

Montana Consumer Counsel

1/13/2020 STATUS OF CASES

NWE – [2018.02.012](#) – **Application to Increase Electric Rates**, filed 2/23/18.

- NWE filed a Motion to Bifurcate, regarding a general electric rate increase application expected to be filed by 9/30/18. NWE requested that revenue requirement issues be considered in a first phase, with customer class cost allocation and other issues following within 2 months after issuance of a revenue requirement determination. Issues in the first phase would include a consolidated revenue requirement for generation, distribution, and transmission. Several of these components are currently treated individually due to preapprovals of generation assets separate from transmission and distribution cost reviews. NWE states that tax reform and tracker mechanism dockets will affect its revenue requirement application and it needs the revenue requirement data to develop an allocated cost/rate design proposal. NWE enumerates other time consuming pending dockets, including FERC matters. NWE also states the allocated cost/rate design portion of the filing will be more complex than usual due to issues such as energy choice, net metering and customer rate options and would like additional time to complete a stakeholder process. NWE finally states bifurcation would make it less burdensome for parties to participate.

- Notice of Opportunity to Comment issued 3/14/18.

- Order No. 7604 issued 6/6/18, granting motion to bifurcate, and finding that NWE had effectively waived the “nine-month statutory time period” and that the revenue requirement order would be interim and subject to adjustment when the second phase ACOS/RD order is issued.

- NWE Motion for Reconsideration filed 6/18/18, asserting that the Commission must issue a final decision within nine months of filing, and NWE has not waived that deadline.

- Order No. 7604a On Reconsideration issued 8/9/18: there is no nine-month deadline for final orders, rather utilities may implement rates subject to refund; removes finding that request for bifurcation is a waiver of nine-month time period; continues to authorize bifurcation and commits to issuing final decisions where feasible; notes that, absent bifurcation, magnitude of the filing may in any event require exceeding nine months.

- NWE Application filed 9/28/18: NWE requests a “base rate” increase of \$34,861,573. This results from a netting of an increase to transmission and distribution revenues of \$37,912,116, less a reduction to generation-related annual revenues of \$3,050,543.

NWE states that the \$34.9 million represents an “overall” increase of 6.6%.

Ratepayers would experience different individual impacts because 1) NWE proposes to allocate this increase in different percentages to the various rate classes, and 2) rate structure will cause different impacts. NWE is proposing a 10% increase to the Residential class, a 10% increase to the Irrigation class, a 0% increase to the Transmission (FERC jurisdictional) class, and 4% to all other classes. NWE states that the “typical” (i.e., 750 kwh per month) residential consumer would experience a 7.39% bill increase. However, due to service charge increases and varying usage, bill impacts for residential consumers would range from 5.9% – 30%. NWE requests an

authorized 10.65% Return on Equity and an increase in the Residential monthly service charge from \$4.10 to \$5.60. NWE also proposes to rate base Two Dot Wind, a former QF, and requests authorization to rate base Demand Side Management (DSM) expenditures rather than expensing them. NWE further proposes a new rate class for new net metering customers that would include a monthly demand rate component in addition to customer and energy charges.

- Notice of Application and Intervention Deadline issued 10/2/18.

- MCC Petition to Intervene filed 10/18/18.

- Notice of Staff Action issued 10/26/18, granting intervention to: MCC; Large Customer Group; HRC District XI/NRDC; NW Energy Coalition; MEIC/Sierra Club/Vote Solar/Montana Renewable Energy Association; Northern Cheyenne Tribe; DEQ; Federal Executive Agencies; Walmart.

- Procedural Order No. 7604b issued 11/16/18. Hearing set 5/13/18.

- NWE Motion for Reconsideration of Order No. 7604b filed 11/26/18 regarding discovery issues, including contention that Commission may not issue discovery and move responses into the record.

- Order 7604g on Reconsideration issued 12/6/18, suspending deadlines in the Procedural Order and requesting parties brief the issue of Commission information gathering methods.

- Notice of Commission Action issued 12/28/18, reestablishing Procedural Schedule, extending initial discovery deadline to 1/4/19, and noting that commission information gathering will proceed through “inquiries” and “notices.”

