

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

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IN THE MATTER OF NorthWestern Energy's) REGULATORY DIVISION
Application for Interim and Final Approval of)
Revised Tariff No. QF-1, Qualifying Facility) DOCKET NO. D2016.5.39
Power Purchase)

**COMMENTS OF THE MONTANA CONSUMER COUNSEL IN SUPPORT OF
NORTHWESTERN ENERGY'S MOTION FOR EMERGENCY SUSPENSION
OF THE QF-1 TARIFF FOR NEW SOLAR QUALIFYING FACILITIES**

The Montana Consumer Counsel (MCC) respectfully submits these comments in support of the *Motion for Emergency Suspension of the QF-1 Tariff for New Solar Qualifying Facilities with Nameplate Capacity Greater than 100 kW* (Motion) filed by NorthWestern Energy (NorthWestern) on May 17, 2016.

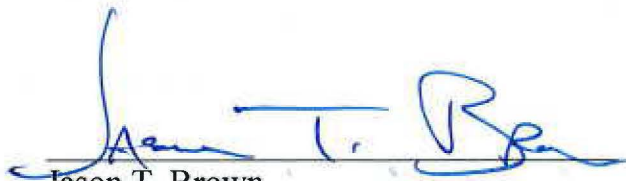
NorthWestern initiated this standard QF rate proceeding on May 3, 2016. On May 13, 2016, the Montana Public Service Commission (Commission) issued a *Notice of Application and Intervention Deadline*, setting an intervention deadline of June 10, 2016. On May 17, 2016, NorthWestern filed its Motion, which is limited to solar qualifying facilities (QFs) larger than 100kW seeking standard rates.

Based on the circumstances described by NorthWestern, a temporary, emergency suspension of standard rates for solar QFs between 100 kilowatts and 3 megawatts is appropriate in this case. NorthWestern represents that market prices have decreased

dramatically, that the standard rates available to solar QFs exceed current avoided costs, and that many solar QFs have recently requested long-term standard rates. *See* Mot. p. 7. It has been several years since NorthWestern's standard rates have been updated. NorthWestern's portfolio and regional markets have evolved since that time. The MCC is concerned about the risks presented by many solar QFs locking in long-term rates that may significantly exceed current avoided costs.

The long-term risk of harm to customers justifies granting the relief requested by NorthWestern. If the Commission declines to grant the temporary suspension requested by NorthWestern, however, as an alternative it should at least suspend standard rate Option 1(a) for all solar QFs during the pendency of this proceeding in order to mitigate the risk to customers presented by the current situation.

Respectfully submitted this 6th day of June, 2016.



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