HOUSE JOINT RESOLUTION NO. 46

INTRODUCED BY T. MILLETT, G. KMETZ

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY OF DATA CENTERS AND THEIR POTENTIAL IMPACTS ON MONTANA'S ECONOMY AND ELECTRIC GENERATION, DISTRIBUTION, AND TRANSMISSION SYSTEMS; AND REQUIRING THAT THE FINAL RESULTS OF THE STUDY BE REPORTED TO THE 70TH LEGISLATURE.

WHEREAS, following the development of data centers throughout the West, national companies have expressed their interest in constructing multiple data centers in Montana; and

WHEREAS, data centers have the potential to bolster economic development, create jobs, and generate tax revenue for Montana; and

WHEREAS, data centers require significant amounts of energy to operate, which may strain the reliability, safety, and capacity of Montana's electric generation, distribution, and transmission systems, requiring significant capital investments; and

WHEREAS, two proposed data centers in Montana are estimated to consume as much as 400 megawatts of electricity by 2030, which amounts to enough electricity to power approximately 320,000 households for 1 year; and

WHEREAS, increased strain on Montana's electric grid may have negative effects on other commercial, industrial, and residential customers of Montana's regulated utilities, including on affordability; and

WHEREAS, Montana policymakers should carefully balance the high-load requirements of data centers with the needs of existing residential, commercial, and industrial electricity customers to ensure grid reliability.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That the Legislative Council be requested to designate an appropriate interim committee or statutory committee, pursuant to section 5-5-217, MCA, or direct sufficient staff resources to:

(1) investigate the impacts of large electric loads on the adequacy, reliability, affordability, and safety of Montana's energy supply resources and electric transmission and distribution systems;

(2) analyze the economic impact to existing commercial, industrial, and residential customers caused by potential rate increases that may occur in order to fund incremental utility investments to serve data centers, and analyze whether regulatory or statutory sideboards are therefore needed to protect ratepayers;

(3) examine the additional strain on the electric grid caused by the high energy consumption of data centers and how load-serving entities can manage load and ensure the reliability of Montana's electric grid;

(4) explore potential bonding requirements or other ways to mitigate the rate-based costs of any stranded utility investments related to data centers in the event that a data center fails to materialize, prematurely closes, or is abandoned;

(5) determine whether the public service commission should classify data centers as a distinct customer class;

(6) identify the potential demand of data centers on Montana's ground and surface water resources;

(7) research the impacts data centers may have on Montana's economy, job market, tax revenue, and housing affordability; and

(8) study other topics relating to data centers or other high-load industrial facilities, as determined by the committee.

BE IT FURTHER RESOLVED, that if the study is assigned to staff, any findings or conclusions be presented to and reviewed by an appropriate committee designated by the Legislative Council.

BE IT FURTHER RESOLVED, that all aspects of the study, including presentation and review requirements, be concluded prior to September 15, 2026.

BE IT FURTHER RESOLVED, that the final results of the study, including any findings, conclusions, comments, or recommendations of the appropriate committee, be reported to the 70th Legislature.

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