

MINUTES OF THE MEETING  
NATURAL RESOURCES  
MONTANA STATE SENATE

February 15, 1977

The sixteenth meeting of the Natural Resources Committee was called to order by Senator George Roskie, Vice-Chairman, at 9:30 a. m. on the above date in Room 405 of the State Capitol Building.

ROLL CALL: Upon roll call all members were present except Senators Flynn, Devine, and Dover.

Mr. Larry Weinberg, Staff Attorney of the Legislative Council, was also present.

CONSIDERATION OF SJR 21: A Joint Resolution of the Senate and the House of Representatives of the State of Montana requesting the U. S. Forest Service, Department of Agriculture to initiate a study of the Kootenai and Yaak Rivers for designation as wild and scenic rivers.

Senator Joe Roberts, representing District 11, and Sponsor of SJR 21, stated that SJR 21 deals with a proposed dam at the Kootenai Falls area on the Kootenai River which is situated between Troy and Libby. (Picture of Area displayed for Committee Members.) Amended SJR 21 was passed out to the Committee Members. (See Attachment #1.)

Representative Arthur Sheldon, from District 22, stated that he has lived in this area since 1934. I think I am pretty familiar with it. I believe that a fairly substantial majority of people in my district would support this Resolution. I think we should seriously consider keeping the value of Kootenai Falls. Kootenai Falls is the last major waterfall in Montana. It is an important part of a large recreational area that attracts thousands of vacationers.

Mr. Stuart W. Swenson, Real Estate Broker and Developer from Libby, Montana, said that this project will have a long term adverse effect on the economy. Tourism will be our number one loss if we lose Kootenai Falls. The area directly above the Falls is prime fishing area. It provides access for tourism. I feel it is a number one resource for the future. (See Attachment #2.)

Mr. E. B. Phillips, an individual appearing on his own behalf, stated that he opposes construction of a dam at Kootenai Falls. I would propose that the Kootenai River be classified as a recreational river from the proposed reregulating dam site to the Idaho State Line. (See Attachment #3.)

Mr. Joe R. Cline, a resident of Libby and representing himself, stated that he was appearing to oppose the dam in Kootenai Falls or

anywhere else. We have lost ninety miles of free flowing river to the Libby Dam, and are about to lose seven miles more to the Reregulating Dam. (See Attachment #4.)

Mr. Henry Newhouse, President of the Libby Rod and Gun Club, stated that the Club with a membership of 150 has been on record as opposing the Kootenai Falls development from its inception. (See Attachment #5.)

Mr. Newhouse presented to the Committee and read two letters from the Austin Reedy Post No. 97 - American Legion in Libby, Montana, and the Brotherhood of Carpenters and Joiners of America of Libby, Montana. (See Attachment #6.)

Mr. Bob Holding, appearing as an individual, stated that he had lived in Libby for many, many years. He said he had spent many enjoyable days in this area and this is quite a tourist attraction. I would hate to see a tourist attraction obliterated. We must preserve some of this area for its scenic value. I request that this amended version be adopted.

Mr. Gerald Neils, representing the Montana Logging Association, stated that there are some marvelous forests in this area. In Montana, for too long we have been allowing prior use to give prior right.

At this time the opponents of SJR 21 were heard.

Mr. Pat McKittrick, representing Northern Lights, Inc., stated that the concerns of the proponents are premature. To put this in proper prospective the Federal Power Commission has given a feasible economic study. The Bonneville Power Project has already told Northern Lights that there will be no power for growth by 1983. Our law here in Montana is a model law. I think this Resolution is premature and should be defeated. (See Attachment #7.)

Mr. William T. Nordeen, General Manager of Northern Lights, Inc., in Sand Point, Idaho, stated that Northern Lights is one of the oldest electric cooperative utilities in the United States and in the early days was merged with the Sanders County Electric Cooperative in Montana. We now bring the electric energy base to about 6,000 residents of Lincoln and Sanders Counties. He said, that if the weather continues like it is you haven't seen anything yet. Two things are very important in the energy field, (1) where do our members go for supply and (2) what does it cost them. (See Attachments #8 and #9.)

Mr. James A. Sewell, representing Northern Lights, Inc., stated that Northern Lights, Inc., will have to develop a recreation plan with their license application for mitigating recreation within the project area. They will consult with the local people in developing this plan. This will provide much needed facilities at the site and provide for the maintenance of the site. (See Attachment #10.)

Mr. Joe Crosswhite, representing the Operating Engineers and WETA, residing in Columbia Falls, Montana, stated that it would be premature to pass this Resolution at this time.

Mr. Peter Jackson, Executive Director of WETA, stated that they are opposed to SJR 21. He said he is a rancher in Madison valley and that there are a lot of people fishing two hydroelectric dams on the Madison.

Mr. Ted Rollins, Superintendent of Schools at Troy, Montana, stated that the Kootenai River should not be considered for designation as a wild river since it is impounded by the Libby Dam and is bordered by the Burlington Northern Railroad and is subdivided for residential use west of Libby and west of Troy. Two letters from the Troy Lions Club and Troy Public School Trustees were read. (See Attachment #11.)

Mr. Earl Burns, representing the Troy Lions Club and the Troy Business & Professional Men's Club, stated that he did not think the Kootenai and Yaak Rivers qualify as wild and scenic rivers. The Northern Lights Project is very complimentary to the whole area.

Mr. Riley Childers, representing Rural Electric Cooperatives, stated that they were in opposition to SJR 21. It is evident from the language in this measure that the intent of such a Resolution is designed primarily to stop any study or development of Northern Lights. (See Attachment #12.)

Senator Manley asked, whether the cooperatives pay the same rate of tax.

