The Legislative Services Division is required to offer a brief history on the subject matter of a bill draft request prior to drafting. (5-4-105, MCA; Chapter 309, Laws of 2017) The history must include related legislation introduced over the last five sessions and hyperlinks to the bill, hearing information, and fiscal notes. The legislation links below open to the page showing the status and history of bills introduced on this topic in the past. The bill text and any related fiscal notes can be accessed through the link at the top of that page.

Legislation can be complex and this history is not intended to be exhaustive. Please contact the drafter of the requested bill for more information.

Background Materials and Research

Topic Summary:

The four-unit Colstrip Generating Station is the second largest coal-fired generating facility west of the Mississippi River. It sits in the crosshairs of growing efforts in the Northwest to reduce carbon dioxide emissions. Although the plant is located in Rosebud County, Montana, about 75 percent of the electricity generated there travels across power lines to Washington and Oregon. Folks in the Northwest aren’t sure they want to keep using that power.

Colstrip’s complex ownership scheme—with six different utilities owning part of the facility—means that Montana has very little control over the fate of a facility that has been hailed as a powerhouse by some and scorned as a source of environmental pollution by others. Most of the power generated at Colstrip travels west to Townsend, over two 500-kilovolt transmission lines. From there, Colstrip power moves across the Bonneville Power Administration’s transmission system and reaches utilities’ individual transmission grids in Washington and Oregon.

In 2016, the Oregon Legislature approved SB 1547. The bill moves Oregon away from coal-fired generation and for Portland General Electric (PGE) and Pacific Power, doubles Oregon’s renewable energy generation under the Renewable Portfolio Standard to 50 percent. Under the legislation, electricity provided to customers of Pacific Power and PGE would be coal-free by 2030, with the exception of a small amount from PGE’s ownership of Colstrip, which would be out of the Oregon mix no later than 2035.

In 2016, the Washington Legislature approved Senate Bill No. 6248. The bill authorized PSE to create a fund to pay for the closure of Colstrip Units 1 and 2. In general, if PSE closes Units 1 and 2 after December 31, 2022, the company can fund remediation and decommissioning using a regulatory liabilities account. PSE has a “liabilities account” from federal Treasury grants from hydro upgrade projects and from the federal renewable energy production tax credits earned from PSE wind
projects. PSE, rather than credit these benefits back to Washington customers, would use the credits to pay for remediation costs related to Colstrip Units 1 and 2.

In 2016, the pending closure of Units 1 and 2 became a reality when PSE and Talen (the owners of 1 and 2) agreed to close the units no later than July 2022 to settle a lawsuit alleging clean-air violations at the facilities. The Montana Environmental Information Center and the Sierra Club sued the plant owners in federal court in 2013. Those entities and the Colstrip owners agreed to the settlement, including the closure date.

Following up on that agreement, a PSE rate case before the Washington Utility and Transportation Commission, the equivalent of the Montana Public Service Commission, raised more questions about PSE’s use of electricity generated at Colstrip. That rate case set depreciation schedules—just for PSE—for all four Colstrip units of the power plant, meaning PSE will pay down all of its debts on Colstrip by 2027, instead of its initial 2045 projection.

Settlements and rate case outcomes discussed above also have included some financial contributions to Colstrip. PSE has agreed to contribute $10 million for community planning in Rosebud County. In late March 2018, Avista committed $3 million to help Colstrip with transition planning. In May 2018, the company committed another $1.5 million to Colstrip. Gov. Steve Bullock and Attorney General Tim Fox have appointed a Colstrip Community Impact Advisory Group to work with Colstrip in developing a plan to spend that money.

**Legislative Services Division Materials:**

SJ 5: Coal in Montana Changing Times Challenging Times

Washington State May Decide Fate of Colstrip Generating Station (2015)

**Other Materials:**

Colstrip: The Status of Key Policies and Decision Processes (MSU – 2017)

The Context and Status of Colstrip’s Coal-Fired Power Plant (Headwaters Economics)

Washington Utilities and Transportation Commission and Puget Sound Settlement Docket UE-170033 & UG-170034

Colstrip Wastewater Facility Closure Plan Plant Site: Per Requirements of AOC Article IX

**Introduced Legislation**

*Chapter number assigned means bill was passed and approved.

2017

House Bill No. 21 -- (H) Died in Standing Committee -- AN ACT ESTABLISHING A BENEFITS AND RETIREMENT SECURITY TASK FORCE; SPECIFYING MEMBERS; PROVIDING AN APPROPRIATION; AND PROVIDING EFFECTIVE DATES AND A TERMINATION DATE.

