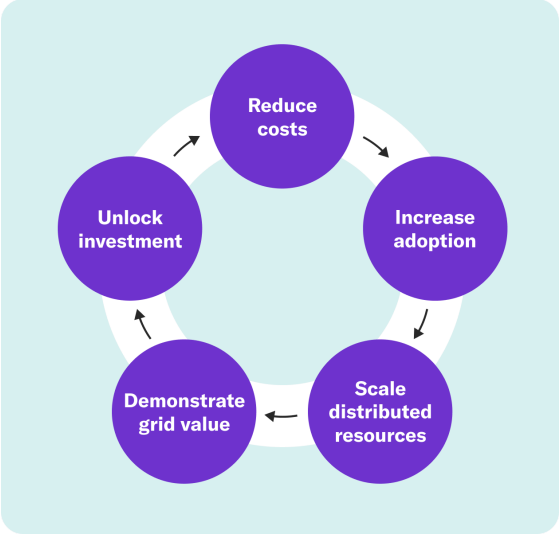
Unlocking energy affordability in Montana

By treating households as energy infrastructure, Montana can make whole-home electrification, rooftop solar, and battery storage affordable for **233,600 additional households** — unlocking **$20,100 in average lifetime savings** per household and **$4.7 billion statewide**.[1] This means a more efficient, resilient energy system that can meet growing demand without driving up costs.

Why this matters now

Montana is facing a growing energy affordability challenge. As electricity demand grows and the grid ages, utilities are ramping up spending on new generation and transmission — costs that will ultimately be passed on to ratepayers.

Yet even as spending accelerates, the system is underinvesting in the lowest-cost ways to reduce bills and meet energy needs: efficient electric appliances, rooftop solar, and battery storage.



In *Homegrown Energy: A policy blueprint for energy affordability*, we outline a set of interlocking policies that correct this imbalance by directing a meaningful share of energy system investment toward homes. Together, these policies create a self-reinforcing cycle that drives down costs and scales adoption over time.

The result is a more affordable, flexible, and resilient energy system — one that delivers immediate benefits to families while reducing long-term costs for all ratepayers.

[1] Affordability is defined as a household's ability to adopt home energy upgrades at the same or lower total cost — accounting for both upfront and operating costs — than replacing existing equipment with new like-for-like systems. Lifetime savings reflect average household savings over 15 years.

How Montana unlocks energy affordability

Today's baseline:

Only **18,900** households in Montana can afford home energy upgrades under current market conditions[2]

Policy interventions

Reduce soft costs:

+ 33,300 more households could afford home energy upgrades

Cut red tape to lower project costs and increase the impact of every other policy

Align system incentives and investment:[3]

Data centers pay	Non-pipeline alternatives	Inclusive utility investment	Electrification-friendly rate design
Require AI data centers to invest in distributed energy resources and household upgrades	*Redirect gas infrastructure spending toward electrification, avoiding costly pipeline investments*	*Enable utilities to fund the upfront cost of upgrades and recover those costs through energy bill savings*	*Align electricity pricing with system costs to lower operating costs for electrified homes*
+ 41,900 households	**+ 32,500 households**	**+ 42,400 households**	**+ 10,800 households**[4]

Ensure households are paid for the value they provide:

Households where home energy upgrades are affordable can join **virtual power plants**, becoming grid assets and earning compensation

If Montana invests in households as an energy solution:

252,600

Households could afford home energy upgrades — lowering system costs while building a more flexible and resilient grid[5]

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[2] "Home energy upgrades" includes whole-home electrification, solar, and storage.

[3] Values shown reflect the additional number of households for which home energy upgrades become affordable under each policy, assuming soft cost reductions have already been applied.

[4] Rate design impacts reflect whole-home electrification alone (excluding solar and storage) and modeled reductions in heating costs as one pathway to lower bills. The specific rate structures that achieve these savings will vary by region based on system conditions.

[5] The total impact is not the sum of individual policy impacts, as these policies interact and their effects partially overlap.