MONTANA ENERGY JUSTICE
SNAPSHOT

National Association for the Advancement of Colored People,
Environmental and Climate Justice Program

[Pick the date]
Montana Energy Justice Snapshot

Summary
Access to clean energy is not just an environmental issue, but also a civil right. Communities of color bear a disproportionate share of the burdens of the fossil fuel based energy economy. This is why the NAACP Environmental and Climate Justice Program stands for just energy policies that will help protect our communities from harmful energy production processes and provide equitable access to clean and renewable energy and the energy economy.

This Snapshot profiles Montana’s energy portfolio, compares key state energy policies to NAACP recommendations, documents utility disconnection policies, and outlines opportunities in the clean energy economy for Montana residents of color. As a resource rich state with unique geographic and sociopolitical landscapes, energy is often at the fore of state policy debates. With this in mind, it is critically important that NAACP leaders actively engage in these debates to ensure that our community’s needs motivate just energy policies. This snapshot will provide information that will inform NAACP members on avenues for engagement.

State Energy Profile
Montana is a net supplier of energy to the rest of the country, producing energy from both fossil and renewable resources. About one-fourth of the nation’s demonstrated coal reserve base is in Montana, and the northern and eastern areas of the state are believed to contain large deposits of crude oil and natural gas. The mining; crude oil and natural gas production; petroleum refining; and agricultural industries are all energy-intensive. Those industries, as well as long travel distances within the state, place Montana’s per capita energy consumption among the top one-third of all states. The transportation and industrial sectors lead state end-use energy consumption, together accounting for three-fifths of the state’s total.

Energy Portfolio

- The Bakken and Three Forks formations in the Williston Basin of Montana and North Dakota are currently estimated to be capable of producing 7.4 billion barrels of oil.
- As of the end of 2015, Montana held nearly one-fourth of the nation’s demonstrated coal reserve base and was the sixth-largest coal-producing state. It produced 4.7% of U.S. coal in 2015 and distributed coal to seven other states.
- Montana’s four refineries, with more than 31% of U.S. Petroleum Administration for Defense District 4 (Colorado, Idaho, Montana, Utah, and Wyoming) refining capacity as of January 1, 2016, process domestic and Canadian crude oils for regional markets.
- Hydroelectric power provided almost one-third of Montana’s net electricity generation in 2015 and wind energy provided most of the rest of the state’s renewable generation.
Montana Energy Policies

**SB 114:** Lawmakers passed the Renewable Power Production and Rural Economic Development Act to study the economic impacts of the Renewable Energy Standard (RES) knowing that utilities were nearing the 15 percent standard. Last fall, the report **concluded** that the law did indeed have a positive economic impact on rural communities. However, the eight-member committee failed to recommend increasing the standard, beyond the 15% RES by 2015. Senator Debby Barrett from **once again** introducing a bill, SB 114, to include hydro facilities in the standard. Barrett’s bill would free utilities from the requirement to purchase renewable energy credits. The bill passed both legislative chambers only to be **vetoed** by Governor Steve Bullock.

**SB 305:** The 2011 Montana Legislature approved a detailed energy policy for Montana in Senate Bill No. 305 (Chapter 385, Laws of 2011) that outlines goals, primarily related to energy production, as outlined in Title 90, chapter 4, part 10, MCA. The goals also touch on the issues of consumption and transmission.

**SB 038 - A Defective and Costly Energy Transition Bill:** This bill would penalize the owners of the Colstrip plant for deciding to close Units 1 & 2. The bill imposes a $60 million+ penalty on the two Colstrip owners for agreeing to close two of the four units at the plant. Current bill status: Referred to Senate Energy and Telecommunications.

**SB 037 - A Bad Energy Transition Bill:** This bill creates an complex and expensive tangle of requirements for the owners of the Colstrip plant when they close the facility. The bill causes conflict with existing remediation requirements for the Colstrip plant and would allow the plant owners to self-bond for their cleanup liabilities. The bill takes a good idea and morphs it into a

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For more detailed information and data on Montana’s energy portfolio visit the U.S. Energy Information Administration’s webpage:

[http://www.eia.gov/state/?sid=MT](http://www.eia.gov/state/?sid=MT)
### State Energy Policies

