comment  
13 on the plan. A comment by the commission or the department may not be construed as preapproval by the  
14 commission of rate treatment for any proposed resource.

15 ~~(3)(4)~~ The department of environmental quality:

16 (a) shall review a plan submitted to the commission and comment on the need for new resources, the  
17 alternatives evaluated to meet the need, the environmental implications of the resource choices, and other  
18 related issues that it considers important. The department shall coordinate and deliver all comments from other  
19 executive branch agencies.

20 (b) may use a plan in the development of studies for a specific energy facility for which an application  
21 for a certificate of compliance is submitted under Title 75, chapter 20.

22 ~~(4)(5)~~ The consumer counsel shall review and may comment on a submitted plan."

23

24 **Section 3.** Section 69-3-1207, MCA, is amended to read:

25 **"69-3-1207. Competitive solicitation process -- Montana ~~consumer counsel~~department of**  
26 **environmental quality role.** (1) (a) Except as provided in subsection (5), a public utility that intends to seek  
27 approval by the commission pursuant to 69-8-421 for the acquisition, construction, or purchase of an electricity  
28 supply resource shall conduct a competitive solicitation process.

1 (b) A public utility may not prohibit a qualifying small power production facility as defined in 69-3-601 or  
2 another utility or supplier that owns an electricity supply resource or intends to construct an electricity supply  
3 resource from participating in a competitive solicitation process.

4 (c) ~~§9; A competitive solicitation process that is open to bids that would result in the ownership of an~~  
5 ~~electricity supply resource by the public utility issuing the solicitation must include the use of a third-party~~  
6 ~~administrator selected by the public utility. An independent evaluator shall be used to open, consider, and~~  
7 ~~evaluate bids submitted pursuant to a solicitation, monitor the evaluation of bids pursuant to a competitive~~  
8 ~~solicitation.~~

9 (i) ~~The independent evaluator shall be selected by the Montana department of environmental quality~~  
10 ~~pursuant to section (4).~~

11 (ii) ~~The role of the independent evaluator is to assist the public utility in conducting the competitive~~  
12 ~~solicitation.~~

13 (iii) ~~The independent evaluator shall be familiar with competitive bid and evaluation processes.~~

14 (iv) ~~The independent evaluator shall thoroughly document the process used by the public utility to solicit~~  
15 ~~and evaluate bids received during the competitive solicitation.~~

16 (d) ~~A public utility may conduct a competitive solicitation in conjunction with the development of an~~  
17 ~~integrated least-cost plan in 69-3-1204.~~

18 (2) A public utility that plans to conduct a competitive solicitation process shall submit the following  
19 information to the commission:

20 (a) a description of the competitive solicitation process that the public utility will use and proof of  
21 compliance with subsections (1)(b) and (1)(c), if applicable; and

22 (b) a complete draft of the proposal soliciting electricity supply resources, citing the range in size and  
23 type of resource ~~needed~~ needs which may include all for resources resource types.

24 (3) (a) ~~The commission may accept public comment on the information shall notice and accept public~~  
25 ~~comment regarding information received in accordance to subsection (2).~~

26 (b) ~~The commission shall notify the department of environmental quality when it receives a proposal to~~  
27 ~~solicit electricity supply resources.~~

28 (4)(a) ~~The Montana consumer counsel may request, select, and retain a person or organization to act~~

1 ~~as an independent monitor for a competitive solicitation process.~~ The department of environmental quality shall:

2 (i) solicit, evaluate, and, subject to subsection (4)(b), maintain a list of independent evaluators for a  
3 competitive solicitation process;

4 \_\_\_\_\_ (ii) develop a process to disqualify and remove from the list independent evaluators who do not  
5 comply with qualifications established;

6 \_\_\_\_\_ (iii) subject to subsection (4)(b), update the list every three years; and

7 \_\_\_\_\_ (iv) after information is submitted to the commission in accordance with subsection (2) and  
8 subject to rules adopted by the department, select an independent evaluator from the list for a competitive  
9 solicitation process.

10 \_\_\_\_\_ (b) The department shall accept public comment when developing and updating the list.

