

MINUTES

MONTANA HOUSE OF REPRESENTATIVES

68th LEGISLATURE - REGULAR SESSION

COMMITTEE ON (H) ENERGY, TECHNOLOGY AND FEDERAL RELATIONS

Call to Order: Chair Katie Zolnikov-R, on February 15, 2023 at 3:24 PM, in 472

ROLL CALL

Members Present: Rep. Katie Zolnikov, Chair (R)
Rep. Steven Galloway, Vice Chair (R)
Rep. Laurie Bishop (D)
Rep. Larry Brewster (R)
Rep. Paul Fielder (R)
Rep. Paul Green (R)
Rep. Derek Harvey (D)
Rep Joshua Kassmier (R)
Rep. Greg Kmetz (R)
Rep. Casey Knudsen (R)
Rep. Kelly Kortum (D)
Rep. Bob Phalen (R)

Members Excused: Vice Chair Katie Sullivan (D)

Staff Present: Lucinda Blair, Secretary
Trevor Graff, Research Analyst

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted:

HB 220 02/12/2023

Executive Action:

HB 349 DO PASS AS AMENDED

HB 284 DO PASS AS AMENDED

HEARING ON HB 220 – Create select committee on energy resource planning and acquisition

Opening Statement:

15:25:40 Rep. Joshua Kassmier (R), HD 27, opened the hearing on HB 220, Create select committee on energy resource planning and acquisition.

Proponent Testimony:

15:27:25 Chris Puyear, NorthWestern Energy (NWE)

15:35:00 Dave Galt, Montana Chamber of Commerce (MCC)

Opponent Testimony:

15:35:43 Ian Lund, Montana Environmental Information Center (MEIC)

15:39:55 Ita Killeen, Northern Plains Resource Council (NPRC)

Informational Witness Testimony:

15:42:25 Will Rosquist, Public Service Commission (PSC)

15:42:43 Jason Brown, Montana Consumer Council (MCC)

15:43:11 Dan Lloyd, Department of Environmental Quality (DEQ)

Questions from Committee:

15:43.55 Rep. Bob Phalen

15:44:10 Ian Lund, MEIC

15:44:55 Rep. Laurie Bishop

15:45:20 Chris Puyear,, NEW

15:50:11 Rep. Larry Brewster

15:50:25 Aimee Grmoljez, MDU

15:52:40 Vice Chair Steven Galloway

15:53:05 Jason Brown, MCC

15:53:40 Ita Killeen, NPRC

15:55:00 Wil Rosquist, PSC

15:58:10 Rep. Greg Kmetz

16:00:20 Chair Katie Zolnikov

16:02:25 Dave Galt, MCC

16:09:30 Rep. Joshua Kassmier

Closing Statement:

16:10:00 Rep. Joshua Kassmier (R), HD 27, closed the hearing on HB 220.

Committee Discussion:

16:10:30 Chair Katie Zolnikov
16:11:02 Will Rosquist, PSC
16:23:00 Rep. Larry Brewster
16:24:20 Vice Chair Steven Galloway
16:28:35 Rep. Paul Green
16:30:50 Rep. Laurie Bishop
16:42:38 Rep. Bob Phalen

16:44:00 **Recessed**

17:11:30 **Reconvened**

EXECUTIVE ACTION ON HB 349 – Establish obscenity filter requirements for electronic devices

17:13:10 **Motion:** Vice Chair Steven Galloway moved that **HB 349 DO PASS.**

17:14:00 **Motion:** Vice Chair Steven Galloway moved that **HB 349 BE AMENDED.**

Discussion:

17:14:20 Rep. Casey Knudsen

17:14:35 Trevor Graff

Vote: Motion carried 9-4 by roll call vote with Rep. Bishop, Rep. Harvey, Rep. Knudsen, Rep. Kortum, voting no.

17:16: 50 **Motion:** Vice Chair Steven Galloway moved that **HB 349 BE AMENDED.**

Discussion:

17:17:14 Trevor Graff

17:17:51 Rep. Paul Fielder

17:19:00 Vice Chair Steven Galloway

Vote: Motion carried 8-5 by roll call vote with Rep. Bishop, Rep. Harvey, Rep. Knudsen, Rep. Kortum, Rep. Sullivan, voting no.

Discussion:

17:20:20 Rep. Derek Harvey

17:22:00 Vice Chair Steven Galloway

17:23:19 Rep. Casey Knudsen

Vote: Motion carried 7-6 by roll call vote with Rep. Bishop, Rep. Green, Rep. Harvey, Rep. Kassmier, Rep. Knudsen, Rep. Kortum, voting no.

