

January 20, 2012

Robert D. Gabbard  
President  
PPL Energy Plus, LLC  
45 Basin Creek Road  
Butte, MT 59701

Re: Montana Renewable Portfolio Standard Compliance Year 2012

Dear Mr. Gabbard:

I am writing to inquire into status of PPL Energy Plus, LLC (PPL Energy Plus) as an electricity supplier in Montana, and to give notice that it may be a *competitive* electricity supplier in compliance year 2012 based on information on file with the Montana Public Service Commission (Commission).<sup>1</sup>

The Montana Renewable Power Production and Rural Economic Development Act, also known as the Renewable Portfolio Standard (RPS), currently requires each competitive electricity supplier to "procure a minimum of 10% of its [previous year's] retail sales of electrical energy in Montana from eligible renewable resources." Mont. Code Ann. § 69-3-2004(3)(a), (5) (2011). The Montana Legislature delegated authority to the Commission to generally implement and enforce the RPS, and gave it regulatory authority over suppliers for the purpose of implementing the RPS. *Id.* at §§ 69-3-2004(6)(1); 69-3-2005(7).

An "electricity supplier" includes any corporation selling electricity to a "retail customer" in Montana "that is not a public utility or cooperative utility." Admin. R. Mont. § 38.5.8302(2)(b) (2011). A "*competitive* electricity supplier" is an electricity supplier that sells electricity to a "retail customer" with "an average monthly demand of less than 5,000 kilowatts" (KW). Mont. Code Ann. § 69-3-2003(5)(a), (16) (defining "small customer"). A "retail customer" is any customer that buys electricity for end-use purposes and "*is separately identified in a public utility's billing system* as a person or entity to which bills are sent for service to metered and/or unmetered facilities located on contiguous property." Admin. R. Mont. § 38.5.8302(2)(d) (emphasis added).

In 2006, the Commission adopted rules requiring electricity suppliers to annually report individual load by month "for each demand-metered retail customer." *Id.* at § 38.5.8302(3)(d). It also required NorthWestern Energy (NorthWestern) to report the same information "[f]or *each* electricity supplier" that uses its transmission or distribution facilities to supply electricity to retail customers in Montana (Utility Report). *Id.* at §§ 38.5.8302(3), 38.5.8301(9)(b) (emphasis added). NorthWestern filed

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<sup>1</sup> Compliance with the Montana Renewable Portfolio Standard spans three years: Retail sales during an *initial year* (2011) determine the procurement obligation in the *compliance year* (2012), which must be met by March 31<sup>st</sup> of the *reporting year* (2013). Mont. Code Ann. § 69-3-2004(5)(a), (6) (2011).

its Utility Report on March 31, 2011, but without sufficient information to ascertain retail sales and loads for *each* electricity supplier. NorthWestern Compl. Filing., Docket N2011.1.1, Attachment 4 (Mar. 31, 2011).

Commission staff discussed the Utility Report with NorthWestern, and on May 3, 2011, the Commission authorized staff to continue working to improve the reporting process. Commn. Work Sess. Minutes, p. 109 (May 3, 2011). On June 28, 2011, the Commission directed NorthWestern to re-file its 2010 Utility Report with the name of the electricity supplier serving each choice customer. Not. of Commn. Action, Docket N2011.1.1, p. 2 (June 28, 2011). Although the Commission directed NorthWestern to file the additional information no *sooner* than September 19, 2011 to give electricity suppliers "ample notice and opportunity to seek protection" of their information, none sought protection. *Id.*; Commn. Work Sess. Minutes, p 137 (June 28, 2011).

On September 30, 2011, NorthWestern re-filed its 2010 Utility Report with the names of the electricity supplier serving each choice retail customer.<sup>2</sup> Updated NorthWestern Compl. Filing, Docket N2011.1.1, Attachment 4 (Sept. 30, 2011) (search the "PSC Document Database" by going to "Search Documents" in the "Electronic Documents" tab at <http://psc.mt.gov/>). Although PPL Energy Plus reported as an electricity supplier for compliance year 2010, Attachment 4 indicates that it was a *competitive* electricity supplier because in 2009 it supplied Customers 1341, 1626 and 47739 with average loads of 839 KW, 1,472 KW, and 23 KW, respectively:

Unique ID	Revenue Year/Mo.	Serv. No.	Rate	Kwh	KW	Rate Description	Supplier Name
1341	200912	2	E201	354,497	845	GS-1 PRI COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1341	200911	2	E201	227,138	823	GS-1 PRI COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1341	200910	2	E201	147,627	646	GS-1 PRI COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1341	200909	2	E201	281,491	739	GS-1 PRI COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1341	200908	2	E201	299,358	894	GS-1 PRI COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1341	200907	2	E201	378,767	894	GS-1 PRI COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1341	200906	2	E201	400,612	879	GS-1 PRI COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1341	200905	2	E201	321,496	879	GS-1 PRI COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1341	200904	2	E201	310,706	799	GS-1 PRI COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1341	200903	2	E201	318,465	894	GS-1 PRI COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1341	200902	2	E201	395,649	909	GS-1 PRI COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1341	200901	2	E201	339,198	862	GS-1 PRI COM CHOICE>1000 KW	PPL EnergyPlus, LLC

<sup>2</sup> NorthWestern must assign "a unique [ID] to each retail customer of an electricity supplier . . . to protect the customer's identity." Admin. R. Mont. § 38.5.8301(9)(b).

