

August 14, 1997

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PSC ORDERS MPC TO REVISE ITS ELECTRIC RESTRUCTURING PLAN

The state Public Service Commission has determined the electric restructuring transition plan proposed in July by Montana Power Company is incomplete and inadequate in two important areas and has ordered Montana Power Company to file a revised plan to correct the deficiencies.

The PSC found MPC's transition plan did not include enough information on the company's proposals for customer choice pilot programs and customer education and that the plan failed to adequately analyze and document the stranded costs MPC's proposes to recover from ratepayers.

The company must file a revised plan addressing the deficiencies identified by the PSC by August 26.

MPC filed the plan in accordance with Senate Bill 390, the law passed by the 1997 Legislature that established a framework for Montana's monopoly electric utility industry to become competitive in the generation and sale of electricity. The law requires regulated utilities to file transition plans with the PSC one year before the date any of their customers are entitled to choose a supplier. Because MPC has large industrial customers in Montana entitled to choice under the new law by July 1, 1998, the company filed its transition plan for PSC consideration last month.

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