Rep. Green, By Proxy

EXECUTIVE ACTION ON HB 284 – Revise laws related to approval of electricity supply resources

17:26:25 **Motion:** Vice Chair Steven Galloway moved that **HB 284 DO PASS.**

17:27:20 **Motion:** Vice Chair Steven Galloway moved that **HB 284 BE AMENDED.**

Discussion:

17:27:00 Chair Katie Zolnikov

17:30:20 Vice Chair Steven Galloway

Vote: Motion carried unanimously by voice vote.

17:33:20 **Motion:** Vice Chair Steven Galloway moved that **HB 284 DO PASS AS AMENDED.**

Discussion:

17:33:36 Vice Chair Katie Sullivan

17:33:55 Vice Chair Steven Galloway

Vote: Motion carried 10 - 3 by roll call vote with Rep. Bishop, Rep. Kortum, Rep. Sullivan, voting no.

ADJOURNMENT

Adjournment: 17:37:49

Lucinda Blair, Secretary

Additional Documents: EXHIBIT(230215FEH)



The Big Sky Country

MONTANA HOUSE OF REPRESENTATIVES

ENERGY, TECHNOLOGY AND

FEDERAL RELATIONS

ROLL CALL

DATE: 2-15-23

| NAME | PRESENT | ABSENT/EXCUSED |
|---------------------|---------|----------------|
| | ✓ | |
| REP. BISHOP | ✓ | |
| REP. BREWSTER | ✓ | |
| REP. FIELDER | ✓ | |
| VICE CHAIR GALLOWAY | ✓ | |
| REP. GREEN | ✓ | |
| REP. HARVEY | ✓ | |
| REP. KASSMIER | ✓ | |
| REP. KMETZ | ✓ | |
| REP. KNUDSEN | ✓ | |
| REP. KORTUM | ✓ | |
| REP. PHALEN | ✓ | |
| VICE CHAIR SULLIVAN | | ✗ |
| CHAIR ZOLNIKOV | ✓ | |

13 MEMBERS



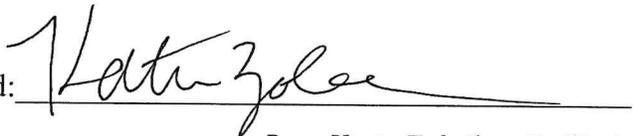
House Standing Committee Report

February 15, 2023

page 1 of 1

To the Speaker,

We, your committee on **(H) Energy, Technology and Federal Relations** recommend that **House Bill 284** (first reading copy – white) **Do Pass as Amended**. The referenced amendment is HB0284.001.002.

Signed: 
Rep. Katie Zolnikov-R, Chair

-End-

Committee Vote:

Yes 10, No 3

HA 2-16-23
@ 9:50 am



House Standing Committee Report

February 15, 2023

page 1 of 1

To the Speaker,

We, your committee on **(H) Energy, Technology and Federal Relations** recommend that **House Bill 349** (first reading copy – white) **Do Pass as Amended**. The referenced amendment is HB0349.001.003.

Signed: Katie Zolnikov
Rep. Katie Zolnikov-R, Chair

-End-

Committee Vote:

Yes 7, No 6

sd 2/15/23
@ 4:40pm



The Big Sky Country

MONTANA HOUSE OF REPRESENTATIVES

(H) ENERGY, TECHNOLOGY, AND FEDERAL RELATIONS
COMMITTEE ROLL CALL VOTE

BILL NUMBER 284

DATE 2-15-23

MOTION Do pass as amended.

| NAME | AYE | NO | PROXY |
|---------------------|-----|----|-------|
| REP. BISHOP | | X | |
| REP. BREWSTER | X | | |
| REP. FIELDER | X | | |
| VICE CHAIR GALLOWAY | X | | |
| REP. GREEN | X | | X |
| REP. HARVEY | X | | |
| REP. KASSMIER | X | | |
| REP. KMETZ | X | | |
| REP. KNUDSEN | X | | |
| REP. KORTUM | | X | |
| Rep. PHALEN | X | | |
| VICE CHAIR SULLIVAN | | X | |
| CHAIR ZOLNIKOV | X | | |
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13 MEMBERS



(H) ENERGY, TECHNOLOGY, AND FEDERAL RELATIONS
COMMITTEE ROLL CALL VOTE

BILL NUMBER 349

DATE 2.15.2023

MOTION Be amended 1001.001 V.C. Galloway moved.