- [MCC testimony](#) filed 2/12/19: HILL – discusses representative capital structures and evaluates cost of equity capital using several methods; recommends a capital structure with 47.25% equity and 2.65% short-term debt and 8.75% return on common equity. GARRETT – recommends depreciation expense adjustments to several transmission and distribution accounts, reducing expense by \$8,094,283. SMITH – recommends adjustments to multiple rate base and expense items, resulting in a revenue decrease of \$17.321 million (\$21.815 generation and -\$4.377 T&D). DISMUKES – recommends \$527,646 rate base reduction related to CU4 outage repairs; recommends adjustments to net metering cost-benefit study to remove speculative environmental compliance costs and hypothetical transmission benefits; recommends continuing to expense DSM costs; recommends electricity cost tracker (PCCAM) include an annual floor of 1.8 million MWhs credits for wholesale sales; supports use of embedded cost of service study with distribution demand allocated based on average of customer class contributions to system coincident peak and customer class non-coincident peak; class revenue increases should be capped at 1.25x system average; customer charges should not be increased; proposed net metering demand rate structure should be approved; \$150 after hours reconnection fee should be rejected.

- Notice of Additional Issues served 3/1/19. Commission requests further evidence by 3/22/19 on the following issues: 1) Unexplained power supply expense of \$506,099 purportedly for RFP expense; 2) An estimate of the deferred liability associated with Excess Accumulated Deferred Income Taxes (EADIT) beginning 1/1/18 and how the liability should be returned to customers; 3) Hazard Tree issues including potential liability and insurance, and timeline for addressing; 4) Street Lighting charges; 5) General Office Building cost/benefit analysis and RFP process. Commission also withdraws information requests.

- Interim Order No. 7604r issued 3/4/19, approving \$10,544,411 interim increase.

- [MCC Additional Issues Testimony of Ralph Smith](#) filed 3/22/19: NWE’s amortization of protected EADIT should be trued up to its 2017 Federal Income Tax filing due to bonus

depreciation tax changes; reiterates adjustments made in direct testimony for unprotected EADIT; net of EADIT amortizations is \$1,995,003 deferred income tax expense reduction; it is unclear what NWE has been booking since 1/1/18; EADIT amortization should not be earmarked for hazard tree removal.

- Stipulation and Settlement Agreement of NWE, MCC, LCG, FEA and Walmart, filed 5/10/19: \$6.5 million overall increase based on 9.65% ROE, subject to adjustment if decoupling is adopted; agreed allocation of residential (1.68%), small commercial (1.95%), large commercial (-2.2% to -7.1%), irrigation (5%), lighting (1.23%); accepts MCC depreciation rates and agrees future depreciation changes must be approved by commission; accepts CU4 revenue requirement and Excess Accumulated Deferred Income Taxes and amortization as proposed by NWE.

- Stipulation of NWE, MCC, DEQ and Walmart filed 5/13/19: provides for process to review the E+ green program and consider options for a new renewable energy product tariff.

- Hearing held 5/13-24/19.

- Order No. 7604u issued 12/20/19: Approves stipulated \$6.5 million increase and customer class allocations; approves residential monthly fixed charge increase from \$4.10 to \$4.20; makes increase effective 3/1/20 and orders refund over 1 year period; approves base supply cost and credits of \$138,655,703 for tracker; refrains from reaching decision specific to Colstrip revenue requirement; continues revenue crediting method for FERC-jurisdictional revenues, currently approximately \$54 million; approves a Fixed Cost Recovery Mechanism (FCRM/decoupling) four-year pilot and declines to adjust ROE, finds revision of net metering tariff and new net metering class “generally warranted” but declines to establish new class due to NWE’s failure to comply with minimum information requirements for the benefit-cost analysis; directs NWE to establish stakeholder group to evaluate DSM programs; continues practice of expensing DSM; declines to initiate Colstrip investigation docket; rejects crediting mechanism to allow Federal Executive Agencies to receive credit for WAPA power, but requires parties to negotiate a mechanism; approves E+ Green tariff settlement to establish stakeholder group; rejects after-hours reconnection charge.

NWE – [2019.08.052](#) – 2019 Electricity Supply Resource Procurement Plan, filed 8/20/19.

- Notice of Electricity Supply Procurement Plan, Opportunity to Comment, and Public Meetings issued 10/25/19.

- Notice of Staff Action extending comment deadline to 1/6/20 issued 12/20/19.