Mr. Nordeen replied, that he was not sure. We do pay property tax in Montana. All cooperatives do.

Senator Smith said, it is too bad we have to damage beautiful scenery like that but we are going to have to take other things into consideration.

CONSIDERATION OF SJR 20: A Joint Resolution of the Senate and the House of Representatives of the State of Montana urging that the reregulating dam on the Kootenai River be designed and built to regulate river flows.

At this time proponents of the bill were heard.

Mr. Bruce May, from the Montana Department of Fish and Game presented a suggested amendment to SJR 20. He stated that the Department supports power generation in the reregulatory dam but only if the original purpose, to smooth out river flows for recreational and fishery benefits, remains its primary purpose. (See Attachments #13 and #14.)

Mr. Terry Holthaus, Technical Forester for the St. Regis Paper Company, stated that the reregulating dam was originally designed to regulate downstream flows which would in turn enhance fishery and recreational use. We now understand that the reregulating dam is to become a power generating dam. (See Attachment #15.)

Mr. Henry Newhouse, President of the Libby Rod and Gun Club, Libby, Montana, stated that they had worked with the Corps of Engineers for more than a year to try to regulate the river fluctuation. (See Attachment #16.)

Senator Manley asked whether they have any public plans.

Senator Roberts answered, that they have had some meetings in Libby.

CONSIDERATION OF SB 235: The Smith River Preservation Act, to preserve the Smith River in its present natural and scenic condition and protect its water quality and adjacent lands.

Senator Galt, Chief Sponsor of SB 235, briefly explained the bill and said that the Smith River is a beautiful river. The only accessibility is by boat. This bill would put 55 - 60 miles in this canyon where it can't be subdivided and can't be touched.

Mr. Gary Anderson, landowner along the Smith River, said that this bill is a compromise between the landowner and the public. This bill provides boat gates and people will have better public relations with the farmer. There is no major rancher that is against this bill in Cascade County. The river is getting used more and more every year.

Mr. George Zieg, of White Sulphur Springs, Montana, stated that he could find no opposition to this bill among the landowners on the upper end of the Smith River. (See Attachment #17.)

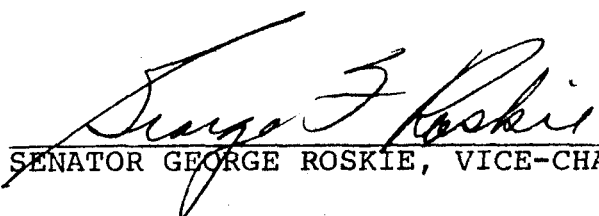
Mr. Don Price stated that he was for this Senate Bill 235.

Mr. Walter Tynes, Jr. of Ulm, Montana and Smith River Landowner, stated that he also was for Senate Bill 235.

Mr. Bill McKamey, Smith River Landowner, said that he feels this quarter mile that they are giving up is giving them a step in the right direction.

At this time, hearing on SB 235 was left open.

ADJOURNMENT: There being no further business, the meeting was adjourned at 11:10 a. m.

  
SENATOR GEORGE ROSKIE, VICE-CHAIRMAN

## NATURAL RESOURCES COMMITTEE

Date 2-15-77

[illegible]

check doc attach to minutes.

COMMITTEE

BILL 978 235

VISITORS' REGISTER

DATE 2/18/71

Please note bill no.

(check one)

		Please note bill no.	
NAME	REPRESENTING	BILL #	(check one) SUPPORT    OPPOSE
Earl Rainey	Northern Light	ST 17 421	✓
Art Whitney	Mt. 209	SUR 20	✓
Kevin E. Glass	Trout Unlimited	SR 235	✓
John H. Hager		235	✓
Clark H. Hager			✓
James H. Hager		ST 20-21	✓
John H. Hager	ASARCO		
Don H. Hager			
Walt H. Hager			

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY

NAME: William McManis DATE: 2/15/77

ADDRESS: Room 14, C. F. Wells Bldg.

PHONE: 222

REPRESENTING WHOM? South River Land owner

APPEARING ON WHICH PROPOSAL: 235

DO YOU:    SUPPORT?    ✓                      AMEND?                      OPPOSE?

COMMENTS: \_\_\_\_\_

NAME:

DATE : \_\_\_\_\_

ADDRESS:

PHONE:

## REPRESENTING WHOM?

APPEARING ON WHICH PROPOSAL:

DO YOU:

SUPPORT?

AMEND?

OPPOSE?

COMMENTS :



NAME: Ronald L. Rutz

DATE: 2/12/77

ADDRESS: 1504 5th Ave NW

PHONE: 453 3200

REPRESENTING WHOM? Omar Fraunhofer

APPEARING ON WHICH PROPOSAL: 235

DO YOU: SUPPORT? ☒

AMEND?

OPPOSE?

COMMENTS:

NAME: James E. Long Jr. DATE: 2-15-77

ADDRESS: White Sulphur Springs, Montana

PHONE: 647-3902

REPRESENTING WHOM? SELF

APPEARING ON WHICH PROPOSAL: 235

DO YOU: SUPPORT? X AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENTS: \_\_\_\_\_

NAME: LYNN GLASS DATE: 2-10-77

ADDRESS: 1357 SOUTH 5<sup>TH</sup> WEST MISSOULA

PHONE: 722-4342

REPRESENTING WHOM? TROUT UNLIMITED

APPEARING ON WHICH PROPOSAL: SR 235, SR 21

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENTS: \_\_\_\_\_

NAME: Jimmy Anderson DATE: Oct 1, 1971

ADDRESS: 11149 1/2 Ave. Street 1113

PHONE: 723 651

REPRESENTING WHOM? Carl Anderson & Nancy

APPEARING ON WHICH PROPOSAL: 235

DO YOU: SUPPORT?  AMEND?                      OPPOSE?                     

