



A RESOLUTION OF THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA SUPPORTING
ELIMINATION OF THE MONTANA INTERTIE RATE.

WHEREAS, the Eastern Intertie is a segment of high-voltage transmission line running between Townsend and Garrison, Montana, owned and operated by the Bonneville Power Administration; and

WHEREAS, the Montana Intertie rate is a transmission tariff governing the use of 200 megawatts of transmission capacity on the Eastern Intertie; and

WHEREAS, the Townsend to Garrison rate is a transmission tariff governing the use of 1,734 megawatts of transmission capacity on the Eastern Intertie; and

WHEREAS, the Bonneville Power Administration has overcollected, by nearly \$1 million per year in recent years, the Eastern Intertie's revenue requirement from Colstrip partners, including NorthWestern Energy, a regulated utility with 360,000 customers in Montana; and

WHEREAS, equitable transmission rates are necessary to new and existing generation facilities seeking to export electrical energy from Montana, including continued operations at the Colstrip generating facility; and

WHEREAS, the Bonneville Power Administration's transmission network consists of 15,000 miles of electric transmission lines throughout Montana, Idaho, Washington, and Oregon; and

WHEREAS, the Eastern Intertie is less than 100 miles in distance, but the Montana Intertie adds roughly 40% to the cost of traversing the Bonneville Power Administration's network transmission system; and

WHEREAS, since the original Montana Intertie Agreement was signed in 1981, 184 megawatts of transmission capacity on the Eastern Intertie has never been subscribed for long-term transmission service and remains unsubscribed today; and

WHEREAS, it is in the best interest of Montana and for economic development to maximize the utilization of the existing transmission system and available transmission capacity; and

WHEREAS, development of energy generation facilities in Montana, of any kind, to serve Pacific Northwest loads will contribute to the economic development of Montana; and

WHEREAS, full subscription of the Eastern Intertie would facilitate the reduction of network rates for all

Bonneville Power Administration transmission customers by 0.3%; and

WHEREAS, full subscription of the Eastern Intertie would reduce the Townsend to Garrison rate paid by the Colstrip transmission system partners by as much as 9.5%, including costs passed on to Montana consumers; and

WHEREAS, a reduction in the Townsend to Garrison rate paid by the Colstrip transmission system partners would make the operating units at Colstrip more economically attractive and competitive; and

WHEREAS, an elimination of the Montana Intertie rate would make new generation facilities in Montana more economically competitive.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That the Montana House of Representatives supports the elimination of the Montana Intertie rate and supports updating the Bonneville Power Administration's tariffs to recover the revenue requirement of the Eastern Intertie, but not more.

BE IT FURTHER RESOLVED, that the Secretary of State forward copies of this resolution to the Administrator of the Bonneville Power Administration, the Secretary of the U.S. Department of Energy, each member of Montana's Congressional Delegation, the Northwest Power and Conservation Council, and the Governors of Montana, Idaho, Washington, and Oregon.

- END -

I hereby certify that the within resolution,
HR 0002, originated in the House.

Speaker of the House

Signed this _____ day
of _____, 2017.

Chief Clerk of the House

HOUSE RESOLUTION NO. 2
INTRODUCED BY D. ZOLNIKOV

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