- MCC Comments filed 1/6/20: notes distinction between planning and actual resource acquisition; NWE has not adequately supported abandoning markets in favor of such large capacity additions; Plan does not address full potential of interregional load and resource diversity; recognizes plant closures but not plant construction; issues regarding acquisition of additional Colstrip 4 capacity were not addressed; the variable energy resource study should be updated to assess ancillary service needs and costs; 16% planning reserve target seems excessive; share concerns expressed regarding unnecessary modeling limitations, gas pipeline costs and rate of Demand Side resource acquisition.

NWE – [2019.09.058](#) - Annual Power Costs and Credits Adjustment Mechanism Filing, filed 9/3/19. This is the first annual power cost true-up pursuant to the recently approved revised tracker mechanism. It covers power costs and credits and demand side management supply costs for the period 7/19-6/20. Requests recovery of \$22,718,059, including \$7,389,585 unrecovered QF costs, for typical bill increase of 3.41%.

- Notice of Application and Intervention Deadline issued 10/21/19.
- MCC Petition to Intervene filed 11/8/19.
- Procedural Order No. 7708 issued 12/6/19.
- Notice of Commission Action issued 12/18/19. Hearing set 5/18/20.

NWE – [2019.11.093](#) - Information Regarding a Competitive Solicitation, filed 11/13/19.

NWE provided notice that it intends to submit information consistent with HB 597 on or around 11/19/19 regarding a competitive solicitation, including a complete draft of the RFP.

- Updated Notice of Intent filed 11/21/19 amending filing date to “sometime in December.”
- NWE’s Submittal of Competitive Solicitation Information filed 12/12/19, including draft Montana 2020 RFP for Capacity Resources and draft Prequalification Form. NWE states it will issue the RFP after evaluating stakeholder comments. NWE selected Aion Energy LLC to serve as third party administrator. Aion will develop a shortlist of proposals after which Aion and NWE will initiate negotiations. NWE desires commercial operation date (COD) no later than 12/23, but will evaluate earlier or later start dates. Draft requests proposals for 280 MW of long-term dispatchable capacity resources and is structured as an “all-source” solicitation for PPAs, build-transfer, DSM/DR, and EPC proposals. RFP Introduction as background contains many assertions of fact regarding capacity deficiencies. Tentative proposal due date of 5/8/20 with selection target of first quarter 2021.
- Notice of Competitive Solicitation Information and Opportunity to Comment issued 12/17/19. Comments due 1/13/20.

NWE – [2019.12.101](#) - Notice of Intent to File an Application for Pre-Approval of a Capacity Resource Acquisition, filed 12/10/19. NWE plans to file by 1/31/20 an Application for Commission preapproval to acquire Puget Sound Energy’s (PSE) 25% (185 MW) share of Colstrip 4 for \$1. The purchase agreement provides that NWE will sell 90 MW of power to PSE for approximately 5 years, and that NWE will also purchase a portion of PSE’s interest in the Colstrip Project Transmission System. PSE will maintain its existing pro rata responsibility for environmental and pension liabilities existing prior to closing of transaction as well as existing pro rata share of decommissioning costs.

NWE – [2019.06.034](#) – Petition of Caithness Beaver Creek, LLC, to Set Terms and Conditions for Qualifying Facility, filed 6/12/19.

Pursuant to MCA, 69-3-603 Caithness has filed this new application to determine terms and conditions for two separate 60MW QF wind projects with 20 MW battery storage: Beaver Creek Wind II and III, located in Sweetgrass and Stillwater Counties. Petition asserts that Caithness is entitled to a 25-year contract at \$58.18/MWh in heavy load hours and \$38.46/MWh in light load hours for energy, and levelized capacity prices of \$152.07/kWh/year. Proposed total around the clock avoided cost is \$49.10/MWh. Caithness claims an LEO as of 5/2/19.

- Notice of Petition and Opportunity to Intervene issued 6/18/19.
- MCC Petition to Intervene filed 7/1/19.
- MCC Testimony of Jaime Stamatson filed 8/21/19: noted concerns with use of Typical Meteorological Year data to model avoided cost of energy and that the model results were double recent determinations of avoided energy cost; observes that the avoided cost of capacity value used is dated and that there is a wide discrepancy in capacity contribution estimates; supports measure and pay approach for avoided cost of capacity; urges carbon cost estimates not

be added but project owners retain the Renewable Energy Credit values; states 25 year contracts are risky for ratepayers and provides examples of 15 year term agreements.

- Hearing held 10/21-24.

