

**State Sponsored  
Wind Power Generation  
To Promote  
Universal Health Care,  
Aid to Education,  
Research and Development of  
Renewable Energy Resources**

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Our State and nation face many challenges these days, but three of the most urgent could easily be:

- A need to develop sources of renewable energy i.e.: reduce our dependency upon dwindling supplies of oil, imported or otherwise.
- Provide some level of medical insurance for all citizens.
- Improve funding and delivery of Educational services (K-12 & University level).

With supporting legislation, the following proposal addresses all three of these issues. Necessary start up funding might be raised by the sale of bonds.

- I. A landowner may apply to the State for one or more wind generator sitings upon their private or leased State Lands property.
  - A. The Application is reviewed to determine sufficient:
    1. wind availability.
    2. power transmission access; if hydrogen production via electrolysis is not an option.
  - B. The State would contract with an existing wind power dealer to:
    1. erect the wind machine(s) in an esthetically pleasing pattern; random placement or following natural lines: see *Sierra Magazine*, August 2002.
    2. connect to the electrical grid; or setup the electrolysis process.
    3. carry out ongoing repair and maintenance.
- II. Electricity generated by the wind machines would either:
  - flow into the electrical grid thus being sold to the local power company at the going price in Montana ; OR
  - would be used to electrolyze water, producing hydrogen on site. Hydrogen can be stored for uses similar to natural gas or used in a fuel cell for generation of electricity as needed.
  - A. Legislation already exists for sale of electricity to the local power company, but it is designed for smaller production. New or amended legislation would be required to allow for the sale of electricity to the local power company on a commercial scale. This legislation should also guard against charging the power company for

a glut of power flowing into the grid at a time when there is no market for the power.

B. All proceeds for the sale of electricity would go directly to the State of Montana.

III. The State will use the proceeds of the wind generated electricity to:

A. pay an annual royalty to the landowner for each wind machine erected on their private or leased School Trust Land. No other payment will be made to the landowner. The landowner must agree to perpetual access to the wind machine for normal maintenance and repair. The land around the wind machine will continue to be used in its historic manner i.e.: grazing, farmland, etc.

B. pay contract fees to wind generation companies for the erection, repair and maintenance of the wind machines.

C. **Contract with an existing health insurance company, with proceeds from wind generators on private land, for statewide major medical coverage of all qualifying Montana residents. An individual would qualify by filing and paying Montana State income tax for no less than the previous five years.**

D. **Add to general school funding (K-12+U) if the wind generator is located on school trust land.**

E. Funds exceeding the predetermined amount required for the above expenses will be placed in an account, earmarked for further research and development of renewable resources i.e.: fuel cells, hydrogen fuel, gasoline-electric engines, solar, bio-energy, etc.; by private groups.

1. Funds will be distributed in the form of grants.

2. An unpaid panel of seven persons will be appointed for this purpose, by consensus between the Governor, and one state employee knowledgeable and representative of energy production in the state, and one state employee knowledgeable and representative of state environmental concerns.

3. Grants will be awarded with preference to research and development which:

a. take place in Montana.

b. can directly benefit Montana if implemented.

## Advantages

1. Future increases in power prices will mean increased funding for the State's universal health care system.
2. Since power would be sold to the local power company at the going retail rate, it would encourage the export of power to other states that have higher power rates. It would also encourage the cheapest rates possible in Montana. Energy would become an exported product labeled, "Made in Montana".
3. Agriculture will realize an economic stimulus thereby encouraging the preservation of open space. Re: Most wind machines would probably be sited on agricultural land.
4. A dispersed power generation system is less vulnerable to terrorist attack and natural catastrophe.
5. Companies/corporations/businesses that offer health insurance to their employees will save money by not being required to buy the major medical portion of the insurance coverage. This will attract the attention of other businesses, which might consider relocating in Montana.
6. Existing Montana based insurance companies would get preference for supplying coverage to qualifying Montana residents, expanding the insured pool - - - more business in the insurance field.
7. Many Montana residents now without adequate medical insurance would at least have major medical coverage.
8. The renewable resource industry would be stimulated because the State would contract with existing companies to erect wind generators and to provide ongoing maintenance.
9. Montana and Montanans would be doing their part to shift the Nation to a renewable energy base.
10. Participating companies, i.e.: wind machine manufacturers, insurance companies, etc. not already located in the State would receive tax incentives for a prescribed number of years to do so.
11. A combination of traditional power generation (gas, coal, hydro) combined with renewable methods of generation (wind) provides a more firm generation capability. Local power companies can then use the greater potential for power generation to enter larger and potentially more profitable markets outside the State.
12. The Montana Education system would receive badly needed funding assistance.

## Disadvantages

1. Local Montana power companies will realize less need to increase future power production. This might also be considered an advantage because most of such future expansion would probably rely upon nonrenewable, more polluting fuel sources.