The Natural Resources Committee convened at 7:05 p.m. in the House Chambers on January 24, 1977, with Chairman Shelden presiding for an informational meeting on Gas Supply and Demand. Some members of the Senate Natural Resources Committee were also present.

Chairman Shelden said after each speaker the committee members and Senate committee members could ask questions of that speaker.

MR. JOSEPH McELWAIN, President of Montana Power, was the first speaker and a copy of his testimony is exhibit 1. Exhibit 2 is a copy of a chart which he presented. This chart shows gas supply and demand requirements for their company.

LESTER H. LOBLE, Montana-Dakota Utilities, introduced A. J. MAYER, MDU, who gave their oral presentation, a copy of which is exhibit 3 of the minutes. He introduced C. F. PICKARD, Supply Engineering Office of MDU, and said they would all be happy to answer questions. Questions asked by the committee members is exhibit 4.

DON BRELSFORD, Manager, Environmental Engineering Division, MHD Institute, spoke next and a copy of his testimony is exhibit 5. Questions asked him by the committee members is exhibit 6.

RICHARD BOURKE, Environmental Quality Council Staff Economist, spoke next and a copy of his testimony is exhibit 7.

RICHARD L. STROUP, Associate Professor of Agricultural Economics and Economics, MSU, spoke next and a copy of his testimony is exhibit 8.

DR. MAHER IBRAHIM, Montana Bureau of Mines and Geology, spoke next and said the most reliable estimate of potentially recoverable natural gas reserves is 2 to 3 trillion cubic feet; the ration of annual production to reserves should remain about 5 percent; and 2 to 3 trillion cubic feet would supply the EQC estimate of 1985 production (75 billion cubic feet) for 26 to 40 years.

MR. JOHN McBRIDE, Montana Energy and MHD Research and Development Institute, Inc., spoke next and a copy of his testimony is exhibit 9.

The Montana Environmental Quality Council resume of this Natural Gas Hearing is exhibit 10.

The meeting adjourned at 10:35 p.m.

Respectfully submitted,

RTHUR H. SHELDEN, Chairman