COMMENTS: \_\_\_\_\_

NAME: Terrell A. HOLTSHAUS DATE: 2/19/77

ADDRESS: PO Box 321 LIBBY, MT.

PHONE: 293-6801

REPRESENTING WHOM? SOCIETY of American Foresters - LIBBY CAMP

SJR 20  
APPEARING ON WHICH PROPOSAL: Re-regulating DAM Fluctuations

DO YOU: SUPPORT? ✓ AMEND?        OPPOSE? ✗

COMMENTS: I will submit a written report

Terrell A. HOLTSHAUS

NAME: BRUCE MAY DATE: Feb 10 1971

ADDRESS: RT-1 BOX 1270 LIBBY MT. 59923

PHONE: 243- 7639

REPRESENTING WHOM? MONT DEBT FISH & GAME

APPEARING ON WHICH PROPOSAL: H.J.R. 20

DO YOU: SUPPORT? YES AMEND?            OPPOSE?           

COMMENTS: \_\_\_\_\_

NAME: Ed Childers DATE: 7-18-71

ADDRESS: P.O. 1306 Great Falls Mont

PHONE: 484-1821

REPRESENTING WHOM? Mont Associated Industries

APPEARING ON WHICH PROPOSAL: SJR 21

DO YOU: SUPPORT? \_\_\_\_\_ AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENTS: not attending

NAME: Paul B. Hunt DATE: 2-15-57

ADDRESS: Liberty Jay Montana 59735

PHONE: 295-4280

REPRESENTING WHOM? Jay Lion Club & Jay River

APPEARING ON WHICH PROPOSAL: Senate Joint Resolution No 21

DO YOU: SUPPORT? \_\_\_\_\_ AMEND? \_\_\_\_\_ OPPOSE? X

COMMENTS: I feel the location of the river is  
an excellent scenic river. The river is  
located in the main part of the  
area & some of the good on both sides of the river  
but it is in some of the most of the  
area is private land. The river is  
being protected by a rail road & the  
land is now in some of the  
power project



NAME: Ed Pollaris DATE: 2 July

ADDRESS: P.O. Box 187, Troy, Montana 59735

PHONE: office 295-1606 home 295-4680

REPRESENTING WHOM? Troy School Dist #1 & Troy Lions Club

APPEARING ON WHICH PROPOSAL SJR-21

DO YOU: SUPPORT?                      AMEND?                      OPPOSE? X

COMMENTS: The Kootenai river should not be  
considered for designation as a wild  
river since it is impounded by the hobby  
dam and is bordered by the Burlington  
Northern RR and is sub-divided for residential  
use west of hobby & west of Troy. The  
Kootenai Falls site is probably an  
excellent spot for a run-of-the-river  
hydro-electric generation plant.

COMMENTS: \_\_\_\_\_

NAME: Joe R. ...

DATE: 2-14-77

ADDRESS: Columbus Mills

PHONE: 873-6055

REPRESENTING WHOM? Operating Engineers and ILETA

APPEARING ON WHICH PROPOSAL: SR 21

DO YOU: SUPPORT? \_\_\_\_\_ AMEND? \_\_\_\_\_ OPPOSE? XX

**COMMENTS:**

NAME: James A. Scamell DATE: 2-15-77

ADDRESS: Box 160 Newport, Wash 99156

PHONE: 509-497-3626

REPRESENTING WHOM? Northern Lights

APPEARING ON WHICH PROPOSAL: SJA # 21

DO YOU: SUPPORT?                      AMEND?                      OPPOSE? ✓

COMMENTS: Have written testimony

DATE: 4/15/77

ADDRESS: Box 310 Sandpoint Idaho

PHONE: 1181263 2900

REPRESENTING WHOM? Northern Lights

APPEARING ON WHICH PROPOSAL: SJA 21

DO YOU: SUPPORT? \_\_\_\_\_ AMEND? \_\_\_\_\_ OPPOSE?   X  

COMMENTS: \_\_\_\_\_

NAME:

Pat M: Kitzbuck

DATE: 2-15-77

ADDRESS:

315 Davidson Bldg, Great Falls, Mo., 59401

PHONE:

721-4041

## REPRESENTING WHOM?

Northern Lights, Inc.

APPEARING ON WHICH PROPOSAL:

S. J. R. 21

DO YOU:

## SUPPORT?

AMEND?

OPPOSE?

COMMENTS:

NAME: Gerald T. Neils DATE: 2/15

ADDRESS: 1923 Broadway Helena

PHONE: \_\_\_\_\_

REPRESENTING WHOM? Montana Logging Assn

APPEARING ON WHICH PROPOSAL: SLR 21

DO YOU: SUPPORT? ✓ AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENTS: \_\_\_\_\_

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NAME: Henry W Newhouse DATE: 2-15-77

ADDRESS: RT 3 Box 1054 Libby, MT 59923

PHONE: 273-6093

REPRESENTING WHOM? Libby Red & Gun Club

APPEARING ON WHICH PROPOSAL: STR 20421

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENTS: Will hand in a written statement  
which I would like read

HW Newhouse



NAME: Sgt. H. Chene DATE: Feb 15 1944

ADDRESS: Rt 1, Box 1024 Libby Mont.

