

MONTANA

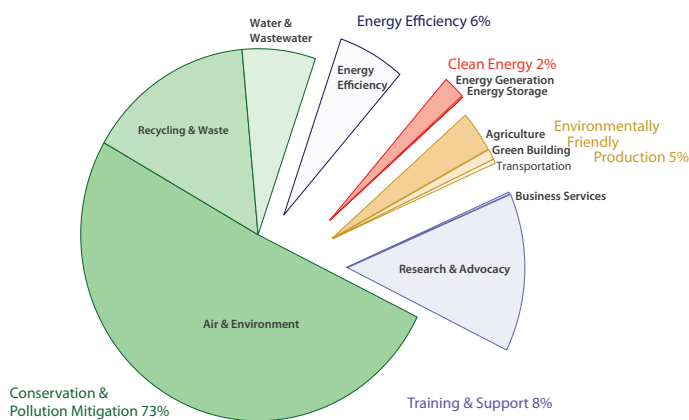


DESPITE BIG POTENTIAL, MONTANA TRAILS MOST ROCKY MOUNTAIN ENERGY PRODUCERS IN GREEN JOBS CREATION

A new study by Headwaters Economics compares how Colorado, New Mexico, Montana, Utah and Wyoming—five states with vast traditional and Clean Energy resources—are taking advantage of Clean Energy opportunities to create green jobs.

Montana ranks fifth in the nation for wind energy potential and is currently led by a governor with a strong commitment to the clean energy economy. Yet the state faces a number of serious hurdles when it comes to capturing and selling its energy resources and cultivating a vital clean technology and energy efficient economy that could create thousands of new jobs and earn the state hundreds of millions in annual revenue.

Green Jobs by Segment, 2007

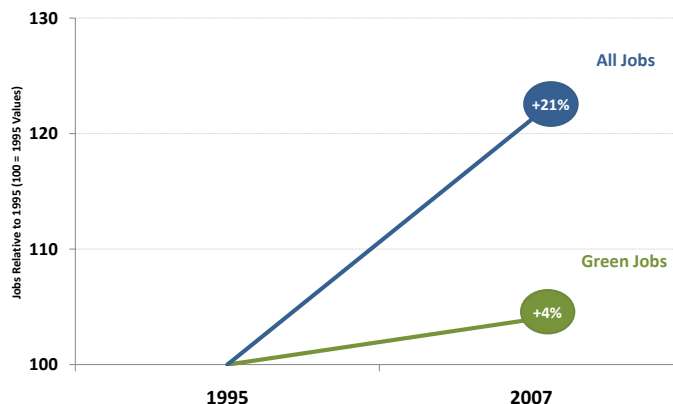


Data Source: Green Establishment Database, Collaborative Economics

Summary

- Montana ranks fifth in the nation for wind potential and is led by a governor with a strong commitment to that industry.
- Yet Montana failed to capture any clean technology venture capital from 1999 to 2008, and ranked last in competitive clean energy funding from the 2009 federal stimulus law.
- Montana lags behind all the other study states for green job growth.

Growth in Green Jobs Compared to Growth in All Jobs, 1995-2007



Data Source: Green Establishment Database, Collaborative Economics

The state's large potential for clean energy makes the lack of progress all the more disappointing. Montana lags behind all states studied—with the exception of Wyoming—in creating green jobs for the period 1995 to 2007. According to a number of other indicators of green economic activity—clean tech patents, venture capital and competitive federal funding for clean energy and energy efficiency—Montana is well behind Utah, New Mexico, and Colorado.

One positive note is that Montana has made a strong commitment to growing renewable energy production by addressing limited transmission capacity.

In order to further develop the suite of employment opportunities and enterprises involved in the products and services that support and integrate clean energy, Montana will need to do more to distinguish itself with regard to innovation and entrepreneurship.

“Montana has helped to create a perception of being open to renewables through a range of policies, including fiscal policies, the state renewable standard and commitments to streamlining planning and permitting.” –Matt Jennings, Grasslands LLC, a Bozeman, Montana based private partnership focused in developing a suite of transmission and storage projects with a total price tag of over \$3 Billion.

For more information, go to:
<http://www.headwaterseconomics.org/greeneconomy>

WHY IS MONTANA TRAILING ITS NEIGHBORS?

Fifth Best Wind Resources in the Nation, but the State Lacks Connectivity and Capacity. The state is beginning to close the gap on connectivity and capacity, but nowhere near enough to take advantage of the economic opportunity in clean energy production. Updating the transmission system will require extensive and coordinated planning. For example, new transmission lines often involve multiple permitting agencies, many of which have been overwhelmed by dozens of new proposals.

Limited Draw for Clean Tech Companies. With a small economy and an undistinguished reputation with regard to technological innovation, Montana faces hurdles when it comes to attracting private investment and new businesses that are growing the clean technology sector in other states.

Montana Ranks Last in Attracting Federal Funding. Its neighbors are winning millions in competitive bids for federal investments in the clean energy sector, but Montana is dead last amongst the Rocky Mountain Energy Producers.

Mixed Record on Energy Efficiency Policy. On the American Council for an Energy Efficient Economy's 2009 Scorecard, Montana received a top score for its "Energy Investment Tax Credit." Yet that incentive is undermined by Montana's lack of any energy efficiency resource standards.

HOW CAN MONTANA CREATE MORE GREEN JOBS?

- Continue the governor's strong personal outreach to renewable energy companies, along with needed support from the state legislature that conveys Montana's commitment to these areas.
- Invest in education and developing world-class research facilities that focus on innovative solutions in the clean energy and energy efficiency sectors.
- Dedicate state capacity to attracting and leveraging private and public funding to support innovation and entrepreneurship
- Lead by example: deploy creative solutions to boosting renewable and energy efficiency at the state level and grow internal markets through clear policy signals

Energy-Related Competitive and Contract AARA Funds by State, with National Rankings

	Competitive Awards	Contracts	Rank
Colorado	\$296,585,819	\$241,380	15
Montana	\$1,626,980		52
New Mexico	\$27,926,735	\$9,482,739	37
Utah	\$85,494,576		30
Wyoming	\$9,484,248		49

*Includes funds awarded through the Department of Energy offices: Energy Efficiency and Renewable Energy, Office of Science, Advanced Energy Research Project-Energy, and Office of Electricity Delivery and Energy Reliability. (Excludes funds awarded by DOE Office of Environmental Management).

Source: U.S. Department of Energy, Energy Efficiency and Renewable Energy, at: <http://www1.eere.energy.gov/recovery/>. Accessed April 2, 2010.

Keys to Success in the Emerging Green Economy

Strategic Pairings of Incentives with Clear Policy Goals. Progress in clean energy production and energy efficiency depends on a smart mix of incentives and regulations. The renewable energy industry will thrive in states that provide the best incentives alongside the best access to established markets.

Capturing Large-Scale Investment. States that attract the most private investment and federal funds are those that have a complete package of serious policies, incentives, and proven record in developing technological expertise and a skilled workforce.

Cultivating a Well-Resourced Business Environment. Companies on the cutting edge of technological development benefit from skilled workers and access to world class research institutions.

Consistent Leadership. Developers and manufacturers of clean energy and energy efficiency technologies operate in a highly competitive global environment. They need to see consistent leadership in order to commit to a state.

Linking Resource Availability with Infrastructure Capacity. Rocky Mountain Energy Producers must overcome an inadequate infrastructure; which includes an outdated, overstressed electrical grid as well as federal, state, and local governments that currently lack the capacity and the necessary plans to respond to permits for new construction (for new facilities and transmission lines).

