



November 6, 2007

Representative Harry Klock, Chairman
P.O. Box 201706
Helena, MT 59620-1706

RE: GOVERNOR'S CLIMATE CHANGE ADVISORY COMMITTEE REPORT

Dear Chairman Klock:

I received a copy of the Energy and Telecommunications Interim Committee meeting scheduled for November 8, 2007. Regrettably, I will not be able to attend the committee meeting but I would like to offer my comments regarding my participation in the development of the final Governor's Climate Change Advisory Committee's report.

My participation in the development of the CCAC report involved my seat on the Residential, Commercial, Institutional, and Industrial Technical Working Group subcommittee of the CCAC. I assisted in identifying and prioritizing key mitigation options within the residential, commercial, institutional, and industrial sectors, with the stated goal of increasing energy efficiency and lowering greenhouse gas emissions.

I chose not to continue my participation with the technical working group shortly before completion of our report because I became frustrated and disillusioned with the process. While I believe the committee worked hard to identify areas of concern and mitigation options, I am concerned that the assumptions regarding greenhouse gas reductions that were written into our report were inaccurate because of the lack of technical and scientific training that we all had. The committee was literally asked to come up with an identification of the types of greenhouse gases that would be reduced by the mitigation options we selected. Even more disturbing, we pulled out of thin air the estimated greenhouse gas emission reductions and the cost or cost savings associated with our estimated greenhouse gas emission reductions. This was all done via telephone conference calls by asking the committee members their best guesses.

Climate change is serious business and it is also big business that will translate into significant transfers of wealth. The purpose of my letter is not to debate the merits or realities of climate change and whether or not mankind influences the cycles of climate change. I am, however, pointing out a serious fatal flaw in the methodology used to develop the CCAC report.

It is imperative that your committee clearly understands the economic impacts that will befall low and moderate-income families in Montana as the climate change recommendations are debated.

Sincerely,
Terry M. Holzer
Terry M. Holzer
General Manager

**ENERGY & TELECOMMUNICATIONS
INTERIM COMMITTEE
November 8, 2007 Meeting
EXHIBIT 3**