

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
55th LEGISLATURE - REGULAR SESSION

COMMITTEE ON APPROPRIATIONS

Call to Order: By CHAIRMAN TOM ZOOK , on April 7, 1997, at
8:00 a.m., in Room 312-2.

ROLL CALL

Members Present:

Rep. Tom Zook, Chairman (R)
Rep. Edward J. "Ed" Grady, Vice Chairman (Majority) (R)
Rep. Joe Quilici, Vice Chairman (Minority) (D)
Rep. Beverly Barnhart (D)
Rep. Ernest Bergsagel (R)
Rep. John Cobb (R)
Rep. Roger DeBruycker (R)
Rep. Gary Feland (R)
Rep. Don Holland (R)
Rep. John Johnson (D)
Rep. Royal C. Johnson (R)
Rep. Betty Lou Kasten (R)
Rep. Bob Keenan (R)
Rep. Matt McCann (D)
Rep. William T. "Red" Menahan (D)
Rep. Ray Peck (D)
Rep. Steve Vick (R)
Rep. William R. Wiseman (R)

Members Excused: None.

Members Absent: None.

Staff Present: Todd Everts, Environmental Quality Council
Marjorie Peterson, Committee Secretary

Committee Business Summary:

Hearing: HJR 32, SB 390, HB 549, HB 614
Executive Action: HB 549 TABLED

HEARING ON HJR 32

Opening Statement by Sponsor:

REP. RAY PECK, HD 91, Havre, opened the hearing on HJR 32, An act
authorizing a public school funding study.

{Tape: 1; Side: A; Approx. Tape Counter: 0.1.}

Proponents:

None.

Opponents:

None.

Questions From the Committee:

{Tape: 1; Side: A; Approx. Tape Counter: 6.3.}

Closing by Sponsor:

REP. PECK closed the hearing on HJR 32.

{Tape: 1; Side: A; Approx. Tape Counter: 7.0.}

HEARING ON SB 390Opening Statement by Sponsor:

SEN. FRED THOMAS, SD 31, Stevensville, opened the hearing on SB 390, An act authorizing restructuring requirements for the electric utility industry.

{Tape: 1; Side: A; Approx. Tape Counter: 7.5.}

Proponents:

REP. BILL RYAN, HD 44, Great Falls.

{Tape: 1; Side: A; Approx. Tape Counter: 25.2.}

REP. JOE QUILICI, HD 36, Butte.

{Tape: 1; Side: A; Approx. Tape Counter: 27.7.}

Dave Wheelihan, General Manager, Montana Electric Cooperative Association. Mr. Wheelihan submitted his written testimony.

EXHIBIT 1.

{Tape: 1; Side: A; Approx. Tape Counter: 30.5.}

Bob Gannon, President, Montana Power Company, Butte. Mr. Gannon submitted an explanation of the electric industry restructuring and customer choice and the table of contents for SB 390, 3rd reading copy. Mr. Gannon also submitted written testimony for Perry Cole, Vice President, Business Development and Regulatory Affairs, Montana Power Company. EXHIBITS 2, 3, 4.

{Tape: 1; Side: A; Approx. Tape Counter: 35.6.}

Mick Robinson, Policy Director, Governor's Office. Mr. Robinson submitted a copy of the Racicot Administration Electricity Restructuring Principles. EXHIBIT 5.

{Tape: 1; Side: B; Approx. Tape Counter: 0.1.}

SEN. FRED THOMAS, SD 31, Stevensville.

{Tape: 1; Side: B; Approx. Tape Counter: 7.3.}

Frank Kinsey.

{Tape: 1; Side: B; Approx. Tape Counter: 18.0.}

Donald Quander, Billings.

