

MONTANA PUBLIC SERVICE COMMISSION UPDATE TO
THE ENERGY & TECHNOLOGY INTERIM COMMITTEE
STATUS OF DOCKETS

January 15, 2026

1. NorthWestern Energy

Transfer of Puget Sound Energy Colstrip Agreement – Docket 2025.12.089

- On December 16, 2025, the Commission initiated an investigation into the transfer of an agreement between NorthWestern Energy and Puget Sound Energy under which NorthWestern would acquire Puget’s 370 MW share of the Colstrip plant.
- The agreement, which was announced in July 2024, was transferred to an unregulated subsidiary of NorthWestern Energy Group in October 2025.
- The investigation will examine whether the transfer comports with requirements the Commission established when it approved NorthWestern’s corporate reorganization, and whether the transfer raises affiliate interest concerns.

NorthWestern – Black Hills Energy Merger – Docket 2025.10.078

- On October 20, 2025, NorthWestern Energy Group and Black Hills Corporation (“Merger Parties”) together with NorthWestern Corporation d/b/a NorthWestern Energy (“NorthWestern”) filed a joint application for approval of merger (“Application”).
- According to the Application, through the merger NorthWestern Group will become a direct subsidiary of Black Hills and NorthWestern will remain a direct subsidiary of NorthWestern Group such that the existing holding company structure for NorthWestern will not change.
- The Application states that the merger is a stock-for-stock transaction that does not require refinancing of existing indebtedness or an increase in debt for either company.
- The applicants state that the merger will strengthen the companies’ ability to modernize, maintain critical infrastructure, and weather financial and geopolitical risks while reducing expenses by creating a single leadership team and providing greater access to cost-effective capital to support future investments.
- The Commission provided public notice of the application on November 3, 2025, setting a deadline for intervention of November 17, 2025.
- The Montana Consumer Counsel provided notice of its intervention on November 17, 2025. The Commission received petitions to intervene from the Large Customer Group, Laborers Local 1686, Missoula County, 350 Montana, Montana Farmers Union, Energy

Share, and Montana Renewable Energy Association/Northwest Energy Coalition/Renewable Northwest (joint).

- On December 10, 2025, the Commission issued a procedural order scheduling a public hearing beginning May 12, 2026. Intervenor testimony is due February 9, 2026.

2025 Annual PCCAM Filing – Docket 2025.09.063

- On August 29, 2025, NorthWestern filed its annual Power Costs and Credits Adjustment Mechanism (PCCAM) application.
- The 2025 filing reflects power supply costs and revenues for the period July 1, 2024, through June 30, 2025.
- Concurrent with its application, NorthWestern filed a motion requesting to waive certain provisions in its PCCAM tariff to enable the Company to exclude a portion of the revenue from wholesale sales of energy attributable to the addition of the Avista share of Colstrip, which NorthWestern acquired effective January 1, 2025. NorthWestern also proposed excluding Colstrip fuel costs equivalent to the volume of wholesale sales it proposed to exclude.
- NorthWestern stated that the purpose of its motion is to allow it to offset fixed operation and maintenance expenses associated with the Avista share until NorthWestern can include those expenses in base rates in a future rate filing.
- On October 15, 2025, the Consumer Counsel and MEIC/Sierra Club intervened.
- The Commission issued a procedural order setting a November 10, 2025, deadline to respond to NorthWestern’s motion.
- The Commission held oral arguments on the motion on December 9, 2025.
- The Commission plans to consider the motion at its business meeting on January 13, 2026.

2025 Wildfire Mitigation Plan – Docket 2025.08.059

- On August 11, 2025, NorthWestern filed its 2025 Wildfire Mitigation Plan pursuant to HB 490 (2025).
- HB 490 requires the Commission to review the plan, provide an opportunity for public comment, hold a public meeting, and either approve the plan or identify deficiencies in the plan within 60 days after the end of the public comment period.
- The Commission was required to render a decision on NorthWestern’s plan by November 24, 2025.
- The Commission issued a Notice of Public Hearing and Opportunity to Comment on August 20, 2025, setting a public comment deadline of September 25, 2025.
- Commission staff requested clarification and additional information on August 29, 2025.

- On September 2, 2025, the Commission held an information session for NorthWestern to present its Wildfire Mitigation Plan.
- On September 23, 2025, the Commission held a public hearing for the purpose of receiving public comments.
- On October 15, 2025, the Commission issued a solicitation for consulting services to assist the Commission by providing an independent evaluation of NorthWestern’s plan.
- On October 28, 2025, the Commission contracted with Bureau Veritas North America. Bureau Veritas submitted its evaluation on November 10, 2025.
- On November 21, 2025, the Commission issued a Notice of Commission Action approving the plan and identifying areas where NorthWestern should strengthen the plan’s analytical rigor, transparency, and performance tracking in the future.

