



INDEPENDENT ELECTRICITY
SUPPLY SERVICE, INC.

March 19, 2012

PUBLIC SERVICE
COMMISSION

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RECEIVED BY

Ms. Kate Whitney
Montana Public Service Commission
P.O. Box 202601
Helena, MT 59620-2601

RE: 2011 Renewable Portfolio Standards

Dear Ms. Whitney:

In accordance with **MCA 2011: 69-3-2005 Procurement – Cost Recover – Reporting**, Independent Electricity Supply Service (IESS) is required to report to the Montana Public Service Commission (MTPSC) on an annual basis its compliance with Montana's Renewable Energy Portfolio Standard. IESS provided competitive electricity supply to a select number of customers for a portion of reporting year 2011 and the purpose of this letter is to report its compliance with its requirements to include renewable energy as an attribute of its energy supply portfolio. IESS embraces compliance responsibility only for that portion of reporting year 2011 for which it had sole responsibility of electricity supply for the choice customers it serves.

On March 19, 2012 IESS completed the purchase of 3,500 Renewable Energy Credits (RECs) of the proper vintage from the Bonneville Power Administration as necessary to comply with **MCA 2011: 69-3-2004 Renewable Resource Standards**. Unfortunately, despite its best efforts IESS was not able to perfect the REC transaction prior to March 1, 2012 because BPA legal decided to develop a new enabling agreement for sale and purchase of all REC's generated by BPA. IESS had previously sent a letter to the Commission explaining the circumstances beyond its control and the purpose of this letter is to inform the Commission the matter of the enabling agreement has been resolved, the REC transaction completed on the WREGIS and the requisite number of REC's (3,162) subsequently retired on the WREGIS. The WREGIS ID number for the REC transaction is W237 and the certificate serial numbers retired were 237-OR-35703-6682 to 8036 and 237-OR-3426-28515 to 30121.

Included with this transmittal IESS is submitting a summary its total sales to the customers it serves and REC's retired to meet its obligations.

Sincerely,

Keith Bales, President
IESS

**Montana Renewable Portfolio Standards (RPS)
Compliance Form for Electricity Suppliers
Compliance Year 2011**

Electricity Supplier:
Competitive Electricity Supplier:

Independent Electricity Supply
Yes

Month	2011 Total Retail Sales	
January	0	
February	0	
March	0	
April	0	
May	0	
June	0	
July	4,453,304	
August	5,164,756	
September	5,370,903	
October	5,761,958	
November	5,453,460	
December	5,412,565	
Total	31,616,946	

2011 Renewable Energy Credits		
2011 Procurement Requirement: In MWh	3,162	
2010 Carry-Over Applied:	0	
2009 Carry-Over Applied:	0	
Procured in 2011 MWh:	3,500	
Total Retired in 2012 in MWh:	3,162	
Balance:	338	

* All REC's used to comply with the RPS must be tracked and verified through the Western Renewable Energy Generation Information System (WREGIS) or the Midwest Renewable Energy Tracking System (MRETS). To demonstrate compliance with this requirement, please attach a report generated by WREGIS or MRETS setting forth the sources and quantities of REC's procured and retired for compliance year 2011.

2011 Renewable Energy Procurement Plan		
Expect to be a Competitive Electricity Supplier:	Yes	
Estimate of Total Retail Sales to Customers (kWh)		
Estimate of 2012 REC Requirements:		6,640
Anticipated Sources of REC's: BPA		