{Tape: 1; Side: B; Approx. Tape Counter: 22.5.}

James Bellessa, D.A. Davidson, Great Falls.
{Tape: 1; Side: B; Approx. Tape Counter: 30.5.}

Dave Fisher, Chairman, Public Service Commission. Mr. Fisher submitted his written testimony. EXHIBIT 6.
{Tape: 1; Side: B; Approx. Tape Counter: 33.7.}

John Alke, Montana Dakota Utility Cooperative.
{Tape: 1; Side: B; Approx. Tape Counter: 36.7.}

David Owen, President, Montana Chamber of Commerce.
{Tape: 1; Side: B; Approx. Tape Counter: 39.4.}

Gregg Groepper, Energy Share of Montana, Helena. Mr. Groepper submitted a sheet showing the low income energy advisory council report outline. EXHIBIT 7.
{Tape: 1; Side: B; Approx. Tape Counter: 39.6.}

Evan Barrett, Butte Local Development Corporation. Mr. Barrett submitted his written testimony. EXHIBIT 8.
{Tape: 1; Side: B; Approx. Tape Counter: 41.7.}

Dennis Burr, Montana Taxpayers Association, Helena. Mr. Burr submitted his written testimony. EXHIBIT 9.
{Tape: 2; Side: A; Approx. Tape Counter: 1.6.}

Neil Caldwell, Waste Water Company.
{Tape: 2; Side: A; Approx. Tape Counter: 4.5.}

Mike Strand, Montana Independent Rural Telephone Company.
{Tape: 2; Side: A; Approx. Tape Counter: 9.6.}

Opponents:

REP. DAVID EWER, HD 53, Helena.
{Tape: 2; Side: A; Approx. Tape Counter: 11.1.}

Bob Anderson, Public Service Commission, Helena. Mr. Anderson submitted his written testimony. EXHIBIT 10.
{Tape: 2; Side: A; Approx. Tape Counter: 32.9.}

Verner Bertelson, Montana Senior Citizens Association.
{Tape: 2; Side: A; Approx. Tape Counter: 42.2.}

Jim Paine, Pacific Power and Light Company.
{Tape: 2; Side: B; Approx. Tape Counter: 0.1.}

George Paul, Montana Farmers Union.
{Tape: 2; Side: B; Approx. Tape Counter: 3.3.}

Tara Mele, Montana Public Interest Research Group (MontPIRG), Missoula. Ms. Mele submitted her written testimony. EXHIBIT 11.
{Tape: 2; Side: B; Approx. Tape Counter: 10.8.}

Derek Birnie, Montana People's Action.

{Tape: 2; Side: B; Approx. Tape Counter: 14.8.}

Dick Pattison, Montana Senior Citizen's Association. Mr. Pattison submitted his written testimony, written testimony from Archie Nunn, and an Actin Alert card. **EXHIBITS 12, 13, 14.**

{Tape: 2; Side: B; Approx. Tape Counter: 19.4.}

Brad Griffin, Montana Retailers Association. Mr. Griffin also submitted written testimony from William Lyon, Federated and Montana Retailers Association. **EXHIBIT 15.**

{Tape: 2; Side: B; Approx. Tape Counter: 22.7.}

Peter West, Renewable Northwest Project, Portland, Oregon. Mr. West submitted his written testimony. **EXHIBIT 16.**

{Tape: 2; Side: B; Approx. Tape Counter: 24.5.}

Nancy Hirsh, Policy Director, Northwest Conservation Act Coalition, Seattle, Washington. Ms. Hirsh submitted her written testimony. **EXHIBIT 17.**

{Tape: 2; Side: B; Approx. Tape Counter: 31.8.}

Debbie Smith, Attorney, Sierra Club, Helena. Ms. Smith submitted a sheet of amendments requested by NRDC. **EXHIBIT 18.**

{Tape: 2; Side: B; Approx. Tape Counter: 39.9.}

Ted Lange, Northern Plains Resource Council.

{Tape: 2; Side: B; Approx. Tape Counter: 43.4.}

Pat Judge, Montana Environmental Information Center. Mr. Judge submitted his written testimony. **EXHIBIT 19.**

{Tape: 2; Side: B; Approx. Tape Counter: 44.8.}

Kathleen Brown, Helena.

{Tape: 3; Side: A; Approx. Tape Counter: 3.2.}

Chuck Evilsizer, Ronan and Hot Springs Telephone Companies. Mr. Evilsizer submitted his written testimony. **EXHIBIT 20.**

{Tape: 3; Side: A; Approx. Tape Counter: 3.7.}

Betty Waddell, Montana Association of Churches, Helena.

