# Governors Initiative

In June 2009, Governor Brian Schweitzer announced and introduced statewide energy efficiency goals designed to save taxpayers money and reduce the carbon footprint within the State. The Governor's initiative targets energy consumption reductions by 15% statewide, by the year 2015. The primary goals of the Energy Efficiency Conservation Block Grant (EECBG) program are to reduce energy consumption in local government buildings, facilities and operations, increase the use of renewable energy resources when it is cost effective or particularly advantageous to do so, encourage local governments to provide innovative community-specific solutions that reduce energy in public transportation, residential or commercial energy sectors. These goals will help to create and retain jobs, prioritize conservation first and maximize EECBG benefits across all of Montana.

The primary energy concern of the Schweitzer-Bohlinger administration is to secure a long-term, sustainable, reliable and affordable energy future for Montana citizens and businesses, and to secure economic growth from energy development in targeted areas of the state. In addition, Montana has an obligation to the nation to help secure energy independence.

With significant inventory of energy sources, Montana can play a leadership role in reducing the nation's reliance on foreign oil that often comes from unfriendly political regimes around the world. Proper development of Montana's existing and new diversified energy resources can also provide the electric power, gas and liquid fuels needed to drive economic growth in our state and nation.

The intent is not to "build a fence around Montana," nor accept the mentality of "rip and run" rapid developments of the past. Montanans know that we can have good quality jobs, a clean and healthful Montana, and fulfill our national obligations. Proper energy development, following the principals outlined in the Schweitzer Energy Policy, can provide solid economic development with quality job creation and energy security and affordability all while protecting and maintaining the Montana quality way of life.

The initiative is comprised of seven phases to meet the targeted 2015 goal. The following represents the Governors initiatives:

Phase 1: Develop grant application criteria and materials for grants to local governments and notify local governments of grant opportunities within 60 days of the award from the Department of Energy.

Phase 2: Review grant applications and select grantees within 60 days of grant applications received by DEQ.

Phase 3: Award grants and negotiate terms and expected grant outcomes within 60 days of grantee selection.

Phase 4: Monitor grants to ensure work products are being completed in a timely manner and to provide maximum benefit throughout grant period.

Phase 5: Provide grantees and all other local governments with access to an electronic data base to gather historic energy use and monitor energy use in buildings and facilities throughout grant period.

Phase 6: Provide technical assistance and training to local governments beginning 6 months after grant awards.

Phase 7: Complete EECBG implementation within 36 months.

The Schweitzer Energy policy is built upon these important premises:

- Montana has more potential for energy development from existing and untapped diversified sources than any state in the nation.
- Because of existing energy development and energy development potential, Montana can play a major role in reducing the nation's reliance on foreign oil.
- When done properly, energy development, including value adding, can create the high-quality, good-paying jobs essential for a strong economy.
- The locations of much of the energy development will stimulate economic growth in areas of Montana that have long suffered economic hardship.
- Montana citizens want energy development that primarily focuses on renewable energy sources and clean energy technologies that are compatible with the quality of life found in Montana.
- New market demands for clean energy and newly developed technologies make possible energy development compatible with Montana's quality of life and consistent with our Constitutional right to a "clean and healthful environment."
- While energy development must include development for export to external markets, Montana citizens want it done in a manner that provides for sustainable, affordable energy for Montana's businesses, industries and families.
- Through state and local tax revenues, proper energy development can help provide for education and other important governmental services, in addition to jobs and growth.
- While state government and its elected officials cannot dictate private market investment in Montana, they can play a central catalytic role in attracting needed energy development capital.

**Energy Policy Themes**

The following themes from the Schweitzer Energy policy constitute the framework of an energy policy that contributes to the nation's needs while helping all Montanans by promoting:

*Diversified Energy Development*

Montana is blessed with abundant energy resources. In addition to our great rivers and streams, we have the nation's largest reserves of coal and some of its best wind resources. Our farms, ranches and forests can support a strong bio-fuels industry. We have abundant oil, natural gas and coal bed methane opportunities. Montana needs to enhance existing and create new diversified energy development from these resources, compatible with our existing quality of life.

*Renewable Energy Development*

In addition to being renewable, wind generation, biomass, and biodiesel reduce or eliminate carbon dioxide and other pollutants common to conventional energy projects. Developing these resources will play a vital role in helping the nation meet the target of 25% renewable energy by the year 2025. Our agricultural and other resource strengths

mandate that the State of Montana aggressively promote the development of wind generation, ethanol, biodiesel, biomass and other renewable forms of energy.

