

## MONTANA RENEWABLE ENERGY ASSOCIATION

Meeting 1/03

8 January 2003

Not for general publication

**Meeting called to order** at 1 p.m. in Room 111 at the Department of Environmental Quality (Metcalf Building Office) in Helena.

**Present:** Marla McCombie (in the chair), Georgia Brensdaal, John Walden, Christopher Borton, Kathi Montgomery, LuMarie Strickland, R. Michael Strickland, Tom Bishop, Chris Daum, Tony Boniface, Lee Tavenner, Roy Nollkamper, Jim Tracy, Dave Ryan, Pat Judge, Paul Tschida, Mark Hines, Ty Duncan, Lyle Neiss, Gail Snow, Jerry Spencer, Wendy Klainsasser, Matt Leow, Steven Aagenes, Bob Quinn, Rip Hamilton, and Tom Facey.

**Minutes:** Minutes of the October 2002 meeting were read and approved.

**Treasurer's Report:** Chris Daum reported that the MREA had \$3,524.39 in its account.

- A. Kathi Montgomery of DEQ reported on the Alternative Energy Loan Program established by the 57th Montana Legislature in Senate Bill 506. The loan program provides a financing option to Montana homeowners and small businesses to install alternative energy systems that generate energy for their own use. Montgomery said the loan rules were still being reviewed. Montgomery noted that information on the loan program is available on the DEQ's Energize Montana website: [www.energizemontana.com](http://www.energizemontana.com). Montanans can add their names to the loan availability notification list by calling Montgomery at 444-6778 or by e-mail: [kmontgomery@state.mt.us](mailto:kmontgomery@state.mt.us).

Loans can be made up to a maximum of \$10,000 (subject to available funds), and must be repaid within five years. It is anticipated the interest rate will be 5.5 percent, Montgomery said. The program is funded by air quality penalties collected by the Department of Environmental Quality. The fund has grown to about \$400,000, Montgomery said. She said she had dozens of inquiries for potential borrowers and three applicants who had also sought funding under the Universal System Benefits program.

Montgomery said DEQ would accept public comments through January 23, 2003, and expected to begin making loans by Feb. 13.

- B. Marla McCombie circulated the following draft of a proposed MREA Annual Renewable Energy Award\*:

Introduction:

The MREA Annual Renewable Energy Award is presented in recognition of a business (organization?) demonstrating an outstanding commitment to the promotion of renewable energy technologies.

**Criteria:**

Receipt of this award will be based on original and innovative contributions to the advancement of renewable energy technologies. The recipient must show exceptional contributions during the past year in the field of renewable energy through the promotion of renewable technologies, through acting as an advocate for public policy development, or through active participation in renewable energy education forums.

The above activities may be carried out in any or all of the energy use sectors, such as residential, commercial, industrial or agricultural.

**Nomination and Selection:**

Any dues-paying member of MREA may make a nomination for this award. Nominations may be made any time during the calendar year but will be solicited during the October through November timeframe. A brief written narrative documenting the basis for nomination must accompany each nomination.

Board members will review the nominations during December and select the best-qualified candidate. The award will be presented at the first meeting in January of the following year. If no nominations are received, the Board may make the award based on internal discussion and selection. If the Board determines there are no qualified candidates for the current year, the award may be postponed to the following year.

\*Name of award is open to discussion/vote by Assn. members.

The group agreed that the award should include a plaque and be accompanied by a release issued to Montana news media. It was also suggested that the award be given as early as the April 2003 MREA meeting.

McCombie asked members to send comments on the draft.

Pat Judge noted that MEIC has set up a "mtenergy" bill tracking list. Log onto: [http://laws.leg.state.mt.us/pls/laws03/law0203w\\$.startup](http://laws.leg.state.mt.us/pls/laws03/law0203w$.startup)

Next, scroll down to "Preference List Searching" and click on it.

Type in "mtenergy" for both the user name and password.

You will be greeted with a "Welcome Patrick Judge" message.

Click on "display status" to see a list of all energy related bills that MEIC is tracking, including bill number, sponsor, status, and title. The status column will give you the time and location of scheduled hearings. To find the text of the bill, just click on the bill number.

