

Energy and Telecommunications Interim Committee

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63rd Montana Legislature

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June 25, 2014

TO: Energy and Telecommunications Interim Committee (ETIC)

FR: ETIC staff

RE: RPS Draft Report Public Comment

At the May meeting, ETIC members directed staff to put the draft report reviewing Montana's renewable portfolio standard out for public comment. Attached is a brief summary of the public comment received on "Renewable Rewards and Risks: A look at the impacts of Montana's Renewable Portfolio Standard". The report was out for public comment for the month of June.

A request for comment was posted on the ETIC Listserv and notice was also sent out on Newslinks. The ETIC received close to 500 pages of public comment. Most of the comment received was form letters from differing organizations. About 50 unique comments were also received and many of the form letters also included individual comments. Staff developed a general summary of those comments. All public comment received is posted on the ETIC Website at www.leg.mt.gov/etic. Staff, via email on June 24, asked ETIC members if they would like printed copies of the public comment. If you requested the printed materials, they are included.

Additional comment may come in after the mailing deadline. Staff will include any additional comments received in your July meeting folders.

Sonja Nowakowski

Public Comment Summary					
Economic Impacts Environmental Impacts	Customer Impacts	General Comments			
Benefits rural communities without burdening infrastructure and government services. Contributes nearly half a billion dollars in direct investments to Montana's economy. Created over 1,800 good paying jobs across the state. Generates tax revenue and economic development in communities from Fairfield to Baker. CREPs have tangible benefits in small communities and are not hurting ratepayers. Does not generate harmful emissions or toxic waste. Is an important step in addressing climate change. Cleans and diversifies Montana's energy mix. Avoided over 4 million tons of carbon dioxide emissions annually. Account for health benefit in the RPS analysis. Clean energy means healthier air. The new EPA carbon pollution rules provide further incentive to expand the RPS.	The RPS has not substantially increased Montanan's rates. Renewable energy is expensive. The RES promotes cheap electricity, notably Spion Kop and Judith Gap. The RES is a good deal for consumers. Spion Kop and Judith Gap are some of the least expensive for NorthWestern customers. Account for the costs and benefits. The Consumer Counsel analysis showed that the law has had a minimal rate impact on customers. Renewable energy is price competitive with other energy production.	Support and expand renewable energy standard. Keep the RPS on the books. Focus on transmission not renewables. Focus on solar energy not wind. Include Judith Gap in any analysis of the RES. Increase and extend the RES beyond 15% by 2015. Mining and burning coal has environmental and economic downsides. Continue to support the CREPs. Double the RES. The report is fair and unbiased. Expand the RPS to 25% by 2025.			

Public Comment Summary					
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CREPs assure benefits of new generation are spread across the state. Coal is detrimental and expensive. The PSC just raised customer rates to pay for an outage at Colstrip. Creates high paying and permanent jobs. Brings in outside money and technology and provides options for young people to stay in Montana and work. Montana's RES was a signal the state was "open for business." Since 2005, renewable companies and utilities have chosen MT as the place to build. Stimulates economic development and creates jobs.	The existing RPS preserves electric cooperatives' ability to voluntarily purchase renewable energy. When environmental costs are considered, renewables are most efficient and cost-effective. Impacts wind energy may have on birds and bats are outweighed by broader and more permanent environmental benefits. As a pollution-free resource, renewable energy just doesn't benefit the environment, it also avoids significant costs to our economy.	The cost of installation and maintenance of renewable energy systems will continue to drop as there is more production and improved technology. The report could note this projections. Tourism, including our clean air, is a big part of Montana's economy. Renewable energy promotes this. Promote incentives to further development of renewable energy. Existing RPS, which excludes rural electric cooperatives, ensures cooperative members do not see significant rate increases as the result of a mandate.	Entities that did not fully complete the questionnaires may have intentionally or inadvertently skewed information. Keep the RPS in its current form. Do not expand the RPS to include rural electric cooperatives. The RPS recognizes the importance of preserving lower-cost electricity in rural Montana. Regulatory requirements are necessary to overcome a natural resistence to change and to address the unmeasured value of a clean environment. Cooperatives are innovative and proactive on this issue as their members demand it. Require new renewable energy systems monitor their generation output on the consumer's side.		

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Spurs job creation, capital investment, and tax revenue. The RES provides significant economic benefits even if study only counts projects used to meet Montana's RPS.	Clean, renewable energy leaves a better legacy to future generations. State renewable energy standards are one of the primary factors driving the transition toward renewable energy and away from certain fossil fuels. Over time, renewable energy is displacing more expensive fossil fuels. While some utility costs and impacts are indirectly passed to consumers, there are many broader benefits that accrue directly to consumers that the utilities don't take into account in their cost analysis.		Support net metering. Findings should give equal weight to costs and benefits associated with the RES.		