

February 2, 1977

The Natural Resources Committee convened on February 2, 1977, at 10 a.m. in room 437 with Chairman Sheldon presiding, all members present except for Rep. Huennekens who was excused, for a hearing on the following bills:

HB 254 REP. COONEY, the bill's chief sponsor, said the intent of this bill is to prohibit the storage and dumping of radioactive materials from other states. Rep. Cooney passed out copies of suggested amendments. A copy of this is exhibit 1. He said the amendments try to do three things: (1) to define the exceptions; (2) expresses it in better scientific language; (3) changes the penalty provision to leave it open to a larger fine if warranted. He said we have to protect Montana's water--if we permit storage of radioactive wastes and contaminate the water system, there is no legislation this body could pass to correct the problem. He introduced Dr. Irving E. Dayton, Commission of Higher Education. He said he would answer any technical questions the committee might have.

JACKIE HANSON, Montana Student Lobby, spoke in support of the bill. She said she represents the six schools in the university system--about 26,000 students. She said she has a go ahead to support this bill which she didn't have as yet when HB 190 was heard. She told of an Iowa student who put together a bargain basement plutonium bomb--obtaining the information from books. The only thing needed was a supply of plutonium and this could be stolen from wastes being transported or from storage sites. She said missing materials have been reported from storage sites. On a Montana map, she outlined where the water shed areas were--a substantial amount of the state--and said this could be contaminated if there was a leakage. She mentioned also the geographical instability of Montana from which could come earthquakes and so damage storage areas. She also mentioned the Columbia River as an example of what could happen to our rivers if care wasn't taken. Radioactive material from this river could spread as far as Japan, tainting the fish.

Rep. Cooney felt this bill will not stop the construction of a nuclear facility. He said if we are ever to produce our own waste, we would be responsible for it, but we don't want to be responsible for any other state's wastes.

During questions Dr. Dayton responded in rewriting this bill for Rep. Cooney, he used terminology that would be understood by technical people in the field and that would jibe with federal regulations. He had with him a book on federal regulations dealing with nuclear power--about 500 pages long. He said some of these regulations have taken 30 years to evolve so he felt we should go with them. However, the bill addresses an area not covered so is clean and something we can do.

HB 390 REP. KIMBLE, the bill's chief sponsor, passed out copies of a suggested amendment to the bill. This is exhibit 2 and attached to the minutes. He said this bill creates a Cabin Creek task force. He went through the bill, discussing the different parts. He discussed the history of Cabin Creek briefly--it being a proposed power plant using coal from this state on Cabin Creek only a few miles from the border. An 1809 treaty between the United States and Canada said that all waters flowing in either direction be not polluted. Rep. Kimble said they weren't sure what the federal government would do and what the state government should do. He feared the federal government might weaken the treaty to permit some pollution because of their Garrison

Diversion, which would increase salinity of water in that area.

THURMAN TROSPER, Flathead Coalition, opposed the bill. He said the coalition was formed two years ago to see what could be done about the problem they anticipated on Cabin Creek, being aware of what has happened on other streams in Canada where the company involved in the proposed Cabin Creek project has been involved. He said they don't want any pollution of Flathead; they don't want to be part of an environmental tradeoff between the two countries; and they would like to have this project referred to the International Joint Committee. The reason for getting this before the committee is they have the power to hire expert witnesses so they would have all the data before they make the recommendations. He said the Coalition felt this problem would have to be resolved at the federal level and there's not much the state of Montana can do now. He said pressure must be kept on the state department and they would do that. He said the state department seems to want to wait until the plans of Real Algom becomes more obvious. He said the timing was inappropriate to establish this state task force now. He said they are doing all that can be done at the moment. He said they need to continue to gather base line data--only one year sampling isn't enough. He said if they had five years under their belt it would make a stronger case in court.

Rep. Kimble said he was unaware that the coalition was not going to support this bill. He said he had attempted through the Legislative Council to determine if additional base line data would be needed for four months. There was a lack of information but through the conversations found out a policy task force was needed. However, he said, they understand the needs better than we do.

Rep. Curtiss asked if such a task force were formed, if one of the representatives could be from Lincoln County as all the creeks named have their beginnings there. Rep. Kimble said as far as he knew this would be good as they need a broad base of support.

Rep. Quilici questioned how they planned to get the Canadian government to go along with their policy. Rep. Kimble said it was a problem, as they don't have a contractual agreement with them. He said the task force would provide information and express policy from the Montana viewpoint to the US State Department. He said at a policy meeting, those most interested in the environment were our people in Montana and the national government of Canada; our national government and the British Columbian government were less so--and as he understood it, that is the trouble we are still having.

HJR 20 REP. KIMBLE, the bill's chief sponsor, went through the bill, which requests the US Department of State to consider and evaluate potential trans-boundary impacts which might result from the proposed Cabin Creek Coal Development in Canada. He said this bill was on the request of the DNR. He said he would defer to the Flathead Coalition as they know more about this. He said if the committee decided to hold HB 390, he would like to have a sentence amended into HJR 20.

TED DONEY, Department of Natural Resources, said this resolution resulted from the Cabin Creek study. He said that study is not

yet ready but will be by the 14th. Mr. Doney felt the resolution approach was better than a bill, HB 390, as it would be more flexible. He introduced Hanley Jenkins, who did the Cabin Creek study, and Orrin Ferris, who spoke next.