Electric and Natural Gas Rate Case – Docket 2024.05.053

- In July 2024 NorthWestern filed a combined electric and natural gas rate case based on a 2023 test year.
- NorthWestern proposed to increase rates for electric service by \$69.4 million, comprised of an increase in base revenue requirements of \$156.5 million, a decrease in flow-through supply revenue of \$94.5 million, and an increase in property taxes of \$7.4 million. NorthWestern’s proposed revenue adjustments include a request to recover its investment in the Yellowstone County Generating Station (“YCGS”).
- NorthWestern estimated the total impact of its electric revenue request would be an increase of \$9.11, or 8.28%, in the monthly bill for a residential customer using 750 kilowatt-hours per month.
- NorthWestern requested an interim electric rate increase effective October 1, 2024. The interim request would increase the monthly bill for a residential customer using 750 kilowatt-hours per month by \$2.09, or 1.9%.
- NorthWestern proposed to increase rates for natural gas service by \$28.9 million, comprised of an increase in base revenue requirements of \$28.63 million and an increase in property taxes of \$0.24 million.
- NorthWestern estimated the total impact of its natural gas revenue request would be an increase of \$8.84, or 16.98%, in the bill for a residential customer using 65 therms per month.
- NorthWestern requested an interim natural gas rate increase effective October 1, 2024. The interim request would increase the monthly bill for a residential customer using 65 therms per month by \$4.81, or 9.28%.
- NorthWestern stated that by the end of 2024, investments in electric and natural gas facilities placed into service since its last rate case would exceed \$1 billion.
- The Commission publicly noticed NorthWestern’s application in July 2024 and set an initial intervention deadline of August 14, 2024.

- On August 6, 2024, the Commission notified NorthWestern of multiple instances where the application fell short of full compliance with minimum filing requirements specified in Commission rules.
- On August 9, 2024, NorthWestern filed supplemental written testimony, exhibits, and work papers, and updated statements required by the Commission’s rules.
- On August 21, 2024, the Commission notified NorthWestern that the application, as supplemented on August 9, 2024, still fell short of full compliance with one of the Commission’s minimum filing requirements pertaining to the results of its cost of service studies.
- On August 23, 2024, NorthWestern filed its second supplement to its application.
- On September 3, 2024, the Commission issued a notice finding that NorthWestern’s application, as amended, satisfied the Commission’s minimum filing standards. The Commission also extended the deadline to request intervention to September 6, 2024.
- Montana Consumer Counsel, Montana Large Customer Group, Walmart, Federal Executive Agencies, Natural Resources Defense Council/Northwest Energy Coalition/District XI Human Resource Council (jointly), Montana Environmental Information Center (“MEIC”), Northern Cheyenne Tribe, Renewable Northwest, and University of Montana intervened.
- MEIC filed an objection to NorthWestern’s request for interim rates. On September 5, 2024, the Commission issued a notice establishing a September 13, 2024, deadline for other parties to respond to NorthWestern’s request for interim rates and a deadline of September 20, 2024, for NorthWestern to submit its reply.
- On November 26, 2024, the Commission issued Interim Order 7968e, which granted, in part, NorthWestern’s requested interim rates.
- In January 2025, intervening parties filed written testimony and NorthWestern filed additional issues testimony addressing natural gas hedging. The intervenors contested various aspects of NorthWestern’s Application, including, but not limited to: several proposed balancing accounts for business technology costs, regulatory compliance costs for the Colstrip plant, and wildfire mitigation costs; the prudence of investments in the Yellowstone County Generating Station; the calculation of base PCCAM costs; a proposed standby service tariff; the proposed return on equity; depreciation rates; the proper allocation of costs among customer classes; and the reasonableness of the rate design.
- In March 2025, NorthWestern filed rebuttal testimony and intervenors filed cross-answering testimony.
- On March 24, 2025, NorthWestern and several intervening parties filed settlements regarding revenue requirements and allocated costs of service for NorthWestern’s natural gas utility, an electric standby service tariff, and engagement and planning with

the Northern Cheyenne Tribe regarding operations at Colstrip. NorthWestern also filed a motion for revised natural gas interim rates.

- On April 14, 2025, NorthWestern and several intervening parties filed a partial settlement regarding revenue requirements and allocated costs of service for NorthWestern's electric utility, excluding Yellowstone County Generating Station. NorthWestern also filed a motion for revised electric interim rates.
- On April 16, 2025, the Commission issued an amended procedural order to provide for an opportunity to conduct discovery on the electric settlement, which was filed after the deadline the Commission had established in a prior order.
- On May 1, 2025, NorthWestern filed tariffs to self-implement the rates requested in its original application effective May 23, 2025, pursuant to Mont. Code Ann. § 69-3-302.
- On May 19, 2025, NorthWestern withdrew its motion for revised electric and natural gas interim rates.
- On May 23, 2025, NorthWestern self-implemented the electric service rates it had requested in its original application pursuant to authority granted in Mont. Code Ann. § 69-3-302. Those self-implemented rates resulted in an increase in the monthly bill of a residential customer using 750 kWh of \$8.13, or 7.4%, compared to rates in July 2024.
- The Commission held a public hearing from June 9 – 18, 2025.
- On June 20, 2025, NorthWestern filed revised, self-implemented electric service rates to reflect the electric settlement. NorthWestern cited prior Commission precedent authorizing a utility to self-implement settlement rates. The settlement rates result in an increase in the monthly bill of a residential customer using 750 kWh of \$4.62, or 4.2%, compared to rates in July 2024.
- On July 2, 2025, the Commission processed NorthWestern's revised electric service rates.
- Post-hearing briefing was completed on August 26, 2025.
- On December 24, 2025, the Commission issued its final order. Among other things, the final order:
 - Approved the natural gas stipulation, with adjustments to production asset revenue requirements for 2025 and 2026, consistent with prior orders,
 - Approved the partial electric stipulation, with additional requirements for the stipulated wildfire mitigation balancing account,
 - Approved a PCCAM base cost of approximately \$119 million and suspended the sharing mechanism pending reevaluation in a separate docket,
 - Approved a YCGS rate base of approximately \$246 million, which reflects a downward adjustment of approximately \$42 million compared to NorthWestern's request to rate base approximately \$288 million,
 - Approved a stipulation between NorthWestern and the University of Montana establishing standby rates applicable to the University,

- Approved a stipulation between NorthWestern and the Northern Cheyenne Tribe involving engagement on future Colstrip matters,
- Required NorthWestern to maintain its low-income stakeholder group to evaluate affordability.
- The Commission directed NorthWestern to submit compliance tariffs for rate changes effective February 1, 2026, and established a process for parties to request reconsideration and/or reply to requests from other parties, which concludes on February 6, 2026.

