

HOUSE APPROPRIATIONS SUBCOMMITTEE ON NATURAL
RESOURCES AND BUSINESS REGULATION - MINUTES
February 2, 1983

The meeting was called to order at 8:15 a.m. in Room 132 of the Capitol Building, Helena, Montana, by CHAIRMAN MANUEL.

Roll Call: MANUEL, BOYLAN, STOBIE, SMITH, LANE, HEMSTAD
- Present
Absent - NONE
Staff Present - DICK GILBERT, LFA; CAROLYN
DOERING, OBPP; PATTI SCOTT,
SECRETARY.

DEPARTMENT OF NATURAL RESOURCES (Tape #38 Side A-001)

EXECUTIVE SESSION

OIL AND GAS REGULATION (EXHIBIT A)

PERSONAL SERVICES

REPRESENTATIVE STOBIE MOVED TO APPROVE 20 FTE'S. MOTION PASSED UNANIMOUSLY.

OPERATING BUDGET

REPRESENTATIVE STOBIE MOVED TO APPROVE \$124,000 FY84 and \$117,000 FY85 FOR CONTRACTED SERVICES. THIS INCLUDES \$2,000 REQUESTED FOR TRAINING. MOTION PASSED WITH REPRESENTATIVE HEMSTAD VOTING NO.

There was considerable discussion on the \$2,000 training monies. MR. BERRY stated they do contract out the actual plugging, but the inspectors that check these must be trained in the proper techniques for plugging. MR. BERRY clarified that DNRC staff will be on site while an abandoned well is being plugged. There were no training monies in FY82.

CAROLYN clarified that the Department has eight inspectors in their normal program. They regulate the exploration of drilling, issue permits, and provide well classifications. These inspectors are the ones receiving the training. The abandoned wells are contracted out. The training is for the current level people associated with the oil and gas industry.

SUPPLIES AND MATERIALS (Oil and Gas) (Tape #38 Side A-435)

PAGE 2

HOUSE APPROPRIATIONS SUBCOMMITTEE ON NATURAL
RESOURCES AND BUSINESS REGULATION - MINUTES
February 2, 1983

REPRESENTATIVE STOBIE MOVED TO USE THE OBPP FIGURES.
MOTION PASSED ANANIMOUSLY.

COMMUNICATIONS (Oil and Gas)

REPRESENTATIVE STOBIE MOVED TO APPROVE THE LFA FIGURES FOR
COMMUNICATIONS. SENATOR LANE MADE A SUBSTITUTE MOTION TO
APPROVE OBPP FIGURES FOR COMMUNICATIONS. MOTION PASSED
WITH REPRESENTATIVES STOBIE AND HEMSTAD VOTING NO.

REPRESENTATIVES STOBIE AND HEMSTAD were concerned about
the large figure for communications.

MERGING HELENA AND BILLINGS OFFICE (Governor's Council on
Management Report, Page 84) (Oil and Gas Conservation
Division) (Tape #38 Side A-600)

SENATOR BOYLAN noted in the Council's report, on Page 84:
"To solve these problems, operations should be combined in
one office at Billings. The existing facility in Billings
has sufficient space to accommodate the required Helena
personnel. This would establish a single division contact
point for industry and government. A one-time cost to re-
locate and remodel is estimated at \$5,000 per year.
However, annual expenses for travel, lodging, telephone,
records management, supplies and rent can be reduced by
at least \$3,500 per year. Consolidation of activities
relating to maintaining maps and permit ledgers, producing
statistical reports, typing and filing will permit the
elimination of one position to save \$15,500 annually. Thus,
the annual saving will total \$19,000."

SENATOR BOYLAN stated this is referring to the Operations
part of the budget and asked the Department to respond.

BOB ROBINSON said the Department opposed the recommendation.
He stated the office space in Billings is inadequate, and
that if operations were in Billings, the Department could not
have adequate contact with them.

The Board of Oil and Gas also opposed the recommendation.
SENATOR SMITH agreed that in his estimation, the Division
could not function in Billings, and noted that the Oil
and Gas Lobbyist now lives in Helena also.

