Environmental Quality Council
Energy Policy Subcommittee

2003-2004

DRAFT Workplan

October 8, 2003

1. Introduction

The Environmental Quality Council (EQC) is a seventeen member bipartisan interim committee of the Montana Legislature. The EQC has agreed on a work plan for the 2003-2004 interim between legislative sessions and has appointed a five-person Energy Policy Subcommittee to investigate alternative energy issues. This work plan sets forth the subcommittee's strategy for fulfilling its responsibilities during the 2003-2004 interim.

The work plan includes the following sections:
1. Introduction
2. Work Plan Process Steps
3. Investigation of Alternative Fuels and Energy Sources
4. Timeline

Basic background information, goals, and tasks are outlined for investigating alternative fuels and alternative energy sources. The work plan includes a projected subcommittee timeline. The purpose of the workplan is to provide a basic framework that will assist the subcommittee and staff in conducting its work and producing tangible results given the time and resources available to the subcommittee. The work plan is a flexible document. The subcommittee will refine goals and tasks as information is gathered and evaluated. Key decision making points are highlighted in the timeline and under each topic. The subcommittee will make recommendations to the full EQC for any actions that it feels need to be taken such as proposed legislation, recommendations for agency action, and/or development of educational materials.

Subcommittee members:
Sen. Dan McGee, Chair
Rep. Norma Bixby, Vice Chair
Sen. Walt McNutt
Sen. Ken Toole
Mr. Tom Ebzery

Staff:
Todd Everts 444 -3747 or teverts@state.mt.us

2. Work Plan Process Steps

The EQC and its subcommittees generally follow these steps to assure a meaningful interim:

1. Subcommittee development and EQC approval of a realistic workplan that becomes the framework for the subcommittee's interim work within the resources allocated by the Council.

2. Selection of topics for review and analysis.
3. Information gathering and identification of issues.
4. Subcommittee findings, analysis of options, and recommendations for policy changes (if any).
5. Full EQC adoption or modification of any subcommittee recommendations.
6. Drafting of legislation (if any) and assignment of sponsors.

Key to any successful EQC interim activity is the active solicitation and participation of the public, the affected or regulated community, and agency comment and involvement.

3. Investigation of Alternative Fuels and Energy Sources

Historical Background Information on the EQC's Involvement in Energy Policy

The Council may, as the need arises, maintain a continual process to develop the components of a comprehensive state energy policy. The Council is also required to review and evaluate the Montana Department of Environmental Quality (DEQ) research reports on renewable energy sources and development programs. The Council expended a significant amount of effort in the 1993-94 interim in developing a state-wide energy policy statement. The 1995 Legislature enacted the EQC's recommendations. During the 1995-96 interim the EQC assigned a broad-based working group of stakeholders to make recommendations on transportation energy policy and on alternative transportation fuels. Again, the 1997 Legislature adopted the EQC's recommendations. Since that time, there has been little activity in terms of energy policy development.

The EQC monitored and received updates on electric industry restructuring during the 1997-98 and 1999-2000 interims. EQC staff also staffed the Transition Advisory Committee on Electric Industry Restructuring during the 1997-98, 1999-2000, 2001-02 interims. During the 2001 Legislative Session, energy issues took center stage. Policy issues involving high electricity costs, consumer protection, utility financial stability, environmental issues, and Montana's evolving landscape of electric industry restructuring converged. These energy issues created a groundswell of interest among legislators and the public across the State of Montana. In May of 2001, the EQC, under its energy policy statutory authority, assigned a 7 person subcommittee to evaluate energy policy issues. This subcommittee produce two education publications: the Electricity Law Handbook and Understanding Electricity in Montana. Each of these publications were used extensively during the 2003 Legislative Session.

At the June 2003 EQC meeting, the Council appointed a five-person subcommittee to investigate alternative fuels (biodiesel, hydrogen, biomass, etc.) and potentially other alternative energy sources. The purpose of this work plan is to help the subcommittee achieve its goals with respect to alternative fuels and energy sources.

Subcommittee Goals

Goal #1: Gather information on biodiesel.

Goal #2: Gather information on hydrogen fuels.

Goal #3: ????

Goal #4: ????

Goal #5: ????

4. Work Plan Tasks

__ 1. Staff *Interim* background paper on biodiesel.

Who: EQC staff.
Time line: October 2003 EQC meeting mailing.

__ 2. Facilitate a panel discussion on biodiesel for the full EQC.

Who: To be determined.
Time line: October 2003 EQC Meeting

__ 3. Identify any specific issues regarding biodiesel for further study.

Who: Subcommittee Members
Time line: October 2003 and January 2004 EQC meetings

__ 4. Panel discussion on hydrogen fuels.
Who: To be determined.
Time line: January 2004 Subcommittee meeting

__ 5. Identify any specific issues regarding hydrogen fuels for further study.

Who: Subcommittee Members
Time line: January 2004 Subcommittee Meeting

__ 6. Identify information needs for other alternative fuels/energy sources (if any).

Who: Subcommittee Members
Time line: October 2003 Subcommittee Meeting

__ 7. (fill in other tasks)_____

__ 8. (fill in other tasks)_____

5. Timeline

The timeline is based on the EQC meeting timeline. Subcommittee meetings will take place on or before the EQC meeting and the timeline will be revised as subcommittee meeting dates are set.

2003

October 8	Subcommittee meeting ♦ Review and adopt subcommittee interim workplan
October 8	EQC meeting ♦ Biodiesel Panel Discussion
October 9	EQC meeting ♦ Submit workplan to EQC for approval

2004

January 14	Subcommittee meeting? ♦ Hydrogen Fuels Panel Discussion ♦ Identify any specific issues regarding hydrogen fuels for further study. ♦ Identify any specific issues regarding biodiesel for further study. ♦ Other alternative fuels/energy sources information?
January 15	EQC meeting ♦ Subcommittee report to EQC

March 9	Subcommittee meeting? ♦ Examination of any tentative policy recommendations regarding alternative fuels/energy sources. ♦
March 10	EQC meeting ♦ Subcommittee report to EQC

May 12	Subcommittee meeting? ♦ Decision on need for subcommittee reports or documents - public comment ♦ Draft policy recommendations if any.
May 13	EQC meeting ♦ Subcommittee report to EQC

July 22	Subcommittee meeting? ♦ Review of any public comment on Subcommittee draft findings and recommendations (if any). ♦ Draft Subcommittee decisions on findings and recommendations to EQC.
July 23	EQC meeting ♦ Subcommittee briefing to EQC on potential legislative proposals ♦ Draft recommendations to EQC

Sept 13-14	Final EQC meeting ♦ Decision by EQC on proposed legislation, if any ♦ Selection of bill sponsors ♦ Adoption of any final subcommittee reports

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