House Bill No. 22 -- Chapter Number Assigned -- AN ACT APPROPRIATING MONEY TO THE DEPARTMENT OF JUSTICE TO ASSIST IN SECURING THE FUTURE OF COMMUNITIES AFFECTED BY THE CLOSURE OF
COAL-FIRED GENERATING UNITS IN MONTANA THROUGH PARTICIPATION IN PROCEEDINGS AND RELATED DOCKETS BEFORE OUT-OF-STATE UTILITY OR REGULATORY COMMISSIONS THAT ADDRESS PLANNING FOR THE FUTURE OF COAL-FIRED GENERATION FACILITIES LOCATED IN MONTANA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

House Bill No. 60 – (H) Died in Standing Committee -- AN ACT PROVIDING FINANCIAL ASSISTANCE TO ENTITIES AFFECTED BY THE CLOSING OR PENDING CLOSING OF COAL-FIRED GENERATING UNITS IN MONTANA; ESTABLISHING THE TREASURE STATE RESTORE AND REBUILD ACT; ESTABLISHING A GRANT AND LOAN PROGRAM FOR LOCAL GOVERNMENT ENTITIES AND ECONOMIC DEVELOPMENT ORGANIZATIONS; REQUIRING THE DEPARTMENT OF COMMERCE TO ADMINISTER THE GRANT AND LOAN PROGRAM; GRANTING THE DEPARTMENT RULEMAKING AUTHORITY; PROVIDING CRITERIA AND ELIGIBILITY FOR GRANTS AND LOANS; PROVIDING A STATUTORY APPROPRIATION; INCREASING THE WHOLESALE ENERGY TRANSACTION TAX TO FUND THE GRANT AND LOAN PROGRAM; AMENDING SECTIONS 15-72-104, 15-72-106, AND 17-7-502, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A TERMINATION DATE.

House Bill No. 585 – Chapter Number Assigned -- AN ACT ALLOWING THE BOARD OF INVESTMENTS TO MAKE LOANS TO AN OWNER OF A COAL-FIRED GENERATING UNIT IN MONTANA FROM THE MONTANA PERMANENT COAL TAX TRUST FUND FOR THE OPERATION AND MAINTENANCE OF A COAL-FIRED GENERATING UNIT; PROVIDING LOAN CRITERIA, FEES, REQUIREMENTS, AND LIMITATIONS; REQUIRING NOTICE AND STIPULATIONS IN THE EVENT OF BANKRUPTCY; AMENDING SECTIONS 17-6-302, 17-6-308, 17-6-309, 17-6-311, AND 17-6-317, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

House Bill No. 624 – (H) Died in Standing Committee -- AN ACT ESTABLISHING A COAL TRANSITION WORKING GROUP; REQUIRING THE WORKING GROUP TO DEVELOP A TRANSITION PLAN FOR A COMMUNITY AFFECTED BY THE CLOSURE OF A COAL-FIRED GENERATING UNIT; ESTABLISHING REQUIREMENTS FOR THE TRANSITION PLAN; ADMINISTRATIVELY ATTACHING THE WORKING GROUP TO THE DEPARTMENT OF COMMERCE; ESTABLISHING WORKING GROUP MEMBERSHIP APPOINTED BY THE GOVERNOR; REQUIRING THE PLAN TO BE PRESENTED TO THE ENVIRONMENTAL QUALITY COUNCIL; ESTABLISHING A PENALTY FOR FAILURE TO PARTICIPATE IN A WORKING GROUP; ESTABLISHING A COAL TRANSITION ACCOUNT; PROVIDING AN APPROPRIATION; PROVIDING FOR A FUND TRANSFER; AND PROVIDING EFFECTIVE DATES AND A TERMINATION DATE.

House Bill No. 625 – (H) Died in Standing Committee -- AN ACT REQUIRING AN OWNER OF A COAL-FIRED GENERATING UNIT TO FILE A BOND OR OTHER FINANCIAL ASSURANCE; REQUIRING THE DEPARTMENT OF ENVIRONMENTAL QUALITY TO ESTABLISH THE AMOUNT OF BOND OR OTHER FINANCIAL ASSURANCE; PROVIDING FOR THE RELEASE OF THE BOND OR FINANCIAL ASSURANCE; PROVIDING FOR A PENALTY IF A BOND OR FINANCIAL ASSURANCE IS NOT FILED; ALLOWING A PENALTY, BOND, OR OTHER FINANCIAL ASSURANCE TO BE APPEALED TO THE BOARD OF ENVIRONMENTAL REVIEW; AMENDING SECTION 75-10-704, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