PHONE: 293 4454

REPRESENTING WHOM? Self

APPEARING ON WHICH PROPOSAL: SJR 21

DO YOU: SUPPORT? ✓ AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENTS: \_\_\_\_\_

NAME: Ellis D. Phillips DATE: 2/15/77

ADDRESS: Rt 2 Box 548 Libby, Mont. 59923

PHONE: 406-293-5428

REPRESENTING WHOM? Myself

APPEARING ON WHICH PROPOSAL: SENATE  
JOINT RESOLUTION #21

DO YOU: SUPPORT? X AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENTS: Will submit written Report

NAME: Alfred W. Swenson

DATE: Feb 15, 1977

ADDRESS: Box 1 Libby, Montana

PHONE: 293-4342

REPRESENTING WHOM? Maurer Realty

APPEARING ON WHICH PROPOSAL: STR 21

## SUPPORT?

AMEND?

OPPOSE?

COMMENTS:

NAME: Art Sheldon DATE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

PHONE: \_\_\_\_\_

REPRESENTING WHOM? Self & Dist 22

APPEARING ON WHICH PROPOSAL: SJR 21

DO YOU: SUPPORT? ☒ AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENTS: \_\_\_\_\_

Rhodenai Falls is the last  
major waterfall in Montana.  
It is an important part of a  
large recreational area. This  
attracts thousands of vacationers.

(Attachment #1.)

AMENDED SJR 21

February 11, 1977

WHEREAS, Libby Dam has already impounded 90 miles of the Kootenai River, leaving only 40 miles of free flowing river left in Montana;

WHEREAS, the Northern Lights Power Company is planning to build a dam and powerhouse at Kootenai Falls, a unique scenic, geological and recreational area;

WHEREAS, the Katka Dam Site, in Idaho, ten miles from the Montana State Line, is being seriously considered for development by the Idaho Water Resources Board;

WHEREAS, the scenic and recreational qualities of the remaining free flowing Kootenai River is of local, state, and national significance;

WHEREAS, this locally, regionally, and nationally significant scenic and recreational resource should not be impacted by a small hydroelectric development which will have only local value;

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

THAT, the Montana legislature request the United States Congress bar hydroelectric power development on the Kootenai River at the Kootenai Falls Site.

(Attachment #2.)

My firm is the largest residential and commercial developer in Lincoln County. I have talked to many area businessmen and they feel very strongly that this project will have a long-term adverse affect on the economy. The boom that comes with short term projects such as these, have traditionally left the area with high unemployment and social problems.

It is also the prime fishing area on the Kootenai and the most heavily used. It provides easy access for tourists and most of the area can be viewed from Highway #2.

This area should not be developed until all the other sources and alternatives have been exhausted.

I am for progress, but this is not progress, this project will cause an irreversible impact on tourism in Western Montana. This project will provide short term benefits for Montana and long-term benefits for an out-of-state utility and their power users.

Therefore, I believe that Kootenai Falls is much too valuable to the economic base of Western Montana, and will become more valuable in the future, to allow such a project as proposed by Northern Lights of Idaho.

A handwritten signature in cursive script, reading "Stuart W. Swenson". The signature is written in dark ink and is positioned at the bottom left of the page.

(Attachment #3.)

STATEMENT OF E. B. PHILLIPS  
on Northern Lights Proposal  
to Build a Dam on The Kootenai River  
at The Kootenai Falls Site

I oppose the construction of a dam at Kootenai Falls. I would propose that the Kootenai River be classified as a Recreational River from the proposed Reregulating Dam Site to the Idaho State line.

The Kootenai Falls area is a natural area used by many people and viewed by thousands of tourists annually. This is one of the few remaining major river falls areas in our country and is located so all can view and enjoy. This area should not be destroyed.

Each year we, as a family, have made trips to the falls area to enjoy it's beauty, fish, rappel the cliffs and picnic. I am interested in preserving this for others to enjoy and use for family recreation.

There are approximately 40 miles of free flowing Kootenai River left in Montana. The proposed dam would fragment this into two 20 mile sections and change the natural beauty of The Falls area.

I have additional concerns about statements that have been made to the news media and made orally at meetings by Northern Light officials. It is my opinion that these statements tend to fit the situation of the moment and are not consistent in content. Such statements as "the river would be backed up four miles", but as resistance to the project increases, this was reduced to 1-1/2 miles.

Another example hard to understand is the capacity of the project. It has been stated the dam would operate two 70 M/W generators but the flow through the reregulating dam upstream will only produce 50.3 M/W from four generators. The

(Attachment #4.)

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I OPPOSE THE DAM AT KOOTENAI FALLS, OR ANYWHERE ELSE, ON WHAT IS LEFT OF THE KOOTENAI RIVER. WE HAVE LOST NINETY MILES OF FREE FLOWING RIVER TO THE LIBBY DAM, AND ARE ABOUT TO LOSE SEVEN MILES MORE TO THE RE-REGULATING DAM. WE WILL HAVE EIGHT GENERATORS AT LIBBY DAM AND POSSIBLY FOUR MORE AT THE RE-REGULATING DAM. I THINK THAT IS ENOUGH FOR THIS AREA! I DON'T THINK WE SHOULD BE FORCED INTO GIVING UP ANYMORE OF OUR FREE FLOWING RIVER WHICH CAN NEVER BE RECLAIMED. I THINK NORTHERN LIGHTS AND THE CORPS OF ENGINEERS SHOULD CONCENTRATE MORE ON CONSERVATION AND LESS ON EXPANDING AND PROFITS AT THE EXPENSE OF OUR FREE FLOWING STREAMS.

RESPECTFULLY SUBMITTED,

JOE CLINE



Libby Rod & Gun Club  
PO Box 712  
Libby, MT 59923

I am President of the Libby Rod and Gun Club which has a membership of over 150. The Club has been on record as opposing the Kootenai Falls development from its inception. Further the Kootenai River Protective Association now within the Club has also been on record in opposition. All the meetings concerning the proposed project have been well attended and in every instance unanimous opposition was expressed. The "Falls Area" due to its already named assets is the most intensively used recreation area in the county.

