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PSC TO HEAR PUBLIC COMMENT MARCH 24 ON ITS ASSERTION OF  
CONTINUING AUTHORITY OVER MPC'S ELECTRICITY RATES

The Montana Public Service Commission will hold a special meeting Saturday, March 24, to hear public comments on its intention to assert continuing authority over Montana Power Company's electricity rates. The meeting will be held at 10 a.m. in Room 303 (the old Supreme Court chambers) of the Capitol in Helena.

The PSC last week determined it has continuing jurisdiction over MPC, including the generation assets MPC sold to PPL Montana, as a regulated public utility under existing state laws, but decided to provide an opportunity for public comment on the legal analysis the PSC relied on in asserting its jurisdiction.

In its analysis, the PSC concluded that Montana's electricity restructuring law provides that generation assets formerly owned by MPC cannot be transferred out of rate base until the PSC issues a final order on MPC's electricity restructuring transition plan. MPC filed its transition plan in 1997, but the PSC proceeding to consider the plan is still under way and no final order has been issued. According to the PSC, the generation assets, although now owned by PPL Montana, are considered regulated public utility assets over which the PSC retains regulatory authority regarding rates through the end of the transition period. The transition to a competitive electricity market for all MPC customers was slated to end as of July 2002, but the PSC last December extended the transition period to July 2004.

The PSC will also accept written comments on this issue until March 23. Interested persons may submit their comments by mailing them to the PSC, PO Box 202601, Helena, 59620-2601, or by submitting them electronically using the PSC's web-based comment form at <http://psc.state.mt.us/PublicComment/PublicComment.htm>. Submitted comments must include the docket number of this proceeding, which is D97.7.90.

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