TRAVEL (Oil and Gas Division) (Tape #38 Side B-001)

PAGE 3

JOINT HOUSE-SENATE APPROPRIATIONS SUBCOMMITTEE ON NATURAL RESOURCES AND BUSINESS REGULATION - MINUTES
February 2, 1983

SENATOR BOYLAN MOVED TO ACCEPT \$45,915 FY84 and \$47,552 FY85 FOR TRAVEL. MOTION PASSED WITH REPRESENTATIVE HEMSTAD VOTING NO.

This included requests for two out-of-state meetings to the Interstate Oil Compact Commission, and possible travel to the Federal Natural Gas Policy Program where they may have to do some work on the Federal Underground Injection Program. There is also travel for the Abandoned Well Program. The Committee felt it was important for the state to keep in touch with others in the nation on Oil and Gas.

RENT AND UTILITIES (Oil and Gas)

REPRESENTATIVE STOBIE MOVED TO ACCEPT THE OBPP FIGURES. MOTION PASSED UNANIMOUSLY.

REPAIR AND MAINTENANCE (Oil and Gas) (Tape #38 Side B-070)

REPRESENTATIVE STOBIE MOVED TO ACCEPT \$5,397 FY84 and \$5,598 FY85. MOTION PASSED UNANIMOUSLY.

EQUIPMENT (Oil and Gas)

SENATOR SMITH MOVED TO APPROVE THE OBPP FIGURES. MOTION PASSED UNANIMOUSLY.

VACANCY SAVINGS (Oil and Gas)

REPRESENTATIVE HEMSTAD MOVED TO ACCEPT 4% VACANCY SAVINGS.

SENATOR SMITH MADE A SUBSTITUTE MOTION TO ACCEPT 0% VACANCY SAVINGS. SENATORS SMITH, LANE AND BOYLAND, AND CHAIRMAN MANUEL VOTED YES. REPRESENTATIVE HEMSTAD AND STOBIE VOTED NO. MOTION PASSED.

MODIFICATION IN OIL AND GAS FOR FIELD INSPECTORS (Tape #38 Side B-181)

The Department is requesting four FTE's over the biennium. But if activity does not increase, they will only hire one FTE in FY84 and one FTE in FY85. This is for field inspectors to clear up the backlog of necessary oil and gas well inspections; to provide more spot check inspections of seismic exploration; and to place inspectors in the western

PAGE 4

JOINT HOUSE-SENATE APPROPRIATIONS SUBCOMMITTEE ON NATURAL
RESOURCES AND BUSINESS REGULATION - MINUTES
February 2, 1983

portion of the state if oil and gas exploration activities increase substantially in the area. They currently have seven inspectors.

SENATOR SMITH MOVED TO AUTHORIZE THE FOUR FTE'S WITH THE UNDERSTANDING THAT THE DEPARTMENT WOULD ONLY HIRE ONE FTE IN FY84 AND ONE FTE IN FY85. THE DEPARTMENT WILL NOT HIRE THE OTHER TWO FTE'S UNLESS NEEDED. THIS IS AT THE DISCRETION OF THE DEPARTMENT. SENATORS SMITH, LANE, AND BOYLAN VOTED YES. CHAIRMAN MANUEL VOTED YES. REPRESENTATIVES HEMSTAD AND STOBIE VOTED NO. MOTION PASSED.

REPRESENTATIVES HEMSTAD AND STOBIE felt the Department could go through the Budget Amendment process if need be, and would not approve the extra FTE's.

MODIFICATION IN OIL AND GAS FOR DATA SYSTEM (Tape #38
Side B-395)

The last session of the Legislature appropriated funds to develop an automated statistical reporting system. The Department now wants to enhance the system to include a variety of other records. They are requesting an additional FTE and operating costs to continue development of the system. MR. BERRY wants to put on all historical and geological records the industry is requesting. He anticipates this position will end after this biennium. COST: FY84 - \$56,732 and FY85-\$56,290 FUNDING: Oil and Gas Earmarked

REPRESENTATIVE STOBIE MOVED TO RECOMMEND THE ONE FTE AND APPROVE \$56,732 FY84 and \$60,290 FY85. MOTION PASSED UNANIMOUSLY.