House Bill No. 647 – Chapter Number Assigned -- AN ACT GENERALLY REVISING EDUCATION FUNDING LAWS; IMPLEMENTING PORTIONS OF THE GENERAL APPROPRIATIONS ACT; ELIMINATING THE NATURAL RESOURCE DEVELOPMENT K-12 FUNDING PAYMENT AND SCHOOL DISTRICT GENERAL FUND

House Joint Resolution No. 4 – (H) Died in Process -- A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY OF MONTANA'S COAL SEVERANCE TAX TRUST FUND.

Senate Bill No. 37 – (S) Died in Standing Committee -- AN ACT ESTABLISHING THE COAL-FIRED GENERATING UNIT DECOMMISSIONING AND REMEDIATION ACT; PROVIDING FINDINGS AND INTENT; DEFINING TERMS; ESTABLISHING REQUIREMENTS FOR SUBMISSION, REVIEW, MODIFICATION, AND APPROVAL OF A DECOMMISSIONING AND REMEDIATION PLAN; GRANTING THE DEPARTMENT OF ENVIRONMENTAL QUALITY RULEMAKING AUTHORITY; ESTABLISHING A FEE FOR THE FILING OF A DECOMMISSIONING AND REMEDIATION PLAN; REQUIRING THE DEPARTMENT TO ENFORCE AND ADMINISTER THE PROVISIONS OF A PLAN; ESTABLISHING THE DEGREE OF CLEANUP AND REMEDIATION REQUIRED AT THE SITE WHERE A COAL-FIRED GENERATING UNIT IS DECOMMISSIONED; REQUIRING FINANCIAL ASSURANCES FOR CLEANUP AND REMEDIATION; ESTABLISHING CIVIL PENALTIES AND ENFORCEMENT FOR FAILURE TO DECOMMISSION AND REMEDIATE A COAL-FIRED GENERATING UNIT IN ACCORDANCE WITH AN APPROVED PLAN; ESTABLISHING AN APPEALS PROCESS FOR A PERSON WHOSE INTERESTS ARE ADVERSELY AFFECTED BY A FINAL DECISION OF THE DEPARTMENT TO APPROVE, MODIFY, OR DISAPPROVE A PLAN; ESTABLISHING VENUE FOR A CHALLENGE TO THE PLAN; ESTABLISHING AN APPEAL PROCESS FOR AN OPERATOR CHALLENGING AN ENFORCEMENT ACTION OR ORDER; ESTABLISHING VENUE AND A STANDARD OF REVIEW FOR A CHALLENGE TO THE ACTION OR ORDER; AMENDING SECTIONS 75-1-1001 AND 75-25-101, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE.

Senate Bill No. 38 – (S) Died in Standing Committee -- AN ACT ESTABLISHING THE MONTANA ENERGY ACCOUNTABILITY ACT; PROVIDING A PURPOSE STATEMENT; REQUIRING ENTITIES TO NOTIFY THE PUBLIC SERVICE COMMISSION, THE DEPARTMENT OF REVENUE, AND THE GOVERNOR WHEN INTENDING TO RETIRE A COAL-FIRED GENERATING UNIT; REQUIRING ENTITIES TO PAY AN IMPACT FEE WHEN RETIRING A FACILITY OR UNIT; ESTABLISHING AN IMPACT FEE AND REQUIRING THE FEE BE COLLECTED BY THE DEPARTMENT OF REVENUE; ALLOCATING A PORTION OF THE FEE TO THE GENERAL FUND, A PORTION TO CERTAIN COUNTIES, A PORTION TO SCHOOL DISTRICTS, AND A PORTION TO A SPECIAL REVENUE ACCOUNT WITHIN THE DEPARTMENT OF COMMERCE; PROVIDING AN EXCEPTION TO THE IMPACT FEE; REQUIRING ENTITIES THAT RECEIVE AN
IMPACT FEE TO ESTABLISH IMPACT ACCOUNTS; PROVIDING FOR THE USE OF THE ACCOUNTS; ESTABLISHING A WORKFORCE REDEVELOPMENT AND TRAINING GRANT PROGRAM; PROVIDING FOR ADMINISTRATION OF THE GRANT PROGRAM BY THE DEPARTMENT OF COMMERCE AND THE USE OF THE GRANT MONEY; PROVIDING RULEMAKING AUTHORITY; ESTABLISHING REPORTING REQUIREMENTS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE.

