

OFFICE OF THE GOVERNOR
STATE OF MONTANA

STEVE BULLOCK
GOVERNOR



MIKE COONEY
LT. GOVERNOR

May 3, 2019

The Honorable Corey Stapleton
Secretary of State
State Capitol
Helena, MT 59601

Dear Secretary Stapleton:

In accordance with the power vested in me as Governor by the Constitution and the laws of the State of Montana, I hereby veto House Bill 487 (HB 487), "AN ACT REVISING THE DEFINITION OF 'ELIGIBLE RENEWABLE RESOURCE' TO INCLUDE EXISTING HYDROELECTRIC RESOURCES; AMENDING SECTIONS 69-3-2003, 69-3-2006, AND 90-4-1005, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

House Bill 487 amends Montana's Renewable Power Production and Rural Economic Development Act (Act) to allow all new hydroelectric plants, regardless of capacity, that commence commercial operation after January 1, 2013, to be defined as an eligible renewable resource under the Renewable Portfolio Standard (RPS).

When it was first passed in 2005, the intent of the Act was to incentivize diverse rural economic development. It has been tremendously successful, providing hundreds of jobs in construction and operations and generating millions in property tax revenues for local governments.

Hydroelectric facilities have been an enduring and important component in the Montana energy system. Hydroelectricity is clean, renewable energy. Nonetheless, the changes proposed in HB 487 are ill advised.

The current RPS was carefully crafted to balance the benefits of hydroelectric power with its impacts, and to foster the development of multiple projects across the state. Allowing any and all new hydroelectric facilities to qualify for the RPS would upset this carefully-crafted balance. In June 2016, through my Energy Blueprint for Montana, I committed to oppose any efforts to weaken our current renewable portfolio standards.

The current RPS is a tightly woven legislative framework built around a 15 percent standard. HB 487 is a significant expansion of the scope of the RPS which should merit a thoughtful review of the standard. That has not happened here.

Secretary Stapleton
May 3, 2019
Page 2

For these reasons, I veto HB 487.

Sincerely,

A handwritten signature in blue ink, appearing to read "Steve Bullock", is written over a light gray rectangular background.

STEVE BULLOCK
Governor

cc: Legislative Services Division
Scott Sales, President of the Senate
Greg Hertz, Speaker of the House