CONSERVATION DISTRICTS (EXHIBITS D-E) (Tape #38 Side B-599)

PERSONAL SERVICES (Tape #39 Side A-001)

REPRESENTATIVE STOBIE MOVED TO ADOPT THE OBPP FIGURES. MOTION PASSED UNANIMOUSLY.

OPERATING BUDGET

REPRESENTATIVE STOBIE MOVED TO ADOPT THE OBPP FIGURES, INCLUDING EQUIPMENT. MOTION PASSED UNANIMOUSLY.

PAGE 5

HOUSE APPROPRIATIONS SUBCOMMITTEE ON NATURAL
RESOURCES AND BUSINESS REGULATION - MINUTES
February 2, 1983

Some members on the Committee still questioned the need for the State to distribute monies to Conservation Districts. The Department still contends they are needed to provide for equal disbursement based on acreage and need; and to provide technical assistance.

FUNDING (Tape #39 Side A-093)

The Department used to receive \$100,000 General Fund a year to provide to the Conservation Districts for administrative purposes. It was given out based on acreage and need. The last legislative session determined that since the Districts were now receiving Coal Tax money (\$240,000), they would no longer get General Fund. The Department is now requesting to replace the \$100,000 with RIT, as the Districts need the Coal Tax money for projects. (SCS has also cut back assistance.)

SENATOR SMITH MOVED TO APPROVE THE \$100,000 OF RIT FUNDS TO FREE THE \$240,000 IN COAL TAX FUNDS. THE \$100,000 IS FOR SOLE USE BY THE DISTRICTS FOR PROJECTS. MOTION PASSED UNANIMOUSLY.

MODIFICATION FOR CONSERVATION DISTRICTS

The Department is requesting authority to spend fees collected for the administration of the Rangeland Improvement Loan Program. Each loan recipient is charged an administrative fee. Most of the funds will be used to reimburse members of the Montana Rangeland Resource Executive Committee for travel expenses for meetings and the travel expenses of division personnel who inspect the Loan Program projects. They make about \$350,000 in loans a biennium. REQUEST: \$4,240 FY84 \$4,392 FY85

REPRESENTATIVE HEMSTAD MOVED TO APPROVE THE MODIFICATION. MOTION PASSED UNANIMOUSLY.

ENERGY DIVISION (Tape #39 Side A-315)

PERSONAL SERVICES

REPRESENTATIVE STOBIE MOVED TO ADOPT THE OBPP FIGURES. MOTION PASSED UNANIMOUSLY.

PAGE 6

HOUSE APPROPRIATIONS SUBCOMMITTEE ON NATURAL
RESOURCES AND BUSINESS REGULATION - MINUTES
February 2, 1983

OPERATING BUDGET

REPRESENTATIVE STOBIE MOVED TO ADOPT THE OBPP FIGURES FOR
CONTRACTED SERVICES AND SUPPLIES. MOTION PASSED UNANIMOUSLY.

REPRESENTATIVE STOBIE MOVED TO APPROVE THE OBPP FIGURES FOR
COMMUNICATIONS. MOTION PASSED UNANIMOUSLY.

The Department presented copies of literature on their
renewable energy program on how to install systems and to
conserve energy. These are part of their communication
costs. For the most part, the Committee thought it was
worth the money. REPRESENTATIVE HEMSTAD was not totally
convinced.

REPRESENTATIVE STOBIE MOVED TO APPROVE THE OBPP FIGURES FOR
TRAVEL AND RENT. MOTION PASSED UNANIMOUSLY.

SENATOR SMITH MOVED TO ADOPT THE OBPP FIGURES FOR REPAIR
AND MAINTENANCE. MOTION PASSED UNANIMOUSLY.

(Tape #39 Side A-427)

REPRESENTATIVE STOBIE MOVED TO APPROVE \$10,500 FY84 and
\$9,000 FY85. MOTION PASSED UNANIMOUSLY.

This included administrative costs to revise rules for
Renewable Energy and the Major Facilities Siting Act. The
Secretary of State is anticipating charging \$25 per page.
The Department rules are often 100 pages long. The Committee
felt the Secretary of State charges are out of line.

