

Meeting Minutes 03.26.2025 ETAC

Meeting Date: 03/27/2025 9:30 AM – 12:30 PM

Location: *Helena Capital One-Board Rm (235) and Teams

<https://events.teams.microsoft.com/event/3cd12856-b87b-495e-ad10-9c27908c302f@c5c3c8b3-5dfc-4d45-9c42-df8a9867c635>

Participants

Olson, Megan (Meeting Organizer) (in person)

Shafer, Jon (NWE, in person)

Stajcar, Matthew (NWE, in person)

Barnheiser, Quintin (NWE, in person)

Jeff Blend (MT DEQ, in person)

'Barkey, Patrick' (BBER, in person)

Brian Dekiep (NWPCC, in person)

'Chuck Magraw' (NRDC, remote)

Haylee Gobert (MT PSC, remote)

Jamie Stamatson (MCC, in person)

Kyla Maki (MDEQ, in person)

Mike Dalton (MT PSC, in person)

Kelli Schermerhorn (SPP, in person)

Ben Bright (SPP, remote)

Kris Raper (WECC, In Person)

Minutes

1) Call to Order

- a) Meeting started at 9:00AM by Jon Shafer
- b) Purpose of this meeting: Review upcoming 2026 MT IRP work plan and timeline. Discuss resource adequacy.

2) Discussion Points

a) Topic 1: Stake Holder Working Group

Key Discussion Points:

- (1) Pointed members to the application and charter on the website.
 - (a) Suggestions/Discussions from group
 - (i) Discussed the size of the working group and why limitations were set up. Currently we only have 2 applicants.
 - (ii) Discussed the frequency of meetings. Pointed to the timeline on the website which shows the tentative dates of the stakeholder meetings.
- (2) Reviewed and discussed key points on the charter

- (a) Suggestions/Discussions from group
 - (i) Discussed the timeline to have the group formed (May 2025)
 - (ii) Discussed NWE vision of the working group - NWE strives trying to accomplish three fronts: Reliability, Sustainability and Affordability. Having this group will help achieve these goals. This group will play a role in answering what needs to be done and how to properly achieve goals. With discussions showing progress reaching these goals.

b) Topic 2: 2026 MT IRP Work Plan

Key Discussion Points:

- (1) Included reviewing work plan and the key components of the upcoming 2026 MT IRP including modeling scenarios and sensitivities.
 - (a) Suggestions/Discussions from group
 - (i) Does NWE have a plan for data center load inclusion - Plan for Data Center Load will be modeled as a sensitivity to the Base Case Scenario.
- (2) Load Forecasting modeling will not have data centers included in the 2026 MT IRP but DSM and net metering are included.
 - (a) Suggestions/Discussions from group
 - (i) DSM Framework: Discussed its inclusion in the load forecasting. Pointed to Todd's presentation at the last ETAC meeting.
 - 1. ETAC would like to better understand DSM and DR programs at NWE
- (3) The existing portfolio was reviewed and updates to the accreditation and contracted generators will be complete the first part of April 2025.
- (4) Candidate Resources were discussed, [see Item 5](#)
- (5) Resource Adequacy is going to use load forecasting, described by the PRM WRAP, and apply the same methodology to load forecasting. This will be the basis of the capacity expansion model.
 - (a) Suggestions/Discussions from group
 - (i) Discussed NWE energy plan to utilize WRAP values in modeling and NWE plan to go binding status with WRAP (Summer 2027)
 - (b) Discussed how the modeling considers resource adequacy -
 - (i) Answer: Resource adequacy is the framework with ELCC to use for model. Resource adequacy is an input and an output. Methodology is the input; model selects generation as an output.
 - (ii) Suggestion: Identifying risk is critical for the IRP and should be considered in the work plan.
- (6) Price forecasting: Forward curves are used for gas and market, etc. which is taken from Ascend.
- (7) Market interactions utilize the EIM prices with its historical pricing fed into the model.
 - (a) Suggestions/Discussions from group
 - (i) Discussed that historical pricing goes back to 2021 to correlate with NWE joining the WEIM

(8) Transmission is added into the model. The challenges that NWE are working on internally is the non-firm piece due to the quantification of this number.

