

Senate Energy
Subcommittee Hearing
Testimony Given By
Paul Pacini
Thursday; February 3, 2005

- Our last power bill was \$222.71.
- Our home is only 7-1/2 years old and relatively energy efficient. It has only 1700 square feet above the basement, and it has well insulated 6 inch thick walls.
- In a parallel issue, my health insurance costs about \$500 per month.
- I know a friend that spends \$800 per month for \$5000 deductible insurance for he and his wife.
- In my opinion, power bills (energy) and health care coverage are two of our most demanding social problems.
- I have an idea.
- State Sponsored Wind Power Generation To Promote:
 - A. Catastrophic Health Care for ALL Montanans
 - B. Aid to Education
 - C. and Research and Development of Renewable Energy Resources.
- A land manager (rancher or farmer or other) would apply to the State for wind turbine sitings on their land.
- If the sitings prove to provide ample wind and access to transmission lines
 - the State would contract with a private wind company to erect commercial sized wind turbines
 - wind machines/ turbines would be erected in spaced random

patterns or along natural geographic lines, NOT IN CONCENTRATED MASSES.

- electrical energy would be sold to the local power company for the current retail price in Montana OR
 - as we ease into a hydrogen based economy, electricity could be used on site to electrolyze water, producing hydrogen gas.
- All proceeds of wind generation would go to the State of Montana to pay for administration and maintenance of the program:
- private contracting for turbine siting
 - private contracting for turbine maintenance
 - royalties paid to the land managers of the turbine sites, based upon each wind machine's production.
- Profits beyond these operation costs would fund:
- catastrophic health care for ALL Montanans - - - from wind machines sited upon private land.
 - aid to education K-U - - - from wind machines sited upon State Lands
 - promotion of renewable resource research - - - if funds are available beyond health care and education.
- Advantages - - - refer to page 3 of the proposal for a more comprehensive list, but they include:
- A new "Made in Montana" product - - - energy! Since wind energy would be sold to the local power company for the retail cost, the power company would turn a profit only by selling as much as it can out of state at higher rates.
 - We may not be able to bring power prices down, but higher prices will mean more cash for the State to insure and educate its people.

- Agriculture in Montana would be stimulated by wind turbine royalties. Perhaps this would help preserve open space.
- Disadvantages - - - local power companies would realize less need to build new power plants - - - perhaps this is an advantage also.
- Summary

It has been said that Montana is the Saudi Arabia of wind energy. The wind probably blows somewhere in Montana everyday, now is the time to cash in on it.

There will be opponents that say the State is not able to run a business like this. I will point out that this proposal does not suggest that the State run the business. Private contracts are used to do all work from the machinery needed to the health insurance. The State merely coordinates or manages. That is really what government does best, manage.

There will be opponents that say this is a risky business. Perhaps, but private enterprise has obviously decided that it is worth the risk. Note the interest of Wind Hunter LLC based in Grapevine, Texas, which hopes to install a 10,000 acre wind farm northwest of Glasgow. Note also the planned project at Judith Gap for 75 -100 wind turbines.

So why not let the State coordinate this corporate interest and capitalize on the profits for the good of all Montanans.