REPRESENTATIVE STOBIE MOVED TO APPROVE THE OBPP FIGURE FOR
EQUIPMENT IN FY84. MOTION PASSED UNANIMOUSLY.

FUNDING (Energy Division)

REPRESENTATIVE STOBIE MOVED TO APPROVE THE OBPP FUNDING LEVEL
FROM STATE SOURCES. MOTION PASSED UNANIMOUSLY.

(Tape #39 Side A-650) These funds are used for the Grant
Loan Program. MR. BERRY stated the Department is moving
away from grants to more loans. They get a return, and it
is better than just having the money sit in the account.
This money is funded from Alternative Energy Coal Tax.
The Committee felt this was a good way to be handling this money.

PAGE 7

HOUSE APPROPRIATIONS SUBCOMMITTEE ON NATURAL
RESOURCES AND BUSINESS REGULATION - MINUTES
February 2, 1983

GENERAL FUNDING (Energy Division) (Tape #39 Side B-089)

SENATOR SMITH MOVED TO ACCEPT THE OBPP FIGURES OF \$599,688
FY84 and \$559,585 FY85. MOTION PASSED UNANIMOUSLY.

The Committee noted that some savings were accruing as the result of combining the Energy and Facility Divisions.

MODIFICATION TO THE ENERGY DIVISION (Tape #39 Side B-155)

FACILITY SITING BUREAU MODIFICATION

The Department is requesting three FTE's to conduct analysis of proposed siting applications as required by MFSA and MEPA. These positions would be GENERAL FUND, with the understanding they would replace the General Fund with fees as the projects come in. Also, a recent court decision ruled that federal agencies are not required to pay a siting fee for the Department's analysis.

MR. BERRY stated they needed the electrical engineer, but would not "staff up" if no projects were received. They currently have a core staff to handle the present work.

MR. BERRY stated he needed the FTE authorization. He would hire an electrical engineer, but would wait on the other two FTE's until they had the projects. The Department feels the impact of new projects will be great, and needs the positions.

REPRESENTATIVE STOBIE MOVED TO APPROVE ONE FTE FOR AN ELECTRICAL ENGINEER. MOTION PASSED UNANIMOUSLY.

The Committee was not convinced the project work would be that great.

BONNEVILLE POWER ADMINISTRATION CONSERVATION PROGRAMS MODIFICATION (Tape #39 Side B-354)

BPA has recently notified the Department that its mandated conservation programs they presently administer will continue, but at an increased level through 1985. The Department intends to support these programs with present staff that are supported by other federally-funded programs, with the addition of only one FTE. These funds are intended to promote the reduction of electrical energy use by local

PAGE 8

HOUSE APPROPRIATIONS SUBCOMMITTEE ON NATURAL
RESOURCES AND BUSINESS REGULATION - MINUTES
February 2, 1983

governments, public buildings, and small industrial consumers in Western Montana. BPA anticipated the Department would receive \$725,000 per year. The Department is requesting spending authority and one FTE.

REPRESENTATIVE HEMSTAD MOVED TO AUTHORIZE THE SPENDING AUTHORITY, BUT NOT ALLOW THE FTE. MOTION PASSED UNANIMOUSLY. (This is contingent on the Department receiving the Federal Funds.)

VACANCY SAVINGS FOR ENERGY DIVISION (Tape #39 Side B-355)

REPRESENTATIVE HEMSTAD MOVED VACANCY SAVINGS BE SET AT 4%.

BOB ROBINSON stated that Vacancy Savings from last biennium were generated as a result of federal programs shutting down.

REPRESENTATIVE STOBIE MADE A SUBSTITUTE MOTION THAT VACANCY SAVINGS BE SET AT 2%. MOTION PASSED WITH CHAIRMAN MANUEL VOTING NO.

VACANCY SAVINGS FOR CONSERVATION DISTRICTS

SENATOR SMITH MOVED THAT NO VACANCY SAVINGS BE TAKEN. SENATORS SMITH AND LANE VOTED YES. CHAIRMAN MANUEL VOTED YES. REPRESENTATIVES STOBIE AND HEMSTAD VOTED NO. MOTION PASSED.