(Attachment #6.)

AUSTIN REEDY POST NO. 97  
AMERICAN LEGION  
LIBBY, MONTANA



Feb 8, 1977

To Whom It May Concern:

The 250 strong of American Legion Post # 97 wish to be noted on record as opposed to the construction of the proposed dam at the Kootenai Falls Site.

We feel that the scenic and historic Kootenai has been exploited to it's present state by lack of concern for it's beauty and quality. We feel that this being one of the last frontiers in scenery and game fishing it should be preserved and protected from further encroachment and ravishment by projects of questionable nature and payoff. We are not totally opposed to harnessing of the power of the Kootenai, but will not tolerate the sacrifice that would have to be made for such a small benefit and questionable progress.

yours truly,

The Membership of Austin Reedy Post # 97 , Libby, Montana

Richard Johnson , Commander

A handwritten signature in cursive script, reading "Richard Johnson", is written over a horizontal line.

# Northwest told: save electricity

PORTLAND, Ore. (AP) — The worsening drought in the Pacific Northwest has prompted the Bonneville Power Administration (BPA) to call for a 10 per cent cutback in the use of electricity in the region.

If substantial rain doesn't come soon, BPA administrator Don Hodel said, the BPA may call for mandatory curtailments in the use of electric power to conserve water in reservoirs behind hydroelectric dams.

Hodel issued the call for voluntary conservation at a news conference Monday, a few hours after a telegram was sent to utilities in Oregon, Washington, Idaho and Montana, asking them to suggest to their customers ways of conserving power.

Hodel said he talked to governors of all the affected states before sending the telegrams.

The telegram included a list of suggested ways of saving electricity. They included reducing the temperature of water heaters, turning thermostats down to 62-65 degrees in the daytime and 50-55 degrees at night, using cold water for laundry and minimizing the use of televisions, stereos and lighting.

Feb. 1, Hodel said the situation wasn't serious enough to warrant a call for voluntary cutbacks in energy use.

"Two weeks ago I didn't think we'd be talking about voluntary curtailments until at least April," Hodel said Monday. "If the water conditions continue to worsen, one of us might have to consider going to further curtailments including some kind of mandatory cutback."

Hodel added that neither the BPA nor utilities has the authority to order mandatory cutbacks in the use of electricity. Such an order must come from federal, state or local government, he said.

The telegram to utilities, signed by Hodel and the director of the Northwest Power Pool, Merrill Schultz, said, "The continuing winter drought has increased the risk of a future energy emergency to a

serious level.

"More urgently, the unprecedented lack of moisture has cast doubt on the adequacy of water supplies to meet non-power requirements during this spring and summer."

The telegram added that "an unusually wet spring and summer could alleviate the problem but the risk is too high to wait."

"Historically, we've never seen a year as low as this," Hodel said.

Schultz said the drought has worsened considerably since Feb. 1, when the Northwest Power Pool forecast a "30 to 40 per cent chance that our reservoirs would be low enough by midsummer to call for mandatory curtailment."

Jack Robertson, regional administrator of the Federal Energy Administration in Seattle, attended the news conference and said he is pleased with the call for a 10 per cent cutback.

"We're mainly concerned that it may not be enough," Robertson added.

Schultz said voluntary cutbacks of 10 per cent by electricity consumers "would go a long way toward preventing mandatory cutbacks."

Hodel said he expects a favorable response to the BPA's action.

"I'd expect a good response from the utilities," Hodel said. "If not the people, only time will tell, but I think their response also will be good."

He said during the 1973 water shortage, conservation efforts were exceptional in the Northwest.

The list of suggested methods of cutting back on the use of electricity was grouped in three phases of accelerated seriousness.

The most serious phase included reduction of lighting by 50 per cent, use of cold water in laundry, eliminating the use of the dishwasher and clothes dryer, reduction of water heater temperature to 105 degrees and the elimination of the use of all escalators and cutting the use of elevators in half.

## Aluminum power drying up

aluminum producers, Reynolds Metals Co. and the Aluminum Co. of America, have announced production and personnel reductions because of BPA cutbacks.

The BPA announced earlier this month that it would have to curtail power deliveries under interruptible contracts because drought conditions in the Pacific Northwest have reduced the generating potential of hydroelectric dams.

power this month from Canadian sources to make up the BPA loss, but new sources will be needed by next month. Production may be cut back if additional power sources cannot be found, he said. The firm also said the extent of possible cutbacks and the number of employees involved is unknown. The aluminum operation employs about 980 persons.

Two other Pacific Northwest

COLUMBIA FALLS (AP) — The Anaconda Aluminum Co. is shopping for new sources of electric power for its reduction works at Columbia Falls, a spokesman said Monday.

The search is necessary because the Bonneville Power Administration has served notice to the firm that it is curtailing power deliveries to the plant by 25 per cent.

A plant spokesman said the company can draw enough

(Attachment #8.)

My name is Wm. T. Nordeen. I am General Manager of Northern Lights, Inc., a tri-state rural electric with headquarters at Sandpoint, Idaho. I am a graduate of the University of Washington with a major in public utilities. I have been employed by both public and private power over the past forty years and have been a chief executive for 22 years.

Northern Lights is one of the oldest electric cooperative utilities in the United States and in the early days we merged with the Sanders County Electric Cooperative in Montana. We now bring the electric energy base to about 6,000 residents of Lincoln and Sanders Counties.