| NAME | AYE | NO | PROXY |
|---------------------|-----|----|-------|
| REP. BISHOP | | X | |
| REP. BREWSTER | X | | |
| REP. FIELDER | X | | |
| VICE CHAIR GALLOWAY | X | | |
| REP. GREEN | X | | X |
| REP. HARVEY | | X | |
| REP. KASSMIER | X | | |
| REP. KMETZ | X | | |
| REP. KNUDSEN | | X | |
| REP. KORTUM | | X | |
| Rep. PHALEN | X | | |
| VICE CHAIR SULLIVAN | X | | |
| CHAIR ZOLNIKOV | X | | |
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9

13 MEMBERS



The Big Sky Country

MONTANA HOUSE OF REPRESENTATIVES

(H) ENERGY, TECHNOLOGY, AND FEDERAL RELATIONS
COMMITTEE ROLL CALL VOTE

BILL NUMBER 349

DATE 2-15-23

MOTION Be amended 001.002 V.C. Galloway

| NAME | AYE | NO | PROXY |
|---------------------|-----|----|-------|
| REP. BISHOP | | ✓ | |
| REP. BREWSTER | ✓ | | |
| REP. FIELDER | ✓ | | |
| VICE CHAIR GALLOWAY | ✓ | | |
| REP. GREEN | ✓ | | ✓ |
| REP. HARVEY | | ✓ | |
| REP. KASSMIER | ✓ | | |
| REP. KMETZ | ✓ | | |
| REP. KNUDSEN | | ✓ | |
| REP. KORTUM | | ✓ | |
| Rep. PHALEN | ✓ | | |
| VICE CHAIR SULLIVAN | | ✓ | |
| CHAIR ZOLNIKOV | ✓ | | |
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13 MEMBERS



The Big Sky Country

MONTANA HOUSE OF REPRESENTATIVES
AUTHORIZED
COMMITTEE PROXY
68TH LEGISLATIVE SESSION

I request to be excused from the Energy Committee.

I desire to leave my proxy vote with Rep. KASSMIER

PLEASE USE PEN

Table with 4 columns: BILL, MOTION (Include AMENDMENT #), AYE, NO. Contains handwritten entries for HB 349 amendments.

Table with 4 columns: BILL, MOTION (Include AMENDMENT #), AYE, NO. Contains handwritten entries for HB 284 amendments.

I authorize my vote to be matched with that of Rep. KASSMIER for any amendments proposed on this date.

Rep. [Signature] (Signature)

PAUL GREEN (Print Name)

2-15-2023 (Meeting Date)



The Big Sky Country

MONTANA HOUSE OF REPRESENTATIVES

VISITOR REGISTER

FEDERAL RELATIONS, ENERGY & TECHNOLOGY COMMITTEE

DATE 2-15-2023

BILL NO: HB 220

SPONSOR(S): Rep. Kassmier

SHORT TITLE: Create select committee on energy resource planning & acquisition

Please leave prepared testimony with the clerk.

Witness Statement forms are available if you care to submit written testimony.

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

Table with 5 columns: Name, Representing, Support, Oppose, Informt'l. Rows include Chris Upyear, Jason Brown, Dan Lloyd, Dave Galt, Will Rosquist, and IAN LUND.

FEH Remote Participant List

| Date | | Committee | H/S | Bill # | Position | Date | | | Requester Name | Location | Email | Phone | Affiliation |
|---------|-----|-----------|-----|--------|----------|------|--|--|----------------|-------------|-------|-------|-------------|
| 2/15/23 | FEH | HB | | 220 | Opponent | | | | Ita Killeen MD | Bozeman, MT | | | N/A |

HB 220: MODERNIZING ENERGY PLANNING

HB 220 establishes a special legislative select committee to update and modernize the laws and regulations energy providers must follow when planning for and acquiring energy resources for Montana customers.

Why it matters: Inefficiency and redundancy in Montana energy planning impedes new energy resource development and hampers the ability of regulated companies to meet future energy demands.

- It takes a minimum of **8 years** to develop a new energy resource in Montana vs. 4 years in South Dakota, where NorthWestern also operates.

Study Objectives

Streamline energy planning by cutting red tape

- Reduce the length and number of steps to bring a new resource online
- Clarify vague and open-ended planning mandates
- Eliminate redundancy between the planning, acquisition and approval stages