- Final Order No. 7680b issued 12/9/19: adopts avoided energy cost methodology of hourly modeling and marginal cost to serve load; rejects NWE's use of declining heat rate to forecast electricity prices; adopts NWE's use of forward electricity market prices through 2015 but then uses EIA Annual Energy Outlook Henry Hub escalator to forecast; finds that including battery operation in the avoided cost models would have had minimal effects; finds that avoided sales transmission costs are moot as a result of using marginal cost to serve load methodology; avoided cost estimates should include projects upon earlier of execution of PPA or filing of petition with the Commission; CBC has failed to support claimed operation of its batteries; adopts undisputed capacity value of \$176.44/kW-yr; rejects both CBC and NWE capacity contribution calculations and determines for first three years value will be 5% of 120 MW after which NWE shall true up payments if capacity exceeds 5% of nameplate and thereafter use application of SPP method to actual capacity; finds carbon costs already incorporated in forward market prices; finds CBC responsible for \$5.1 million network upgrade costs; approves use of OATT for ancillary service costs but requires NWE to establish standards to qualify for self-supply; sets contract length of 20 years based on need to enhance financing of "unique and unproven nature of this project"; CBC failed to establish an LEO; orders NWE to submit a compliance filing.

- CBC Motion for Reconsideration filed 12/19/19.

- NWE Motion for Clarification and Reconsideration filed 12/19/19.

NWE – [2019.09.067](#) – Petition of CED Pondera Wind, LLC, and Teton County Wind, LLC, to Set Terms and Conditions, filed 9/16/19. Pondera is a proposed 20 MW wind Qualifying Facility project in Teton County petitioning the Commission to set terms and conditions for a power purchase agreement with NWE. Pondera seeks 25 year contract for payment of \$46.68/MWh Around the Clock for energy and \$3.40/MWh for capacity in all hours, and entitlement to carbon adder of \$6.27/MWh.

- Notice of Petition and Opportunity to Intervene issued 9/24/19.

- MCC Petition to Intervene filed 10/8/19.

- Procedural Order No. 7699 issued 10/11/19. Hearing set 1/22/20.

- NWE Motion for Reconsideration of Procedural Order filed 10/21/19.

- Revised Procedural Order No. 7699a issued 10/23/19.

- NWE Intervenor testimony filed 11/22/19: Proposes avoided energy cost of \$15.90/MWh for Pondera and \$15.47 MWh for Teton, avoided capacity cost of \$12.91/MWh for Pondera and \$14.47/MWh for Teton for on-peak production, integration costs of (\$14.59)/MWh for Pondera and \$(19.48)/MWh for Teton, and interconnection network upgrade costs of \$(8.60)/MWh for Pondera and \$(8.51)/MWh for Teton, for total avoided cost of \$(7.29)/MWh off-peak and \$5.63/MWh on-peak for Pondera and \$(12.52)/MWh off-peak and \$1.95/MWh on-peak for Teton.

- MCC Testimony of Jaime Stamatson filed 11/22/19: supports hourly version of PowerSimm to calculate avoided costs; accepts Pondera's and Teton's assumed avoided capacity cost value of \$176.40/kw-year; recommends Pondera and Teton retain all renewable energy credits (RECs) to account for environmental benefits in lieu of assumed carbon dioxide values; explains that 15

year contract would minimize ratepayer risk and is reasonable for QFs; supports using NWE's Open Access Transmission Tariff (OATT) to calculate ancillary service costs.

NWE – [2019.10.076](#) – Petition of CED Wheatland County Wind, LLC, to Set Terms and Conditions, filed 10/4/19. Wheatland is a proposed 73 MW wind Qualifying Facility project in Wheatland County petitioning the Commission to set terms and conditions. Wheatland seeks 25 year contract for payment of \$43.23/MWh Around the Clock for energy and \$2.22/MWh for capacity in all hours and entitlement to carbon adder of \$6.27/MWh beginning 1/1/28.

