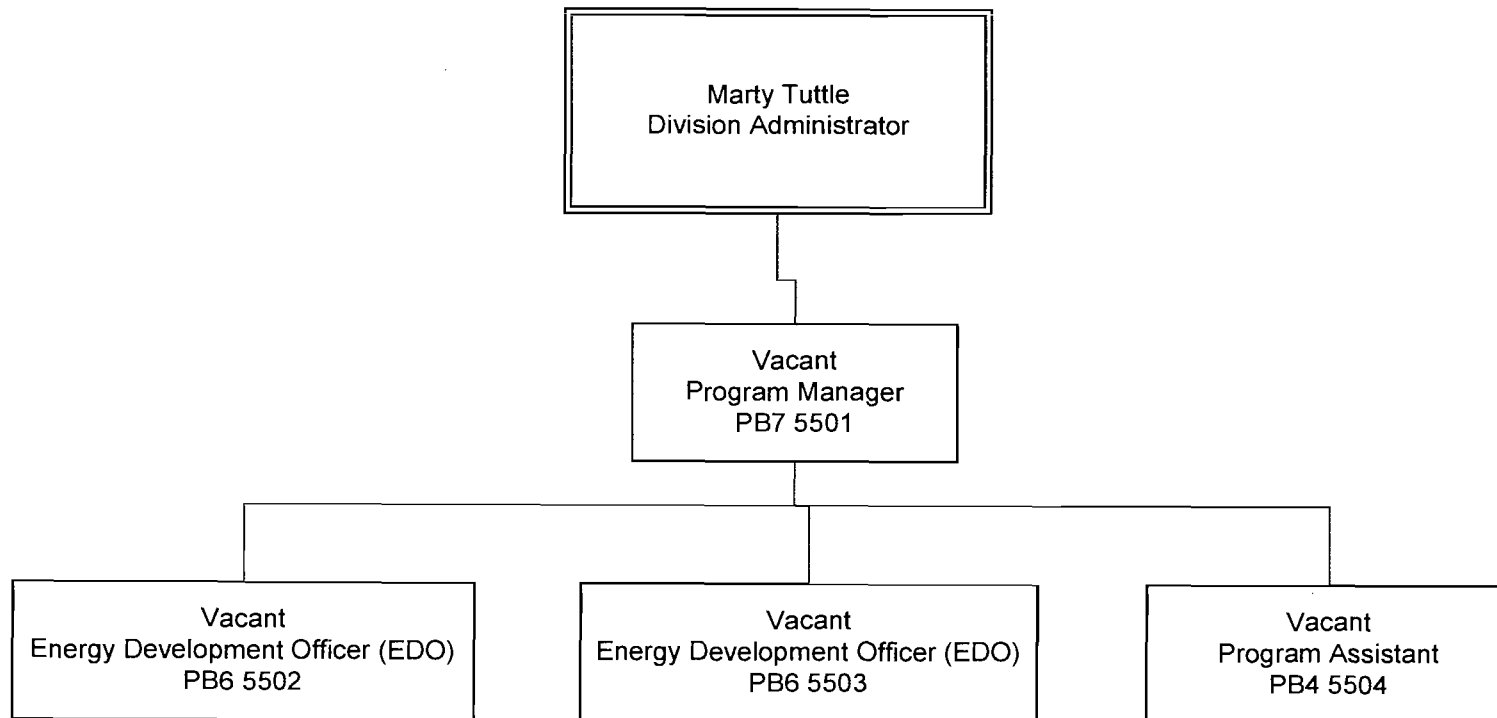


Energy Infrastructure & Promotion Division



Energy Infrastructure Promotion & Development Division

Marty Tuttle, Division Administrator, Chief Legal Counsel

The Energy Infrastructure Promotion & Development Division (EIPD) works to facilitate the promotion and development of energy infrastructure that will allow the responsible development of Montana's significant energy resources including wind, biofuels, geothermal, biomass, and clean coal gasification, liquefaction and power production which use carbon sequestration technologies when possible. This division will act as a liaison among the department, the Governor's office, private business, foreign and domestic governments, public and private interest groups, and the legislature to facilitate and to assist in the development and promotion of energy infrastructure so that Montana may transport via electrical transmission lines, pipelines or other energy-related infrastructure the value-added energy product of the state's abundant natural resources.

