



Energy and Telecommunications Interim Committee

65th Montana Legislature

SENATE MEMBERS

MARY MCNALLY--Chair
TOM RICHMOND
SCOTT SALES
CYNTHIA WOLKEN

HOUSE MEMBERS

DEREK SKEES--Vice Chair
LAURIE BISHOP
ZAC PERRY
DANIEL ZOLNIKOV

COMMITTEE STAFF

TREVOR GRAFF, Lead Staff
JAMESON WALKER, Staff Attorney
NADINE SPENCER, Secretary

MINUTES LOG

January 16, 2018
Room 152, Capitol Building
Helena, Montana

Please note: This document is a Minutes Log and provides a notation 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 record 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 meeting activities. The time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

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COMMITTEE MEMBERS PRESENT

SEN. MARY MCNALLY, Chair
REP. DEREK SKEES, Vice Chair

SEN. TOM RICHMOND
SEN. SCOTT SALES

REP. LAURIE BISHOP
REP. DANIEL ZOLNIKOV

COMMITTEE MEMBERS EXCUSED

SEN. CYNTHIA WOLKEN
REP. ZAC PERRY

STAFF PRESENT

TREVOR GRAFF, Lead Staff
SONJA NOWAKOWSKI, Staff
JAMESON WALKER, Staff Attorney
NADINE SPENCER, Secretary

VISITORS' LIST (Attachment 1)

AGENDA (Attachment 2)

COMMITTEE ACTIONS

The Energy and Telecommunications Interim Committee (ETIC):

- Adopted the minutes log from September 29 and October 26, 2017.

CALL TO ORDER AND ROLL CALL

00:00:01 Sen. McNally called the meeting to order at 8:03 a.m. The secretary called the roll. Rep. Perry and Sen. Wolken were excused. [\(Attachment 3\)](#)

ADMINISTRATIVE MATTERS

ETIC Final Work Plan

00:01:16 Sonja Nowakowski, staff, Legislative Services Division (LSD), said the committee received a copy of the revised final work plan [\(Exhibit 1\)](#) and the work plan decision matrix. [\(Exhibit 2\)](#) She said at the September meeting the ETIC scaled back the SJ 2 study on renewable energy credit to include a panel discussion with stakeholders and reallocated the FTE to two program reviews. She said the first one will be presented today on integrated resource planning by utilities in Montana and the second will be on the regulation of small water and sewer utilities tentatively scheduled for the March meeting.

00:03:40 Ms. Nowakowski said the committee received a letter from Mark Reller, Bonneville Power Administration (BPA), regarding a meeting on December 8 that was hosted by BPA and the Governor to discuss the barriers and opportunities to renewable energy development in Montana. Ms. Nowakowski said staff listened to the meeting and also provided an update. [\(Exhibit 3\)](#)

00:04:51 Ms. Nowakowski said the committee received a report from the Northwest Power and Conservation Council as required under SB 164 (2017). [\(Exhibit 4\)](#) Sen. McNally said the ETIC will receive periodic updates on the study.

Committee questions and discussion None

Adoption of September and October Minutes

Motion/Vote

00:06:22 Rep. Skees moved to adopt the minutes log from September 29 and October 26, 2016. The motion carried unanimously by voice vote.

HJ 28: NATURAL GAS CUSTOMER CHOICE

00:06:57 Trevor Graff, research analyst, LSD, said the committee will be reviewing the response to the questionnaire it sent to Montana Dakota Utilities (MDU) and will review a second set of questions directed to Big Sky Gas to obtain more information from a third party natural gas supplier. He said the committee will also take a closer look at customer choice in other states.

MDU Questionnaire Response

00:07:48 Mike Green, attorney, Crowley Fleck, and outside regulatory counsel for MDU in Montana, introduced Garret Senger, executive vice-president for Regulatory Affairs, Customer Service, and Gas Supply and Bob Morman, MDU's director of Gas Supply.