(a) Suggestions/Discussions from group

(i) Northern Plans Connector - This will be included as a sensitivity from the Base Case scenario. Simulation of both the SPP and MIDC markets at key points will be used with a concentration of benefits from energy sales and purchases.

(ii) Colstrip - With acquiring more of Colstrip, NWE is trying to establish customer needs while also considering that NWE is a BA. NWE is currently working to identify correct constraints

(9) Demand Response feedback would be appreciated.

(a) Suggestions/Discussions from group

(i) DR as a candidate resource - It will not be used in the 2026 MT IRP.

(ii) DR for backup generation of the data centers - NWE can see potential for additional demand response. A sensitivity analysis between data centers demand response allocation versus residential demand response allocation would be a good future analysis to run, but we are not anticipating it for this IRP cycle.

(b) DR and AMI – There is a potential in the future but not currently being evaluated.

(c) Comment: NWE should hire a third-party aggregator to analyze demand response.

(d) Colstrip and DR: ETAC sees a potential need for more robust DR programs with a lot of generation for NWE portfolio at Colstrip

1. Recommendations:

a. Understand demand response using surrounding state programs, analyze how they separate industrial versus residential demand response programs.

b. Analyze demand response from a perspective of season. Which season is growing faster? Winter or summer?

c. Are other surrounding states implementing demand response in the summer? In the winter?

d. Analyze the value of demand response if part, or all of Colstrip goes down and the added flexibility demand response would have on this event.

e. Utilize demand response as more of a risk related tool, and/or a market tool.

c) Topic 3: Resource Adequacy Discussion by Kris Raper (WECC)

i) Resource adequacy is now being assessed more strictly. While smaller utilities rely on local data, WECC uses aggregated research across the West, revealing that planned resource growth is falling behind—only 76% of planned resources have been built. Additionally, interconnection is lagging, with most added resources being variable. Understanding how these variable resources interact with the grid is crucial, as grid reliability remains the top priority. Traditionally, resource adequacy and transmission have been considered separately, but this approach is no longer sustainable. As variable resources increase, certainty in meeting demand decreases. Moving forward, we must determine when and how to shift priorities while ensuring transparency and cross-border collaboration.

d) Topic 4: New Resource Cost Modeling

- (1) Reviewed the draft candidate resource costs provided by Aion and comparisons to last IRP cycle candidate resource costs
 - (a) Suggestions/Discussions from group
 - (i) Concern: cost curves came out and NWE curves are significantly higher than NWPCC

e) Topic 5: Modeling Scenarios

- (1) Overviewed the proposed scenarios and sensitivities for the IRP
 - (a) Suggestions/Discussions from group
 - (i) Comment: Maybe adjust date sensitivities to better encompass new potential changes.
 - (ii) Colstrip and modeling scenarios –
 - 1. At which point in time will Colstrip be a non-important part of the portfolio?
 - 2. Comment: Market is changing with acquisition of Colstrip
 - 3. Determine most optimal portfolio, a scenario where Colstrip would be economically infeasible.
 - (b) Request: Feedback on environmental externalities would be appreciated.

f) Topic 6: PowerSimm

- (1) NWE would appreciate feedback on different results or what ETAC would like to see as outputs from PowerSimm.
 - (a) Suggestions/Discussions from group
 - (i) Comment: Concern on PowerSimm having unintentional bias due to having to input retirement dates.

g) Topic 7: Additional Questions or Comments?

- (a) Comment: NWE providing a graphic or table on how often various resources in our portfolio run and what is their capacity when they run throughout the year.

3) Adjournment

- a) Meeting adjourned at 12:30 by Jon Shafer.