

April 15, 1977

The Natural Resources Committee convened on April 15, 1977, at 8 a.m., in room 437, with Chairman Shelden presiding and all members present except Reps. Frates, Huennekens, Quilici and Metcalf who were absent.

Chairman Shelden had called the meeting to further discuss the energy proposals.

Rep. Hirsch, chairman of the Plant Siting Subcommittee, said with the proposals we are trying to address future needs and put down guidelines for the future. He said their proposals have been condensed into four provisions and he said he was not necessarily in favor of all of them. He felt the most important thing for the future was to come up with a plant siting inventory.

Rep. Bengston asked it all industrial plants should be treated like utilities and come under this act. Rep. Hirsch said they are excluded from the need provision. He said if the facility is of sufficient size as to have adverse environmental, social or economic impacts it should have to comply with the plant siting review.

Rep. Davis said he had just learned that one reason the folks from McCone County are unhappy with the Circle West project was that the project would be located in Brockway school district, but most of the population impact would be in Circle or Jordan and they would get no increased tax base.

Chairman Shelden read through the first proposal. Rep. Curtiss moved that "social" and "economic" be deleted. She felt that once a company has been approved and built this would just be a form of harassment. She also moved to delete "based primarily on Montana's needs" from proposal 2.

Chairman Shelden said he saw monitoring as only gathering information. Rep. Nathe said he didn't like to see "social" in but the "economic" impacts he said he could see. He mentioned the Circle West project as an example. He mentioned they might have a similar situation with a potash plant in his county. He said he didn't want to pay increased taxes on kids the company brings in so they can make money--the company should pay its own freight. Rep. Davis questioned if monitoring of this kind should be all under the Department of Natural Resources. It was decided to delete reference to the department and insert "Appropriate state agencies" instead. The committee was in accord on this.

Rep. Burnett felt the primarily on number 2 should be left out. Rep. Cox said the jobs that could come from increased development could be important. Chairman Shelden reminded them that for every plant employee five men would be employed in the shipping out of the coal. Rep. Harper said he is firmly convinced that the way of life in Montana hangs upon the question of whether the coal is shipped out or burned here. He asked is Montana to become the boiler room of the nation? He said his folks came from Tennessee and parts of that state just aren't anymore.

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Chairman Shelden said one of his pet peeves is all the wasted heat in the turbine. He felt this would be broad enough to consider that.

Rep. Kessler said he agreed with Rep. Harper. He said when the coal runs out we will have some serious problems with all the extra people.

Rep. Nathe said the number of plants will also be limited by the number of lines they can run out. He mentioned some farmers in Minn. were up in arms over lines crossing their farms.

Rep. Hurwitz said some of the decisions can be left for the local level. He said the coal thing is big but he felt we have learned something since Tennessee.

Chairman Shelden asked if the first sentence of number 1 was broad enough to suit the majority of the committee.

Due to the House going into session Chairman Shelden asked for a motion to adjourn. The motion was made and the committee adjourned at 9 a.m.

Respectfully submitted,



ARTHUR H. SHELDEN, Chairman

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The Plant Siting Subcommittee proposals discussed today is exhibit 1 of the minutes.