

**Montana Public Service Commission Update
of Integrated Resource Planning and Resource Procurement Rules
High-Level Work Plan**

Kick-Off: The consultants will begin the project with a series of in-person meetings with the Commissioners, Commission staff and planning and procurement stakeholders to explore fully:

- The existing regulatory planning and procurement processes. This will include observations of experience over time with respect to:
 - Satisfaction with the process of IRP and procurement
 - Participation adequacy?
 - Appropriate level of effort?
 - Perceived value?
 - Indicators of success?
 - Satisfaction with the process of decision-making regarding planning and procurement with regard to:
 - Usefulness of IRP's in the ratemaking decision process following utility resource actions?
 - To the Commission?
 - To the stakeholders?
 - Usefulness of procurement practices in the ratemaking decision process following utility resource actions?
 - To the Commission?
 - To the stakeholders?
 - Indicators of success?
 - Post-decision-making
 - Indicators of success?
 - Observation and assessment of any gaps between:
 - Expected outcomes and actual outcomes?
 - Assumptions used and reality that unfolded?
 - Learning and action on the basis of such observations and assessments
- Aspirations for its future regulatory planning and procurement processes. These would be the same sets of observed outcomes expressed over time as listed above but forward- rather than backward-looking.
- Goals and objectives for the project.

Data-Gathering: The next steps in the process will be (1) gathering and review of publicly-available statutes/rules and IRP and procurement docket records from various states and, to the extent that it is useful, internationally, and (2) surveys and interviews to identify and describe the IRP/procurement practices currently found most effective, including the reasons why the practitioners believe them to be so. To assist this stage, the interviews in the kick-off stage will include stakeholders' views on state or utility planning/procurement processes they admire and why.

Preliminary recommended IRP/Procurement approach (with options as appropriate): Combining the learning from the data-gathering with the consultants' expertise and experience, the consultants will develop the key components of an integrated IRP and procurement process for the Commission's preliminary review and consideration.

Stakeholder engagement: After making any modifications to reflect the Commission's preliminary review, the consultants will engage the key Montana stakeholders in dialogue around the components identified.

Final recommended IRP/Procurement approach in preparation for rulemaking: The consultants will prepare a report for the Commission specifying a final recommended approach. Upon request, they will also write a draft rule suitable for beginning a formal rulemaking process, such rule to incorporate any modifications the Commission suggests in response to the initial report and recommendations.