September 2019

Environmental Quality Council and Energy and Telecommunications Interim Committee Sonja Nowakowski

MONTANA CLIMATE SOLUTIONS COUNCIL

EXECUTIVE ORDER

In July 2019, Governor Steve Bullock signed an executive order establishing the Montana Climate Solutions Council. In the order, the state also joined the U.S. Climate Alliance. By January 2020, the Climate Council is required to provide recommendations and strategies for:

- Reducing greenhouse gas emission in Montana;
- Strengthening greenhouse gas inventories and accountability to track progress;
- Preparing the state for climate impacts; and

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• Identifying needs and gaps in climate science and the development of new technologies.

The plan must include a strategy to achieve net greenhouse gas neutrality for average annual electric loads in the state by 2035 and greenhouse gas neutrality economywide by a date determined by the council. By June 30, 2020, the strategies and recommendations must be delivered to the Governor, the Environmental Quality Council, and the Energy and Telecommunications Interim Committee

Carbon neutrality is the concept of having net zero carbon dioxide emissions by balancing emissions with carbon offsets or simply eliminating carbon emissions. Carbon offsets involve removing or sequestering carbon dioxide to make up for emissions elsewhere.

The council's strategies and recommendations are to be vetted during a public comment period in early 2020. And by June 30, 2020, the strategies and recommendations must be delivered to the Governor, the Environmental Quality Council, and the Energy and Telecommunications Interim Committee. The climate council is directed to identify "strategies that build upon anticipated regional competitive advantages, prepare and build resilience for Montanans and the state government, and address the needs of communities in transition through appropriate economic development and workforce strategies."

The council held an organizational meeting in August. The council established three subcommittees: a greenhouse gas mitigation strategies committee, a technology, innovation, and transitions committee, and a climate adaptation, information, and decision support committee. The council includes 29 people with a variety of backgrounds. The appointments are included. Nine executive agencies, the Northwest Power and Conservation Council, and the Governor's Office are also tasked with supporting the council.



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Appointees include: Tom Armstrong, Madison River Group; Scott Bischke, MountainWorks Inc.; Bill Bryan, One Montana; Amy Cilimburg, Climate Smart Missoula; Al Ekblad, Montana AFL-CIO; Sally Ericsson, a strategic consultant for nonprofit organizations; Kathy Hadley, former executive director of the National Center for Appropriate Technology; Mark Haggerty, Headwaters Economics; David Hoffman, Northwestern Energy; Kelsey Jensco, Montana Climate Office at the University of Montana; Chuck Magraw, Natural Resources Defense Council; Jayne Marrow, Montana State University; Bruce Maxwell, Montana Institute on Ecosystems; Todd O'Hair, Montana Chamber of Commerce; Alan Olson, Montana Petroleum Association; Caitlin Piserchia, The Rural Institute for Inclusive Communities; Diego Rivas, Northwestern Energy Coalition; Eric Somerfeld, a farmer; Lee Spangler, Big Sky Carbon Sequestration Partnership; Tracy Stone-Manning, National Wildlife Federation; Joe Thiel, Academic Policy and Research for the Montana University System; Steve Thompson, National Center for Appropriate Technology; Paul Tuss, Bear Paw Development Council; Andrew Valainis, Montana Renewable Energy Association; Gerald Wagner, Blackfeet Environmental Office for the Blackfeet Nation; Charlene Waters Alden, Environmental Protection Department for the Northern Cheyenne Nation; Cathy Whitlock, Earth Sciences and Fellow of the Montana Institute on Ecosystems; Gary Wiens, Montana Electric Cooperatives' Association; and Laura Wood-Peterson, Government Affairs for Indio Agriculture.

In fall 2019 (a date has not yet been established) the Governor will host a Montana Climate Solutions Summit. The summit is to include nationally recognized experts who will share lessons learned from around the country and set the stage for the council's work in the coming months. The council is expected to adopt a work plan and schedule.

CLIMATE COUNCIL FUNDING

Council members are eligible for travel reimbursement and per diem. The executive order also authorizes the Governor's Office and the Department of Environmental Quality (DEQ) to retain independent contractors as necessary. Currently, there is not a budget for the council, according to the DEQ. The DEQ is requesting individual state agencies to contribute financial support for the work that will be completed. The council costs are expected to be less than \$10,000, according to DEQ Director Shaun McGrath.

The DEQ has a memorandum of understanding with the Center for the New Energy Economy (CNEE) to facilitate the climate council's work. The state is not currently paying CNEE, according to the DEQ. The agency will be raising funds internally if additional council costs arise.

CNEE was established in 2011 as a department of Colorado State University by Colorado's former Governor Bill Ritter, Jr. The Center provides technical and strategic assistance to assist policymakers in "creating policies that facilitate America's transition to a clean energy economy". The center is privately funded. For example, past supporters included the San Francisco-based Energy Foundation and the Fort Collins-based Bohemian Foundation. In 2017-2018, the center received a \$1 million Climate Solutions grant through the MacArthur Foundation.

