

MINUTES OF THE MEETING
LOCAL GOVERNMENT COMMITTEE
MONTANA STATE SENATE

March 25, 1977

The meeting of the Local Government Committee was called to order by Chairman McCallum on March 25, 1977 at 9:30 a.m. in Room 410 of the State Capitol Building.

ROLL CALL: All members present except Thiessen

The following visitors were present:

| | |
|----------------|--|
| Les Loble | Montana Dakota Utilities & General Telephone of Northwest, Inc. |
| George Bennett | Mountain Bell |
| Everett Shuey | Montana Power |
| Gene Phillips | Pacific Power & Light and Northwestern Telephone |
| Jim Hughes | Mountain Bell |
| Bob Gannan | Montana Power |
| Al Sampson | Mont. State Firemen's Association |

CONSIDERATION OF HOUSE BILL 667: Representative Fagg appeared before the committee as chief sponsor of the above bill. In areas of businesses and high-rise buildings the power poles are down both sides of the alleys with horizontal poles across the top across the alley. This makes for a very bad situation in trying to fight fires if they have to come in through the alley. It is impossible to get a ladder truck in such a place. Through personal experience Rep. Fagg said that the firemen had to go into the building to fight a fire rather than through the back of the building which caused extensive smoke inhalation to some of the firemen. They had to fight the fire from the inside rather than the outside. (Pictures attached) The only way that a fire department could fight a fire in such a situation would be to cut off the power and cut the lines. He mentioned that the same power lines existed in 1941 when the Northern Hotel burned down. The Courthouse and the Federal Building in Billings are the largest users of power in downtown Billings and there are no wires to these buildings; they are all buried. Most of these lines in the downtown areas of the larger cities are transmission lines; they are transmitting power to other parts of the city and only a percentage is being used downtown. The estimate for Billings was 25% being used by the downtown businesses. Rep. Fagg also submitted some suggested amendments for the bill. (Attached). This bill would save a substantial amount of property damage in the future and human lives. He felt this should be done only in those areas where there is a severe problem. He felt that the cost could be borne on a percentage basis by those using the power. He had checked with the city engineer for Billings and said that the block to block cost would vary with each block.

Al Sampson, Montana State Firemen's Association, recognized that overhead wires create an additional problem in fighting fires in downtown areas. They cannot use an arial ladder in the alley where these overhead wires and poles are situated.

Glen Drake, Montana League of Cities and Towns, supported this bill.

He felt it is an honest attempt to deal with this matter and it is a matter that needs dealing with.

Opponents

George Bennett, Mountain Bell, stated that this problem has been around for a number of years. It has handled in the past by creating special improvement districts and the people in those areas pay the cost of undergrounding the utilities. The law is already on the books; it is just how this problem will be taken care of. If these utility companies had to tunnel in the alleys, this cost would subsequently be passed on to their customers, not only in that area, but statewide.

Lester Loble, Montana Dakota Utilities, felt that the real question here is how much it would cost and who would pay. They did not oppose a bill that would save human life and property. He submitted a cost study prepared by Morrison-Maierle Engineering Firm. (Attached)

Gene Phillips, Pacific Power and Light Company, stated that virtually all of the lines in Kalispell serve the downtown area. If these lines are buried you run into the problem of reliability with power and telephone lines running side by side. It is also much more difficult to find an outage.

Everett Schuey, Montana Power Company, suggested that the bill, as written be assigned to a subcommittee and studied further.

Jim Hughes, Montana Power, felt that in this bill the companies were limited to a tunnel type of situation. There are many other ways of accomplishing this with a much lower cost to the customer.

In closing, Rep. Fagg mentioned that in the cost study they estimated the tunnel as being five feet deep and felt there was no need to go much farther than below the frost line. He felt there could be a compromise with the power companies and asked that the bill be held in a subcommittee for further study.

The committee asked questions of the witnesses attending. It was brought out that the safety problem in this tunneling is very severe.

CONSIDERATION OF HOUSE BILL 748: Representative Fagg, appeared as chief sponsor. This bill only permits an individual to bury a line if they so desire. There are 25 to 30 businesses that have gone across the alley for one meter. Makes for much easier bill paying, looking for problems.