Petition for Alternative Method for FERC 302 Filings – Docket 2024.07.071

- Regulations of the Federal Energy Regulatory Commission (“FERC”) implementing the Public Utility Regulatory Policies Act (“PURPA”) require NorthWestern to file with the Commission every two years data from which NorthWestern’s avoided costs can be calculated. *See* 18 C.F.R. § 292.302.
- The regulations require avoided energy cost data for blocks of purchases no larger than 100 MW during daily and seasonal peak and off-peak periods for the filing year and each of the next five years. Avoided capacity cost data must reflect NorthWestern’s plan for capacity additions and retirements and for purchases of firm energy and capacity for the next 10 years and must include estimated capacity and energy costs for each unit of planned capacity additions and firm purchases.
- The regulations allow the Commission to substitute alternative data for the data specified in the regulations if the Commission determines that avoided costs can be derived from such data.
- On July 1, 2024, NorthWestern filed a petition requesting that the Commission substitute an alternative methodology for deriving avoided cost data.
- NorthWestern states that FERC amended its PURPA regulations in December 2020 to allow state regulatory authorities to require avoided cost of energy rates in long term contracts with qualifying facilities (“QF”) to vary based on when the QF delivers energy. *See* FERC Order 872.
- The Commission subsequently amended its rules in September 2022 to require contract rates based on the avoided cost of energy at the time delivery of QF energy.
- NorthWestern requested that the Commission substitute energy price data from the Western Energy Imbalance Market (“WEIM”) for the avoided energy cost data required in FERC’s regulations.
- For avoided capacity cost data NorthWestern requested that the Commission substitute data based on the results of the Peaker Method for the data required in FERC’s regulations. Under the Peaker Method, avoided capacity cost data is based on the least cost capacity resource identified in NorthWestern’s most recent integrated resource plan.

- NorthWestern also proposed to provide data on the estimated capacity contribution for various types of QF resources based on the capacity accreditation methodology used by the Western Resource Adequacy Program.
- On July 26, 2024, the Commission publicly noticed NorthWestern’s petition and provided an intervention deadline of August 12, 2024.
- The Consumer Counsel and Hydrodynamics intervened.
- On August 26, 2024, the Commission issued a procedural order setting dates for discovery and a deadline of October 15, 2024, for parties to submit testimony and/or request additional process.
- Neither the Consumer Counsel nor Hydrodynamics prefiled testimony regarding NorthWestern’s petition.
- In October 2024 Hydrodynamics filed motions to dismiss and stay the proceedings. Hydrodynamics argued that this case should not be processed as a contested case but rather as a rulemaking proceeding.
- In November 2024 the Commission denied the motion to dismiss and determined that the motion to stay was moot.
- The Commission held a hearing in May 2025. Briefing was completed in July 2025.
- No change in status since the November 2025 ETIC meeting.

Update of Standard PURPA Rates – Docket 2023.08.076

- In August 2023 NorthWestern filed an application to update its QF-1 tariff schedule, which provides standard rates for purchases by NorthWestern of energy and capacity from QFs under PURPA.
- FERC’s regulations require utilities to offer standard rates for QFs 100 kilowatts (kW) or smaller but provide state regulatory commissions the discretion to require standard rates for larger facilities.
- The Commission’s rules require utilities to offer standard rates for QFs as large as 3 megawatts (MW).
- In its application, NorthWestern proposed to offer standard rates for contract lengths up to 20 years. It proposed energy rates based on market prices in the Western Energy Imbalance Market at the time a QF delivers energy. It proposed capacity rates that are fixed for the duration of the contract and based on the estimated costs of constructing a new natural gas peaking plant. It also proposed implementing a standard, off-the-shelf contract to streamline the PPA negotiation process.
- Hydrodynamics and Greenfields Irrigation District (jointly) and the Consumer Counsel intervened.
- Proceedings were delayed due to the resignation of a NorthWestern witness, which resulted in NorthWestern refiling its prefiled testimony.

- In July 2024 Hydrodynamics and Greenfields Irrigation District filed intervenor testimony opposing several aspects of NorthWestern’s application, including the proposal to set avoided energy rates based on Western Energy Imbalance Market prices at the time of QF’s energy deliveries, the method used to calculate avoided capacity costs, the capacity accreditation calculations, interconnection requirements, and multiple contract provisions.
- The Commission held a public hearing in October 2024.
- The Commission issued its final order in May 2025 granting in part and denying in part NorthWestern’s application. The Commission set avoided energy rates using the Western Energy Imbalance market prices, modified NorthWestern’s calculation of avoided capacity costs, modified the capacity accreditations, and generally approved NorthWestern’s proposed contract terms.
- In June 2025, NorthWestern and the QF intervenors filed motions for reconsideration of the Commission’s final order. The Commission is currently evaluating those motions.
- **No change in status since the November 2025 ETIC meeting.**

[Application for Waiver of CREP Requirements, on Remand - Dockets 2016.04.033 & 2017.08.065](#)