- Notice of Petition and Opportunity to Intervene issued 10/10/19.
- MCC Petition to Intervene filed 10/24/19.
- Procedural Order No. 7702 issued 10/31/19. Hearing set 2/10/20.
- NWE Intervenor testimony filed 12/23/19: Proposes avoided energy cost of \$15.86/MWh, avoided capacity cost of \$10.70/MWh for on-peak production, integration costs of (\$12.43)/MWh, and interconnection network upgrade costs of \$(159.91)/MWh, for total avoided cost of \$(156.48)/MWh off-peak and \$(145.78)/MWh on-peak. Asserts that new 230 kV line costing \$237 million would be required for interconnection.
- MCC Testimony of Jaime Stamatson filed 12/23/19: supports hourly version of PowerSimm to calculate avoided costs; accepts Wheatland's assumed avoided capacity cost value of \$176.40/kw-year; recommends Wheatland retain all renewable energy credits (RECs) to account for environmental benefits in lieu of assumed carbon dioxide values; explains that 15 year contract would minimize ratepayer risk and is reasonable for QFs; supports using NWE's Open Access Transmission Tariff (OATT) to calculate ancillary service costs.

NWE – [2019.11.091](#) – Petition of Apex Solar LLC and Apex Solar II LLC, to Set Terms and Conditions, filed 11/8/19. Apex Solar and Apex Solar II are two 80 MW solar Qualifying Facility projects in Beaverhead County petitioning the Commission to set terms and conditions. The projects assert Legally Enforceable Obligations as of 7/12/19, entitlement to 25 year contracts and \$3/MWh carbon adder. Apex I seeks avoided cost of \$41.07/MWh Around the Clock, while Apex II claims \$39.31/MWh. Projects state that they are willing to accept an earlier avoided cost calculation provided by NWE and based on 15 year levelization of \$35.65 and \$34.12 ATC for I and II, respectively. Projects request an "appropriate" avoided capacity cost payment to be estimated in future submissions.

- Notice of Petition and Opportunity to Intervene issued 11/15/19.
- MCC Petition to Intervene filed 11/27/19.
- Procedural Order No. 7707 issued 12/4/19.
- Notice of Commission Action Amending Procedural Schedule issued 12/18/19. Hearing set 3/25/20.

NWE – [2019.09.059](#) - QF-1 Tariff Update, filed 10/4/19. This is NWE's application for periodic updates to the QF-1 default tariff that applies to qualifying facilities 3 MW or less. The tariffs provide two options: Option 1 provides fixed rates for agreements up to 15 years separately calculated for solar, wind and hydro; option 2 provides a Mid-C market based rate for terms up to 15 years. Proposed option 1 rates range from \$.00725/kWh for off-peak wind to \$.05355/kWh for on-peak hydro. NWE proposes to calculate avoided cost using hourly PowerSimm modeling for energy and an AERO turbine for capacity.

- Notice of Application and Intervention Deadline issued 11/8/19.

- MCC Petition to Intervene filed 11/27/19.
- Procedural Order No. 7710 issued 12/17/19. Hearing set 5/11/20.

NWE – [2018.10.065](#) – Application to Discontinue Service, filed 10/5/18. NWE seeks expedited (30 day) approval to discontinue gas service to three premises near Cut Bank. Wells and gathering lines delivering gas to the distribution lines are owned by a third party producer after being sold by Montana Power. NWE later succeeded to the distribution lines and service. Declining pressure jeopardizes ability to serve and cost of extending other service lines would be prohibitive. NWE proposes to pay for propane conversion, tank installation, one year tank lease and first tank fill.

- NWE Supplement filed 11/1/18, stating that the third party producer has returned at least one well to service and has committed to provide sufficient pressure to serve NWE’s customers through 4/19, or until NWE has received authority to abandon service.
- Notice of Application and Intervention Deadline issued 12/19/18.
- MCC Petition to Intervene filed 1/8/19.
- Procedural Order No. 7662 issued 3/6/19. Deadline to request additional process 5/10/19.
- [MCC testimony of George Donkin](#) filed 4/26/19: reviews gas supply concerns at issue and more recent relevant developments; recommends NWE’s request to discontinue service be rejected as premature.
- NWE Motion for Temporary Suspension filed 6/10/19 based on pending sale of natural gas supplier.
- Notice of Commission Action suspending procedural schedule issued 6/18/19.
- NWE Withdrawal of Application filed 11/27/19.
- Notice of Staff Action Withdrawing Application issued 12/10/19.

NWE – [2019.07.040](#) – December gas tracker, filed 11/15/19. Gas increase from \$2.19 to \$2.33. Res. Rate from \$6.10 to \$6.24.

NWE – [2019.07.040](#) – January gas tracker, filed 12/18/19. Gas decrease from \$2.33 to \$2.21. Res. Rate from \$6.24 to \$6.07.