00:09:09 Mr. Green gave a PowerPoint presentation providing an overview of MDU and a summary of MDU's responses to the questionnaire. **(Exhibit 5)**

Committee questions and discussion

00:29:14 Rep. Zolnikov asked Mr. Green about MDU's natural gas choice in the area.

00:30:19 Rep. Zolnikov asked Mr. Green about additional costs associated with customer choice, and if they provided the Public Service Commission (PSC) with work papers detailing MDU's numbers. Mr. Green said they have not. Rep. Zolnikov asked if they will and if they can provide the information to the ETIC. Mr. Green said they can share some additional detail, but that some of the numbers are proprietary.

00:31:53 Sen. Richmond asked whether MDU or WBI Energy buys gas for storage and how the costs are traded back. He asked if most of the gas for customers is tail gas. Mr. Morman explained how MDU purchases gas.

00:34:20 Sen. Richmond asked Mr. Morman if WBI transports the gas from the tail end of the gas plant to storage.

00:35:11 Sen. Richmond asked Mr. Morman if the contract with the gas plant is a WBI contract. Mr. Morman said it is an MDU contract. Sen. Richmond asked Mr. Morman if it is an exclusive contract.

00:36:42 Rep. Bishop asked Mr. Green about the duplication of cost for customers.

00:40:05 Rep. Zolnikov asked Mr. Morman about the suppliers for Big Sky Gas and NorthWestern Energy (NWE) and if they are the same suppliers for MDU.

00:41:26 Rep. Zolnikov asked about the number of customer service representatives MDU currently has for Montana and the additional number of representatives that will be needed. Mr. Senger said MDU has approximately 115 customer service agents that cover 1.1 million customers and may need an additional 4-5 agents.

00:43:17 Rep. Zolnikov asked Mr. Senger about the number of agents needed and commented on the reason why more detail is needed for the numbers for the additional cost.

00:44:11 Sen. Richmond asked if MDU gets any gas from Canada and if so from where. Mr. Morman said it does.

00:44:51 Rep. Skees asked Mr. Green about MDU's ownership of the distribution system from the city gates to the customer and if Energy West has to contract with MDU for its supply.

00:46:22 Rep. Skees asked Mr. Green if Energy West is an Energy Choice customer.

00:46:57 Sen. McNally asked Mr. Green if MDU would still be the default supplier if gas choice providers were subject to the same regulatory framework.

Public comment

00:49:26 Jason Brown, Montana Consumer Counsel.
00:50:30 Robert Silverberg, Crius Energy.
00:55:45 Diego Rivas, senior policy associate, Northwest Energy Coalition (**Exhibit 6**).
01:00:25 Jennifer Hill-Hart, staff attorney, PSC.
01:00:58 Rob Cantrell, executive vice president, Crius Energy.

Big Sky Gas Questionnaire

01:09:57 Sen. McNally said that as part of the study the ETIC received a set of questions to send to Big Sky Gas and asked that committee members review the questions before they are discussed later today. (**Exhibit 7**)
01:11:39 Rep. Bishop asked if representatives from the PSC will be available for questions later today. Ms. Hill-Hart said yes.

Other Western States Analysis

01:12:41 Mr. Graff said committee members received a synopsis of the history of customer choice programs across the country. (**Exhibit 8**)
01:13:28 Rep. Zolnikov requested that staff provide the information in more detail. Sen. McNally agreed.
01:14:45 Mr. Graff gave a PowerPoint presentation on other states and their history with customer choice. (**Exhibit 9**)

INTEGRATED RESOURCE PLANNING & ELECTRICITY PROCUREMENT PLANNING PROGRAM REVIEW

01:21:43 Ms. Nowakowski provided an introduction to the program review of integrated resource and electricity supply resource planning in Montana. (**Exhibit 10**)

Panel Presentation:

John Hines, vice president of supply, NorthWestern Energy.
Darcy Neigum, director, Electric System and Planning, MDU.
Travis Kavulla, vice-chairman and commissioner, Public Service Commission.

