

Memorandum

REPORT TO: Sustainability Board

FROM: Sustainability Program Manager, Natalie Meyer
Assistant City Manager, Jon Henderson

SUBJECT: Recommendation to Authorize the Green Power Program Lead Community Agreement with NorthWestern Energy

MEETING DATE: July 8, 2026

AGENDA ITEM TYPE: Citizen Advisory Board/Commission

RECOMMENDATION: Having reviewed and considered the staff report, materials, public comment, and all information presented, I move to recommend that the City Commission authorize the City Manager to sign the Green Power Program Lead Community Agreement with NorthWestern Energy.

STRATEGIC PLAN: 6.3 Climate Action: Reduce community and municipal Greenhouse Gas (GHG) emissions, increase the supply of clean and renewable energy; foster related businesses.

BACKGROUND:

On [November 28th, 2023](#), the Bozeman City Commission authorized the City Manager to sign the Green Power Program (GPP) Term Sheet with NorthWestern Energy. This non-binding agreement has guided program design and defined the implementation process. The Lead Communities of Missoula County, City of Missoula, and the City of Bozeman each approved the Term Sheet with NorthWestern Energy.

Upon implementation, the program will allow local governments and commercial NorthWestern Energy electric service customers to enter into a long-term subscription agreement to support the development of a new renewable energy resource in Montana. Participating local governments may choose to enable short-term residential subscriptions. Participation is voluntary and will include on-bill costs and credits. All costs and credits of the program will be borne by subscribers. To make this possible, NorthWestern and the Lead Communities have negotiated an agreement to file a new rate (Tariff) with the Public Service Commission (PSC) and jointly pursue project development through a Request for Proposals (RFP) for a renewable energy resource.

While many Green Power Programs (a.k.a. Green Tariffs) exist throughout the country, it's a new rate structure in Montana. The program represents

the most significant opportunity for the City of Bozeman to advance our 100% net clean electricity goal identified in the [2020 Bozeman Climate Plan](#).

Efforts have been underway since 2020 to negotiate the program structure with NorthWestern. As the parties finalize the terms, the next phase of the program is the adoption of a Lead Community Agreement, which defines the roles and responsibilities between each Lead Community and NorthWestern to implement the Green Power Program. Adoption of the Lead Community Agreement does not bind the Lead Communities to subscribe to the Green Power Program.

On June 10, 2026, Sustainability Program Manager, Natalie Meyer, provided an overview of the Lead Community Agreement to the Sustainability Board. The Sustainability Board was invited to ask questions, received public comment, and discussed the program.

NorthWestern has provided final program documents for the Lead Communities to review. The following documents are included as attachments:

- **Lead Community Agreement:** Outlines roles and responsibilities for the Lead Communities and NorthWestern to bring the GPP to the Public Service Commission (PSC)
- **Tariff:** The GPP rate structure to be adopted by the PSC
- **Notice of Interest:** The non-binding indication of how much electricity a customer would like to subscribe to the GPP
- **Community Subscription Agreement:** The binding community customer agreement to subscribe to the GPP
- **Commercial Subscription Agreement:** The binding commercial customer agreement to subscribe to the GPP
- **Residential Enrollment Form:** The short-term residential subscription enrollment form for participating jurisdictions

At the July 8, 2026, Sustainability Board meeting, City Staff will share a follow-up presentation on the Green Power Program and accompanying documents. The Sustainability Board will be asked to review the materials, ask questions, receive public comment, discuss, and make a formal recommendation to the City Commission on the authorization of the Lead Community Agreement.

More information can be found on the project website: [Green Power Program | City of Bozeman](#)

UNRESOLVED ISSUES: None.

ALTERNATIVES: As suggested by the Board.

FISCAL EFFECTS: Signing the Lead Community Agreement commits the City of Bozeman to

paying a share of the costs incurred by NorthWestern to develop and issue a Request for Proposals (RFP) for the renewable resource if the City terminates the Lead Community Agreement. The Lead Community Agreement does not commit the City of Bozeman to subscribe to the Green Power Program, but it advances the approval process to the Montana Public Service Commission for consideration of the Green Power Program Tariff.

Attachments:

[Sustainability Board Agenda_Lead Community Agreement_20260610.pdf](#)

[Lead Community Agreement_FINAL.pdf](#)

[Green Power Program Tariff_FINAL.pdf](#)

[Notice of Interest_FINAL.pdf](#)

[Community Subscription Agreement_FINAL.pdf](#)

[CI Subscription Agreement_FINAL.pdf](#)

[Residential Enrollment Form_FINAL.pdf](#)

Report compiled on: July 2, 2026