<table>
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<th>Policy Type</th>
<th>NAACP Recommended Policy Standards</th>
<th>Montana Policy Details</th>
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| **Net Metering** | Net Metering Standards require utility companies to provide retail credit for new renewable energy produced by a consumer. | Capacity Limit Recommendation: 50 kw per system  
Mandatory/Voluntary: Mandatory  
**Capacity Limit Recommendation:** 2,000 kW (minimally), per system  
**Mandatory/Voluntary:** Mandatory |

| **Renewable Portfolio Standard (RPS)** | A RPS requires electric utility companies and other retail electric providers to supply a specific minimum amount of customer load with electricity from eligible renewable energy sources. | Recommended Standard: 15% by 2015  
Mandatory/Voluntary: Mandatory  
**Recommended Standard:** Minimally 25% renewable by 2025  
**Mandatory/Voluntary:** Mandatory  
**Allowable Sources:** Wind, solar, geothermal, ocean/wave energy |

| **Energy Efficiency Resource Standard (EERS)** | A EERS establish a requirement for utility companies to meet annual and cumulative energy savings targets through a portfolio of energy efficiency programs. | Recommended Standard: None.  
Mandatory/Voluntary: N/A  
**Recommended Standard:** Minimally 2% annual reduction of each previous year’s retail electricity sales.  
**Mandatory/Voluntary:** Mandatory |

| **Local Hire Provision** | Extra renewable energy credit multipliers for in-state installation and in-state manufactured content  
Renewable energy credits for utility providing incentives to build a plant in-state  
Renewable energy credit for utility that makes an investment in a plant located in-state  
Quota for government assisted construction project employers to hire a percentage of workers locally  
Bidding Preferences for companies that hire a percentage of their employees in-state for state-funded public works projects and service contracts | N/A |

| **Disadvantaged Business Enterprise** | Provide training opportunities  
Notify DBEs of state business opportunities  
Set-aside funds for DBEs | N/A |

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...complex, expensive, unpredictable, and largely redundant process.
Access to energy is not a luxury, it's a necessity. With exposure to both extreme heat and extreme cold, folks should not be forced to choose between paying for medications or their energy bill. Public officials have implemented some policies that protect consumers from the life-threatening practice of utility disconnection (As outlined to the left). However, energy justice advocates must continue to hold utility companies and regulators accountable to human rights and basic but life-saving protections.

More disconnection policy details are available at the Low-Income Home Energy Assistance Program State Disconnection Policies webpage: https://liheap.ch.acf.hhs.gov/Disconnect/disconnect.htm

Utility shut-offs have a disproportionate impact on low-income and African American communities. Check out the NAACP report, “Lights Out in the Cold” for more information.
Hot Topics, Issues and Developments

Montana PURPA battle returns to PSC jurisdiction after FERC ruling: The battle over solar power in Montana has moved back to the home court after the Federal Energy Regulatory Commission rejected an appeal by Vote Solar, a solar power advocacy group. Vote Solar had alleged the Montana Public Service Commission violated state law when it allowed utility Northwestern Energy to suspend its payments to solar facilities under the Public Utility Regulatory Policies Act (PURPA). FERC said acting on the request is outside its authority and the Vote Solar does not have standing in the case. vi

Colstrip Coal Plant operators contemplate early shutdown: Colstrip Generating Station has dominated Montana politics in recent years. The 2,094-megawatt coal plant, the second-largest west of the Mississippi River, has emerged as a symbolic marker in the debate over coal's future. Environmentalists worry about the 15 million tons of carbon dioxide its smokestacks spew skyward each year. Supporters fear the loss of 770 jobs and millions in tax revenues. Debate over Colstrip's future even rattled last year's gubernatorial race, with the two candidates competing to outdo each other in showing support for the facility. Now, Colstrip's owners are talking about shuttering two of the plant's four units before their 2022 retirement date. vi

Fracking disclosure rule challenged in Montana court: Attorneys for a group of Montana landowners, health advocates and conservationists have filed a lawsuit seeking to force energy companies to divulge more about the chemicals they use in energy production. Oil and gas industry regulators in September denied a petition to make companies disclose the details on chemicals used during hydraulic fracturing, or “fracking.” A lawsuit challenging that decision was filed Tuesday in state court in Lewis and Clark County. viii Under a 2011 state rule, companies have the discretion to conceal the ingredients of chemicals they consider trade secrets.