NWE – [2019.11.089](#) – Annual Tax Tracker, filed 12/18/19. This filing represents NWE’s annual state and local tax expense adjustment. NWE proposes a net electric expense reduction of \$24,106,277 and gas reduction of \$914,395.

- Notice of Application, Intervention Deadline, Procedural Schedule and Public Hearing, issued 12/20/19. Comments and hearing requests due 1/13/20.
- MCC Petition to Intervene filed 12/30/19.

MDU – [2019.11.090](#) – Update of Time Differentiated Rate 93 Tariff, filed 11/8/19. In this filing, MDU submits its annual avoided cost update for metering charges and energy and capacity payments. Proposed energy rates range from \$.02444/kwh on-peak in 2020 to \$.03726 off-peak in 2034. Capacity rates are MISO prices through 2021, followed by projected leveled cost of a peaking turbine beginning in 2022.

- Notice of Application and Intervention Deadline issued 11/25/19.
- MCC petition to Intervene filed 12/9/19.

MDU – [2019.11.086](#) – Application for Deferred Accounting Treatment, filed 11/1/19. MDU requests deferred accounting treatment of costs related to retirement of Lewis & Clark 1, Heskett 1, and Heskett 2 coal-fired power plants in March 2021 and 2022. MDU has concluded these units are not economically viable in the MISO market, and estimates total deferred costs of approximately \$16 million which it proposes to amortize over 15 years.

- Notice of Application and Intervention Deadline issued 11/15/19.
- MCC Petition to Intervene filed 12/13/19.

MDU – [2019.06.036](#) - December Electric Cost Tracker – Rate 58. Filed 11/15/19. Decrease of .069¢/kwh secondary – total fuel and purchased power in tariff is \$0.02493/kwh.

MDU – [2019.06.036](#) - January Electric Cost Tracker – Rate 58. Filed 12/18/19. Decrease of .165¢/kwh secondary – total fuel and purchased power in tariff is \$0.02328/kwh.

MDU – [2018.09.057](#) - Application to Discontinue Natural Gas Service to Saco/Bowdoin Area, filed 9/18/18. MDU seeks to abandon regulated gas service to 38 residential and 3 commercial accounts in the Bowdoin natural gas field area. Other customers in the area receive free gas service as a condition of easement terms from Scout Energy Partners. MDU purchases gas from Scout and delivers it through gathering lines owned by Williston Basin, a sister company. Reduced pressure is causing freeze ups. Asserts direct expenses of service exceeds revenues, and building alternative supply lines would cost \$2.2 million. MDU is offering assistance with conversions with a deadline of 8/31/19. Conversion costs are expected to be \$205,000 (\$5000/account) and abandonment costs \$95,000. MDU requests deferred accounting for these costs.

- Notice of Application and Intervention Deadline issued 9/25/18.
- MCC Petition to Intervene filed 10/10/18.
- Procedural Order No. 7673 issued 6/17/19.
- MCC Testimony of George L. Donkin filed 8/5/19: summarizes the issues with service to Bowdoin customers; describes costs of alternative energy sources compared to current natural gas rates; recommends that increased costs are not justified at this time.
- MDU Motion for Additional Process filed 8/19/19.
- Notice of Staff Action issued 9/5/19, extending procedural schedule and setting hearing 12/5/19.
- MDU Notice of Withdrawal of Application filed 12/4/19, noting that MDU has discussed options for continued service with MCC and that parties are committed to discussing appropriate terms and conditions to risks related to system failures or service interruptions.

MDU – [2019.09.064](#) - January Gas Cost Tracker, filed 12/6/19. Increase of \$.415/Dkt, res. and general service. Res. rate \$5.07/Dk.

MDU – [2019.09.069](#) – Annual Tax Tracker, filed 11/15/19. MDU states that current electric and gas taxes have increased 15.5% and 14.47%, respectively, but proposes a \$79,843 electric reduction and \$1,352,686 gas reduction due to 2019 over collections.

- Notice of Application and Intervention Deadline issued 11/27/19.
- MCC Petition to Intervene filed 12/9/19.

EWM – [2019.06.031](#) – Annual Gas Cost Tracker, filed 5/31/19. In this annual filing, EWM seeks to true-up gas costs for the 12 months ending March 31, 2019, and refund a net over-collection of \$1,458,881. Residential rate decreases to \$3.37/Mcf.