- Prior to 2021, Montana law imposed a renewable energy standard that required electric utilities to supply a percentage of their retail load with energy from renewable resources and to contract for specific amounts of renewable generation capacity with Community Renewable Energy Projects (“CREP”).
- The law allowed utilities to apply to the Commission for a short-term waiver from compliance with the renewable energy standard. To grant a waiver, the Commission was required to find that a utility had taken all reasonable steps to comply but was unable to comply due to factors outside the utility’s control. Additionally, utilities were not required to comply with the standard if the cost of compliance exceeded statutorily defined cost caps.
- In September 2018 the Commission issued an order in these consolidated dockets granting a request by NorthWestern for a short-term waiver of the requirement to purchase energy and associated renewable energy credits from CREPs for the years 2015 and 2016, pursuant to Mont. Code Ann. § 69-3-2004 (2018, now repealed).
- One of the parties in the proceeding, MEIC, appealed the decision arguing that the Commission should not have approved the requested waivers because NorthWestern had not shown that it had taken all reasonable steps to comply.
- The Court issued a decision in March 2024, remanding the case to the Commission with instructions to conduct further proceedings and determine the administrative penalty NorthWestern must pay for failure to comply with the CREP requirements for the 2015

compliance year. The penalty is not recoverable from customers and must be deposited in the universal system benefits low-income energy assistance fund.

- For the 2016 compliance year, the Court directed the Commission to determine whether the method NorthWestern used to calculate the cost cap, which relied on avoided cost modeling, reasonably approximates the statutory cost cap, which was based on competitive bids for the equivalent quantity of energy for the equivalent contract term from other electricity suppliers.
- In October 2024, NorthWestern and MEIC filed a joint motion for declaratory ruling asking the Commission to rule on two threshold legal issues before proceeding with an evidentiary hearing to resolve the issues remanded to the Commission.
- The threshold legal issues are whether the now-repealed penalty provision controls the Commission’s assessment of a penalty in this case and whether the Commission can consider information after the compliance year to calculate any appropriate penalty.
- On May 22, 2025, the Commission issued a declaratory ruling concluding that the now-repealed penalty provision controls the Commission’s decision in this case and that only information from before March 31 of the year following the compliance year can be used to calculate the appropriate penalty.
- No change in status since the November 2025 ETIC meeting.

2. Montana-Dakota Utilities

Integrated Resource Plan – Docket 2024.09.099

- In September 2024 MDU filed an Integrated Resource Plan (“IRP”).
- The 2024 IRP projected that MDU would experience a capacity shortfall in 2027.
- The projected shortfall was based on how the Midcontinent Independent System Operator (“MISO”) accredits the capacity provided by MDU’s resources.
- MISO’s capacity accreditation method, known as the Direct Loss of Load (“DLOL”) method, was approved by FERC in October 2024.
- In January 2025 the Commission publicly noticed the 2024 IRP and provided an opportunity to comment through March 24, 2025.
- In February 2025 the Commission publicly noticed two listening sessions to be held March 5, 2025, in Miles City and Glendive.
- In March 2025 the Commission received written comments from three members of the public and the Montana Department of Environmental Quality.
- At the end of March 2025, MDU filed an Addendum to the 2024 IRP. The Addendum reported that MDU had entered into a 20-year Power Purchase Agreement for 150 MW of output from a 250 MW wind project, with an option to purchase 49% of the project (“Badger Wind PPA”). The Addendum also supplemented the IRP analyses based on the

Badger Wind PPA. After accounting for the Badger Wind PPA, the IRP concluded that the date that MDU will need to add capacity changed from 2027 to 2033.

- On December 16, 2025, the Commission issued written comments. Among other things, the Commission requested that future IRP's include more information on MDU's engagement with its public advisory group, how intermittent resources can be acquired without negatively impacting reliability, how demand-side resource are modeled, barriers to residential demand-side programs, how certain emerging technologies would perform, assumptions regarding federal production tax credits, and certain modeling assumptions and inputs.

Electric Rate Case – Docket 2025.09.072

- On September 30, 2025, MDU filed an application to increase rates for electric services.
- MDU requested a total increase of 14.1 million in base rate revenue.
- MDU's application affects approximately 25,000 electric customers in Montana.
- Under MDU's proposal, a typical residential customer would see an increase to their monthly electric bill of about \$19, or 21.5%.
- MDU also asked the Commission to authorize an interim rate increase that would increase the monthly bill of a typical electric customer by about \$14 per month.
- According to MDU's application, the primary causes of its need to raise rates are capital investments in its system including, but not limited to, acquisition of the Badger Wind project, the associated increase in depreciation expenses, and increased operating and maintenance costs.
- The Commission provided public notice of MDU's application on November 4, 2025.
- The Montana Consumer Counsel and Denbury Onshore have intervened.
- On December 16, 2025, the Commission denied MDU's request for an interim rate increase.
- On December 26, 2025, MDU filed a motion asking the Commission to reconsider its decision to deny an interim rate increase.

Wildfire Mitigation Plan – Docket 2025.07.050

- On December 23, 2025, MDU filed its 2025 Wildfire Mitigation Plan pursuant to HB 490.
- According to the plan, MDU's electric system in Montana comprises 677 miles of overhead transmission facilities, 11.6% of which are in areas of increased risk for wildfire. The Company reported 1,340 miles of distribution facilities in Montana, 13% of which are in areas of increased risk.
- MDU reported a wildfire risk mitigation budget for 2026 of approximately \$2.5 Million.
- MDU intends to focus on gathering detailed information on circuits located in areas of elevated wildfire risk.