*Cleaner Energy Development*
The move toward clean energy is both market-driven and socially responsible. California, as one of the largest energy markets, has already set standards requiring that electricity delivered to its borders minimizes greenhouse gas emissions and includes a green power mix. Concern over climate change continues to grow and Montanans demand the high quality of life we now enjoy including a "clean and healthful environment." Therefore, state government will focus substantial efforts and resources on promoting energy development projects that meet the rising national demand for cleaner energy.

*Development with Clean Coal Technologies*
Clean coal technologies such as gasification, oxyfuel combustion, and post combustion carbon capture allow more of the pollutants and greenhouse gases associated with conventional coal technologies to be captured and disposed. In particular, the carbon dioxide capturing that is inherent in these processes allows sequestration of the CO2, including methods that give the double benefit of enhanced oil recovery. The state will focus energy development of coal, including state-owned coal, on CTL plants, IGCC electrical power plants, and other clean coal technologies.

*Value-adding Energy Development*
Historically Montana has been a commodity exporting state. In agriculture, forest products and mining, the economic benefits of value-adding, and many quality jobs, have gone mostly out-of-state as a low-level commodity. The state of Montana will commit itself to adopting policies and practices that emphasize more value-adding in the energy field, whether the initial source is bio-based or carbon-based.

*Energy Efficiency and Conservation*
Energy efficiency and conservation are the best homegrown defense against high-energy prices and produce the quickest results. Energy efficient houses keep us warmer while saving money, especially for those who are forced to choose between food and medicine or heat. Energy efficient cars make citizens less subject to the supply disruptions associated with hurricanes and international politics, and an energy efficient state has less need for costly environmental cleanups. State government will focus resources on energy efficiency and conservation, through both direct assistance to Montana's lower income families and support of industries, businesses, and practices that promote energy efficiency.

*Energy Availability and Affordability*
Montana has suffered from the effects of electricity deregulation in the past decade. If that market can't be policed adequately and provide affordable energy for Montanans, we will consider creative ways to re-integrate Montana's electrical energy generation, transmission and distribution and the possible re-regulating of prices. We need to seek ways to ensure that adequate amounts of the electric energy produced at the lowest cost in this state are reserved for Montana's businesses, industries and families.

*Adherence to Environmental Laws and Community Acceptance*

Energy development in Montana will be expected to follow our environmental laws and respect our communities. We support the expansion of existing activities that already meet environmental standards. Looking ahead, the use of public resources to promote new energy projects will follow a high standard, concentrating on the cleanest projects proposed by industry and those that find community acceptance.

*Supportive Infrastructure Development*

The transmission lines, pipelines, railroads and highways needed to move various energy products to market are vital if Montana is to compete in regional and global markets. We will commit state efforts to strengthening our energy delivery links internally and to the rest of the world.

# Energy Conservation Education and Support

## Energy Star

ENERGY STAR is a joint program of the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy helping many save money and protect the environment through energy efficient products and practices. Americans, with the help of ENERGY STAR, saved enough energy in 2010 alone to avoid greenhouse gas emissions equivalent to those from 33 million cars — all while saving nearly $18 billion on their utility bills.

EPA offers a proven strategy for superior energy management with tools and resources to help each step of the way. Based on the successful practices of ENERGY STAR partners, these guidelines for energy management can assist your organization in improving its energy and financial performance while distinguishing your organization as an environmental leader.

## International Energy Agency (IEA)

Energy efficiency offers a powerful and cost-effective tool for achieving a sustainable energy future. Improvements in energy efficiency can reduce the need for investment in energy infrastructure, cut fuel costs, increase competitiveness and improve consumer welfare. Environmental benefits can also be achieved by the reduction of greenhouse gases emissions and local air pollution. Energy security can also profit from improved energy efficiency by decreasing the reliance on imported fossil fuels. For these reasons, energy efficiency is one of six broad focus areas of IEA's G8 Gleneagles Program. The IEA has submitted 25 policy recommendations to the G8 for promoting energy efficiency that could reduce global CO2 emissions by 8.2 gigatons by 2030.

The IEA promotes energy efficiency policy and technology in buildings, appliances, transport and industry, as well as end-use applications such as lighting. Their analysis identifies best-practice, highlighting the possibilities for energy efficiency improvements and policy approaches to realize the full potential of energy efficiency for Member countries.

## Montana Department of Environmental Quality (DEQ)

DEQ provides information for citizens, businesses and government on a variety of energy topics. This includes conservation, renewable energy, production of energy in Montana, publications, events and contacts at DEQ. The website also contains statistics on historical energy usage, energy production and consumption. Another important feature are links to other websites and information.

## Montana Energy Corps

The Montana Energy Corps AmeriCorps project is an initiative of the National Center for Appropriate Technology (NCAT) in cooperation with The Corporation for National and Community Service that was created to address unmet community energy needs by promoting sustainable energy consumption and education, fostering community sustainability and helping to mitigate the effects of global climate change.