- Notice of Application and Intervention Deadline issued 6/26/19.
- MCC Petition to Intervene filed 7/12/19.
- Procedural Order No. 7687 issued 8/1/19.
- Interim Order No. 7687a issued 11/26/19, approving requested rates on interim basis.

EWM – [2019.03.017](#) – December gas tracker filed 11/22/19. Res. rate increase to \$4.60/Mcf.

EWM – [2019.03.017](#) – January gas tracker filed 12/18/19. Res. rate decrease to \$3.77/Mcf.

EWM – [2019.06.032](#) – Annual USB Tracker, filed 5/31/19. In this annual filing, EWM seeks to true-up Universal System Benefits (USB) collections and expenditures for its Great Falls/Cascade Division (GF) and for its West Yellowstone Division (WY). It proposes to decrease its GF USB rate for 12 months from \$.0682/Mcf to \$.0523/Mcf to refund overcollections of \$120,788, after which it would return to \$.0846/Mcf to collect \$357,000/yr. It proposes to increase the WY USB rate from \$.0501/Mcf to \$.0539/Mcf to collect the statutory minimum of .42% of previous year's revenues.

- Notice of Application and Intervention Deadline issued 6/26/19.
- MCC Petition to Intervene filed 7/12/19.
- Procedural Order No. 7692 issued 9/4/19.
- Interim Order No. 7692a issued 11/27/19, approving EWM's Application.

EWM – [2019.10.080](#) – Application of EWM and CBG for Automatic Tax Tracking Adjustments, filed 11/20/19. EWM and Cut Bank Gas propose to implement property tax tracking adjustment mechanisms pursuant to 69-3-308, MCA, as a result of increased property taxes beginning in 2019. The proposed mechanisms would recover estimated 2020 property taxes, beginning 1/1/2020.

- Notice of Application and Intervention Deadline issued 11/29/19.
- MCC Petition to Intervene filed 12/11/19.
- MCC Comments filed 12/20: EWM and CBG should be required to harmonize their tax tracker with those of other utilities; the Commission should use most recently known actual tax assessments rather than a forecast of projected assessments.
- Notice of Public Hearing issued 12/26/19. Hearing set 12/31/19.
- EWM Amended Rate Schedules submitted 12/30/19, incorporating adjustment relying on 2019 actual tax expense rather than 2020 forecasts.
- Notice of Staff Action Vacating Hearing issued 12/30/19.

EWM – [2019.12.102](#) – Application for Variance from Order No. 7575c, filed 12/9/19. Order No. 7575c, issued 9/26/18, approved for the first time a Gas Infrastructure Reliability Clause (tracker) but made it subject to automatic termination if EWM or CBG chose to implement a tax tracker. This Petition seeks modification of that Order to avoid the GIRC termination.

- Notice of Application and Intervention Deadline issued 12/11/19.
- MCC Petition to Intervene filed 12/27/19.

Williams Water Works – [2019.03.013](#) – Application for Purchase and Sale, filed 2/6/19.

- Williams requests authorization to sell its water system in the Kalispell area to AP Williams, LLC.
- Notice of Application and Intervention Deadline issued 4/11/19.
- Notice Consolidating with [2019.03.014](#), Application to Continue Standard Rates, issued 4/11/19.
- MCC Petition to Intervene filed 5/28/19.
- Procedural Order No. 7676 issued 6/26/19.
- MCC Request for Additional Process filed 8/16/19.
- Notice of Staff Action amending procedural Schedule issued 8/21/19.
- MCC Testimony of Paul Schulz filed 10/17/19: sale of a utility should not justify extension of standard rates which are considered interim for the purpose of collecting information; analyzed revenue requirement based on operating ratio methodology due to lack of rate base; calculates \$28.96/mo. flat rates for residential users and \$24.17/mo. for commercial users, and volumetric rates of \$1.36/thousand gallons for volumetric rates.
- MCC/Williams Stipulation filed 12/12/19, flat rates for water of \$48.00/month and metered rate of \$39/month, plus volumetric rate of \$1.8875 per 1,000 gallons.

CenturyLink – [2019.10.079](#) - **Petition to Amend ARM 38.5.3302 and 3371(7)**, filed 10/23/19. Qwest and CenturyTel, dba CenturyLink, filed a rulemaking petition seeking to amend the definition of Force Majeure events that excuse service quality compliance and to modify service quality requirements so that 1) the 6 per 100 line monthly trouble report limit be applied statewide rather than per exchange, and 2) the 24 hour limit for clearing 90% of trouble reports be modified by a factor of the carrier’s largest year-end line count divided by most current year-end line count.

