

Memorandum

REPORT TO: Sustainability Board

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

SUBJECT: Work Session on Green Power Program Lead Community Agreement with NorthWestern Energy

MEETING DATE: June 10, 2026

AGENDA ITEM TYPE: Citizen Advisory Board/Commission

RECOMMENDATION: Work Session on 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 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.

Sustainability Program Manager, Natalie Meyer, will give a presentation on the Green Power Program Lead Community Agreement. The Sustainability Board will be invited to ask questions, take public comment, and discuss the program. The Sustainability Board will have an opportunity to make a formal recommendation to the City Commission on the Lead Community Agreement during the July 8, 2026, Sustainability Board meeting.

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: Adoption of the Lead Community Agreement commits the City of Bozeman to paying a share of the costs incurred by NorthWestern to develop and issue an RFP for the renewable resource if the City terminates the Lead Community Agreement.

Attachments:

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

Report compiled on: June 5, 2026