01:28:05 John Hines
01:40:48 Darcy Neigum
01:46:54 Travis Kavulla (**Exhibit 11**).
02:05:01 Mr. Kavulla (**Exhibit 12**).

Committee questions and discussion

02:05:55 Rep. Bishop asked Mr. Hines about participation from technical advisory groups.
02:07:56 Rep. Bishop asked Mr. Kavulla about how other states participate with technical advisory committees.
02:09:55 Rep. Bishop asked Mr. Kavulla about legislative policy and the ability to use regional models for finding the balance to increase participation.

02:11:07 Rep. Skees asked the panelists whether Montana's renewable portfolio standard works in the market today or if it needs to be modified by the legislature.
02:12:18 Mr. Hines
02:13:15 Mr. Neigum
02:13:58 Mr. Kavulla
02:15:36 Rep. Skees asked Mr. Hines if dams are considered part of Montana's renewable portfolio standard.
02:16:17 Sen. McNally asked Mr. Hines about NWE's participation in a Regional Transmission Organization (RTO).
02:19:20 Mr. Kavulla commented on participation in an RTO.
02:21:36 Sen. McNally asked about the scope of resources and the alternatives and if as part of the resource planning process how it is being incorporated. Mr. Hines discussed battery and pumped storage.

Public comment

02:24:25 Brian Fadie, Clean Energy Program director, Montana Environmental Information Center (**Exhibit 13**).
02:28:39 Mr. Rivas (**Exhibit 14**).
02:35:00 Jeff Fox, Renewable Northwest.

02:37:49 Sen. McNally thanked staff and the panelists.

02:38:28 Recess
02:51:26 Reconvene

02:52:34 Ms. Nowakowski said the committee will need to revisit and provide direction to staff regarding the program review on the planning process and future requests for information.

QUALIFYING FACILITIES BILL DRAFT

02:53:04 Ms. Nowakowski provided an update on the order by the PSC that established the standard rate for contract lengths of Qualifying Facilities (QFs).
02:54:36 Ms. Nowakowski said at its September meeting the ETIC requested a bill draft addressing contract terms. (**Exhibit 15**) Ms. Nowakowski said if the committee wants to move forward it needs to define long-term and determine applicability dates.

Public comment None

Committee questions and discussion

02:56:24 Rep. Bishop said she recommends not moving forward with the bill draft at the current time, but to ask for public comment at the March meeting.
02:57:14 Sen. McNally asked staff about the length of time it will take to resolve the lawsuits.
02:57:37 Sen. McNally said the ETIC will not move forward with the bill draft at the present time and can continue its discussion in March. Ms. Nowakowski asked what the committee wanted to include on the agenda. Sen. McNally said she recommends taking public comment.

02:58:32 Rep. Skees said he recommends not putting it back on the agenda until the fall.
02:58:56 Ms. Nowakowski said the ETIC will need to make a decision by the July meeting if it wants to draft a committee bill and recommended that it be put on the agenda for May. Sen. McNally agreed.

SJ 31:DECOUPLING

02:59:42 Mr. Graff said the committee received responses to a questionnaire regarding the pros and cons of decoupling policy in Montana (**Exhibit 16**) and a primer on the highlights of the responses from staff. (**Exhibit 17**) He said the ETIC will hear from stakeholders regarding the issue.

Decoupling Panel:

Garret Senger, Montana Dakota Utilities.
Heather Grahame, NorthWestern Energy.
Bob Decker, PSC.
Jason Brown, Legislative Consumer Counsel.

03:00:49 Sen. McNally asked the panelists to introduce themselves.

03:00:57 Mr. Senger

03:01:04 Ms. Grahame

03:01:17 Mr. Decker

03:01:25 Mr. Brown

03:01:42 Ms. Grahame (**Exhibit 18**).

03:10:41 Mr. Senger

03:16:43 Mr. Decker (**Exhibit 19**).

