



Energy and Telecommunications Interim Committee

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58th Montana Legislature

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MEMORANDUM

To: Energy and Telecommunications Interim Committee (ETIC)

From: Mary Vandebosch, Research Analyst
444-5367 or mvandebosch@mt.gov

Date: May 24, 2004

Subject: Public Service Commission (PSC) Review of Utility Transactions

In January, you requested that staff identify the changes that need to be made to the law to give the PSC express statutory authority to review and approve or disapprove utility transactions. There is disagreement among parties regarding whether or not the PSC has implied authority over these transactions.

In order to do this, I have prepared the attached draft bill, LC 5555, for discussion purposes. You have not decided whether or not to move forward with a formal bill draft request.

You requested ideas and comment from the PSC and others at your November 2003 meeting. This draft bill draws on the ideas that were presented.

It is up to the committee to decide whether or not it wants to proceed with a formal bill draft request. If the ETIC wants to proceed, the ETIC needs to decide whether it wants to change any of the provisions in the draft.

Key questions to consider include:

- Which transactions should be subject to review?
- What criteria should be used to approve or disapprove a transaction?
- How can timely review be promoted?

All of these questions are addressed in one way in this draft bill; it is up to the ETIC to decide which way they will be addressed in any bill that is requested by the ETIC.