The meeting adjourned at 11:54 a.m. (Tape #39 Side B-454)


REX MANUEL, Chairman

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION REQUEST

Exhibit H

2-2-83

Oil and Gas

Oil and Gas Division

<u>Item</u>	<u>FY 84</u>	<u>FY 85</u>	<u>Explanation</u>
FTE's-current level	20.00	20.00	Eliminate Position 80165 (.50 FTE) and increase Position 80135 from .63 to 1.00 FTE, increase Position 80125 from .88 to 1.00 FTE. Delete Position 80170.
Salaries	+6,349	+6,349	Increase FY 83 base for classification upgrades--field inspectors. (See [#] / [#] attached .)
Overtime	+5,106	+5,362	Not included in LFA budget.
Contracted services	LFA +7,000	LFA +7,000	LFA moved to travel LFA cut out \$5,000 of Expenditures requested for plugging abandoned wells, but did not reduce funding. Contracted Services should be increased \$5,000 or funding reduced from \$65,000 to \$60,000.
			Staff training (\$2,000)
Supplies and materials	LFA +20,000	LFA +22,000	Gas required for five vehicles (see [#] [#] attached).
Communications	LFA +2,000	LFA +2,800	Telephone system costs outside of Helena area inflated at a higher rate by OBPP.
Travel	LFA +3,900	LFA +4,000	Division's FY 82 base expenditures reflected extensive use of discount tickets for commercial transportation which is not expected to occur in 84-85. Also, no out-of-state travel in FY 82 base. Anticipate this travel in 84-85.
Rent	OBPP figures	OBPP figures	LFA does not include all costs necessary for DP equipment rental.
Repair and maintenance	LFA +7,000	LFA +7,500	LFA does not include additional cost of repair and maintenance for new vehicles (see attached).

<u>Item</u>	<u>FY 84</u>	<u>FY 85</u>	<u>Explanation</u>
Equipment	OPBB figures	OBPP figures	LFA deleted two microfilm reader/printers and one table top copier--these items will pay for themselves through use charges. (gen Public uses)
<u>Modifieds:</u>			
Additional Inspectors	85,782 (3 FTE)	133,616 (5 FTE)	Field inspectors and clerical
Data Processing System	56,732 (1 FTE)	60,290 (1 FTE)	Continuation of automated DP statistical reporting system.

1. Classification Upgrades:

Position 80040	10/7 to 12/7
80130	10/2 to 11/2
80150	10/3 to 11/3
80155	10/3 to 11/3

2. Supplies and materials - gas for vehicles

40,000 miles per vehicle

12 miles per gallon

3,333 gallons per vehicle

\$1.20 per gallon

$$3,333 \text{ gallons} \times \$1.20 = \$4,000 \times 5 \text{ vehicles} = \$20,000$$

DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION
BOARD OF OIL & GAS CONSERVATION



TED SCHWINDEN, GOVERNOR

OIL & GAS CONSERVATION DIVISION

STATE OF MONTANA

406/449-2611

February 1, 1983

MEMORANDUM

SUBJECT: Estimated Vehicle Repair and Maintenance for Fiscal Years 84 and 85

Oil and Gas Division now owns 3 GMC 4x4 "Jimmy's" and anticipates purchasing 2 similar vehicles in FY 84. Our six month base to estimate expenditures on indicates that the vehicles will be driven an average of 30,000 to 40,000 per year. Based on these mileage averages, much of which will be over rough terrain, these vehicles will all likely need new tires annually plus some other major and minor repairs and replacements. Estimated averages per vehicle:

Oil filters and oil	165
Grease	50
Shocks, Brake repairs, alignment, U joints, etc.	100
Tires	400
Engine Tune ups	50
Batteries, mufflers	35
Miscellaneous (washing, replace broken items like windshields, headlights)	
	\$ 800 per vehicle