03:26:40 Mr. Brown

Committee questions and discussion

03:35:47 Rep. Zolnikov asked Ms. Grahame about the conflict between energy savings and efficiencies that lose profits for the utility and the legal obligation of a publicly traded company to ensure maximum profit for shareholders. He asked if decoupling would be a solution.

03:39:33 Rep. Skees asked Mr. Brown to provide his comments in writing for the committee. Mr. Brown said he can provide briefs that were filed by the Montana Consumer Counsel (MCC) with the PSC. (**Exhibit 20**)

03:40:09 Sen. McNally asked Mr. Senger what utilities would do differently under decoupling.

03:41:13 Sen. McNally asked the panelists about the issue of resolving fixed costs and the implications of decoupling on distributed generation for utilities.

03:42:06 Ms. Grahame

03:42:42 Mr. Brown

03:43:10 Sen. McNally asked Ms. Grahame about the provisions in the natural gas case with NWE.

Public comment

03:46:33 Mr. Rivas (**Exhibit 21**).

Pros and Cons of Decoupling

- 03:50:05 Mr. Graff said the committee received a primer from staff highlighting the responses from MDU and NWE regarding decoupling. [\(exhibit 17\)](#)
- 03:50:47 Sen. McNally asked staff about committee action. Mr. Graff discussed the information that will be presented at the March meeting and asked for further direction from the committee.
- 03:51:34 Rep. Bishop said she recommends getting additional information from other states.
- 03:51:58 Rep. Zolnikov said he recommends getting information from the best or ideal state models. Sen. McNally agreed.
- 03:52:43 Mr. Graff reviewed the direction given by the committee.
- 03:53:25 Sen. McNally thanked the panelists.

ENVIRONMENTAL QUALITY COUNCIL UPDATE

- 03:53:33 Joe Kolman, environmental analyst, Environmental Quality Council (EQC), said the EQC will meet Wednesday and Thursday and provided information on its agenda.

Committee questions and discussion

- 04:00:58 Rep. Skees asked Mr. Kolman about aquatic invasive species and data from Tiber and Canyon Ferry Reservoirs and if adult mussels or larvae were found. Mr. Kolman said he will find out and provide an update.
- 04:01:34 Sen. McNally requested a copy of the report that was completed by Ms. Nowakowski on the study of coal. Mr. Kolman said he will provide a copy. [\(Exhibit 22\)](#)

ENERGY HANDBOOKS

- 04:02:50 Mr. Graff gave a PowerPoint presentation on the progress that staff and the Department of Environmental Quality (DEQ) has made on the energy handbooks. [\(Exhibit 23\)](#)
- 04:03:43 Mr. Graff said the committee received detailed information on the handbook. [\(Exhibit 24\)](#)

Committee questions and discussion

- 04:08:40 Sen. McNally thanked staff.
- 04:09:11 Recess for lunch at 12:12 p.m.
- 05:01:54 Reconvene at 1:05 p.m.

ENERGY STORAGE TECHNOLOGY IN MONTANA

- 05:02:33 Mr. Graff provided an introduction.
- 05:03:01 Brian Dekiep, staff member, Northwest Power and Conservation Council, gave a PowerPoint presentation [\(Exhibit 25\)](#) on the Northwest Power and Conservation Council and discussed the white paper on the value of energy storage on the future power system. [\(Exhibit 26\)](#)

05:11:00 Rep. Skees asked Mr. Dekiep about pumped hydro.
05:11:45 Rep. Skees asked Mr. Dekiep about getting energy from molten salt.
05:12:18 Mr. Dekiep continued his presentation.
05:15:35 Rep. Skees asked Mr. Dekiep about the flammable hazard of lithium ion.
05:16:16 Mr. Dekiep continued his presentation.
05:22:46 Sen. Sales asked Mr. Dekiep about the expense and funding for projects.
05:24:08 Mr. Dekiep continued his presentation.

