Preparing for Colstrip's Future

A lawsuit settled in the summer of 2016 requires the closure of Colstrip Units 1&2 by July 1, 2022. The settlement also requires restoration of the waste ponds and groundwater contaminated by pond seepage. In addition, the development of fracking technologies has ensured a large supply of natural gas, shifting energy demand away from coal. These forces have created risk and distress for the community of Colstrip and for Montana's coal industry overall.

However, the closure also creates opportunity. Colstrip Units 1&2 hold roughly 1/10th of Montana's electricity generation capacity. Energy entrepreneurs have the opportunity to fill this supply gap with newer and cleaner energy technologies, thus strengthening the state's position as an energy exporter. All industries must continuously evolve and improve to maintain a competitive position in the global economy. Entrepreneurs in Colstrip have already identified some potential energy alternatives in their economic diversification strategy.[5]

However, the transition involved in the partial closure of the Colstrip plant and slowing global demand for coal will be difficult for workers facing layoffs and their families. The Montana Department of Labor & Industry was recently awarded a $4.6 million grant for workforce planning and the training of workers in coal-impacted counties, even for workers not directly tied to coal. $2 million of the grant is immediately available to be spent over the next two years, with the remaining funds contingent on training needs. In addition, the grant funds an office location in Colstrip for a workforce training professional to help workers with career planning and identification of training opportunities. The community has received several other grants to help with economic development and planning. With this support from federal and state sources, the community of Colstrip and other impacted areas have strategies in place to transition successfully into Montana's economic future.