Presently, we hold a preliminary permit from the Federal Power Commission to study a run-of-the-river hydroelectric project located on the Kootenai River, four miles upstream from Troy, Montana.

Our main power supplier, the Bonneville Power Administration, has notified us that they will not provide us with power for growth after 1983. There is no doubt but that we are in for a shortage of energy and a higher energy cost whether it is oil, natural gas or electricity. Two things are very important in the energy field (1) where do our members get the supply? and (2) what does it cost them? An analysis of Power Generating Costs 1985 - 2000, by Sargent & Lundy from Electric Light and Power Magazine quoted as follows: "Sargent & Lundy estimates that for an 1100-MW nuclear unit starting up in late 1985 the 15-year levelized generating cost will be almost 52 mills/kwh--6.4 times today's cost. But coal-fired costs will be even higher."

BEFORE THE FEDERAL POWER COMMISSION  
APPLICATION FOR PRELIMINARY PERMIT

1. Northern Lights, Inc., a corporation, organized under the laws of the State of Idaho and having its office and principal place of business at Sandpoint in the State of Idaho, being desirous of obtaining a license under the Federal Power Act, hereby makes application to the Federal Power Commission for a preliminary permit for thirty-six months, for the project described herein. This application is made in order that the applicant may secure and maintain priority for a license under the Federal Power Act while procuring data and performing the acts necessary to perfect an application for such license.

2. The name, title, and post-office address of the person to whom correspondence in regard to this application shall be addressed is as follows:

Mr. William T. Nordeen, Manager, Northern Lights, Inc.,  
P. O. Box 310, Sandpoint, Idaho 83864

3. The applicant is a corporation and is organized under the following laws:

Section 30, Chapter 10 of the coded laws of the State of Idaho.

4. The measure of control or ownership exercised by or over the applicant in any other organization, is as follows:

Applicant is financed by the Rural Electrification Administration of the United States and is subject to control by them insofar as loan feasibility is affected.

5. The applicant proposes to operate in the following area:

Bonner, Boundary, and Kootenai Counties in the State of Idaho, Lincoln and Sanders Counties in the State of Montana, and a portion of Pend Oreille County in the State of Washington.

6. The location of the project applied for is as follows:

- (a) In the State of Montana
- (b) In the County of Lincoln
- (c) On the following-named stream: Kootenai River, carrying commerce to the following extent: None
- (d) In the region of the following-named cities and towns: Troy, Montana and Libby, Montana

7. Lands of the United States which will be affected are located in the Kootenai National Forest.

(Attachment #10.)  
SJR #21 HEARING  
at 9:30 AM Tuesday, February 15, 1977  
Helena, Montana

- - -  
JAMES A. SEWELL TESTIMONY  
- - -

My name is James A. Sewell. I graduated in 1937 from Washington State University with a B.S.C.E. degree. I am a licensed Civil Engineer in the states of Washington (#2227), Idaho (#775), and Montana (#427E). After graduation I was employed by the Washington State Highway Department and Toll Bridge Authority in road and bridge construction and bridge design for a period of about 5 years. I then was employed by the Everett Pacific Company in drydock and ship building for about 3 years. I then went into partnership with my father in January 1946 at Newport, Washington with a branch office in Spokane, Washington. The firm name was H. A. Sewell & J. A. Sewell. I am presently a partner in James A. Sewell & Assoc. which continues at the same location with many of the same and some new clients. Our clients include Rural Electric Coops, Public Utility Districts, Cities, Towns, Sewer and Water Districts and many private clients in land subdivision, etc. Our firm has been involved in electric transmission and distribution line design and construction, hydro-electric generation construction, maintenance and power sales and I presently represent Public Utility District No.1 of Pend Oreille County, Washington as a contract committee member of the Pacific Northwest Coordination Agreement which is made up of all of the generating utilities in the northwest. In addition to this our firm does sewer, water and street design and supervision of construction.

Mr. Nordeen, Manager of Northern Lights, Inc. first discussed the proposed Kootenai River Project with me in November 1974 and asked me to contact Harza Engineering Co. of Chicago, Illinois concerning the design engineering for the proposed project. He wanted to know how much power

FULLY ACCREDITED BY NORTHWEST ASSOCIATION OF SECONDARY & HIGHER EDUCATION

TED M. ROLLINS,  
SUPERINTENDENT

KAREN I. CARRIER,  
CLERK

PHONE 295 4606

## TROY PUBLIC SCHOOLS

DISTRICT NO. 1, LINCOLN COUNTY

P. O. DRAWER O

TROY, MONTANA 59935

DAVID R. STEPHENSON,  
HIGH SCHOOL PRINCIPAL  
PHONE 295 4520

BOBBY K. COLDWELL,  
ELEMENTARY PRINCIPAL  
PHONE 295-4321

February 14, 1977

Montana State Legislature  
Senate Natural Resources Committee  
Helena, Montana

Senator Elmer Flynn, Chairman

Gentlemen:

The Board of Trustees for School District #1, Troy, Montana wishes to go on record as opposed to the adoption of SJR-21 which would designate the Kootenai and Yaak Rivers for study leading toward "Wild and Scenic" classification.

We oppose this resolution for the following reasons:

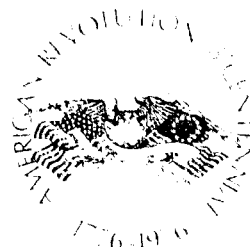
1. The Kootenai River is a controlled river and has been since the completion of the Libby Dam, hence cannot be considered a "Wild River" by any standard.
2. The Northern Light Power Company has indicated a desire to construct a run-of-the-river power plant near the Kootenai Falls area on the Kootenai River. If approved and built, this plant would become part of the tax base in this school district and increase the taxable valuation from the present \$2,586,456.00 to \$8,586,456.00 for an increase of 232%. At the present time the taxpayers in Troy are paying 262.522 mills, the highest in Lincoln County.
3. We feel that run-of-the-river power generation as proposed by Northern Lights is a good attempt to help alleviate the power shortage we now face in this Nation.
4. We see SJR-21 as an attempt, by a special interest group, to prevent the construction of the proposed power plant at Kootenai Falls.