Committee questions and discussion

05:39:55 Rep. Skees asked Mr. Dekiep about the percentage of projects where research is funded by federal or state government and the percent funded privately.
05:40:20 Rep. Skees asked Mr. Dekiep about tracking the subsidies impact on renewable development.

Public comment

05:41:15 Carl Borgquist, president, CEO, Absaroka Energy.
05:47:35 Mr. Fadie ([Exhibit 27](#)).

Committee questions and discussion continued

05:50:36 Rep. Skees asked Mr. Borgquist about the meaning of modernizing the power grid.
05:53:27 Sen. McNally asked Mr. Borgquist about the grid.

PUBLIC SERVICE COMMISSION UPDATE

05:55:28 Brad Johnson, chairman, PSC, gave an overview of activities.
05:59:29 Mr. Johnson discussed rate cases.
06:00:15 Mr. Johnson discussed the merger of Avista Corporation and Hydro One.
06:01:56 Mr. Johnson discussed litigation filed against the PSC.
06:03:14 Mr. Johnson discussed small water utilities.

Committee questions and discussion None

Public comment None

Committee action

06:07:29 Sen. McNally opened discussion on the agenda for the March meeting.
06:07:43 Ms. Nowakowski said staff needs direction on the program review for integrated resource planning and the level of information the committee would like on small water utilities.

Committee discussion on next steps - small water utilities

- 06:08:55 Sen. McNally asked staff if small water utilities will be on the agenda. Ms. Nowakowski said the committee will receive a report similar to the report that was given today on integrated resource planning and an initial introduction to the topic.
- 06:10:03 Sen. McNally said she recommends including it on the March agenda and asked for input from the committee.
- 06:10:39 Rep. Bishop said she recommends starting with a history from the PSC and identifying and bringing in stakeholders to find out the ramifications of removing the regulatory oversight that is currently in place.
- 06:11:36 Mr. Graff provided a summary of the information requested for March. Sen. McNally agreed.
- 06:12:05 Rep. Zolnikov said he recommends taking into consideration opinions from the PSC.
- 06:12:34 Sen. McNally asked staff if they had enough information from the committee.

Committee discussion on next steps - integrated resource planning

- 06:13:06 Sen. McNally opened discussion on next steps for resource planning. She said she recommends that small water utilities be a priority, but to also, taking into consideration what the PSC already requires for resources plans, look at what other states have done.
- 06:14:27 Ms. Nowakowski said staff needs direction on whether to include both MDU and NWE and about public participation and the planning process.
- 06:15:51 Sen. McNally said public participation should be included and resource acquisition and the elements that would be in a resource plan.
- 06:17:07 Rep. Bishop said she would like to address closed door versus open door policy.
- 06:17:47 Rep. Skees said he recommends focusing on NWE.
- 06:18:49 Ms. Nowakowski presented options for the study. Sen. McNally agreed.

Committee discussion on next steps - HJ 28

- 06:20:23 Rep. Zolnikov said he recommends that MDU provide additional detail on their numbers regarding additional costs associated with customer choice. Sen. McNally agreed and said staff can work with the PSC, but that some of the information is proprietary.
- 06:21:16 Rep. Skees said he recommends getting a perspective from Energy West.
- 06:22:39 Rep. Bishop asked about getting information on current oversight and getting guidance from the PSC and what other states are doing. Ms. Nowakowski said it is planned for the March meeting. Mr. Graff said a review of the requirements for choice companies in Montana will be on the agenda.
- 06:25:02 Rep. Bishop asked Ms. Hill-Hart about current oversight for choice companies.
- 06:29:05 Sen. McNally asked Ms. Hill-Hart if Big Sky Gas is the only third party gas supplier in the state. Ms. Hill-Hart said it is the only supplier serving residential areas. Sen. McNally said that is the reason why the questions went to Big Sky Gas.
- 06:29:49 Rep. Skees asked Ms. Hill-Hart if Energy West provides residential gas supply. Ms. Hill-Hart said it is a natural gas utility that provides residential gas supply.
- 06:30:49 Rep. Skees asked Ms. Hill-Hart about the reason why Big Sky Gas isn't considered a utility.

