



ADMINISTRATIVE RULES OF MONTANA

17.20.1302 GENERATION FACILITIES, CRITERIA FOR EVALUATION OF ALTERNATIVES TO THE PROPOSED FACILITY

- (1) An application must contain an evaluation of relevant alternatives listed in ARM 17.20.1301, leading to a ranking of alternatives and selection of the proposed facility. The evaluation and selection may be made by any method preferred by the applicant.
- (2) An application must include a detailed description of the methods and criteria used by the applicant to select the proposed facility given the capacity, availability, and types of alternatives, and to determine the proper size and timing of construction, in order to achieve maximum economies of scale and the applicant's desired level of reliability at the lowest economic cost. Documentation for process tradeoff studies performed by the applicant must be provided. Published tradeoff studies may be cited by reference. A description of the methods used to select the proposed designs for major process areas must be included.
- (3) In addition to the applicant's criteria for comparison, all appropriate alternatives which have no insurmountable environmental, technical or other problems serious enough to warrant elimination from further consideration, must be ranked by the levelized delivered cost of energy, including known mitigation costs. Alternatives whose levelized delivered cost of energy is not more than 35% higher than the cost of energy from the proposed facility, or which have significant environmental advantages over the proposed facility, must be compared on the basis of performance, system impact, and environmental impact as follows:
 - (a) performance criteria include:
 - (i) the first year and levelized delivered cost of energy, including known mitigation costs, incremental transmission costs and the effect of line losses; and
 - (ii) the estimated on-line life of the alternative and the projected capacity factor during the on-line life of the alternative.
 - (b) environmental impact criteria include:
 - (i) significant environmental advantages and disadvantages; and
 - (ii) significant siting constraints.
- (4) In comparing the no action alternative with the other alternatives, the costs of no action shall include, if relevant, the net losses to consumers who would be deprived of the output of the facility and would have to obtain the energy or product of the facility from other sources.
- (5) An explanation must be given of the reasons for dropping any alternative from further consideration at any stage in the evaluation process.

Authorizing statute(s): 75-20-105, MCA

Implementing statute(s): 75-20-211, MCA

History: NEW, 1984 MAR p. 1844, Eff. 12/28/84; TRANS, from DNRC, 1996 MAR p. 2863; AMD, 2001 MAR p. 2410, Eff. 12/7/01; AMD, 2005 MAR p. 252, Eff. 2/11/05; AMD, 2023 MAR p. 764, Eff. 8/5/23.