

Service Date: June 7, 2016

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

IN THE MATTER OF NorthWestern Energy's) REGULATORY DIVISION
Application for Interim and Final Approval of)
Revised Tariff No. QF-1, Qualifying Facility) DOCKET NO. D2016.5.39
Power Purchase)

NOTICE OF STAFF ACTION SETTING HEARING

On May 3, 2016, NorthWestern Corporation, doing business as NorthWestern Energy ("NorthWestern") filed an *Application for Approval of Avoided Cost Tariff Schedule QF-1* ("Application") with the Montana Public Service Commission ("Commission"). NorthWestern requests that the Commission approve its new QF-1 tariff on both an interim and final basis. The proposed avoided cost rates would apply to Qualifying Facilities (QFs) with a nameplate capacity of three megawatts or less on May 3, 2016.

"Standard rates" for purchases from QFs are based on NorthWestern's "avoided costs," computed annually, reviewed by the Commission, made available to the public, and "applicable to all contracts with qualifying facilities which do not choose to negotiate a different rate." Mont. Admin. R. 38.5.1901(2)(j) (2016). In its Application, NorthWestern proposes to decrease standard rates.

On May 13, 2016, the Commission issued a *Notice of Application and Intervention Deadline*, setting an intervention deadline of June 10, 2016. On May 17, 2016, NorthWestern filed a *Motion for Emergency Suspension of the QF-1 Tariff for New Solar Qualifying Facilities with Nameplate Capacities Greater than 100 kW*, as well as the supporting affidavit of John B. Bushnell. On May 24, 2016, the Commission issued a *Notice of Emergency Motion and Opportunity to Comment and Request Hearing* ("Notice"). The notice advised that "[u]pon its own motion or upon request by an interested party, the PSC may hold a hearing on June 9, 2016 at 2:00 p.m. at the PSC's business offices.

The Commission through a delegation of authority to staff, hereby sets this matter for hearing on **June 9, 2016 at 2:00 p.m.** at the Commission's business offices.

BY THE MONTANA PUBLIC SERVICE COMMISSION

BRAD JOHNSON, Chairman

TRAVIS KAVULLA, Vice Chairman

KIRK BUSHMAN, Commissioner

ROGER KOOPMAN, Commissioner

BOB LAKE, Commissioner