Senate Bill No. 40 – Chapter Number Assigned -- AN ACT AUTHORIZING THE BOARD OF INVESTMENTS TO MAKE LOANS TO CERTAIN LOCAL GOVERNMENTS FROM THE MONTANA PERMANENT COAL TAX TRUST FUND FOR THE DEVELOPMENT AND MAINTENANCE OF INFRASTRUCTURE; AMENDING SECTIONS 17-6-302 AND 17-6-308, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

Senate Bill No. 338 – (H) Died in Standing Committee -- AN ACT GENERALLY REVISING LAWS RELATED TO PROVIDING FOR THE MITIGATED RETIREMENT OF COAL-FIRED GENERATING UNITS; REQUIRING THE OWNER OF A COAL-FIRED GENERATING UNIT TO FILE A RETIREMENT PLAN; ESTABLISHING THE CONTENTS OF A RETIREMENT PLAN; PROVIDING AN EXCEPTION TO THE FILING OF A PLAN; ALLOWING FOR THE DEVELOPMENT OF A TRANSITION AGREEMENT; REQUIRING THE DEPARTMENT OF ENVIRONMENTAL QUALITY TO REVIEW AND APPROVE OR MODIFY A PLAN; ALLOWING THE DEPARTMENT TO COLLECT A FEE; GRANTING THE DEPARTMENT RULEMAKING AUTHORITY; PROVIDING FOR A DISCOUNT RATE FOR RETIREMENT PLANS FILED AND APPROVED PRIOR TO THE RETIREMENT OF A COAL-FIRED GENERATING UNIT; REQUIRING PAYMENT OF CERTAIN RETIREMENT PLAN COSTS; PROVIDING FOR ENFORCEMENT OF A PLAN; ESTABLISHING A RETIREMENT PLANNING AND GRANT PROGRAM AND ACCOUNT; PROVIDING FOR USE OF THE ACCOUNT; PROVIDING FOR THE DISTRIBUTION OF FUNDS IN THE ACCOUNT; ESTABLISHING REQUIREMENTS FOR THE DISBURSEMENT OF GRANTS USING THE ACCOUNT; PROVIDING FOR THE AWARD OF GRANTS; REQUIRING REPORTING TO THE GOVERNOR AND LEGISLATURE; AMENDING SECTION 75-1-1001, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE.

Senate Bill No. 339 – Chapter Number Assigned -- AN ACT ESTABLISHING THE COAL-FIRED GENERATING UNIT REMEDIATION ACT; PROVIDING FINDINGS AND INTENT; DEFINING TERMS; ESTABLISHING REQUIREMENTS FOR SUBMISSION, REVIEW, AND APPROVAL OF A REMEDIATION PLAN; ALLOWING THE DEPARTMENT TO RECOVER ADMINISTRATIVE COSTS; ESTABLISHING THE DEGREE OF REMEDIATION REQUIRED; ESTABLISHING AN APPEALS PROCESS FOR A PERSON WHOSE INTERESTS ARE ADVERSELY AFFECTED BY A FINAL DECISION OF THE DEPARTMENT TO APPROVE OR MODIFY A PLAN; ESTABLISHING VENUE FOR A CHALLENGE TO A PLAN; ESTABLISHING AN APPEAL PROCESS FOR AN OWNER OR PERSON CHALLENGING AN ENFORCEMENT ACTION OR ORDER; ESTABLISHING VENUE AND A STANDARD OF REVIEW FOR A CHALLENGE TO THE ACTION OR ORDER; PROVIDING FOR ENFORCEMENT OF A PLAN; AMENDING SECTIONS 75-1-1001 AND 75-10-704, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE.

Senate Joint Resolution No. 5 – Filed with Secretary of State -- A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY TO INVESTIGATE THREATS TO THE MINING AND BURNING OF COAL IN MONTANA AND THE CONSEQUENCES OF SIGNIFICANT REDUCTIONS IN COAL MINING AND USAGE.
2015

**Senate Bill No. 236** – (S) Missed Deadline for General Bill Transmittal -- AN ACT GENERALLY PROVIDING FOR LEGISLATIVE INVOLVEMENT IN THE DEVELOPMENT OF A STATE PLAN TO ADDRESS GREENHOUSE GAS EMISSIONS FROM EXISTING FOSSIL FUEL-FIRED ELECTRIC GENERATING UNITS; DIRECTING THE DEPARTMENT OF ENVIRONMENTAL QUALITY TO DEVELOP A STATE PLAN TO ADDRESS GREENHOUSE GAS EMISSIONS FROM EXISTING FOSSIL FUEL-FIRED ELECTRIC GENERATING UNITS; ESTABLISHING GUIDELINES FOR THE DEPARTMENT TO USE IN DEVELOPING A STATE PLAN; REQUIRING THE DEPARTMENT TO SUBMIT ITS PLAN TO THE LEGISLATURE; REQUIRING LEGISLATIVE APPROVAL OF THE DEPARTMENT'S STATE PLAN; AND PROVIDING EFFECTIVE DATES AND A TERMINATION DATE.

