

June 28, 2018

MEMORANDUM

TO: The Energy and Telecommunications Interim Committee
FROM: Will Rosquist, PSC Regulatory Division Administrator
SUBJECT: PSC Legislative Bill Proposals

As the Public Service Commission's (PSC) legislative oversight committee, the Energy and Telecommunications Interim Committee (ETIC) normally reviews PSC legislative bill proposals at its July meeting in years preceding legislative sessions. An ETIC meeting is scheduled for July 19-20, 2018, and the draft agenda for the meeting currently includes an item pertaining to PSC legislative bill proposals.

The PSC held a work session on June 26, 2018, to discuss potential legislative bill concepts. The PSC agreed that, although there are undoubtedly some areas of the PSC's governing statutes that would benefit from clarification and/or modernization, there is not a pressing need to pursue such changes in the 2019 Legislative Session. The PSC's decision stems, in part, from the significant PSC caseload anticipated to overlap with the 2019 session together with limited staff resources. The anticipated caseloads include:

1. A comprehensive NorthWestern Energy electric utility general rate case;
2. A NorthWestern Energy electricity supply resource plan;
3. A NorthWestern Energy application to update standard rates for qualifying facilities;
4. A Montana-Dakota Utilities electric utility general rate case;
5. Property tax tracker applications from NorthWestern Energy and Montana-Dakota Utilities;
6. General rate cases for two water utilities (Big Mountain Water and HLH).

The PSC also considered that several bills could result from the interim committee process related to small water utility regulation, qualifying facility ratemaking standards, and electric utility resource acquisition requirements.

For these reasons, the PSC does not intend to propose any legislative bill concepts at the July ETIC meeting.