

## **Fighting the GOOD fight: Part III Montanans vs. MSTI**

*By Leesa Zalesky*

This week's installment in the MSTI (Mountain States Transmission Intertie) series introduces you to Debbie Hanneman of Whitehall, Montana. Debbie serves as the Concerned Citizens Montana (CCM) Executive Board Secretary. She holds a PhD in geology from the University of Montana-Missoula, and her professional life in earth sciences has spanned academics, government, and the private sector. Debbie has worked with the U.S. Forest Service in Wisdom, Montana, on forest land mining claims, for the U.S. Geological Survey on the assessment of mineral potential for wilderness candidate areas in southwestern Montana, and as a hydro-geologist for the Montana Department of Natural Resources & Conservation. In 1991, Debbie founded her own consulting company, Whitehall Geogroup, Inc. Her consulting work includes mineral assessment, hydrogeology, oil and gas, paleontological resource evaluation, geologic mapping, and running the website of Earthmaps.com. Debbie is married to Charles Wideman. They have two sons: Ben, a fourth-year cadet at the U.S. Military Academy at West Point, New York, and Matt, a third-year forestry student at the University of Montana-Missoula.

Q. From a personal standpoint, tell readers why you oppose MSTI.

Hanneman: I oppose MSTI for several reasons: It is bad energy policy for Montana. MSTI has been sold to the public by NWE as a conduit for wind energy, but even if so, it is a wastefully inefficient and expensive way to transmit green energy. As John Vincent said in his 11/4/2011 Bozeman Chronicle guest editorial, "Wind is undeniably a valuable renewable energy resource. We should develop it, but in the right way and as close to the point of use as possible. Transmitting wind power 1,500 miles with up to a 30% line loss is both wasteful and expensive. And like all energy resources, wind has its limitations. Because wind is intermittent and variable and sometimes doesn't blow at all, it supplies, on average, only about 35% of the power it could if turbines were continually operating at maximum output. Markets in Nevada, Arizona, and California, however, aren't interested in electricity supplied this way. They require a steady and reliable supply of a given amount of electrical power. Wind can't do that, so coal and natural gas have to make up the difference. It's called "firming," and it takes a lot of coal or natural gas to do it - on average about 65% of the load."

MSTI is industrial-scale, not a local, distributed energy scale that could be used by Montanans. There are no off-ramps on MSTI. The energy all goes out of state. The public has been assured that the export of energy will not tie Montanans into a higher cost market for energy, but we've all heard those assurances before; e.g., the deregulation of Montana Power. Furthermore, why not use the energy in Montana to lower rates here and thus encourage business? At the very least, we should supply our public schools with low-cost energy to reduce all our taxes.

MSTI is a continuation of an energy policy that supports more energy generation rather than energy efficiency. The NW Energy Coalition, in an April 2009 study, said that the U.S. Northwest can "save enough electricity to power the region's economic growth over the next decade." The study also stated: "Energy efficiency isn't just abundant; it is far less expensive than new power plants or gas pipelines." (The Power of Efficiency: NW Energy Coalition, April 2009, Seattle, WA)

MSTI represents bad energy policy, not just for Montana, but also globally. One aspect of the bad energy policy represented by MSTI and like projects is the fallacy that, in using renewables rather than fossil fuels, we will greatly enhance our domestic energy security. Presently, the U.S. is 100% reliant on REE (rare earth element) imports, particularly from China. [Author's note: Large amounts of REEs are necessary for building a renewable energy industry. In the wind industry alone, REEs are used in permanent magnet generators for wind turbines and for capacitors, sensors, and scintillators used in electricity transmission. Other REEs are critical to the manufacturing of photovoltaic panels, fuel cells, and high-capacity batteries for hybrid and electric vehicles.)

A September 30, 2010, Congressional Research Service Report prepared for Congress noted the REE supply vulnerability. In fact, recently, three federal legislative proposals were introduced to support domestic production of REEs. To further underscore the fragility of the REE global availability, in late September 2010, China began an undeclared five-week embargo on REEs. The embargo began as a dispute with Japan and then spiraled into an international trade issue.

I also oppose NWE taking private land for a merchant line venture. We can talk about the need and the necessity for the line, but the basic bottom line is that MSTI is a business venture by a private company. NWE stated this clearly in their 2012 8-K form filed with the SEC, with the cited passage reading: "MSTI will be separate from the utility; assets are intended to be held in a separate corporation" (pg. 30).