06:31:20 Rep. Skees asked Ms. Hill-Hart if Energy West owns its own distribution system from the city gates to the residential customer or if they have to lease it. Ms. Hill-Hart redirected the question to Will Rosquist, Regulatory Division administrator, PSC.

06:32:31 Rep. Skees asked Mr. Rosquist if Energy West has gas choice and if Big Sky Gas can sell in its area.

06:32:56 Sen. McNally asked Mr. Rosquist if Energy West is subject to tariff proceedings at the PSC.

06:33:18 Ms. Hill-Hart said the committee can email any further questions to the PSC.

06:33:37 Rep. Skees asked staff about Energy West being included in the panel discussion in March.

Committee action on proposed questions to Big Sky Gas

06:34:27 Sen. McNally opened discussion on the draft questions to Big Sky Gas for the HJ 28 study. ([exhibit 7](#))

06:35:14 Rep. Zolnikov

06:35:59 Sen. McNally

06:36:09 Mr. Graff

06:36:25 Rep. Zolnikov

06:37:21 Sen. McNally

06:37:26 Mr. Graff

06:38:06 Rep. Skees

06:40:06 Sen. McNally

06:40:50 Rep. Zolnikov

06:41:34 Rep. Bishop

06:42:12 Sen. McNally

06:42:24 Rep. Bishop

06:42:27 Mr. Graff

06:42:48 Rep. Skees

06:43:10 Sen. Sales

06:43:53 Sen. McNally

06:45:13 Sen. Sales

06:46:01 Rep. Zolnikov

06:46:53 Sen. Sales

06:47:50 Rep. Skees

06:49:50 Rep. Bishop

06:51:00 Sen. Sales

06:51:12 Rep. Skees

06:51:21 Sen. Richmond

06:52:51 Sen. McNally

06:53:20 Sen. Richmond

06:53:34 Sen. McNally

06:55:01 Rep. Zolnikov

06:55:56 Sen. Richmond

06:56:18 Mr. Graff

06:56:25 Sen. McNally

06:57:18 Sen. Richmond

06:57:40 Sen. McNally

06:57:57 Sen. Sales
06:58:04 Sen. McNally
06:58:27 Mr. Graff
06:58:33 Sen. McNally
06:59:00 Mr. Graff
06:59:50 Ms. Nowakowski
07:00:18 Mr. Graff
07:00:39 Sen. McNally said staff will redraft the questions with the changes discussed by the committee and submit them to the chair and vice chairman for approval before submitting them to Big Sky Gas.

MONTANA ENERGY POLICY

07:01:30 Ms. Nowakowski said the ETIC requested that additional time be spent on the state energy policy with a discussion of the energy policy's relevancy and/or certain aspects of the state energy policy.

07:02:36 Ms. Nowakowski said Montana's energy policy is established in 90-4-1001, MCA. **(Exhibit 28)** She said committee members received a brief history of Montana's energy policy **(Exhibit 29)** and a copy of the Governor's energy blueprint. **(Exhibit 30)**

07:06:23 Sen. McNally left the meeting and Rep. Skees took over the duties of the chair.

07:07:59 Laura Andersen, chief, Energy Bureau, DEQ, presented an update on Governor Bullock's energy blueprint. She said Adam Schafer, senior advisor and director of Community Engagement, Governor's Office, had intended to provide the update, but was unable to attend the meeting and provided a letter for the committee. **(Exhibit 31)**

07:13:22 Sen. McNally returned to the meeting and resumed the duties of the chair.

Public comment None

Committee questions and discussion

07:14:46 Rep. Skees asked Ms. Andersen if one of the action items in the plan is grid resilience for transmission lines.

07:15:51 Rep. Skees asked Ms. Andersen if any state legislators were included in the discussions on the plan.

