

AERO: Leading the Way to a Sustainable Montana

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Attention: Montana Department of Public Service Regulation, Montana Public Service

Commission

Official Public Statement from AERO (Alternative Energy Resources Organization), Helena, MT regarding Docket 2019.08.052 for the NorthWestern Energy 2019 Electricity Supply Resource Procurement Plan

For nearly 45 years, AERO has been at the forefront of a robust grassroots movement to protect Montana's natural resources, economic interests, and unique rural communities. We believe it is essential to have scientifically sound and economically prudent policies to support our mission and assist Montanans as they strive to become more environmentally responsible, economically thriving, and locally resilient. For these reasons, we feel compelled to offer our comments on the following topics:

- 1. Comments on the NorthWestern Energy (NWE) 2019 Electricity Supply Resource Procurement Plan
 - a. Economic cost to consumers for oversights in planning new natural gas plants
 - b. The Plan increases risks for ratepayers by relying on Colstrip for 20 years and proposing four new fracked gas plants
- 2. The consumer demand for clean and sustainable energy options
- 3. The responsibility of NorthWestern Energy to the public to make the necessary shift toward renewable energy solutions in the face of climate change and the economic realities of burning fossil fuels

Comments on the NWE 2019 Electricity Supply Resource Procurement Plan:

Economic cost to consumers for oversights in planning new natural gas plants: The 2013 NWE long-term plan stated that fuel lines are near capacity. The 2019 20-year Procurement Plan relies on natural gas to meet all of Montanans new energy needs. Pipeline construction costs are not included in the Plan. NWE needs new pipeline, and the costs need to be included transparently in the procurement plan.

The increased risks for ratepayers by relying on Colstrip for 20 years and proposing four new fracked gas plants: The Plan should have modeled Colstrip going offline and replacing it with less expensive and more reliable sources, such as wind, solar, batteries, and energy efficiency. Fracked gas prices are volatile and the externalities of natural gas production and transportation are increased greenhouse gas emissions of carbon dioxide and methane. Montana can, and should, be at the forefront of renewable energy change, taking advantage of the many opportunities and advantages that await as the clean energy sector grows. Actions that prevent Montana's leadership in energy solutions will not only cost Montana economically, but will cause energy consumers in

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our state and beyond to view NWE and company shareholders as obsolete, out of touch, and obstructionist.

The consumer demand for clean and sustainable energy options: AERO members, NWE customers, demand that this plan pursue a rigorous adoption of renewable energy solutions and efficiency measures, without building new natural gas plants or other infrastructure dedicated to the burning of fossil fuels. We know it can be done. It is being done across our nation and the globe. Examples of managing peak hours without adding fossil fuel consumption abound. As ratepayers and as Montanans who live and work in the places that sustain the NEW corporation, we are no longer willing to trade our money and resources for high-cost dirty fuel and inefficiency. We are weary of short-term measures that eventually leave us with empty pockets, unemployment, pollution, and a ruined landscape. We expect NWE to take a long view and use this opportunity to start in motion an aggressive shift to sustainable, community-supported energy solutions.

NWE's responsibility to the public to shift toward renewable energy solutions in the face of climate change and the economic realities of burning fossil fuels:

In 2019 Montana Governor Steve Bullock joined the U.S. Climate Alliance, a league of states determined to meet the terms of the Paris climate agreement. Montana's energy sector needs to be net carbon neutral by 2035. Beyond implementing strategies to sequester carbon, Montana climate experts and AERO members want a carbon-free economy, which requires investment in renewable energy sources and storage, increasing energy efficiency, transitioning the state's economy and supporting workers in carbon-based industries. Climate change will have <u>serious impact on Montana and our communities</u>, damaging key industries of agriculture and tourism. Demand for responsible long-term thinking - over short-term corporate gain - is real. The reality, too, is that a wisely planned and community-informed shift towards renewable energy is the economically and socially responsible choice.

NWE's vision statement avows the company's intention to enrich lives through a safe, sustainable, energy future. The mission promotes "working together to provide safe, reliable and innovative energy solutions that create value for customers, communities, employees, and investors." We expect NWE to stand by their vision and mission - to halt additional investments in the burning of fossil fuels and to commit to an energy picture for our state that fully harnesses our renewable energy capabilities and encourages proven methods of energy efficiency. To do less condemns Montana, its residents, and Northwestern Energy shareholders to a future of environmental and economic disaster.

Respectfully Submitted,

Juday Gerong

Lindsay Ganong, Co-Executive Director

On behalf of AERO members, staff, and Board of Directors