Opponents:

Bob Gannan, Montana Power, felt this is a gimmick type of legislation which would result in a rate advantage in large areas where businesses would only have one meter instead of two. He felt the legislature should not address itself to this; it is a matter for the Public Service Commission and should be solved by them.

Lester Loble agreed with Bob Gannan to the fact that this

should be within the PSC.

It was felt that the use of one meter would encourage people to use more electricity.

In closing, Rep. Fagg disagreed with the above feeling. In a business that is open from 8 to 5 there is going to be a certain amount of electricity used and one meter will not encourage anyone to use a larger amount.

CONSIDERATION OF HOUSE BILL 521: Senator Dunkle, Senator Peterson and Senator Lockrem were assigned as a subcommittee to work on this bill with Dunkle chairman.

DISPOSITION OF SENATE BILL 445: The bill was printed in grey bill with the amendments color coded. Senator Lockrem moved the adoption of the yellow amendments, which are Senator Story's and the Secretary of State's amendments, on pages 1 and 14. Dunkle seconded the motion, motion carried unanimously.

Senator Lockrem moved the adoption of the blue amendments, which are his amendments prepared by Larry Weinberg of the Legislative Council, excluding page 12, part of line 11, all of line 12 and 13; and excluding (4) and (5) on pages 7 and 8. Dunkle seconded the motion, motion carried unanimously.

Senator Dunkle moved that the green amendments, submitted by Glen Drake, on pages 3 and 4, be not adopted. Lockrem seconded the motion, motion carried unanimously.

Senator Watt moved the pink amendments, submitted by Dale Harris, on page 15. The motion was seconded by Peterson and was carried unanimously.

Senator Story moved to insert an effective date of May 1, 1977. Seconded by Peterson, motion carried unanimously.

Senator Lockrem moved that SB 445 Do Pass As Amended, seconded by Peterson. Motion carried unanimously.

Senator Lockrem will carry this bill on the floor and has one more amendment to be made but will make it on second reading so that the bill can go to the floor with the above amendments. Also asked the Committee members to speak on any part of the bill or amendments that they are particularly interested in when it comes up for debate on the floor.

Meeting adjourned 10:55 a.m.


Senator George McCallum, Chairman

1s

Following the meeting Chairman McCallum appointed a subcommittee on HB 667 consisting of Senators Lockrem, Peterson and Thomas.

ROLL CALL

LOCAL GOVERNMENT COMMITTEE

45th LEGISLATIVE SESSION - - 1977

Date 7/28/77
6/28/78

| NAME | PRESENT | ABSENT | EXCUSED |
|-----------------|---------|--------|---------|
| George McCallum | / | | |
| Robert Watt | / | | |
| Pete Story | / | | |
| Frank Dunkle | / | | |
| Lloyd Lockrem | / | | |
| Bob Peterson | / | | |
| Cornie Thiessen | | / | |
| Bill Thomas | ✓ | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

SENATE

COMMITTEE

DATE

VISITORS' REGISTER

DATE 3/25/77

Please note bill no.

NAME

REPRESENTING

BILL #

(check one)

SUPPORT

OPPOSE

Les Loble

Montana De Kora Utilities Co
General Telephone of NW, Inc

H.B. 667

X

GEO. F. FAYNE

MOUNTAIN BELL

H.B. 667

X

Everett Shuler

Montana Power

667

X

X

Gene Phillips

Pacific Power & Light
Northwestern Telephone

667

X

Jimmie Hughes

MOUNTAIN BELL

667

X

John Lannon

Mont Power

748

X

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY

Construction of the tunnel and costs for its construction shall be determined by and charged in the following manner.

1. After the Local Government has determined those areas in which lines cause a hazard, they shall notify all utility companies having lines in the area and jointly determine the percentage of usage by the property in the district and the percentage of use of the lines by those outside of the district.

2. After the usage pattern has been determined, the municipality shall charge the utility companies that portion of the cost attributable to users outside of the district and the remainder of the costs to those users within the district.

3. Charges to the utility company shall be in the form of yearly payments for a period of 20 years as necessary to amortize their portion of the costs. The remainder shall be borne by the municipality in the district and paid for through a special improvement district or through the provisions of tax increment financing, if such a program exists in the district formed.

Utility facilities moved shall continue to be owned, maintained and operated by the utility company and all lines relocated, shall be by the affected utility.

The municipality shall, following standards set forth by the utility company, construct the utility tunnel.