TOPIC PRIMER

WIND FARM REGULATION

LEGISLATOR NOTICE

The Legislative Services Division is required to offer a brief history on the subject matter of a bill draft request prior to drafting (5-4-105, MCA; Chapter 309, Laws of 2017). The history must include related legislation introduced over the last five sessions and hyperlinks to the bill, hearing information, and fiscal notes. The legislation links below open to the page showing the status and history of bills introduced on this topic in the past. The bill text and any related fiscal notes can be accessed through the link at the top of that page.

Legislation can be complex and this history is not intended to be exhaustive. Please contact the drafter of the requested bill for more information.

Background Materials and Research

Topic Summary:

Montana's large geographic area and high plains with interspersed mountains and river valleys make it one of the highest ranked states for utility-scale wind generation potential in the U.S. The National Renewable Energy Laboratory (NREL) estimates 679,000 MW of wind generation potential at 80 meters above ground in the state, ranking Montana second in total wind energy production potential. Most of the state's best wind energy resource lies in the central and eastern areas of the state. Despite this potential, Montana's distance from large, population centers (energy loads) and its transmission constraints have resulted in the state developing a small fraction of its utility scale wind potential. Montana developed 695MW of installed wind energy capacity by 2016, ranking Montana 22nd in installed wind capacity among states. Wind energy accounted for nearly 7 percent of Montana's net electricity generation in 2015.

There is ample interest in developing new electricity generation in Montana, largely centered on construction of wind and solar projects. Three factors currently challenge the construction of new generation in Montana. The first is obtaining a firm power purchase agreement for that electricity. The second hurdle is the lack of available firm transmission to send that generation to off-takers located out of state. The third issue involves the challenges of siting a new transmission line.

Legislative Services Division Materials:

Understanding Energy in Montana 2018



Introduced Legislation

Include year, most recent first. Hyperlink to status page. *Chapter number assigned means bill was passed and approved. Most recent action. Cut and paste title. Example provided.

2017

House Bill 216 – Chapter Number Assigned -- AN ACT REQUIRING THE OWNERS OF WIND GENERATION FACILITIES TO SUBMIT A DECOMMISSIONING PLAN AND BOND TO THE DEPARTMENT OF ENVIRONMENTAL QUALITY; REQUIRING THE DEPARTMENT TO ADMINISTER THE PROGRAM USING EXISTING RESOURCES; ESTABLISHING PLAN AND BOND REQUIREMENTS AND TIMELINES; PROVIDING EXCEPTIONS TO BOND REQUIREMENTS; ESTABLISHING CRITERIA FOR BOND RELEASE; PROVIDING A PENALTY FOR FAILURE TO SUBMIT A BOND; CREATING A STATE SPECIAL REVENUE ACCOUNT; ALLOWING THE DEPARTMENT TO PROPERLY DECOMMISSION A FACILITY IN CERTAIN CASES; GRANTING THE DEPARTMENT RULEMAKING AUTHORITY; PROVIDING A STATUTORY APPROPRIATION; AMENDING SECTION 17-7-502, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

House Bill 363 – (H) Died in Standing Committee -- AN ACT ESTABLISHING THE MONTANA RENEWABLE ENERGY 5 PERMITTING, DECOMMISSIONING, AND RECLAMATION ACT; REQUIRING THE OWNERS OF RENEWABLE 6 ENERGY GENERATION FACILITIES TO ACQUIRE A PERMIT PRIOR TO CONSTRUCTION; REQUIRING A 7 SURETY BOND; REQUIRING THE DEPARTMENT OF ENVIRONMENTAL QUALITY TO ADMINISTER A 8 PERMIT PROGRAM FOR RENEWABLE ENERGY GENERATION FACILITIES; GRANTING THE 9 DEPARTMENT THE AUTHORITY TO APPROVE, DENY, OR MODIFY PERMITS; ESTABLISHING PERMIT 10 CRITERIA; ALLOWING PERMIT DENIALS OR MODIFICATIONS TO BE REVIEWED BY THE BOARD OF 11 ENVIRONMENTAL REVIEW; ALLOWING FOR PERMIT FEES; GRANTING RULEMAKING AUTHORITY TO 12 THE DEPARTMENT; ALLOWING THE DEPARTMENT TO USE BONDS IN SOME INSTANCES; PROVIDING 13 A STATUTORY APPROPRIATION; AMENDING SECTION 17-7-502, MCA; AND PROVIDING AN IMMEDIATE 14 EFFECTIVE DATE AND AN APPLICABILITY DATE.

2015

<u>Senate Bill 111</u> – Chapter Number Assigned -- AN ACT CLARIFYING THAT AN OWNER OR OPERATOR OF A WIND GENERATION FACILITY IS SUBJECT TO CERTAIN IMPACT FEES EACH YEAR FOR THE FIRST 3 YEARS AFTER CONSTRUCTION OF THE FACILITY; AMENDING SECTION 15-24-3004, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

2011

House Bill 295 – Chapter Number Assigned -- AN ACT GENERALLY REVISING WIND EASEMENTS AND WIND ENERGY RIGHTS; DEFINING WIND ENERGY RIGHTS AS PROPERTY RIGHTS; PROVIDING WIND ENERGY RIGHTS ARE APPURTENANT TO THE SURFACE ESTATE; PROVIDING FOR WIND EASEMENTS; PROVIDING FOR WIND OPTION AGREEMENTS AND WIND ENERGY AGREEMENTS AND THEIR MINIMUM REQUIREMENTS; AFFIRMING THE DOMINANCE OF A MINERAL ESTATE; AMENDING SECTION 70-17-203, MCA; REPEALING SECTION 70-17-303, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.



2009

House Bill 392 – (H) Died in Standing Committee -- AN ACT AUTHORIZING THE PUBLIC SERVICE COMMISSION TO ALLOW 5 COST RECOVERY BY A PUBLIC UTILITY FOR RESEARCH AND DEVELOPMENT OF RENEWABLE 6 ELECTRICAL GENERATION RESOURCES; AMENDING SECTIONS 69-3-109 AND 69-3-1202, MCA; AND 7 PROVIDING AN IMMEDIATE EFFECTIVE DATE.

House Bill 584 – (S) Died in Process -- "AN ACT ESTABLISHING A VOLUNTARY WIND GENERATION 5 CERTIFICATION PROGRAM BEST MANAGEMENT PRACTICE COMMITTEE; REQUIRING THE COMMITTEE 6 TO PROVIDE RECOMMENDATIONS TO THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS FOR A 7 VOLUNTARY WIND GENERATION CERTIFICATION PROGRAM BEST MANAGEMENT PRACTICES; 8 REQUIRING THE DEPARTMENT TO PROVIDE A REPORT TO THE LEGISLATURE; AND PROVIDING AN 9 EFFECTIVE DATE AND A TERMINATION DATE