07:16:19 Rep. Skees asked Ms. Andersen how the Governor's plan meshes with Montana's energy policy.

07:16:59 Rep. Zolnikov commented on the lack of communication between the legislature and the Governor's office on the plan.

07:17:59 Sen. McNally said she agrees and that she has talked to Mr. Schafer regarding her concerns.

07:18:51 Sen. McNally asked Ms. Andersen about the plan and if it is tied to any of the Governor's previous initiatives.

07:19:52 Rep. Skees asked Ms. Andersen about changes to the federal clean energy policy and how that will affect the state plan.

07:21:15 Rep. Skees asked Ms. Andersen about plans for legislation from the Governor's office.

CALL BEFORE YOU DIG

07:22:36 Ms. Nowakowski provided an update on HB 365 (2017) which changed Montana's call before you dig laws.

07:27:27 Tim Lloyd, bureau chief, Building Codes Bureau, Department of Labor and Industry, discussed the progress made implementing HB 365.

Committee questions and discussion

07:29:53 Rep. Bishop asked Mr. Lloyd about the database used to track incident reports.

07:30:31 Rep. Skees asked Mr. Lloyd about civil penalties.

07:31:10 Clint Kalfell, Montana representative, Underground Utilities Location Center, discussed the one-call system in Montana.

Committee questions and discussion None

Public comment None

STATUTORY ADMINISTRATIVE RULE REVIEW

07:37:16 Jameson Walker, staff attorney, LSD, discussed the rule pending before the Department of Public Service Regulation and Public Service Commission. **(Exhibit 32)**

07:37:58 Mr. Walker said he will send the committee an email regarding the new rule when it is published.

Committee questions and discussion None

Public comment None

PUBLIC COMMENT ON MATTERS WITHIN THE JURISDICTION OF THE ETIC

None

OTHER BUSINESS/INSTRUCTIONS TO STAFF

Budget Update

07:38:43 Mr. Graff said the committee received an update on the ETIC budget. **(Exhibit 33)** Mr. Graff said the ETIC has \$20,000 left for the interim.

07:39:37 Sen. McNally asked Mr. Graff about what the budget will cover.

07:40:09 Sen. McNally said the ETIC is scheduled to have two day meetings going forward. She asked staff about the cost of travel.

07:41:55 Ms. Nowakowski said the ETIC is scheduled to have a one day meeting in March and two day meetings in May and July and a one day meeting in September. She said staff can do an analysis on the cost for travel.

07:42:56 Sen. McNally said she recommends scheduling the March meeting for a day and a half.

07:43:50 Rep. Skees said he recommends not traveling for field trips so there is more time in committee meetings.

07:44:14 Sen. McNally asked staff about extending the meeting in March to more than one day.

07:44:44 The committee discussed the March meeting dates.

07:47:16 Sen. McNally said Sen. Wolken has resigned to take a new position and a new member should be assigned to the ETIC by March.

07:47:45 Sen. McNally said that without objection she proposes that the ETIC have a meeting in March that starts mid-day on March 15 and ends mid-afternoon on March 16.

Review of March Meeting Items

07:48:13 Sen. McNally

07:48:21 Ms. Nowakowski provided a review of the agenda items for March. She said staff needs direction on developing Montana's energy resources.

07:49:28 Sen. McNally

07:49:43 Ms. Nowakowski said she will work with Rep. Zolnikov on speakers for the meeting.

07:50:13 Mr. Graff discussed the agenda items for the SJ 31 study.

07:50:55 Mr. Graff discussed the agenda items for the HJ 28 study.

07:51:15 Sen. McNally said the committee will have received responses to its questions and can be included in the discussion on HJ 28.

07:51:35 Rep. Skees said he recommends including a comparison of the benefits of a full or partial decoupling procedure.

07:51:46 Mr. Graff said he will include the requests.

07:52:03 Sen. McNally thanked the committee.

ADJOURN

07:52:22 Sen. McNally adjourned the meeting at 3:56 p.m.

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