The preferred route of Northwestern Energy contains a large portion of private property. Although NWE floats the figure that its preferred route takes in 54% public lands and 46% private lands in Montana (these figures are also taken from its 2012 8-K form filed with the SEC, pg. 34), in Jefferson County, the route actually crosses about 83% private land. This comes about because NWE garnered the support of several environmental groups by promising to stay off public lands, specifically the corridor that now contains the Bonneville Power Administration's 500-kv transmission line (Bob Rowe, CEO of NWE, personal communication, March 2010). And, as further assurance that NWE would have the environmental community's support for MSTI, at least one environmental group, Montana Environmental Information Center, worked for three years with NWE to help construct its preferred route (Jim Jensen, Executive Director, Montana Environmental Information Center, December 22, 2010, Montana Standard, Letter to the Editor).

Q. Do you believe that HB 198 presents a clear and present danger to Montanan's private property rights?

Hanneman: Yes, I do. Under HB 198, a person who is issued a Certificate of Compliance from the Montana Department of Environmental Quality under the Major Facility Siting Act (MFSA) has the right to use eminent domain to acquire private property to build a facility as stipulated by the certificate. Basically, as John Vincent said in his September 25, 2011, Missoulian guest editorial, HB 198... "created a "one-stop shopping" mechanism by which private individuals and

corporations can all too easily secure the right of eminent domain for private, for-profit projects." Due process is guaranteed to U.S. citizens by Article II, § 17 of the Constitution of the State of Montana and by the 5th and 14th Amendments to the Constitution of the United States. MFSA does not provide due process for landowners because landowners would not be given actual notice prior to their property being targeted for condemnation and would not be provided a hearing (regarding questions as to whether the use of the property will be a public use and if the taking is needed for a public use) during the MFSA process. The right to prior notice and a hearing is basic to due process. The main purpose of MFSA is to address environmental concerns, not whether a project is necessary to public use, and thus does not include any landowner protection.

And I'd like to say a few words about landowner notice under MFSA. Although MT DEQ states that notice for project scoping and public meetings is sufficient, it most decidedly is not. Newspaper publication rarely informs a landowner of actions occurring related to his property. Additionally, in today's news market, where many people consume their news via the internet, how is one to be informed of projects intended for the takings of one's land when all the state is required to do is to publish some sort of notice in newspapers?

It is also noteworthy that, in the last legislative session, SB 206 was passed. (SB 206 revised the Montana Major Facility Siting Act; requiring the Department of Environmental Quality to examine a one-mile-wide facility siting corridor along the facility route when conducting a review in accordance with the Montana Environmental Policy Act in conjunction with an application for a certificate under the Major Facility Siting Act; exempting siting modifications within the facility siting corridor from title 75, chapter 1, part 2; requiring facilities to be sited in federally-designated energy corridors when compatible with other siting and reliability requirements; amending sections 75-20-104, 75-20-301, and 75-20-303, MCA; and providing an immediate effective date and an applicability date.) SB 206 means that an exponential number of people will have their property shrouded with the threat of condemnation for years while MT DEQ reviews an MFSA application. And there is nothing in this bill to address the already woeful lack of public notice and involvement. Add to that a mile-wide corridor... Where will a line really go? And how can a land owner really know if he will be targeted by a project?

Q. What county do you live in? Have your county commissioners done a good job representing landowner interests as they relate to MSTI?

Hanneman: I live in Jefferson County. My commissioners have been supportive of the county and its landowners having a say in the MSTI project. Our commissioners filed a lawsuit against MT DEQ in May 2010 for shutting the county out of planning for MSTI. The commissioners won at the district court level in September 2010, but lost at the Montana Supreme Court level in October 2011. My commissioners have become a coordinating agency with BLM in order to have some say in MSTI planning and have held numerous public meetings with mostly BLM (because of the MT DEQ lawsuit) so that the public can be updated on MSTI. The one area I have differed with them is on Jefferson County being a part of the MSTI Review study. I am not convinced the study is truly independent (more information on this study is given later in this interview).

I also need to say that the town of Whitehall has been active in trying to understand the MSTI project. Whitehall could be greatly impacted because one of the MSTI routes would be on three sides of the town. Even though Whitehall is the largest municipality in proximity to NWE's preferred route, the town was largely ignored in the digital release of the draft EIS and in any

meetings with MT DEQ and BLM. Now Whitehall is also a coordinating agency with BLM for the MSTI project, and Concerned Citizens Montana is an advisory group on MSTI to Whitehall. CCM keeps the town council updated on MSTI and helps the council understand what is going on with the project.

To be continued...



Debbie Hanneman