- The Commission will publicly notice MDU’s plan for public comment soon.

Standard Qualifying Facility Rates – Docket 2025.10.081

- On October 29, 2025, MDU filed an application to update its standard rates applicable to MDU’s purchases of energy and capacity from QF under PURPA.
- On December 12, 2025, the Commission provided public notice of the application and set an intervention deadline of December 29, 2025.
- The Consumer Counsel filed its notice of intervention on December 29, 2025.
- A procedural order in this matter will be issued soon.

3. PURPA Implementation

Yellowstone Energy Limited Partnership (YELP) Petition – Docket No. 2024.04.047

- In April 2024 Yellowstone Energy Limited Partnership petitioned the Commission to establish terms and conditions for the sale and purchase of electricity from YELP’s electric generating facility to NorthWestern Energy.
- YELP is an existing QF located in Lockwood, Montana. The facility has a nameplate capacity of 65 MW and produces energy using petroleum coke. YELP’s current contract with NorthWestern was executed in 1991 and expires at the end of 2028.
- YELP stated in its petition that it was unable to agree with NorthWestern on certain contract terms and avoided cost rates, including the appropriate proxy resource to be used to determine the rate for capacity and the capacity accreditation method used to determine NorthWestern’s capacity need.
- NorthWestern Energy and the Consumer Counsel intervened in the proceeding.
- On June 4, 2024, the Commission issued a procedural order.
- In July 2024 NorthWestern filed intervenor testimony. NorthWestern agreed with YELP’s proposal for setting avoided energy rates, but opposed YELP’s calculation of the avoided cost of capacity and its proposal for measuring delivered capacity.
- The Commission held a public hearing in September 2024.
- The Commission issued its final order in March 2025.
- In April 2025 NorthWestern and YELP each filed motions for reconsideration.
- The Commission is currently evaluating the motions.
- No change in status since the November 2025 ETIC meeting.

4. Telecommunications Regulation

Investigation into Telephone Number Conservation – Docket 2025.08.062

- On August 26, 2025, the Commission initiated an investigation into the feasibility, benefits, and costs of telephone number conservation through rate center consolidation.
- The investigation is the latest step in an ongoing effort by the Commission to preserve Montana’s single 406 area code.
- Increased telecommunications competition and demand for numbering resources along with the method used to assign telephone numbers to service providers is putting pressure on available telephone numbers using the 406 area code.
- Currently, the 406 area code is projected to become exhausted in 2033.
- Rate center consolidation has been used with some success in other states.
- The Commission has requested comments by October 3, 2025, on whether it could be implemented cost-effectively in Montana.
- The Commission received comments from CenturyLink, the Alliance for Telecommunications Industry Solutions, and CTIA (representing the wireless communications industry).
- The Commission is evaluating the comments to determine next steps.
- **No change since the November 2025 ETIC meeting.**

Investigation into the Adequacy of Infrastructure of CenturyLink – Docket 2021.12.136

- In December 2021, the Commission initiated an investigation into the adequacy of legacy infrastructure operated by Qwest Corporation d/b/a CenturyLink QC.
- The investigation is based on formal and informal consumer complaints alleging that the infrastructure serving rural areas of CenturyLink’s service territory is inadequate, resulting in long service outages, inability to access 911 services, and falsely initiated calls to 911 services.
- The Commission consolidated Docket 2021.12.136 with Docket 2021.10.137, involving a request by CenturyLink for temporary waiver of performance requirements for addressing service outages.
- The Consumer Counsel intervened in the consolidated docket in February 2022.
- The Commission issued a Notice of Investigative Procedures that established a discovery period and a deadline for comments and requests for further process.
- On May 27, 2022, the Consumer Counsel issued discovery to CenturyLink.

- On June 3, 2022, the Commission issued a procedural order modifying previous deadlines in the case and establishing a deadline of July 29, 2022, for written comments and requests for additional process.
- On July 8, 2022, CenturyLink filed a motion requesting a 30-day continuance, in part to allow it to pursue settlement options with the Consumer Counsel.
- In August 2022 the Consumer Counsel requested further extension because it had not yet received and reviewed certain confidential material requested in discovery.
- The Consumer Counsel submitted its comments in September 2022.
- CenturyLink responded to the Consumer Counsel's comments in October 2022.
- On November 2, 2022, the Commission directed CenturyLink to submit a proposal for resolving the service quality issues in the proceeding because CenturyLink had indicated it would consider subsidizing subscriptions to third-party provided service for rural customers that do not currently receive reasonable and adequate service from CenturyLink.
- CenturyLink submitted its proposal in December 2022.
- In February 2023, the Commission issued discovery to CenturyLink regarding several aspects of the proposal.
- The Commission held a public hearing on CenturyLink's proposal in September 2023.
- In post-hearing briefing, CenturyLink argues that the investigation has not revealed service quality issues, the service restoration requirements are no longer appropriate, and CenturyLink's proposal satisfied the Commission's request.
- On March 13, 2024, the Commission issued its final order. The Commission was not persuaded that its service restoration rules are obsolete and, in any case, modifying or repealing the rule would require a rulemaking process so findings regarding the rule in these consolidated dockets would be inappropriate.
- The Commission further found that CenturyLink does not comply with the service restoration rules and the costs required to upgrade facilities and provide sufficient staffing do not appear financially feasible. Consequently, the Commission determined CenturyLink's service is not reasonably adequate.
- Regarding CenturyLink's proposal to subsidize third-party provided service for rural customers, the Commission found the record lacked sufficient evidence that such third-party service would yield reasonably adequate services at just and reasonable rates.
- As an alternative to CenturyLink's proposal, the Consumer Counsel recommended requiring CenturyLink to apply for funding through the Broadband Equity Access and Deployment (BEAD) Program, which is designed to upgrade the most rural areas of the country to broadband services.
- Regarding the Consumer Counsel's recommendation, the Commission noted that BEAD funding cannot be assured and absent a waiver of the program requirement for CenturyLink to provide 25% of the cost of upgrading the network, BEAD funding may be

insufficient to make the investments economical. While it declined to order CenturyLink to apply for BEAD funding, the Commission stated that such an application may be in CenturyLink's best interest.