DIVISION OF OIL
26 SOUTH EWING
P.O. BOX 217
HELENA, MONTANA 59624
406/449-2611

TECHNICAL DIV.
SOUTHERN FIELD OFFICE
2535 ST. JOHNS AVENUE
BILLINGS, MONTANA 59101
406/656-6346

TECHNICAL DIV.
208 MAIN STREET
P.O. BOX 474
FORT MONTANA 59434
406/449-2612

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION REQUEST

Water Resources Division

<u>Item</u>	<u>FY 84</u>	<u>FY 85</u>	<u>Explanation</u>
FTE's-current level	138.59	138.59)	LFA did not include Water Development Program and the Reserved Water Rights Compact Commission
Salaries	OBPP	OBPP)	
Other comp	+6,000	+6,000	Reserved Water Rights Compact Commission compensation (per diem)
Contracted services	OBPP	OBPP	
Supplies	LFA +2,400	LFA +2,400	Gasoline for field monitoring of water development loan and grant program
Communications	LFA +10,000	LFA +10,000	Additional required to mail acknowledgments of water-right claims
Travel	OBPP	OBPP	Travel costs adjustment of \$50,000 associated with adjudication program, Indian water-right negotiation, and <u>interstate water compact negotiations</u> was not accepted by LFA.
Rent	OBPP	OBPP	LFA has not included costs <u>associated with current DP contract costs.</u>
Other			Amount to be budgeted depends on passage of legislation regarding costs of recording fees charged by county clerks and recorders.
Funding			DNRC opposed to using RIT and Water Development funds for general operations. Believe intent of funds were for specific programs and projects.

Water Resources Division
Page 2

<u>Item</u>	<u>FY 84</u>	<u>FY 85</u>	<u>Explanation</u>
<u>Modifieds:</u>			
Flood Plain Management	\$52,200 2 FTE	\$52,800 2 FTE	Continuation of the Federal Flood Plain Insurance Program
NWUDS	27,400 1 FTE	- 0 -	Continuation of federally funded National Water Use Data System
Tongue River	134,600 ✓	74,600 ✓	State share of federal feasibility study for increased storage at Tongue River reservoir--Water Development funds.
Cooney Dam	220,000		Reappropriation of unused funds to cover land condemnation costs--RIT funds. HB 603 from 1981 session.
Water Rights Hearing Officer	74,108 2 FTE	63,561 2 FTE	Hearings officer and recorder for water-rights hearings. DNRC will withdraw this request if OBPP current level FTE's (138.59) is approved.

EXHIBIT
2-2-83

RENEWABLE ENERGY GRANT & LOAN PROGRAM

FISCAL YEAR 1982 GRANTS

Grants

Grantee

Montana Forest and
Conservation Experiment
Station
University of Montana

Handrik J. Smit
904 Broadway
Helena, MT 59601

Lewis & Clark Library
120 S. Last Chance Gulch
Helena, MT 59601

Park City School
District #5
Park City, MT 59063

Missoula Senior Citizens
705 South Higgins
Missoula, MT 59801

Dana Gunderson
Gunderson Consulting Service
1033 Breckenridge
Helena, MT 59601

V. Hugo Schmidt
Professor of Physics
Montana State University
Bozeman, MT 59717

Robert Stoeckley
Box 874
Eureka, MT 59917

Stan Wiatr, Ph.D.
Assistant Professor
Eastern Montana College
Billings, MT 59101

<u>Project Description</u>	<u>Amount</u>
Demonstration and performance evaluation of solar lumber dry kiln in western Montana (Phase II)	\$18,350
Retrofit older office/home with two story solarium for space heating	\$ 3,500
Proposal for feasibility, engineering design and construction of a trombe-wall at L&C City-County Library	\$ 5,882.50
Active solar system for use in school vocational agriculture department building	\$21,725
Two innovative, simple and cost-effective solar retrofits for the Missoula Senior Citizens Center	\$35,500
Wind monitoring equipment loan program and data reduction for 1980-81 and 1982-83	\$42,000
Piezoelectric polymer wind generator development and prototype construction project	\$18,300
Integrated steam and photovoltaic household electric power system demo project	\$ 2,800
Biomass energy and chemical constituents of fuel beets, leafy spurge and cattail; an assessment of prospective renewable energy crops in Montana	\$ 8,100

