Thank You For Your Questions

Last week, members of the Save the Scenic Jefferson Valley Coalition placed an ad in this paper and posed questions and concerns to me about NorthWestern Energy's proposed Mountain States Transmission Intertie (MSTI). I'd like to thank the members for their questions and, as always, we're happy to provide answers although as a native Montanan I'm partial to good old fashioned face–to-face conversation as opposed to back and forth advertising. We know that you may not like the answers, but they are factually accurate and that's our commitment to you – to be open, honest, accessible and transparent through this process.

The questions asked by the Coalition are being addressed by the State of Montana's Department of Environmental Quality (DEQ) and the federal Bureau of Land Management (BLM) through the Environmental Impact Statement (EIS). The draft EIS with the study's final route determination will be released soon. The agencies have delayed its release so that they may fully address all of the stated concerns raised by the public. I'm proud of the fact that Montana has one of the most robust and thorough public siting processes in the country, which is intended to identify the solution with the least amount of impacts and recommends steps to mitigate the impacts that are naturally created by the project.

Once the draft EIS is released, there will be another round of public comment and we encourage you to participate in the process. If you would like to continue the discussion in person or via email, please contact me at dan.rapkoch@northwestern.com or (406) 497-2980.

Dan Rapkoch, MSTI Project Communications Manager

How many towers would be built in greater Whitehall?

Fact: The final route will be announced when the draft EIS is released later this spring or early summer, so it's not known how many towers might be built in greater Whitehall, if any. However, approximately four to five structures per mile will be required depending on location and topography.

What is NorthWestern's estimate of the cost MSTI's towers would impose on the general public?

Fact: NorthWestern's intent has been to minimize the impacts of the new line by using corridors that already have lines in place wherever possible. Some of these existing power line corridors through Jefferson County and nearby Whitehall have been in place for more than 80-100 years, pre-dating many of the nearby homes and developments. The EIS process addresses all environmental impacts including those to people, animals, cultural resources, the local economy and agriculture. It's worth noting that Montana, including Jefferson County, has avoided much of the recession because of its energy and mining industries.

If MSTI would be a terrorist target, why not put it on public land and away from communities?

Fact: Since 9/11 a great deal has changed in our country and NorthWestern Energy complies with all applicable requirements regarding the security of electric and natural gas infrastructure that fall under the auspices of the Department of Homeland Security. The Western Electric Coordinating Council has established criteria for siting and maintaining all transmission line projects in order to preserve the grid in the case of a terrorist act. In fact, MSTI contributes to national security in the sense that wind energy generated in Montana helps to lessen our country's dependence on foreign oil.

Who will own MSTI?

Fact: NorthWestern Energy will own MSTI. NorthWestern has publicly stated that it is willing to consider strategic partnerships with potential partners (i.e. other companies) about co-investing in MSTI. Any decision on strategic partners will be based on enhancing the project.

How will MSTI affect ratepayers?

Fact: MSTI will not serve what we call the "native" load of Montana. Thus, NorthWestern Energy ratepayers (we prefer the term customers) will not pay for the construction, operation or maintenance of the MSTI line. Those costs will be paid by the new generation projects and wholesale customers that have purchased space on the line. The draft EIS includes an independent study of potential primary and secondary affects to Montana retail electric customers.

Would NorthWestern commit in writing that MSTI carry a minimum of 50% clean energy each year?

Fact: NorthWestern Energy is a regional transmission provider regulated by the Federal Energy Regulatory Commission and is required, by law, to provide "non-discriminatory" access to its system. Therefore, we can't make this commitment; however, our society is making a fundamental and likely permanent shift away from new carbon sources in favor of wind and other renewable resources. There is more than 5,000 megawatts of new power generation wanting access to our system – most of that is wind power and the rest is natural gas, hydro and other sources.

Might NorthWestern's MSTI "partners" include ourselves, the taxpayers?

Fact: It is possible that government entities such as the Western Area Power Administration or Bonneville Power Administration could purchase capacity on the line as part of a long-term regional planning strategy. NorthWestern intends to finance the project through a mix of 50 percent equity (cash)/50 percent private debt. If federal loan guarantees are available at the time, NorthWestern may evaluate the option, but only if it makes sense to do so. It's important to remember that federal loan guarantees are paid back with interest and are not grants.

Do electromagnetic fields from 500kV lines increase the risk of childhood leukemia?

Fact: Electromagnetic Fields (EMF) are associated with all electronic devices including computer terminals, televisions and lights. EMF's dissipate with distance. NorthWestern Energy engineers all of its transmission lines so that the EMF exposure at the edge of the right of way is about the same or less than you might encounter under normal home conditions. While property lines may be adjacent to power line rights of way – few homes in Montana or Idaho actually sit at the edge of a transmission line right of way. There is an enormous amount of valid, scientific research on this topic and we encourage everyone to do their own research keeping in mind that not all studies are considered credible.

Credible organizations include the World Health Organization (www.who.int/peh-emf/en/), the National Cancer Institute (http://www.cancer.gov/cancertopics/factsheet/Risk/magnetic-fields), the International Agency for Research on Cancer (www.iarc.fr/), the National Institutes of Environmental Health Sciences (www.niehs.nih.gov/health/topics/agents/emf/) and the Electric Power Research Institute (www.epri.com/emf/) for concerned citizens to go to understand EMF. And, to answer the question, according to the NIEHS, "interpretation of the epidemiological findings has been difficult due to the absence of supporting laboratory evidence or a scientific explanation linking EMF exposures with leukemia."

Would MSTI qualify for the property tax abatements on transmission lines used for wind power?

Fact: Potentially yes, but the tax abatements in question apply also to the private landowners which is part of the reason why we refer to the tax benefit in the terms of a range. Private landowners may be eligible for property tax holiday on a 1320 foot wide corridor (660' either side of the center line of the transmission easement) of new lines carrying renewable energy. Regardless of the potential abatements, this is a new project that will generate new revenue for schools, roads and other public services in the range of $15-37 million depending on the final route according to the Montana Tax Foundation. NorthWestern Energy is already the largest property tax payer in the state, by far, compared to any other corporation.

Why do we have separate environmental processes for MSTI and its collector system?

Fact: The MSTI project has been underway since 2004. With the emergence of renewable wind energy the Montana Renewable Collector System (MT-RCS) has developed along a different timeline and it is in the very early stages compared to MSTI. The recent Open Season provides the information we need to determine the size, scope and location of any new lines. Once the project is formally established we will move forward with the appropriate environmental studies for MT-RCS.

Why is NorthWestern asking again for an energy corridor that has already been denied by BLM?

Fact: NorthWestern was required in its application under the Major Facility Siting Act to identify a preferred route and two alternatives. After much study and consultation with public agencies, NorthWestern identified a preferred route that utilized as much existing power line corridor as possible.

Given community concerns along all proposed MSTI routes, why aren't options to 500kV towers considered?

Fact: The EIS is a rigorous examination of all of the potential impacts this project may create and it recommends mitigations where appropriate. Placing large transmission line underground is not the answer. Not only does it require greater land use restrictions that unlike land associated with overhead structures are not available for any other purpose because it is an oil-cooled pipeline, it requires digging deep trenches and the placement of large vaults every 1000 to 2000 feet. Reliability is reduced and the costs are much greater. NorthWestern chose to use AC vs. DC for engineering, reliability and commercial reasons in keeping with its regional transmission operating requirements.