- MCC Comments filed 12/12/19: premise for rulemaking petition is not supported by petitioner; competition in all exchanges not established; requested rulemaking could lead to service deterioration in rural areas; all regions should receive protection of service quality rules; Petition does not establish lack of resources to provide required service levels.
- Final Order No. 7709a issued 12/23/19, denying request to initiate rulemaking.

Citizens Telecommunications Co. – [2019.06.039](#) – **Joint Application to Transfer Control of Citizens from Frontier Communications Corp. to Northwest Fiber, LLC**, filed 6/28/19.

- Northwest Fiber (NF) and Frontier Communications request that the PSC decline to assert jurisdiction over the transfer of Citizens Telecommunications Company to Northwest Fiber, or find that the transfer is consistent with the public interest. NF asserts it has developed a plan to improve the network serving Montana, Idaho, Washington and Oregon, and that it will preserve and enhance traditional voice services. NF is owned by NWF Holdco, which in turn will be owned by investment funds WaveDivision Capital VII, LLC, and funds affiliated with Searchlight Capital Partners, L.P. Citizens serves 4,700 access lines in Montana.
- Notice of Application and Intervention Deadline issued 7/30/19.
- MCC Petition to Intervene filed 8/19/19.
- Procedural Order No. 7690 issued 8/30/19.
- MCC testimony of Dr. Robert Loube filed 10/10/19: recommends imposing conditions to ensure 1) no harm to consumers, and 2) network upgrades to match the FCC’s broadband benchmark. Recommended conditions include: 1) not tying purchase of voice grade service to purchase of internet access service, 2) complying with PSC service quality standards, 3)

committing to \$10 bill credit to all customers in months where service quality requirements not met, 4) providing service quality reports, 5) committing to annual meetings in Libby and Troy to discuss service quality, 6) providing operational support system (OSS) at least as functional as current system to satisfaction of third party reviewer, 7) meeting Frontier's Connect America obligation to ensure at least 2,303 locations in designated census blocks have 10 Mbps downstream and 1 Mbps upstream service (10/1), 8) upgrading core network links within 5 years to 1 Gigabit speed, 9) upgrading distribution network so that at least 90% of locations in service territory have minimum speeds of 25/3 Mbps over 10 year period, 10) reporting on annual milestones and providing \$10 monthly bill credit when milestones not met.

- MCC/Frontier/Northwest Fiber Stipulation submitted 12/3/19: additional financial reporting requirements for three years after closing; reports on capital incurred in Connect America Fund Phase II buildout; continue to honor broadband deployment obligations of Frontier; enhance local distribution network such that 90% of locations within Eureka, Libby and Troy will have access to 25/3 broadband within 5 years; connect central offices to NF core network with minimum 1 Gigabit link within 5 years; provisions related to operations support Systems (OSS) development and testing; quarterly service quality reports for 3 year period; commitment to maintain ETC status absent 6 month notice to Commission; commitment to honor existing agreements with wholesale customers.

- Hearing held 12/11/19.

- Proposed Order No. 7690d issued 12/19/19: finding Northwest Fiber is fit willing and able to assume Frontier's service responsibilities and that the proposed transfer satisfies all three standards the Commission has applied to sales and transfers; notes NF has committed to significant network upgrades; approves transaction contingent upon implementation of conditions in Stipulation.

- Final Order No. 7690e issued 1/7/20, adopting proposed order.

Three Rivers Communications – [2019.12.104](#) – Conditional Notice of Relinquishment of Designation of Eligible Telecommunications Carrier and Request for Study Area Waiver, filed 12/10/19. Three Rivers proposes to transfer its Browning Exchange to the Blackfeet Tribe's Siyeh Communications and to relinquish its ETC status upon approval of a Study Area waiver. Applicant requests that the PSC recommend approval of the waiver to the FCC.

- Notice of Application and Intervention Deadline issued 12/17/19.

PSC – [2019.12.108](#) – Investigation into HB267 Determination of Opt-Out Programs for Advanced Metering Devices, issued 12/18/19. PSC has issued a Request for Comments regarding HB 267 enacted by the 2019 Legislature. HB 267 requires the Commission to determine by 7/1/2020 whether an opt-out program for advanced metering devices should be required. Written comments due 2/28/20.