Judge said two bills pertaining to the Universal System Benefits Charge were up for hearing in January. The bills are SB 77, which is sponsored by the chair of the committee (Sen. Royal Johnson, R-Billings) and SB

70, sponsored by the Senate President Pro Tempore Walter McNutt (R-Sidney). The first bill would extend the USB program past its current sunset date of July 1, 2003 to December 31, 2005. This extension was passed last session, but was lost in the repeal of HB 474 by Initiative Referendum 117 last November. The extension to USB is MEIC's top legislative priority on energy issues this session. The program raises more than \$13 million each year statewide to support conservation, renewable energy, and low-income assistance. Judge said MEIC hopes to see the whole "sunset" concept done away with and might suggest an amendment to SB 77 to that effect. Passage of this bill is by no means certain. Some legislators would like to see the program eliminated. The program costs the average homeowner approximately \$1 per month on their energy bill. For a sense of the kind of programs it makes possible, see the "E+" programs described on NorthWestern Energy's homepage (<http://www.northwesternenergy.com/default.asp>). Judge said MEIC would also support SB 70. This bill would ensure that USB funds are expended in the utility service territories from which they arise. Judge noted Democratic Rep. Dave Wanzenried of Missoula also has drafted a bill (HB 192) extending USB. Wanzenried's bill says that "on and after July 1, 2003, 0.41% of each utility's annual retail sales revenue in Montana for the previous calendar year is established as the utility's annual requirement for continued funding for low-income energy and weatherization assistance."

- C. Rep. Tom Facey (D-Missoula) described a bill he has introduced (HB 82) to exempt PV cells used in a commercial "or net metering system" from property taxes. Current law exempts residential photovoltaic systems up to \$20,000 and commercial photovoltaic systems up to \$100,000. "It's fairly small potatoes, but it makes a philosophical statement," Facey said. (Bill was tabled in committee on Jan. 20).
- D. Paul Tschida of the Montana Department of Environmental Quality reported that DEQ has available for distribution a number of publications covering energy efficiency and renewable energy.
- E. Board members for 2003 were announced. The board was elected on an email ballot. Jim Tracy noted that ballots were sent to members in good standing. Ballots were counted three times by him and Debbie Rask of NCAT. The following members were elected:

Borton, Chris  
 Brensdal, Georgia  
 Daum, Chris  
 Hadley, Kathy  
 McCombie, Marla  
 Nollkamper, Roy  
 Ryan, Dave  
 Strickland, Mikey  
 Tavenner, Lee

- F. Angela Shutak and Northwest SEED (Sustainable Energy for Economic Development) participated in the meeting by telephone from her office in Williams, Ore. Shutak described “Our wind Co-op,” a joint effort of NW Cooperative Development Center and Northwest SEED, with funding from the U.S. Department of Energy’s National Renewable Energy Laboratory.

Our Wind Co-op is coordinating the installation of at least 10 small wind systems on farms, ranches and rural facilities, Shutak said. The Co-op hopes to demonstrate that distributed, locally owned wind turbines producing power to meet local loads are feasible and cost-effective throughout the Northwest. The wind turbine model that will be installed on most host sites, the 10-kilowatt Bergey Excel, generates enough electricity (approximately 1200-1600 kWh per month) to offset a considerable portion of the electricity load of a farm or ranch.

Shutak said the Co-op is seeking Class 3 sites (14.3-15.7 mph at 50m) in Montana. Up-front cost for equipment and installation is \$20,000 to \$25,000.

The Co-op plans to coordinate the installation of at least 10 small wind turbines (10 kilowatts each) on farms, ranches, and rural facilities serviced by public utilities to demonstrate that distributed, locally owned wind turbines producing power to meet site loads are feasible and cost-effective.

Shutak said the group wants to link private investors with host sites, particularly low-income residences and Tribal agencies, to share in the costs of installation.

Turbine energy production will be monitored and reported to allow for the sale of distributed generation Green Co-op Tags through the Bonneville Environmental Foundation (BEF).

The wind systems will be linked in part through the sale of “Green Co-op Tags” to BEF. Green Tags, representing the pollution offsets of clean energy generation, are a new way to support renewable facilities that are independently reviewed and endorsed by environmental groups.

The co-op will sign up members of a new “green tag buyers co-op” who will purchase shares in the wind turbine installations’ environmental benefits and receive annual dividend credits based on turbine production.

Shutak said green tags sales will provide a significant additional revenue stream for the project, which is important in the Northwest where retail electric rates are still well below the national average. Buyer’s Co-op membership fees will be structured to encourage long-term commitments (\$50 first year; \$15 following years).

