

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

IN THE MATTER OF the Request of) REGULATORY DIVISION
NorthWestern Energy for Approval to Adjust)
the Bonneville Power Administration) DOCKET NO. D2015.1.5
Residential Exchange Credit) ORDER NO. 7394

FINAL ORDER

PROCEDURAL HISTORY

1. On January 26, 2015, NorthWestern Corporation, doing business as NorthWestern Energy (NWE), filed a request to decrease its Bonneville Power Administration (BPA) Residential Exchange Program (REP) Credit effective March 1, 2015 to reflect the end of the court-approved REP Settlement Benefits give-back to customers.
2. On January 28, 2015, the Montana Public Service Commission (Commission) issued a *Notice of Filing and Opportunity for Hearing*.
3. On February 16, 2015, the Montana Consumer Counsel (MCC) filed a *Petition for Intervention*. The MCC notified the Commission that it has no objection to the application.

FINDINGS OF FACT

4. The Northwest Power Act of 1980 provides all residential and small farm customers in the Pacific Northwest access to the benefits of the Federal Columbia River Power System. The REP provisions in the Northwest Power Act govern the distribution of benefits to customers of investor owned utilities. BPA manages the distribution of power and benefits from the Federal Columbia River Power System.
5. NWE expects to credit residential and small farm customers \$5,160,822 through the 12-month period beginning March 1, 2015. This amount includes a net prior period balance of \$78,280; a reduction in Commission and MCC fees of \$15,436; and a forecasted REP benefit

of \$5,067,106 for the March, 2015 through February, 2016 period. NWE's current and proposed BPA REP credits are:

<u>Rate class</u>	<u>Current</u>	<u>Proposed</u>
Residential	\$(0.006810)	\$(0.002032)
Residential employee	\$(0.004086)	\$(0.001219)
General Service Secondary	\$(0.006810)	\$(0.002032)
Irrigation	\$(0.006810)	\$(0.002032)
Lighting (residential load)	\$(0.006810)	\$(0.002032)

As a result of the decrease in the credit, the increase on the bill for a typical residential customer using 750 kWh per month will be \$3.58 per month or \$42.96 per year. The actual amount will depend on each customer's type and usage.

CONCLUSIONS OF LAW

6. The Commission has full power of supervision, regulation, and control of public utilities. Mont. Code Ann. § 69-3-201 (2013). As a private corporation that provides electric service within the State of Montana, NWE is a "public utility." *Id.* at § 69-3-101.

ORDER

IT IS HEREBY ORDERED THAT:

7. NWE's request to change its tariffed Residential Exchange Program rate credit to \$0.002032 for Residential (non-employee), General Service Secondary, Irrigation and Lighting customer classes is APPROVED;

8. NWE's request to change its tariffed Residential Exchange Program rate credit to \$0.001219 for the Residential Employee subclass is APPROVED; and

9. The rate changes approved in this Order shall be effective March 1, 2015.

DONE AND DATED this 24th day of February, 2015 by a vote of 5 to 0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION


BRAD JOHNSON, Chairman


TRAVIS KAVULLA, Vice Chairman


KIRK BUSHMAN, Commissioner


ROGER KOOPMAN, Commissioner


BOB LAKE, Commissioner

ATTEST:


Aleisha Solem
Commission Secretary

(SEAL)

