

## **Resolution #2020-8**

### **SUPPORT CITY OF COLSTRIP AND OTHER COMMUNITIES IMPACTED BY NATURAL RESOURCES INDUSTRIES**

#### **BACKGROUND**

The Colstrip Steam Electric Station has been one of the largest, most significant economic engines of Montana since the 1970s, providing hundreds of good paying jobs for Montana and a stable and cost-effective source of electricity for the entire Pacific Northwest.

At the beginning of 2020, Talen Energy and Puget Sound Energy permanently closed Units 1 and 2 of the plant. This earlier than anticipated closure of these units has cast uncertainty on the future of the City of Colstrip. The remaining Units are owned and operated by a different ownership group comprised of six separate energy companies. This adds to the concerns of what lies ahead for the community of Colstrip as well as the ensuring a reliable and cheap electricity supply for Montana. In addition, the City has no local source of drinking water, and relies on the electric station owners for a sustainable, affordable source of raw water for the community. The City of Colstrip is facing an abrupt loss in local jobs, property taxes, local businesses, water, and other public services.

For decades, many Montana communities have relied heavily on natural resources industries. Mining, timber, coal, oil, and gas have all provided high-paying jobs, millions of dollars in state and local taxes, and economic stability across all corners of the state. The fluctuations in these industry sectors – both growth and decline – can have serious consequences on the economic and social stability of municipalities.

#### **ACTION**

The MLCT supports efforts to:

1. Provide financial support and economic diversification to the City of Colstrip to help create sustainable employment opportunities and protect local tax revenues as a result of the closure of Units 1 and 2 and the uncertain future of the remaining units. The MLCT recognizes the important role the City of Colstrip has historically played in providing energy and revenue to the entire state.
2. Create and maintain legislation, policies, and programs that provide financial and other resources to Montana cities and towns impacted by the growth or decline of natural resource development.