Ultimately the NW Small Wind Turbine Co-op is intended to help remove barriers to distributed locally owned wind energy development through innovative partnerships, technical support, outreach, and informed dialogue with an interested and motivated public, Shutak said.

Shutak said the group hopes the initial 100 kilowatts will grow to at least a MW of dispersed, clean generation—with hundreds of farms powered by small wind turbines throughout the region by 2005.

She answered questions about the Co-op from a number of MREA members and provided a website address for people who want to know more: [www.nwseed.org/ourwind.asp](http://www.nwseed.org/ourwind.asp)

- G. Chris Borton handed out MREA bumper stickers that say “I Get My Electricity From The Sun – Support Renewable Energy.” Borton said 2,000 bumper stickers were printed at a cost of \$480.00.
- H. Members volunteered for new committee assignments on a sign-up sheet that was passed around. Here are the new committee assignments:

**Policy Committee:** Patrick Judge and Georgia Brensdal.

**Education and Market Development Committee:** Gail Snow, Bob Quinn, Christopher Borton, Mike Strickland, Chris Daum, Dan Healy, Roy Nollkamper, and Jim Tracy.

**Fund-raising and Membership Committee:** Dave Ryan, Lu Strickland, Kathi Montgomery, Georgia Brensdal, and Marla McCombie.

**Executive Committee:** Dave Ryan, Marla McCombie, and Jim Tracy.

- I. Dave Ryan suggested that MREA sell LED Christmas lights as a fundraiser. Ryan said he and Jim Tracy bought several boxes of LED’s through Ellen Lamiman of Energy Solutions in Winthrop, Wash. Ryan said he quickly sold out of the lights at NorthWestern Energy in Butte after circulating an e-mail announcement to company employees. NorthWestern used LED’s to light decorations inside and outside its Butte offices. Ryan noted that the LED’s consume 1 to 2 watts of electricity per 75-light strand versus standard holiday lights that consume about a half-watt per light. Roy Nollkamper said he had also ordered lights for Glacier Electric through Energy Solutions. Marla McCombie said she would check with Bonneville Power Administration for a wholesale source of lights. Members agreed to discuss at the April meeting whether to buy LED Christmas lights to sell at the Sustainability Fair.

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- J. Pat Judge suggested that MREA might expand its purpose and membership to include companies that serve the energy efficiency market. One such company, he noted, is Helena-based Saturn Resources, which specializes in energy conservation for buildings. The group agreed that MREA should try to recruit such companies to join.
- K. Georgia Brensda1 circulated a paper listing MREA's recent accomplishments and plans for 2003. Accomplishments included:
- Participation in the Sustainability Fair in Livingston, State Fair Co-op Days in Great Falls, Solar Home Tours in Helena and Bozeman and Renewable Energy Camp in Helena;
  - Creation of an on-line newsletter;
  - Distribution of energy fact sheets at home shows, energy fairs and equipment dealerships;
  - Advocacy for Montana renewable energy (through quarterly meetings that provide a forum for current issues at the state and national levels and by providing expert information on renewable energy to legislators, government officials and consumers.
- L. Jim Tracy described the formation of Montanans for Responsible Energy Development, or MRED. He noted that MRED's mission statement includes development of fossil fuels (coal, oil and natural gas), but also includes development of wind, solar and biodiesel. Pat Judge said he was skeptical about MRED's commitment to renewable energy. Tracy agreed to attend the MRED meeting Jan. 16 in Helena and report his impressions to MREA.
- M. Jim Tracy reported on the Montana Futures Coalition and the Hydrogen Futures Project led by Professor Paul Williamson, dean of the College of Technology at the University of Montana. The Futures Project, according to its website (<http://www.cte.umt.edu/MTFutures/>) hopes to establish an H2 Futures Park at the University of Montana; establish statewide hydrogen production and distribution capabilities; leverage hydrogen investments that create new hydrogen products, businesses and jobs; and use hydrogen-generated resources that enhance Montana's infrastructure growth.
- N. Bob Quinn of Wind Park Solutions in Big Sandy reported on a proposed 180 MW wind development in Wheatland County near Judith Gap. Quinn said his company, an American-German partnership, has completed avian studies and interconnection studies for the project and will submit a proposal to sell power to NorthWestern Energy.

The meeting adjourned at 4 p.m.

NEXT MREA MEETING: Wednesday, April 9, 2003, 1 to 4 p.m. at the Metcalf Building in Helena.

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