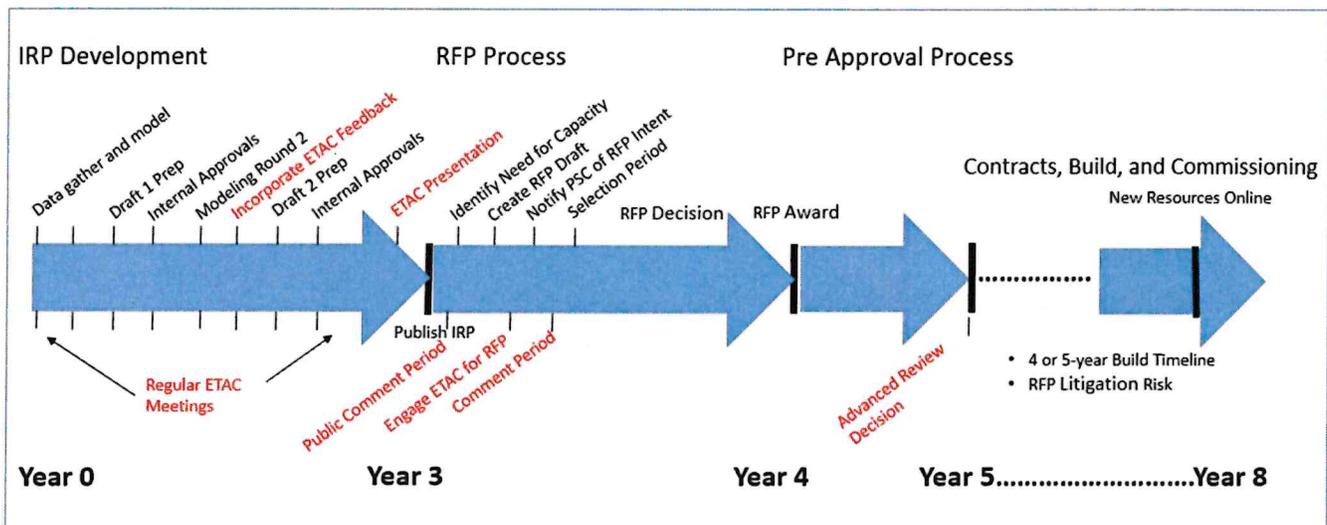
Clarify the role of planning participants

- Clarify the role and level of engagement by the PSC and Montana Consumer Counsel at each stage of the planning and acquisition process
- Consider the composition and involvement of a technical advisory committee
- Determine the appropriate level of stakeholder input and timing for public comment

Provide "actionable" direction to regulated companies

- Resolve inconsistencies between administrative planning requirements and state law
- Reduce time-consuming and costly litigation among planning participants
- Give regulated energy companies a clear "plan of action" and the ability to execute

8 Plus Years to Develop in Montana



Energy Planning Today

- 1. Resource Plan:** Under Montana law, regulated energy companies must complete a resource plan every 3-years. The plan identifies existing resources, future customer needs, and the range of cost-effective resources capable of meeting those needs. Throughout the process, the company must conduct regular meetings with the Energy Technical Advisory Committee (ETAC), composed of varied special interests.
- 2. Public/Commission Comment:** A regulated energy company must conduct two public meetings before filing its Resource Plan with the Commission. Afterward, the Commission notices the plan for public comment by stakeholders, many of whom already participate in ETAC. The Commission provides comments on the plan but **does not approve it or its contents.**
- 3. RFP Development:** Montana law requires energy companies to conduct a competitive solicitation for new resources, except in limited instances. Stakeholders and the Commission review the RFP before issuance. ETAC provides input on selecting the RFP independent third-party administrator.
- 4. RFP Issuance:** After incorporating Commission and stakeholder feedback on the RFP, the energy company retains an independent third-party administrator to conduct the RFP. The administrator issues the RFP, scores bids, and identifies the lowest-cost resources capable of reliably meeting customers' needs. Meanwhile, the Montana Consumer Counsel may hire an Independent Monitor at the energy company's expense to oversee the process.
- 5. Advanced Resource Review:** The selected resource(s) are submitted to the Commission in an advanced review application. Stakeholders intervene with legal counsel, and members of the public provide comments. The Commission determines whether to approve the resource after a thorough review, which includes written testimony and a public hearing.
- 6. Rate Review:** Costs associated with the resource are reviewed after it begins serving customers during the company's next general rate case.

WHO IS DRIVING ENERGY POLICY IN MONTANA?

Regulated energy providers must consult the Energy Technical Stakeholder Committee (ETAC) at each stage of the planning and acquisition process. ETAC members provide feedback on the inputs and scenarios, and conclusions of the plan.

Current ETAC Participants:

- Montana PSC
- Montana Consumer Counsel
- Montana DEQ
- MEIC
- Renewable Northwest
- Forward Montana
- 350.org
- Montana Renewable Energy Association
- Northwest Energy Coalition
- Natural Resource Defense Council
- Families for a Livable Climate
- Climate Smart Missoula
- City of Missoula
- City of Bozeman
- City of Helena
- Nextera Energy
- Clearway Energy

PSC Preapproval Process

