

October 28, 2013

Hon. W.A. Gallagher, Chairman  
Montana Public Service Commission  
1701 Prospect Ave  
P.O. Box 202601  
Helena, MT 59620-2601

Dear Mr. Gallagher:

Your staff and petitioners in Public Service Commission Complaint Docket #D2010.2.14 have made the Billings City Council aware that you and other members of the Commission have agreed to investigate whether the ownership charge in the NorthWestern Energy street lighting tariff is unreasonable and unjustly discriminatory.

The City of Billings is the agent that bills street lighting district property owners for their energy costs. The Commission clearly has the statutory authority to set rates but, as the collecting entity, the City desires to ensure that the rates collected are accurate.

The petitioners have claimed to the City that the ownership charge continues to be levied even after the capital improvements it covers have been completed, and the customers are paying in excess of \$60,000 a month in unnecessary fees. For its part, NorthWestern Energy says that the ownership charge is the 'lease' or service charge for the lights, is never paid off, and this is explained to property owners when the district is created.

The City of Billings City Council has voted to support the request of the petitioners in Docket #D2010.2.14 for a Public Service Commission staff review of the petitioners' claim, and thanks the Commission for being willing to undertake this investigation.

If the Commission or its staff have any questions of the City in this matter, please feel free to contact City Administrator Christina Volek at (406) 657-8430 or by e-mail at volekc@ci.billings.mt.us

Sincerely,

Thomas W. Hanel  
Mayor