



ENVIRONMENTAL QUALITY COUNCIL

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July 26, 2010

Chairwoman Driscoll and Energy and Telecommunications Interim Committee members,

On behalf of the 2009-2010 Environmental Quality Council, we would like to update the Energy and Telecommunications Interim Committee on the EQC's biomass energy study and potential, draft legislation that the EQC intends to review in September.

During the EQC's July 22-23 meeting, council members hosted a discussion of Montana's renewable portfolio standard and the use of renewable energy credits in Montana. The EQC heard a renewable portfolio standard presentation from Public Service Commission Chairman Greg Jergeson and also accepted testimony from Montana utilities and the wood products industry.

The EQC discussed opportunities for altering Montana's Renewable Power Production and Rural Economic Development Act to better promote biomass opportunities. At the conclusion of the discussion, the EQC agreed that expanding the scope of its review of the renewable portfolio standard and the use of renewable energy credits is needed. To that end, the EQC has requested draft legislation that would revise Montana's renewable portfolio standard by separating renewable energy requirements from renewable energy credit requirements. EQC staff will prepare the draft legislation in advance of the EQC's September 13-14 meeting. The EQC will accept public comment on the draft and, in September, decide whether to proceed.

Because the ETIC has oversight of energy issues and because of the ETIC's ongoing energy policy work, we wanted to make sure the committee is aware of the EQC's proposal to revise Montana's renewable portfolio standard. We look forward to hearing ETIC members' thoughts on the draft legislation, and we look forward to working with ETIC members.

Chairman Chas Vincent

Vice-Chairman Bradley Maxon Hamlett