We urge the Senate Natural Resources Committee to kill SJR-21 for the above reasons.

Sincerely,

  
R.M. Kensler, Chairman

  
T.M. Rollins, Superintendent



Feb 15, Hearing 9:30 AM NATURAL RESOURCES

opposition to SJR 21

NAME — Riley W. Chilton  
Representing Rural Electric Cooperatives

Mr. Chairperson, members of the Committee  
We are opposed to SJR 21 on the grounds  
that this Area Along the Kootenai Now being  
discussed Already has A Railroad - Highway  
Power Lines - Telephone Lines AND even with  
A VERY strong stretch of the IMAGINATION  
Could HARDLY qualify AS A WILD AND  
SCENIC AREA.

It is evident From the language in this  
measure that the intent of such A Resolution  
is designed primarily to stop ANY study  
or development of Northern lights Kootenai  
River Project, AND the use of the renewable  
WATER resources of this AREA.

Studies of the Kootenai River Project AS  
so FAR projected is A fine example of A  
VERY clean, environmentally, sound utilization  
of A Renewable resource.

The Adoption of this Resolution AS  
drafted, or AS it may be Amended or



(Attachment #13.)

Suggested Amendment to SJR No. 20, Page 2, line 3, following "day" add:

AND BE IT FURTHER RESOLVED, that the Congress and the Corps of Engineers be advised we support the addition of power generation facilities at the Libby reregulating dam only if the congressional authorization for such facilities include the requirement that the primary purpose of the dam is for the reduction of flow fluctuation caused by Libby Dam's operation and that the function of power generation at the reregulation dam is considered secondary to that primary purpose.

STATEMENT PRESENTED TO SENATE NATURAL RESOURCES COMMITTEE IN SUPPORT  
OF SJR NO. 20

By Bruce May, Montana Department of Fish and Game - February 15, 1977

Libby Dam is a hydroelectric structure built and operated by the Corps of Engineers on the Kootenai River near Libby, Montana. This dam is operated primarily for peaking power during periods of largest electric demand. Power demands vary both seasonally and daily.

Power demands will generally be the greatest during the weeks when factories and businesses are operating from about 8:00 a.m. to 6:00 p.m. On a seasonal basis demands are highest during the late fall and winter periods when more energy is needed for heating homes and factories.

Libby was designed to house eight turbines, each generating 105,000 kilowatts of electricity, primarily for use during peak power demand periods. Each unit requires 5,000 cfs to produce the 105,000 kilowatts. Thus when all eight units are on line, the river flow below Libby Dam will reach 40,000 cfs. The large change in flow from the minimum release of 2,000 cfs up to 40,000 cfs necessitated that a reregulatory dam be built downstream below the main dam to smooth out river flows. When first proposed, the only purpose of the "rereg" was to reduce the river fluctuations to benefit recreational and fishery use in the Kootenai River and prevent surge erosion. Construction of the dam is presently authorized for this purpose. However, the Corps is returning to Congress to seek authorization for the installation of power generation facilities in the rereg dam.

The river fluctuation criteria were determined by the Corps in the early 1960's after considering input from the Bonneville Power Administration, the Bureau of Sport Fisheries and Wildlife and our Department. The maximum fluctuation criteria are 6 feet per day and 2 feet per hour during the period October through March and 4 feet per day and 1 foot per hour during the April through September period. It has been

**SOCIETY OF AMERICAN FORESTERS**  
**NORTHERN ROCKY MOUNTAIN SECTION**  
**LIBBY CHAPTER**



12 FEB. 1977

**STATEMENT: LIBBY CHAPTER OF THE SOCIETY OF AMERICAN FORESTERS  
BEFORE THE NATURAL RESOURCES COMMITTEE OF THE SENATE OF  
MONTANA, CONCERNING THE LIBBY RE-REGULATING DAM. JR 20**

**MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:**

MY NAME IS TERRY HOLTHAUS, TECHNICAL FORESTER FOR THE STREGIS PAPER CO., LIBBY OPERATIONS, AND SEC. - TREAS. FOR THE LIBBY CHAPTER OF THE SOCIETY OF AMERICAN FORESTERS, CONSISTING OF 35 ACTIVE MEMBERS. THE LIBBY CHAPTERS OBJECTIVES ARE TO PROMOTE THE SCIENCE, PRACTICE, AND STANDARDS OF FORESTRY, BUT WE DON'T WANT TO STOP THERE. THE LIBBY CHAPTERS VIEW INCLUDES A QUALITY LIFE IN NORTHWEST MONTANA AND THESE QUALITIES ARE ABUNDANT AND RESPONSIBLY MANAGED FISHERIES, WILDLIFE, RECREATION, AND WATER.