ORRIN FERRIS, DNR, said their resolution comes directly from their report. It asks Congress to assist the local government in dealing with this problem. He said he did not wish to see a delay of two years in setting up this task force. He said the Poplar River had had a similar problem. He said the state was hampered there as they did not have sufficient funds. He said they obtained funds but they would have been much more productive if available earlier. He said there is already in existence a technical task force by the Department of State, and this resolution asks that it be expanded to include local government. The Montana policy task force would be only advisory. Mr. Ferris said they don't know what the Canadians plan to do. He said every time they think they are getting a handle, the project changes.

THURMAN TROSPER, Flathead Coalition, said the coalition had not had time to study this legislation, but that it looked to him like the way to go. He strongly recommended that the Flathead Salish Kootenai Tribe have a member on the task force, as they are one of the larger groups of people affected.

Rep. Kimble said he appreciated support from the Coalition on this resolution. He felt that adding a member of the Indian tribes would be good. He requested again that HB 390 be held until such time as he can get a final resolution on what all parties want to do about this policy task force. He urged a do pass for HJR 20.

In answer to a question from the committee, Mr. Ferris said the IGC is reluctant to enter this until a definite proposal by the Canadians is had, that they are going to build something on Cabin Creek. He said something should be done before they have to face the existing project, like on the Poplar.

HJR 24 REP. HIRSCH, the bill's chief sponsor, thanked Debbie Schmidt for researching this legislation. He said legislation last session produced an act which allowed utilities to go into the lending business to furnish loans to people to insulate their homes and thereby conserve energy. He said Great Falls Gas Co. took advantage of this and became the first company to implement this act. He said this resolution commends them for their efforts and encourages other utility companies to do the same. He said the Great Falls Gas Co. made cost estimates on 320 homes and successfully insulated 110 homes. He said more would have been done but they ran into an insulation supply problem. He said they insulated homes on all income levels. He said they anticipate future success as they will start again in the next few weeks. He said the interest (7%) on loans and the tax credit they receive makes for some incentive.

PAT BINNS, representing self, spoke in support. He said he had spent an afternoon with the Great Falls Gas Co. people and was very impressed with the enthusiasm and the desire to expand the program. He said they should be commended for initiating this program.

In reply to a question from the committee, Mr. Binns said MDU and MP are not interested in the program, saying they are a utility and not a vehicle for financing loans. He said utility companies have made loans for such

things as electric stoves so why not for insulating. In reply to another question, he said Great Falls Gas Co. has no way to expand their supplies of gas (purchase from Montana Power) and so may be one reason they are especially interested in conservation.

HB 426 REP. MELOY, the bill's chief sponsor, said this bill has a title that is formidable but the bill is not as complicated--the bill requires life cycle cost analysis before any state agency may lease or construct a facility. When the state of Montana wants to buy or build a building they accept bids and the bid is usually awarded to the lowest bidder. With this bill other things must be considered--what it will cost to heat or cool and maintain that building over the period the building will be owned. This then will be an energy conservation measure (as energy for heating or cooling is one of the big items in the overall cost). The Department of Administration will handle the collection of analytical data needed. Other states have life cycle analysis and their knowledge would be an aid to us. Florida has the computer soft ware called FLEET that will perform the needed analysis. He suggested this life cycle cost analysis could be used on other state purchases, too--like cares.

D. ROBERT LOHN, Governor's Office, said they endorse the bill. He said this is a recommendation similar to the one in the Governor's message. He suggested on page 3, lines 5 and 6, to strike "as computed by a qualified architect or engineer".

SONNY HANSON, Registered Architects and Engineers, said he was concerned about the increased costs. He said they could end up with a \$4,000 computer bill. He said they support the bill and the concept, but it will take more money. He did not care for Mr. Lohn's suggested amendment, as it could take the designing away from the architects and engineers.

PAT BINNS, an interested citizen, spoke in support of life cycle analyses. He said all state purchases should be included. He said it will increase front end costs because of better design but there will be a substantial decrease in energy needed. He said the MEAC recommendation suggested the data gained as the analyses were made should be made available to local governments so they could also use it without having to duplicate the research.

DARLENE GROVE, LEAGUE OF WOMEN VOTERS, stated their support of the bill, exhibit 3.

Rep. Meloy said he had no objection to Mr. Lohn's suggested change.

Chairman Sheldon closed the hearing. He said HB 426 would go into one of the subcommittees and he appointed a subcommittee to HB 390 and HJR 20: Rep. Nathe, Hirsch, and Curtiss; Rep. Cooney's bill, HB 254, was put in the same subcommittee as HB 190, as they both deal with nuclear wastes. Mr. Sheldon suggested they may wish to write a substitute bill.

HOUSE JOINT RESOLUTION 24

Rep. Harper moved do pass and Rep. Cooney seconded. Motion was unanimous, with members present (absent were Quilici, Huennekens and Bengtson).

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Rep. Nathe handed out amendments to his bill, HB 484, to be checked over by committee members before the next meeting.

Meeting adjourned at 12:15 p.m.

Respectfully submitted,


ARTHUR H. SHELDEN, Chairman

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