<u>Grantee</u>	<u>Project Description</u>	<u>Amount</u>
NCAT, Biofuels Group Box 3838 Butte, MT 59702	Process research and development of simplified low temperature starch hydrolysis for alcohol fuel production from barley	\$62,000
City of Columbia Falls Drawer G Columbia Falls, MT 59912	Cedar Creek Dam hydroelectric Project	\$33,000
Laverne Larson Star Route 1 Libby, MT 59923	Hydropower generation for home and business electrical use	\$ 8,400
Fergus Electric Coop Inc. Box 58 Lewistown, MT 59457	Feasibility study and development Fergus Coop Mill diversion, hydroelectric	\$49,000
Flathead Coop Ext. Service Flathead Valley Community Col Kalispell Chamber of Commerce Flathead Renewable Energy Assn. Pondera Solar Alliance Kalispell, MT 59901	Agricultural methane conference	\$ 5,677.50
Jon Derry Box 1016 Helena, MT 59601 or Hal Mathew 738 8th Avenue Helena, MT 59601	A comprehensive manual on solar and energy conservation and retrofitting	\$32,052.20
Lewis Dahl 202 South Montana Conrad, MT 59425	Vertical wall solar air heater workshops	\$15,685

FISCAL YEAR 1983 GRANTS

Dave Reynolds Alpine Nursery 1763 Highway 2 East Kalispell, MT 59901	Water to air heat pumps for greenhouse operation producing reforestation trees	\$ 4,303 RFP
---	--	-----------------

FISCAL YEAR 1982 LOANS

<u>Recipient</u>	<u>Project Description</u>	<u>DNRC Amount</u>
St. Onge Contracting, Inc. Larry St. Onge, President 745 Cleveland Missoula, MT 59801	Hogfuel chip production to be sold to Champion International	\$162,000

<u>Recipient</u>	<u>Project Description</u>	<u>DNRC Amount</u>
Marcus McBeen/Doug Rand Box 64 Cardiner, MT 59030	Solar domestic hot water commercial development program	\$110,700
Sun Craft, Inc. Box 1146 Bozeman, MT 59715	Capitalization for expansion of Sun Craft, Inc. for commercialization of solar energy technologies	\$ 18,000
Hall-Wood Processing Box 254 Potomac Star Route Bonner, MT 59823	Hogfuel production involving environmental thinning with whole tree chipping	\$162,000
A.E. Montana, Inc. Route 2, Box 125 Manhattan, MT 59741	Construction expenses for an ethanol facility	\$162,000
Gordon Penner, Jr. James Gully Ulm, MT 59485	Tree thinning to be used as fuel wood in the Great Falls area	\$ 18,000
FISCAL YEAR 1983 LOANS		
Bair Electric 111 South 11th Street Livingston, MT	Establishment of a Jacobs dealership	\$135,000
Hydro Management, Inc. Rt 1, Box 169 Ronan, MT 59864	Hydro electric site study and development of commercial sale of power	\$157,500

Conservation Districts Funding

84

85

	OBPP	LFA	OBPP	LFA
* RIT	264,294	154932	272,367	161320
Grass Cons.	8,428	10,000	8,628	10,000
Coal Tax	243,214	240,000	243,920	240,000
SRD	64,973	65,000	65,296	65,000

* OBPP includes ^{\$}100,000 of RIT money to
Soil and Water Conservation Districts for administrative
expenses.

LAWRENCE

2-2-83

DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Conservation Districts

<u>Item</u>	<u>FY 84</u>	<u>FY 85</u>	<u>Explanation</u>
Vacancy savings	0	0	DNRC feels vacancy savings would be hard to meet with division of this size that is fully staffed.
Operating expenses	OBPP figures	OBPP figures	OBPP's figures represent a budget that reflects a fully staffed division.
Rent	\$ 6,450	\$ 6,880	DNRC recalculated rent estimate and feels this will be adequate.
Local assistance	100,000	100,000	Request RIT funding to restore funding for administrative expense that was deleted during 1981 session.
Modified	4,240	4,392	Authority to spend administrative fees collected from loan program for administration.