Obama administration cancels oil and gas leases on Blackfeet tribe’s sacred grounds: The Interior Department on Wednesday announced a settlement with Devon Energy for the cancellation of leases in Montana for oil and gas drilling on lands considered sacred by the Blackfeet Tribe. The exploration leases in Montana covered parts of the Badger-Two Medicine area of the Lewis and Clark National Forest in northwest Montana, an expanse that covers a 130,000 acres surrounded by Glacier National Park, the Bob Marshall Wilderness and the Blackfeet Indian reservation. ix
DEVELOPING THE BLACK-GREEN PIPELINE

African Americans are inadequately represented in the clean energy sector. It is the goal of the NAACP Black-Green Pipeline Initiative that African Americans will have increased representation across all sectors of the clean energy economy. The Black-Green Pipeline Initiative promotes the equitable inclusion of communities of color into the green economy in order to address unemployment in our communities and to increase the voices and influence of our communities in the green economy.

Opportunities in Energy

The 2017 U.S. Energy and Employment Report (USEER) finds that the traditional and energy efficiency sectors today employ approximately 6.4 million Americans. These sectors increased in 2016 by just under 5 percent, adding over 300,000 net new jobs, roughly 14 percent of all those created in the country. The 2017 USEER analyzes four sectors of the U.S. economy:

- Electric Power Generation and Fuels
- Transmission, Distribution and Storage
- Energy Efficiency
- Motor Vehicles

The first two of those sectors make up the traditional energy sector. The Report provides a quantitative lens with which to evaluate the employment impact of new energy technologies, shifting fuels deployment, and evolving transmission and distribution systems:

- Electric power generation and fuels technologies directly employ more than 1.9 million workers.
- In 2016, 55 percent, or 1.1 million, of these employees worked in traditional coal, oil, and gas, while almost 800,000 workers were employed in low carbon emission.
- Generation technologies, including renewable, nuclear, and advanced/low emission natural gas.
- Just under 374,000 individuals work, in whole or in part, for solar firms, with more than 260,000 of those employees spending the majority of their time on solar. There are an additional 102,000 workers employed at wind firms across the nation. The solar workforce increased by 25 percent in 2016, while wind employment increased by 32 percent.

Montana has a high concentration of energy employment, with 15,043 traditional energy workers statewide. 4,929 of these workers are in the fuels sector, 8,890 in transmission, wholesale distribution, and storage, and 1,224 workers are employed in electric power generation. Traditional energy sector in Montana is 3.4 percent of total state employment. Montana has an additional 8,049 jobs in energy efficiency, 0.4 percent of all energy efficiency jobs nationwide.

To subscribe to the Black-Green Pipeline Initiative Weekly Digest send a blank email to: naacp-bgp-subscribe@yahooGroups.com

Figure 4. Energy Sector Employment by Major Technology
The Green Labor Market and Communities of Color

Given that communities of color have the most to lose with the disproportionate impact of climate change, correspondingly those communities should have the most to gain from the green economy to balance the effect, decrease economically based vulnerability, and increase resilience. This can be achieved by advancing and improving legislation related to green jobs and availability of contracts and also on implementation by facilitating access to programs that ensure that African Americans are getting green contracts and green jobs. Also this will ensure the development of communities of colors own definition of green jobs including setting standards of equity and safety.

Although racial diversity has increased in other fields over the past several decades, racial diversity in environmental organizations and agencies has stagnated, with only about 14 percent of the workforce consisting of people of color. This includes a number of energy-focused organizations. Environmental organizations are not adequately reaching out to organizations representing communities of color for recruitment. xi

The Green Energy Economy would create jobs in green renewable generation installation, weatherization/energy efficiency, thermal energy auditing, insulation, and more. With more than 9.6 percent of African Americans still unemployed it is time to take action and create a Green Collar revolution which provides opportunities for all to access living wages and pathways to self-determination and economic wellbeing.

Unemployment Statistics
In 2015 the gap between the U.S. unemployment rate and the rate for African Americans was 4.3 percentage points. In Montana, the unemployment rate in 2015 for African Americans was N/A percentage points above the state average.

