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Energy and Telecommunications Interim Committee

65th Montana Legislature

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February 23, 2018

To: Energy and Telecommunications Interim Committee
From: Jameson Walker, Legislative Attorney
Re: Administrative Rule Report, February 2018

The Energy and Telecommunications Interim Committee (ETIC) is responsible for reviewing administrative rules promulgated by several state agencies for compliance with the Montana Administrative Procedure Act (MAPA). The ETIC has administrative rule review, draft legislation review, program evaluation, and monitoring functions for the Department of Public Service Regulation and the Public Service Commission. The following notices are filed with the Secretary of State's Office for publication in the Montana Administrative Register (MAR). Notices are available at <http://www.mtrules.org> (search by notice number).

PROPOSAL NOTICES

Department of Public Service Regulation and Public Service Commission

MAR Notice Number: 38-5-239

Subject: Amendment of rules pertaining to small water or sewer utilities.

Summary: The department proposes to amend 38.5.2501, 38.5.2527, and 38.5.2528. The rule notice proposes two options to address streamlining of rate filings. The first option amends 38.5.2527 and 38.5.2528 to remove the standard rate filing process and replace it with a simplified utility rate application. The department states that this option provides for simplified regulatory treatment. The simplified option provides minimum filing requirements to ensure that the commission and interested persons have sufficient information to review during the application process. The second option is similar to the first; however, it proposes to allow the commission to consider prioritization of rate regulation based on consumer complaints and it shortens the list of minimum filing requirements. This option amends 38.5.2501, 38.5.2527, and 38.5.2528. The commission states that the second option allows for three simplified regulatory treatment options available to a small water or sewer utility seeking to propose changes to its rates. The rule clarifies that only utilities that do not have rates on file with the commission can take advantage of the standard rate process. The rule also clarifies that the standard rate will only be approved by the commission for up to three calendar years and the timeframe begins to run once any approval of a rate is made by the commission.

Notes/Hearing: The department will hold a public hearing on March 13, 2018, to consider the rule notice.

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