U.S. CLIMATE ALLIANCE

When Governor Bullock issued his executive order in July 2019, he also became the 25th governor to join the U.S. Climate Alliance. The U.S. Climate Alliance is a coalition of governors committed to reducing greenhouse gas emissions consistent with the goals of the Paris Agreement. At a national conference in Paris in December 2015, the United Nations Framework Convention on Climate Change agreed to take steps to mitigate greenhouse gas emissions with the long-term goal of limiting increases in the global average temperature – it was called the Paris Agreement. As of May 2019, 194 states and the European Union had signed the agreement.



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In June 2017, the United States announced its intent to withdraw from participation in the agreement. The U.S. Climate Alliance formed in response to the federal announcement of the United States' withdrawal. By joining the Alliance, Montana commits to:

- Implement policies that advance the goals of the Paris Agreement, aiming to reduce greenhouse gas emissions by at least 26-28 percent below 2005 levels by 2025;
- Track and report progress to the global community in appropriate settings, including when the world convenes to take stock of the Paris Agreement; and
- Accelerate new and existing policies to reduce carbon pollution and promote clean energy deployment at the state and federal level.

EXISTING RESOURCES

The executive order also instructs the council to work with the Montana University System to build on the <u>Montana Climate</u> <u>Assessment</u> to develop research on climate impacts facing the state's economy. The Montana Climate Assessment, released in late 2017, evaluates Montana's climate to describe past and future climate trends that affect different sectors of the state's economy. The Montana Climate Assessment focuses on climate issues that affect agriculture, forests, and water resources in Montana. The objective of the assessment is to inform Montanans about the state's changing climate so that they can better plan for the future. The Montana Institute on Ecosystems, an institute within the Montana University System, developed the assessment. The Institute worked with the Montana Climate Office, Montana Water Center, Montana State University Extension, state agencies, nonprofit organizations, and additional stakeholders.

The council is also expected to review the <u>2007 Montana Climate Change Action Plan</u>. Former Governor Brian Schweitzer in December 2005 directed the DEQ to establish a Climate Change Advisory Committee (CCAC). The 18-member CCAC evaluated state-level greenhouse gas reduction opportunities in various sectors of Montana's economy while taking into consideration the governor's charge to develop recommendations that would "save money, conserve energy, and bolster the Montana economy". The CCAC agreed on 54 policy recommendations designed to help reduce Montana's emissions.

The DEQ had a \$50,000 contract with the Center for Climate Strategies (CCS), and the CCS provided about \$320,000 in foundation funding to assist in developing the Montana climate change action plan. The DEQ also indicated that CCAC expenses in 2007 were about \$12,000.

During the 2007-2008 interim, the EQC studied issues related to climate change. In conducting the <u>study</u>, the EQC hosted a climate change survey, inviting the public to rank and comment on the CCAC's 54 recommendations. The survey garnered nearly 2,000 responses, and using that information the EQC selected 15 recommendations for further discussion. After a review of the 15 recommendations, EQC members agreed on topics to review even more in-depth. EQC members focused on recycling opportunities; promoting local food and fiber; improving transportation system management; providing additional opportunities for energy efficiency and weatherization; expanding biomass; and reviewing requirements that new state buildings exceed current building codes or standards.

The EQC brought nine pieces of legislation before the 2009 Legislature, including proposals ranging from establishing a weatherization spending account to requiring reporting on conservation measures in the transportation sector. Three of the bills were passed and approved – a termination date for recycling tax incentives was repealed (HB 20); energy efficiency standards were established for the construction of state-owned buildings (SB 49); and a study of biomass was approved (HJ 1).



2019 CLIMATE COUNCIL DUTIES

Montana Climate Council Duties		
Greenhouse Gas Neutrality	Build on the Montana Climate Assessment	State Agency Initiatives and Goals
Expand renewable energy generation and pursue cost-effective conservation and efficiency strategies to reduce or manage electric loads.	Identify needs and opportunities to deliver climate science and support to stakeholders.	Improve efficiencies through individual agencies' initiatives and goals that can be implemented now, with measurable progress made by June 30, 2020.
Expand wind and solar generation at all scales.		
Explore projects that complement existing and future generation sources.		
Pursue solutions to properly value and deploy energy efficiency strategies.		
Reduce emissions from traditional electricity sources while maintaining competitive advantages in production, generation, and exports.	Coordinate with the Montana University System on state- supported innovation in climate research and technology development.	Initiate a state government-wide effort to prepare for climate-related risks and disasters by incorporating climate adaptation strategies into existing planning and operations.
Advance the demonstration and deployment of carbon capture, storage, and utilization.		
Explore the benefits and efficiencies associated with regional power markets.		
Support voluntary, incentive-driven tools and technologies for improving productivity, reducing emissions, and boosting soil health and carbon storage on farms and ranchlands and in forests and wood products.	Provide leadership to advance technologies that support low and negative emissions and lead the deployment of new energy generation, transmission, and storage technologies.	Where required, prepare a Supplemental Climate Plan to address climate adaptation and resiliency
Promote alternative modes of transportation and electrification of the transportation sector, including interconnected electric vehicle infrastructure corridors.	Support work at state universities that advances the engineering, design, research, and manufacturing of low emissions technologies.	Determine strategies for infrastructure investment, remediation, and economic and workforce development in communities impacted by regional energy transitions.
Reduce emissions from the State's fleet, facilities, and operations.	Integrate plans for economic and workforce development and technology transfer.	

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