11 \_\_\_\_\_ (c) On or before July 1, 2026, the department shall adopt rules for evaluating independent  
12 evaluators for inclusion on the list, selecting an independent evaluator in accordance with this section, and  
13 implementing this subsection (4).

14 \_\_\_\_\_ (d) Nothing in this section limits the department's ability to fulfill its duties in accordance with  
15 69-3-1205.

16 ~~(5)(b)(a)~~ The commission shall charge a fee to the public utility to pay for the costs of an independent  
17 monitorevaluator. These costs are recoverable in rates.

18 (b) After an independent evaluator is selected by the department in accordance with subsection (4), the  
19 public utilitydepartment shall execute a contract for services as established in subsection (6) with an  
20 independent evaluator for oversight of a competitive solicitation process as required by this part.

21 (c) If the conclusions of an independent evaluator are questioned by the commission during a future  
22 proceeding, the independent evaluator must represent itself in the proceeding.

23 (6)(e) The independent monitorevaluator may assist the Montana consumer counsel  
24 byshall:

25 (i)(a) providingprovide comments to the public utility and the commission on the consistency of the  
26 competitive solicitation process with industry standards;

27 (ii)(b) monitoring and observingmonitor and observe the competitive solicitation process, paying  
28 particular attention to the public utility's evaluation of electricity supply resources that may result in utility

1 ownership of the resource, to ensure that the utility conducts a fair and proper process in accordance with  
2 industry standards;

3 ~~(iii)(c) notifying~~notify the utility and the ~~consumer counsel~~commission on a timely basis prior to the  
4 utility's selection of the resources of any discrepancies observed in the process and ~~resolving~~resolve any  
5 differences of opinion; and

6 ~~(iv)(d) preparing~~prepare a closing report prior to the final selection of the resources regarding the  
7 consistency of the process, including selection and notification of electricity supply resources taking part in the  
8 solicitation process based on industry standards. Public utilities shall include the closing report in applications  
9 for future cost-recovery dockets.

10 ~~(5)(7)~~ This section does not apply to:

11 (a) a request for proposals or purchase by a public utility intended solely to meet the short-term  
12 operational needs of the utility for a period of less than 12 months; or

13 (b) an application made to the commission by a public utility to acquire, construct, or purchase an  
14 opportunity resource.

15 ~~(6)(8)~~ For the purposes of this section, "opportunity resource" means an electricity supply resource  
16 necessary to meet a need demonstrated in a plan in accordance with 69-3-1204(2)(a)(iv) that is either new or  
17 existing and that remains unknown as to its availability for purchase until an opportunity to purchase arises."

18

19 **Section 4.** Section 69-3-1208, MCA, is amended to read:

20 **"69-3-1208. Resource planning -- advisory committee.** (1) A public utility shall maintain a broad-  
21 based advisory committee to review, evaluate, and make recommendations on technical, economic, and policy  
22 issues related to a utility's electricity system.

23 (2) The committee may advise the utility on demand-side management, portfolio planning, and  
24 management and procurement completed in accordance with this part.

25 (3) The committee membership shall be published by the utility.

26 (4) Committee meetings shall be open to the public if a majority of members vote to hold open public  
27 meetings. A meeting of the committee shall be open to the public if the majority of the committee members vote  
28 to hold a public meeting."

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14

NEW SECTION. Section 5. Integrated resource planning and acquisition program. (1) There is an integrated resource planning and acquisition program within the public service commission comprised of:

- (a) 2 regulatory analysts; and
- (b) necessary additional staff to administer the program.

NEW SECTION. ~~Section 6.~~Section 5. Appropriation. (1) There is appropriated \$75,000 from the general fund to the department of environmental quality for the biennium beginning July 1, 2025, to meet the requirements of [section 1].

(2) There is appropriated \$200,000 from the general fund to the commission for the biennium beginning July 1, 2025, to meet the requirements of [sections 1, 2, and 5].

NEW SECTION. ~~Section 7.~~Section 6. {standard} Effective date. [This act] is effective July 1, 2025.

- END -