- CenturyLink filed a motion for reconsideration of the Commission's final order on March 22, 2024. CenturyLink asked the Commission to reconsider its decision not to accept CenturyLink's proposal and to direct Commission staff to engage in discussions with the parties with the aim of developing a mutually acceptable resolution of the matter.
- On May 29, 2024, the Commission issued a Notice of Commission Action appointing certain Commission staff to engage in negotiations with CenturyLink. The Commission directed that negotiation be completed by July 31, 2024, and that any agreement reached would be subject to review and approval by the Commission.
- Commission staff subsequently informed the Commission that negotiations could not be completed by the July 31 deadline.
- On July 30, 2024, the Commission issued a Notice of Commission Action extending the deadline to August 30, 2024. On September 2, 2024, the Commission further extended the deadline to September 30.
- On November 1, 2024, the Commission's Executive Director and CenturyLink agreed on a draft Joint Stipulation and Settlement Agreement ("Agreement").
- On November 13, 2024, the Commission issued a Notice and Opportunity to Comment, requesting public comment on the draft Agreement by December 2.
- On January 6, 2025, the Commission issued Order 7825I approving and executing the Agreement.
- CenturyLink has begun making compliance filings with the Commission pursuant to the Agreement. The Commission is reviewing the filings to ensure CenturyLink's compliance.
- No change in status since November 2025 ETIC meeting.

5. Other dockets and non-dockets

Wildfire Mitigation Plans

- Avista Utilities wildfire mitigation plan filed on December 15, 2025 – Docket 2025.12.088
- Black Hills Power wildfire mitigation plan filed on December 30, 2025 – Docket 2025.12.
- These wildfire mitigation plans will be publicly noticed for opportunity to comment soon.

Rulemaking on Utility Least-Cost Planning and Competitive Solicitations (HB 55) – Docket 2025.08.058

- The 2025 Montana Legislature enacted House Bill 55 (“HB 55”), which implemented changes to the utility long-term planning process and added requirements for an independent evaluator to oversee competitive solicitations for electric resources.
- HB 55 requires the Commission to adopt rules by July 1, 2026.
- On August 13, 2025, the Commission issued a Notice of Contemplated Rulemaking and Opportunity to Comment.
- The Notice requests public comments regarding changes that should be made to the Commission’s resource planning and procurement rules in Montana Administrative Rules, Title 38, Chapter 5, Subchapter 20 to implement HB 55.
- The Notice provides preliminary language to facilitate consideration and comment by stakeholders and the public.
- The deadline for public comment was October 7, 2025. The Commission received a total of 14 comments.
- The Commission is reviewing the comments.

North Star Application for Water Rate Increase – Docket 2025.10.073

- On September 30, 2025, North Star Development, LLC filed an application to increase rates for water and sewer services.
- North Star’s application was filed under the Commission’s rules for simplified regulatory treatment for privately-owned water utilities. The rules establish a utility’s authorized revenue for purpose of setting rates based on an operating ratio method.
- North Star proposed to increase its fixed monthly water charge from \$55.93 to \$65.00 per month.
- North Star also proposed to increase its volumetric rate from \$2.00 per 1,000 gallons to \$8.00 per 1,000 gallons and reduce the volume of water included with the fixed monthly charge from 10,000 gallons to 7,000 gallons.
- On October 10, 2025, North Star amended its application to include ancillary fees for violations of the Company’s lawn sprinkling policies.
- The Commission is reviewing the filing for compliance with its rules and has not yet publicly noticed the filing.

Investigation into the Adequacy of Service of North Star – Docket 2020.09.094

- North Star Development, LLC is a Commission jurisdictional public utility that provides water and sewer services in the North Star subdivision near Helena.
- The Commission initiated this investigation in September 2020 to evaluate complaints from customers about inadequate water supply and/or disruptions in water supply.

- In the years since the Commission initiated the investigation, North Star has experienced intermittent episodes of inadequate water supply resulting in reduced water pressures, occasional outages, and frequent summer season watering restrictions.
- The Commission imposed monthly reporting requirements on North Star to gather information and monitor the state of the system.
- The Commission's investigation identified issues related to incomplete metering of customers, inventory of critical equipment, communications with customers, and tariffs.
- In December 2024, the Commission issued an order determining that North Star had failed to show cause why the Commission should not pursue penalties prescribed in Mont. Code Ann. § 69-3-206 for North Star's failure to cooperate with the Commission and its failure to provide reasonably adequate service.
- On August 15, 2025, the Commission issued Order 7744g establishing preliminary penalties totaling \$86,700. The Commission permitted North Star to request to engage in settlement discussions with Commission staff for the purpose of negotiating stipulated penalties and/or other non-monetary means of resolving North Star's failures.
- North Star requested to enter into settlement discussion. The Commission issued a notice of settlement discussions on August 22, 2025. Settlement discussions will occur for a period not to exceed 60 days from August 25, 2025.
- On October 28, 2025, Commission staff provided the Commission a status report regarding the negotiations and requested that the Commission extend the negotiation period by an additional 30 days, which the Commission approved.
- At its business meeting on December 16, 2025, the Commission approved a settlement agreement reached by Commission staff and North Star. Among other things, the settlement requires North Star to file a complete rate application by April 1, 2025, establish a reserve account for system maintenance and improvement with funds not generated from customers, contribute funds from rate revenue to the reserve account through 2027, ensure all customers have functioning meters, enhance customer communication, proactively monitor the system for sprinkling violations, and provide on-going compliance reporting to the Commission.

