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Energy and Telecommunications Interim Committee

64th Montana Legislature

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June 15, 2016

To: Energy and Telecommunications Interim Committee (ETIC) members
From: Sonja Nowakowski, ETIC staff
Re: Universal System Benefits (USB) program

Attached are copies of the 2015 USB program reports submitted by Montana-Dakota Utilities, the Montana Electric Cooperative's' Association, and by NorthWestern Energy. The Department of Revenue also received reports from large customers who self-directed funds. The large customer reports will be summarized by staff during the July 14-15 meeting. They are posted on the committee's website. Because the large customer reports are about 300-pages, I did not include hard copies. If you would like copies, let me know.

Title 69-8-402, MCA requires the ETIC to "review the universal system benefits programs, and, if necessary, submit recommendations regarding these programs." Public utilities and cooperative utilities are required to submit an annual summary report of universal system benefits programs to the ETIC for review. A new statutory duty, with the passage of SB 312 by the 2015 Legislature, also requires the ETIC to determine whether large customer reports were appropriately filed with the Department of Revenue by comparing those reports with claims made to utilities and cooperatives. Staff compared utility reports with the DOR reports and can confirm that all Montana large customers filed reports. In accordance with 5-5-215, MCA, the committee also must decide if it would like to continue to receive USB reports in future interims.

During the July meeting, ETIC members will review the USB reports, large customer reports, and receive a brief overview of the program. I have included a copy of the overview that will be provided at the meeting.

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