Unique ID	Revenue Year/Mo.	Serv. No.	Rate	Kwh	KW	Rate Description	Supplier Name
1626	200912	1	E240	479,505	1,469	GS-2 SUB COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1626	200911	1	E240	553,476	1,382	GS-2 SUB COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1626	200910	1	E240	438,722	1,365	GS-2 SUB COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1626	200909	1	E240	514,696	1,339	GS-2 SUB COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1626	200908	1	E240	622,160	1,417	GS-2 SUB COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1626	200907	1	E240	591,663	1,858	GS-2 SUB COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1626	200906	1	E240	642,328	1,443	GS-2 SUB COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1626	200905	1	E240	570,046	1,529	GS-2 SUB COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1626	200904	1	E240	667,997	1,495	GS-2 SUB COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1626	200903	1	E240	456,356	1,624	GS-2 SUB COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1626	200902	1	E240	442,984	1,261	GS-2 SUB COM CHOICE>1000 KW	PPL EnergyPlus, LLC
1626	200901	1	E240	625,005	1,477	GS-2 SUB COM CHOICE>1000 KW	PPL EnergyPlus, LLC

Unique ID	Revenue Year/Mo.	Serv. No.	Rate	Kwh	KW	Rate Description	Supplier Name
47739	200912	1	E140	8,180	26	GS-1 SEC COM CHOICE>1000 KW	PPL EnergyPlus, LLC
47739	200911	1	E140	5,740	21	GS-1 SEC COM CHOICE>1000 KW	PPL EnergyPlus, LLC
47739	200910	1	E140	3,900	17	GS-1 SEC COM CHOICE>1000 KW	PPL EnergyPlus, LLC
47739	200909	1	E140	2,180	38	GS-1 SEC COM CHOICE>1000 KW	PPL EnergyPlus, LLC
47739	200908	1	E140	2,280	16	GS-1 SEC COM CHOICE>1000 KW	PPL EnergyPlus, LLC
47739	200907	1	E140	2,680	17	GS-1 SEC COM CHOICE>1000 KW	PPL EnergyPlus, LLC
47739	200906	1	E140	1,480	17	GS-1 SEC COM CHOICE>1000 KW	PPL EnergyPlus, LLC
47739	200905	1	E140	4,340	22	GS-1 SEC COM CHOICE>1000 KW	PPL EnergyPlus, LLC
47739	200904	1	E140	4,940	22	GS-1 SEC COM CHOICE>1000 KW	PPL EnergyPlus, LLC
47739	200903	1	E140	6,360	26	GS-1 SEC COM CHOICE>1000 KW	PPL EnergyPlus, LLC
47739	200902	1	E140	7,560	26	GS-1 SEC COM CHOICE>1000 KW	PPL EnergyPlus, LLC
47739	200901	1	E140	7,400	22	GS-1 SEC COM CHOICE>1000 KW	PPL EnergyPlus, LLC

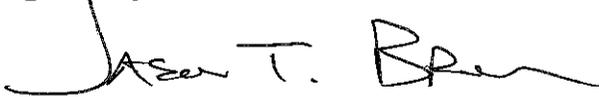
*Id.* As end-users "separately identified in NorthWestern's billing system," Customers 1341, 1626 and 47739 are "retail customers." If their individual monthly loads averaged less than 5,000 KW in 2009, PPL Energy Plus was a competitive electricity supplier in compliance year 2010.

Commission staff does not expect PPL Energy Plus to re-file its report for compliance year 2010 or to change how it reports for compliance year 2011 (by March 31, 2012). However, if the individual loads of Customers 1341, 1626 or 47739 (or any other retail customer) averaged less than 5,000 KW per month in 2011, Commission staff will expect PPL Energy Plus to report as a competitive electricity supplier for compliance year 2012 (by March 31, 2013).

If PPL Energy Plus did not supply electricity to Customers 1341, 1626 or 47739 in 2011, or disagrees that supplying these Customers makes it a competitive electricity supplier in 2012, please explain that position in writing no later than March 31, 2012. Feel free to do so in a cover letter attached to your 2011 RPS Compliance Form in Docket N2012.1.1. If PPL Energy Plus does not respond to this letter by March 31, 2012, Commission staff will expect it to report as a competitive electricity supplier in 2013.

Please don't hesitate to contact me if you have any questions.

Respectfully,

A handwritten signature in black ink that reads "Jason T. Brown". The signature is fluid and cursive, with the first name "Jason" being the most prominent part.

Jason T. Brown  
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Montana Public Service Commission  
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