[Investigation into Resource Adequacy and Risk Profiles in the Montana and Regional Electricity Supply – Docket 2022.09.087](#)

- On August 30, 2022, the Commission voted to initiate an investigative docket on resource adequacy and risks to the electrical supply of the State of Montana.
- On September 20, 2022, the Commission issued a Notice of Investigative Docket and Opportunity to Comment.
- In the Notice, the Commission described that the purpose of the investigation is to determine the size and scope of resource adequacy issues facing Montana and the

Western Region. The Commission intended to use the docket as a catalyst and a forum for ongoing discussions about resource adequacy issues.

- In October 2022, the Commission received written comments from NorthWestern Energy, Friends of 2 Rivers, Department of Environmental Quality, Colstrip Energy Limited Partnership, and the Northwest Independent Power Producers Coalition. In November 2022, the Commission received supplemental comments from Northwest Energy Coalition.
- In December 2022, the Commission hosted a two-day conference with regional regulators and other interested stakeholders focused on resource adequacy issues.
- The Commission and its staff continue to research and participate in regional planning for resource adequacy.
- In mid-January 2024 Montana and the broader Pacific Northwest experienced an extreme cold weather event that lasted for several days. NorthWestern's system set a new system peak demand record and recorded its highest sustained peak load. Market prices for wholesale electricity approached the \$1,000 per MWh cap set by the Western Electricity Coordinating Council. Just ahead of the most severe weather, a portion of the Colstrip generating plant was off-line for maintenance.
- The Commission determined that this event provided an opportunity to further examine resource adequacy and associated risks for Montana customers.
- On January 30, 2024, the Commission sent a letter to NorthWestern requesting that the Company provide a range of information regarding the operation of its system for the period January 8 – 18, 2024.
- NorthWestern provided the information on February 20, 2024, and the Commission held an informational meeting with NorthWestern on March 6, 2024.
- In December 2024, NorthWestern publicly announced plans to supply electricity to two data center customers with combined loads that could reach up to 400 MW within five years.
- Because those new large data center loads would significantly increase NorthWestern's total retail load and resource needs and affect the allocation of costs among NorthWestern's existing customers, the Commission requested that NorthWestern provide additional detail regarding the data center loads as well as its interpretation of Mont. Code Ann. § 69-8-201, which addresses service to new large loads for utilities that had previously restructured during the deregulation era.
- NorthWestern provided its response in March 2025. Other stakeholders offered comments regarding NorthWestern's response in May 2025.
- At its business meeting on September 2, 2025, the Commission approved sending a reply to NorthWestern's March 2025 letter. In its reply, the Commission disagreed with NorthWestern's interpretation of Mont. Code Ann. § 69-8-201 and outlined its expectation that NorthWestern inform prospective data center customers that they are

not required to purchase supply from NorthWestern. The Commission requested that NorthWestern provide further information of how NorthWestern and data center customers will adhere to the statutory requirements governing service to large load customers.

- On September 17, 2025, NorthWestern submitted its response to the Commission’s March 2025 letter. NorthWestern requested a protective order for the letters of intent with data centers. NorthWestern stated that it disagreed with the Commission’s interpretation of Mont. Code Ann. § 69-8-201, but indicated that it intended to file an application with the Commission to establish tariff terms and conditions for service to data center customers.
- In October 2025 the Commission received joint comments from Montana Environmental Information Center, Honor the Earth, and Northwest Energy Coalition objecting to NorthWestern’s request for a protective order. The Commission also received comments from Sabey Data Center Properties supporting NorthWestern’s request.
- On December 2, 2025, the Commission issued a protective order covering certain information in the letters of intent.
- On December 30, 2025, NorthWestern submitted the letters of intent.

[PURPA Section 111\(d\) – Docket 2022.09.084](#)

- The Infrastructure Investment and Jobs Act of 2021 (“IIJA”) amended Section 111(d) of the Public Utility Regulatory Policies Act (“PURPA”) to require that states consider measures to promote greater electrification of the transportation sector, including the establishment of utility rates that:
 - Promote affordable and equitable electric vehicle charging options for residential, commercial, and public electric vehicle charging infrastructure;
 - Improve the customer experience associated with electric vehicle charging, including by reducing charging times;
 - Accelerate third-party investment in electric vehicle charging; and
 - Appropriately recover the marginal costs of delivering electricity to electric vehicles and electric vehicle charging infrastructure.
- Pursuant to Section 112 of PURPA, state regulatory authorities, such as the Commission, must commence consideration of these potential measures by November 2022.
- The IIJA contains similar provisions for demand response resources/programs.
- On August 23, 2022, the Commission voted to initiate a proceeding to investigate these provisions of the IIJA. Through the proceeding the Commission will obtain information and opinions from regulated utilities and the public relevant to the Commission’s consideration of utility rates that meet IIJA criteria.
- A Notice of Opportunity to Comment was issued on September 2, 2022.
- The Commission received comments from BroadbandMT in October 2022. No other comments were received.

