

Service Date: September 24, 2015

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

IN THE MATTER OF Inquiry by the ) REGULATORY DIVISION  
Montana Public Service Commission into )  
its Implementation of the Public Utility ) DOCKET NO. N2015.9.74  
Regulatory Policies Act of 1978 )

**NOTICE OF INQUIRY AND OPPORTUNITY TO COMMENT**

On April 14, 2015, the Montana Public Service Commission (PSC) issued *Order 7338b*, denying an *Application for Qualifying Facility Tariff Adjustment* filed by NorthWestern Energy (NWE). The PSC observed that NWE’s acquisition of hydroelectric resources had “significantly changed its existing resource mix and load-resource balance,” and pledged to review its implementation of the Public Utility Regulatory Policies Act of 1978 (PURPA), including but not limited to the following issues: (1) Methods for estimating avoided costs; (2) standard rate design, including technology-specific rates, contract length, levelization, performance-based rate adjustors, and standard contracts; (3) market price forecasting methods; (4) resource capacity values; and (5) requirements for creating a “legally enforceable obligation” under PURPA. *Order 7338b*, Dkt. D2014.1.5, ¶ 28 (Apr. 14, 2015) (citing 18 C.F.R. § 292.304); *see also* Staff Memo., Dkt. N2015.9.74 (Aug. 12, 2015) (posing specific questions to stakeholders). Additionally, for each change to Commission policy that commenters propose, the Commission requests that parties address how such a policy would promote the symmetrical, non-discriminatory treatment of qualifying facilities and utility-owned resources. In this Docket, the Commission will gather information and conduct roundtable discussions in order to inform future decisions on any issue that is not currently being addressed in another PSC Docket.

The PSC hereby invites interested persons to submit written comments addressing its implementation of PURPA **no later than October 23, 2015**, and response comments no later than **November 6, 2015**, either by mail or delivery to the PSC at 1701 Prospect Avenue, Helena, MT, 59620, or by email to [psc\\_utilitycomment@mt.gov](mailto:psc_utilitycomment@mt.gov).

BY THE MONTANA PUBLIC SERVICE COMMISSION

BRAD JOHNSON, Chairman  
TRAVIS KAVULLA, Vice Chairman  
KIRK BUSHMAN, Commissioner  
ROGER KOOPMAN, Commissioner  
BOB LAKE, Commissioner