Overall Division Objectives

- Facilitate the planning, development, economic analysis, and coordination of energy transmission facilities that impact Montana.
- Assist in investigating, planning, establishing, and coordinating energy transmission corridors.
- Participate in regional transmission organizations established in response to or in compliance with orders of the federal energy regulatory commission or any regional energy initiatives.
- Promote the state's energy transmission policy to the public.

Budget Highlights

- 3.5 FTE in FY08 and 4 FTE in FY 09 approved in HB 2
- Annual Budget of \$330,000 general fund; \$660,000 over the 2009 biennium
- Documentation to establish the division was submitted by the department and approved by OBPP in June 2007 and the budget change documentation to complete the program transfer was submitted on July 9 to OBPP.

FTE Highlights

- Division Administrator
 - Administrator responsibilities were assigned by Director Preite in May 2006 to Marty Tuttle who will also maintain his responsibilities as Chief Legal Counsel for the department. The assignment leverages additional resources to the division in the form of senior management and legal

services without impacting the budget approved by the legislature in HB 2. The division administrator, in conjunction with the Director, will make overall policymaking, fiscal and personnel decisions for the EIPD. The division administrator will provide general supervision over EIPD staff, but the energy program manager will provide day to day line supervision of three staff positions.

- Energy Program Manger – Position #: 55001 Pay Band 7
 - As the program manager, this position will have a thorough knowledge of energy transport infrastructure promotion and development and will serve as the expert for the department and state government in general. This position conducts or directs the analysis of issues of policy in relevant areas, develops energy policy options, and prepares energy policy recommendations for the Department, the Governor’s office, and other agencies. This position will represent the department and state on various national or multi-state taskforces and advisory panels such as the Western Regional Transmission Association (WRTA) and the Western Interconnect Regional Advisory Board (WIRAB)
 - Current status:
 - Position was advertised statewide to the public and closed on July 6, 2007.
 - We anticipate conducting the initial screening process for applications received within the next week.

- Energy Development Officer (EDO) – Positions: 55002 & 55003 Pay Band 6
 - The energy development officers are responsible for the promotion of the state’s current energy transport infrastructure policy and providing technical assistance to potential energy transport infrastructure development opportunities. These positions are responsible for delivering personally or through referral those resources having the best potential to achieve the energy transport infrastructure development objectives.
 - Current status of #55002:
 - Position was advertised statewide to the public and closed on July 6, 2007.
 - We anticipate conducting the initial screening process for applications received within the next week.
 - Current status of #55003
 - The recruitment and selection process for this position will begin in the fall because the HB 2 appropriation provided for .75 FTE in FY 08 and 1.0 FTE in FY 09.

- Energy Program Assistant – Position #: 55004 Pay Band 4
 - The position is responsible for establishing, managing, and maintaining the Energy Information Resource Library (EIRL) and associated records management systems; performing operational and support work related to the division website, personal computers, databases, and software; and

providing information dissemination and other customer services. The position reports to the EIPD Program Manager.

- Current status:
 - This position is in the classification process. Once the process is complete the job will be advertised statewide to the public.

Infrastructure highlights

- Montana Alberta Tie Ltd (MATL)
 - A privately backed 215 mile, 230 kV, 300 MW, merchant transmission line between Lethbridge, AB and Great Falls, MT.

- Mountain States Transmission Intertie (MSTI)
 - Northwestern Energy is proposing to construct and maintain a 350-390 mile new 500kV transmission line between southwestern Montana and southeastern Idaho.

 - Line will relieve constraints on the regional high-voltage system by meeting requests for transmission from customers.

 - Alternative routes have been identified, but a preferred route has not been selected by the company.

 - A major facility siting act application is planned to be submitted to DEQ in early 2008.

 - Northwestern Energy plans an in-service date in 2013.

- Northern Lights High Voltage Direct Current Line
 - TransCanada project—could finance on own but partners probable.
 - Move Montana generated power to major urban centers in southwestern U.S.

- Carbon Capture and Sequestration Pipelines
 - North Dakota example
 - Williston Basin enhanced oil recovery potential