- No further action has been taken in the docket to date.

Request for Information on ETAC Process – Not Docketed

- During the Commission’s business meeting on July 23, 2024, the Montana Environmental Information Center (“MEIC”) provided public comments asserting that NorthWestern Energy’s Electric Technical Advisory Committee (“ETAC”) does not comply with Mont. Code Ann. § 69-3-1208 because it is not broad-based, as required by the statute.
- MEIC also expressed concerns that NorthWestern is not complying with Commission rules that require ETAC meeting to be open to the public whenever possible.
- Subsequently, the Commission also received written public comments from Renewable Northwest and Montana Renewable Energy Association (“MREA”) expressing similar concerns.
- As a result of those public comments, the Commission sent a letter to NorthWestern on July 30, 2024, requesting a written response to the public comments. The Commission specifically requested that NorthWestern explain how its ETAC membership complies with Mont. Code Ann. § 69-3-1208.
- Regarding compliance with Commission rules, the Commission requested that NorthWestern “document when [it] initiated the process of developing its next integrated resource plan, how many meetings with the ETAC have occurred in that process, how many ETAC meetings have been open or closed, in whole or in part, to the public, and the process NorthWestern used to decide whether to ETAC meetings would be open or close to the public, including how NorthWestern engaged its ETAC in that process.”
- On August 9, 2024, NorthWestern provided its written response. NorthWestern stated that it established a broad-based ETAC that complies with Mont. Code. Ann. § 69-3-1208. NorthWestern maintained that the ETAC reflects a balance of interests and expertise from consumer advocacy groups, government agencies, business concerns, and academia in areas such as residential affordability, economic development, environmental quality, regional power and transmission markets, consumer interests, and regulatory oversight.
- NorthWestern also stated that it is in the beginning stages of assembling and organizing the ETAC and a workplan for the next integrated resource plan, including meetings with stakeholders and the public.
- NorthWestern stated that the Commission’s rules allow ETAC meetings to be closed when necessary for a complete review, evaluation, or recommendation. NorthWestern explained that it initiated a new three-year ETAC meeting process in December 2023 via a Zoom call during which it engaged the ETAC about closing the upcoming March and June meetings. NorthWestern stated that the benefits of closing those meetings

included ensuring that ETAC could formalize and develop a stakeholder and public engagement timeline, and ensure their recommendations are effective and well-considered before stakeholder and public engagements.

- Following receipt of NorthWestern’s response, the Commission received joint written public comments from MEIC, Renewable Northwest, and MREA expressing skepticism regarding NorthWestern’s stated justification for closing recent ETAC meetings and questioned the size and makeup of the ETAC. They requested that NorthWestern maintain a webpage that provides information regarding scheduled ETAC meetings, whether they are open to the public, meeting agendas, and non-proprietary materials provided to and discussed with the ETAC.
- In September 2024 the Commission voted to initiate an investigation into the ETAC process.
- No change in status from November 2025 ETIC meeting.

Petition for Rulemaking regarding Consideration of Climate Impacts – Docket 2024.03.028

- On February 28, 2024, the PSC received a petition requesting the PSC to initiate rulemaking pertaining to the PSC’s consideration of adverse climate impacts from greenhouse gas emissions.
- The petition argues that Montanans have a fundamental constitutional right to a clean and healthful environment, which includes climate as part of the environmental life-support system, that greenhouse gas emissions from burning fossil fuels causes climate impacts in the state of Montana, and that the PSC makes consequential decisions that affect utility investments in fossil fuel-burning power plants.
- The petitioners ask the PSC to adopt proposed rules that make explicit the need for the PSC to consider and act on the climate consequences of its decisions.
- The petitioners also seek declarations from the PSC that: (1) the Montana Constitution imposes an affirmative obligation on the PSC to consider the harmful climate consequences of its decisions to prevent constitutional harm and protect Montanans’ fundamental right to a clean and healthful environment; and (2) the statutory and regulatory framework governing the PSC’s regulation of public utilities instructs it to make decisions in the public interest that ensure just and reasonable utility rates; these standards require the PSC to consider climate change and its harmful effects in Montana in the context of its regulatory duties.
- The petitioners comprise a group of 42 Montana organizations, businesses, and individuals.
- Pursuant to Mont. Code Ann. § 2-4-315 and Mont. Admin. R. 1.3.308, the PSC has 60 days to either deny the petition in writing or initiate rulemaking proceedings.

- On March 19, 2024, the Commission provided public notice of the petition and scheduled a public hearing to gather additional viewpoints and advice of interested persons pursuant to Mont. Code Ann. § 2-4-304.
- On April 8, 2024, the Commission held a public hearing to accept oral comments. The Commission established a written comment deadline of April 12, 2024. The Commission received over 800 written and oral comments regarding the petition.
- Based on the Petition, the Petitioners' presentation at the public hearing, and public comments, the Commission was left with several unanswered questions.
- On April 30, 2024, the Commission issued a Notice of Extended Opportunity to Comment, which invites the Petitioners and any other interested parties to provide further written comment on the proposed rule, including but not limited to responses to specific questions regarding the effect and implications of the proposed rule stated in the Notice. The extended deadline for comment is July 1, 2024.
- On June 11, 2024, the Petitioners filed for a Writ of Mandate in the Fourth Judicial District Court, which the Court denied.
- No change in status since November ETIC meeting.