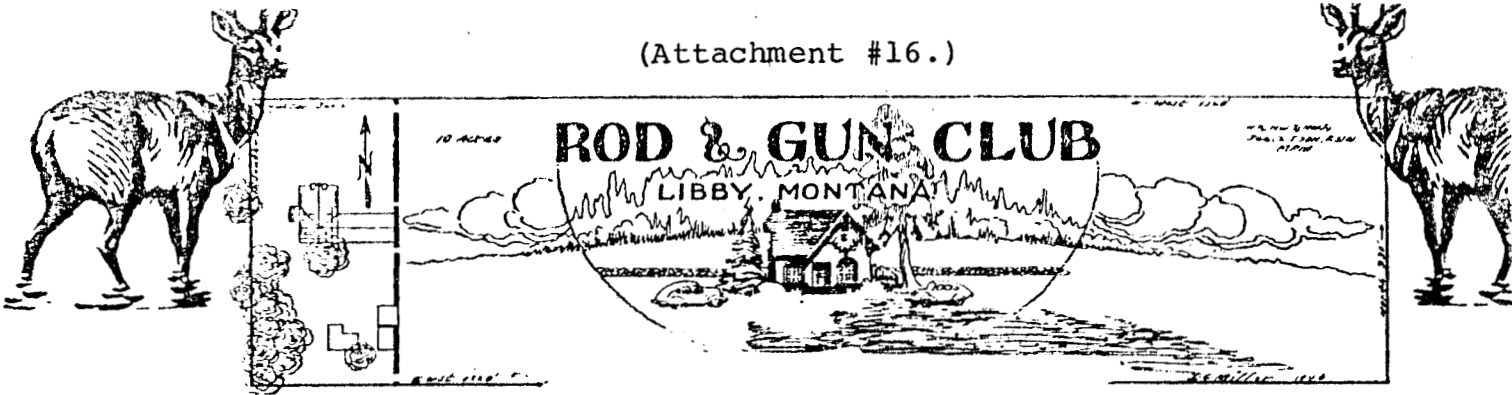
*Feb 4<sup>th</sup> 1977*  
THE LIBBY CHAPTER VOTED FAVORABLY ON A RESOLUTION, SPONSORED BY THE LIBBY ROD AND GUN CLUB, CONCERNING THE RE-REGULATING DAM LOCATED APPROX. 10 MILES DOWNSTREAM FROM THE MAIN LIBBY DAM.

THE RE-REGULATING DAM WAS ORIGINALLY DESIGNED TO REGULATE DOWNSTREAM FLOWS WHICH WOULD IN TURN ENHANCE FISHERY AND RECREATIONAL USE. WE NOW UNDERSTAND THAT THE RE-REGULATING DAM IS TO BECOME A POWER GENERATING DAM, THUS ANOTHER INCREASE IN RIVER FLUCTUATIONS. THIS INCREASE IN FLUCTUATIONS WILL UNDOUBTEDLY REDUCE THE FISHERY AND RECREATIONAL INTENTIONS.

THE LIBBY CHAPTER OF THE SOCIETY OF AMERICAN FORESTERS WOULD LIKE TO GO ON RECORD AS STATED BY THE LIBBY ROD AND GUN CLUB, THAT, THE LIBBY RE-REGULATING DAM BE BUILT AND DESIGNED TO REGULATE RIVER FLOWS FOR THE ENHANCEMENT OF THE FISHERY AND RECREATIONAL USE AND THAT THE MAXIMUM ALLOWABLE FLUCTUATION BE LIMITED TO LESS THAN THREE FEET PER DAY.

RESPECTFULLY SUBMITTED

*Terry A. Holthaus*  
TERRY A. HOLTHAUS



February 11, 1977

Colonel John A. Poteat  
District Engineer  
Seattle District Corps of Engineers  
Post Office Box C3755  
Seattle, WA 98124

Dear Sir:

Thank you for your December 22, 1976, letter, addressing the questions we asked you in our correspondence dated November 15, 1976.

We were pleased to note that you believe the Corps can schedule peaking operations to enhance fishing opportunities on the Kootenai River; but, in order to do this, you indicated that the Corps needed information on prime fishing hours by months and by best fishing stretches. The Libby Rod and Gun Club has worked on the request for over a month. The effort was culminated with a well-attended public meeting on January 13, 1977.

At the meeting, in which a wide cross-section of the fishermen were represented, we collected data on the best flow for fishing opportunity, the prime fishing area, the time of greatest fishermen use, and the prime fishing stretches of the river. The data has been noted into the following by the Kootenai River Committee of the Club:

1. FLOWS WHICH PROVIDE THE GREATEST FISHING OPPORTUNITY:

4000-6000 CFS. Bait fishermen expressed flows below 4000 cfs were not conducive to bait fishing. Bait flows above 6000 cfs were not conducive to fishing opportunity for fly fishermen. We believe that flow will probably exceed the 4000-6000 cfs criteria during winter break down, during peak hours, and during annual spring floods.

(Attachment #17.)

George Zieg, Jr.

Rancher and resident of upper Smith river

TESTIMONY: Senate Bill No. 235

This bill is an attempt to protect the Smith river and to regulate the recreational use. This area does not lend itself well to heavy use by people, either as recreationists nor as residents.

Let us look at some of the present day problems arising along the Smith river:

There is a good deal of land along this river that would be very desirable to the developer and sub-divider. There are few developments at the present time but the possibility of more in the near future is very real.

Recreational use is becoming very heavy, mainly by boaters. The Fish and Game Dept. has provided access to the river for this activity, however, a good share of the stream runs through private land. There are no camping areas or facilities and very little supervision for this recreational use. This obviously is not a satisfactory arrangement for either the landowner nor the recreationists. This bill would correct a good many of these problems.

People have come to Montana to float the Smith from many other states, arriving in late July, August and September. After a long trip and a lot of expense, they then discover there is no floating, due to low water. The information was not available nor mentioned in the article they had read, that the Smith is a very short seasoned and limited thing. Some very unhappy guests of Montana are soon on their way home. Perhaps this bill would help rectify this problem.

We are concerned about the river named Smith by Lewis and Clark in