- 2015 National Unemployment Rate: 5.3 %
- 2015 Montana Unemployment Rate: 4.0%
- 2015 National African American Unemployment Rate: 9.6 %
- 2015 Montana African American Unemployment Rate: N/A

Action step: Host a Bridge the Gap: Connecting Black Communities to the Green Economy Program to establish working groups with existing organizations to increase African American engagement with local green economy.
TAKE ACTION -

Montana NAACP leaders released the Montana Just Energy Policies Report, which among other things evaluates the state of Montana's key clean energy policies and advocates for the focal policies outlined in this snapshot. Montana NAACP branches have been environmental justice leaders in their respective communities, engaging with local coalitions of likeminded advocates and championing the NAACP energy justice platform. Listed below are avenues for continued engagement:

Host a Bridging the Gap: Connecting Black Communities to the Green Economy Roundtable

• The NAACP ECJ Program is committed to advancing a meaningful dialogue and concerted action on engagement of communities of color in the green economy.
• To start taking action, organize a multi-stakeholder roundtable with socially responsible energy business leaders, historically black colleges and universities, environmental groups, civil rights organizations, labor unions, and others to discuss developing and implementing a strategy to ensure that policies/laws/regulation, research initiatives, community level practices, corporate social responsibility measures, etc. are in place to ensure greater engagement of communities of color in the green economy.

Implement a demonstration project such as a community solar garden or rooftop solar project

• Interested in taking a direct role in implementing clean energy practices in your community? Install rooftop solar or community solar.
• There are several rebates and incentives available to Montana residents interested in pursuing renewable energy projects. Visit energy.gov for a list of renewable energy incentive program available on the state and federal levels.
• You can also check out funding opportunities offered through the Department of Energy SunShot Initiative, which aims to support solar energy adoption by making solar energy accessible to all Americans.

Launch a Just Energy Policies Campaign

• Identify one or more of the focal policies outlined in this snapshot and documented more extensively in the Just Energy Policies to champion.
• Build a coalition with likeminded energy justice advocates and other local and state allies to build power and momentum.
• Host a town-hall to educate the community about the policy and get input from members on their needs, priorities, and perspectives.
• Launch an intentional campaign to advocate that Montana adopts the recommended policy standard.
• Set up lobby trainings and coordinate a lobby-day with elected officials.

Make public the NAACP energy justice platform and engage the public through media

• Develop and place an op-ed by NAACP Unit President or ECJ Chair in a local newspaper
• Participate in a radio interview, TV interview, podcast
• Be quoted in a local newspaper
• Post an article or blog to an online platform
Montana residents have the opportunity to strengthen partnerships with other governmental agencies and other organizations, to have effective and sustainable social change in regards to Environmental Justice, specifically Energy Justice within the state of Montana.

Montana’s residents of color are disproportionately exposed to toxins in their environment, as well as neglected and discriminated. Building capacity in disproportionately burdened communities, and promoting collaborative problem-solving for issues involving environmental justice is critical for the future of communities of color in the state. Montana has the potential to be a clean energy leader in the U.S., but first the state must address the fact they rank first in the Midwest for greenhouse gas emissions per capita.

Embracing a transition to clean, renewable energy sources will not only provide significant environmental and health benefits for the people of Montana, but will also diversify and strengthen the state’s economy. While the state has significant renewable energy potential, state policies have not incentivized the growth of renewable energy. NAACP just energy leaders should advocate on behalf of a strong Renewable Portfolio Standard, Energy Efficiency Resource Standard, Net Metering standards, Local Hire Provisions, and Minority Business Enterprise Programs. Our communities have the potential to be key leaders facilitating a just transition to clean, renewable, locally owned and controlled energy.

Montana Green Organizations

**Alternative Energy Resources Organization**:
The mission of AERO is to empower communities to nurture and promote a more sustainable Montana. We envision a future where all Montanans have access to clean energy, healthy food, sustainable agriculture, and a network that provides leadership, resources, and advocacy. [http://aeromt.org/about-us/](http://aeromt.org/about-us/)

**Montana Environmental Information Center**:
The Montana Environmental Information Center is a non-profit environmental advocate founded in 1973 by Montanans concerned with protecting and restoring Montana’s natural environment. [http://meic.org/about/](http://meic.org/about/)

**The Sierra Club-Montana Chapter**:
The Montana Chapter of the Sierra Club is a volunteer run local organization to provide local events and outings, and to address local issues in the state of Montana. The chapter includes four local groups in the towns of Missoula, Bozeman, Helena and Billings. [http://montana.sierraclub.org](http://montana.sierraclub.org)