

DRAFT Findings and Recommendations

General Findings

- The RPS should remain static at the requirement of 15 percent renewable by 2015. The standard should not be reduced or increased.
- The ETIC notes that the work in SJ 6 does not represent a discussion of fossil fuel generation versus renewable generation.
- The committee recognizes ambiguity and difficulty in compliance with the existing Community Renewable Energy Project (CREP) standard which needs to be examined.

Economic Impact Findings

- The RPS has contributed to some, new electrical generation in Montana. The RPS has had a positive economic impact on some rural communities during the construction process and beyond. It has increased the tax base in some counties.
- The RPS as it exists, while beneficial, has not led to the replacement of existing power generation facilities. Environmental regulations imposed on existing energy generation facilities will continue to offer opportunities for new renewable energy which will fall into the existing requirements of the RPS.

Environmental Impact Findings

- There was disagreement on the committee about the RPS' contribution to air quality. Some members feel strongly that renewables offset the use of fossil-fuel based energy and contributes to cleaner air, other members feel strongly that the discussion and review of air quality impacts is inconclusive or negligible.
- To meet the RPS most utilities have added wind generation to their portfolios. Environmental disadvantages specific to wind generation are mostly increased bird and bat mortality.
- The primary environmental benefit of wind energy is it involves zero direct emissions of air pollutants.

Customer Impact Findings

- According to survey responses provided by utilities and an analysis by the Montana Consumer Counsel, the RPS has had a negligible impact on ratepayers in Montana. The ETIC had difficulty quantifying integration costs and other variables. The ETIC encourages the PSC and regulated utilities to better account for the costs and benefits of Montana's RPS and to provide for greater transparency.

Recommendations

- **LCET01.** Require entities subject to Montana's RPS to better quantify the costs and benefits of Montana's RPS. The complete, draft legislative proposal is included in **Appendix C.**