{Tape: 3; Side: A; Approx. Tape Counter: 5.0.}

Dave DeHoff, Montana Audubon Society.

{Tape: 3; Side: A; Approx. Tape Counter: 6.8.}

Ronald Ewer, Montana Chapter of Sierra Club.

{Tape: 3; Side: A; Approx. Tape Counter: 7.9.}

Riley Johnson, National Federation of Independent Businesses.

Mr. Johnson submitted a copy of the NFIB special poll results on electricity deregulation. **EXHIBIT 21.**

{Tape: 3; Side: A; Approx. Tape Counter: 9.0.}

Questions From the Committee:

{Tape: 3; Side: A; Approx. Tape Counter: 11.8.}

Tim Gregori, Big Horn County Electric Cooperative. Mr. Gregori submitted his written testimony. EXHIBIT 22.

{Tape: 3; Side: A; Approx. Tape Counter: 35.2.}

Perry Cole, Vice President, Business Development and Regulatory Affairs, Montana Power Company.

{Tape: 3; Side: A; Approx. Tape Counter: 36.7.}

Closing by Sponsor:

SEN. THOMAS closed the hearing on SB 390.

{Tape: 4; Side: A; Approx. Tape Counter: 39.2.}

HEARING AND EXECUTIVE ACTION ON HB 549Opening Statement by Sponsor:

REP. ERNEST BERGSAGEL, HD 95, Malta, opened the hearing on HB 549, An act requiring a comprehensive review of electrical utility industry restructuring. He then asked for the bill to be tabled after hearing SB 390.

Motion/Vote: REP. BERGSAGEL moved that HB 549 Be Tabled. Motion carried unanimously.

{Tape: 4; Side: B; Approx. Tape Counter: 0.4.}

HEARING ON HB 614Opening Statement by Sponsor:

REP. CARLEY TUSS, HD 46, Black Eagle, opened the hearing on HB 614, An act providing a date certain for transition to customer choice of an electricity supplier.

{Tape: 4; Side: B; Approx. Tape Counter: 3.2.}

Proponents:

Nancy McCaffree, Public Service Commission, Helena. Ms. McCaffree submitted her written testimony. EXHIBIT 23.

{Tape: 4; Side: B; Approx. Tape Counter: 12.7.}

Chuck Evilsizer, Ronan and Hot Springs Telephone Companies.

{Tape: 4; Side: B; Approx. Tape Counter: 15.8.}

George Paul, Farmers Union.

{Tape: 4; Side: B; Approx. Tape Counter: 21.1.}

Al Thomas, American Association of Retired Persons.

{Tape: 4; Side: B; Approx. Tape Counter: 24.3.}

Opponents:

Tara Mele, MontPIRG.

{Tape: 4; Side: B; Approx. Tape Counter: 26.2.}

Dave Wheelihan, General Manager, Montana Electric Cooperative Association.

{Tape: 4; Side: B; Approx. Tape Counter: 27.3.}

Evan Barrett, Butte Local Development Corporation.

{Tape: 4; Side: B; Approx. Tape Counter: 28.6.}

John Alke, Montana Dakota Utility Cooperative.

{Tape: 4; Side: B; Approx. Tape Counter: 29.9.}

Questions From the Committee:

{Tape: 4; Side: B; Approx. Tape Counter: 33.7.}

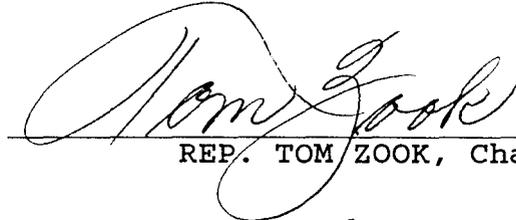
Closing by Sponsor:

REP. TUSS closed the hearing on HB 614.

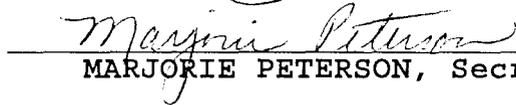
{Tape: 4; Side: B; Approx. Tape Counter: 41.6.}

ADJOURNMENT

Adjournment: 5:45 p.m.



REP. TOM ZOOK, Chairman



MARJORIE PETERSON, Secretary

TZ/MP