**Senate Bill No. 402** – (H) Motion Failed -- AN ACT GENERALLY REVISIONING ENERGY AND UTILITY LAWS; ESTABLISHING THE "MONTANA ENERGY ACCOUNTABILITY ACT"; PROVIDING A PURPOSE STATEMENT; REQUIRING ENTITIES TO NOTIFY THE PUBLIC SERVICE COMMISSION, THE DEPARTMENT OF REVENUE, AND THE GOVERNOR WHEN INTENDING TO RETIRE A COAL-FIRED GENERATING UNIT OR UNITS; REQUIRING ENTITIES TO PAY AN IMPACT FEE WHEN RETIRING A FACILITY OR UNIT BEFORE NOVEMBER 30, 2025; ESTABLISHING AN IMPACT FEE AND REQUIRING THE FEE BE COLLECTED BY THE DEPARTMENT OF REVENUE; ALLOCATING A PORTION OF THE FEE TO THE GENERAL FUND, A PORTION TO CERTAIN COUNTIES, A PORTION TO SCHOOL DISTRICTS, AND A PORTION TO A SPECIAL REVENUE ACCOUNT WITHIN THE DEPARTMENT OF COMMERCE; REQUIRING ENTITIES THAT RECEIVE AN IMPACT FEE TO ESTABLISH IMPACT ACCOUNTS; PROVIDING FOR THE USE OF THE ACCOUNTS; GRANTING THE PUBLIC SERVICE COMMISSION RULEMAKING AUTHORITY; REQUIRING A FEE FOR A WAIVER REQUEST; ALLOWING FOR IMPACT FEE WAIVERS UNDER CERTAIN CIRCUMSTANCES; ESTABLISHING A COAL-FIRED GENERATION COUNCIL ATTACHED TO THE GOVERNOR'S OFFICE; ESTABLISHING A WORKFORCE REDEVELOPMENT AND TRAINING GRANT PROGRAM; PROVIDING FOR ADMINISTRATION OF THE GRANT PROGRAM BY THE DEPARTMENT OF COMMERCE AND THE USE OF THE GRANT MONEY; ESTABLISHING REPORTING REQUIREMENTS; PROVIDING AN APPROPRIATION; REQUIRING THE PUBLIC SERVICE COMMISSION TO CONDUCT OR PARTICIPATE IN A STUDY OF TRANSMISSION LINE ACCESS AND USE RELATED TO A COAL-FIRED GENERATING UNIT OR UNITS; AMENDING SECTION 15-10-420, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

**Senate Joint Resolution No. 13** – Filed with Secretary of State -- A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA SUPPORTING THE RESPONSIBLE DEVELOPMENT OF COAL RESOURCES AND COAL-BASED ELECTRICITY.

**Senate Joint Resolution No. 17** – (S) Died in Standing Committee -- A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY TO INVESTIGATE THE IMPACTS OF PHASING OUT AND ELIMINATING THE MINING AND BURNING OF COAL IN MONTANA.

2013

**Senate Bill No. 138** – (S) Vetoed by Governor -- AN ACT EXTENDING CLASS FOURTEEN PROPERTY TAX CLASSIFICATION TO ALL FUTURE ELECTRICAL GENERATION FACILITIES AND FUEL AND GAS PRODUCTION FACILITIES; EXPANDING RULEMAKING AUTHORITY; AMENDING SECTIONS 15-6-

2011

Senate Bill No. 395 – (S) Died in Standing Committee -- AN ACT EXTENDING CLASS FOURTEEN PROPERTY TAX CLASSIFICATION TO ALL FUTURE ELECTRICAL GENERATION FACILITIES AND FUEL AND GAS PRODUCTION FACILITIES; EXPANDING RULEMAKING AUTHORITY; AMENDING SECTIONS 15-6-137, 15-6-141, 15-6-156, 15-6-157, 75-20-104, AND 75-20-304, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE.

2009

None