

CHAPTER NO. 521.

SENATE BILL NO. 323

INTRODUCED BY E. SMITH, STEPHENS, KOLSTAD, NELSON,
AKLESTAD, THIESSEN, DOVER

IN THE SENATE

January 31, 1979	Introduced and referred to Committee on Natural Resources.
February 10, 1979	Committee recommend bill do pass as amended. Report adopted.
February 13, 1979	Printed and placed on members' desks.
February 14, 1979	Motion pass consideration.
February 15, 1979	Second reading, do pass.
February 16, 1979	Considered correctly engrossed.
February 17, 1979	Third reading, passed. Transmitted to second house.

IN THE HOUSE

February 19, 1979	Introduced and referred to Committee on Natural Resources.
March 19, 1979	Committee recommend bill be concurred in as amended. Report adopted.
March 20, 1979	Second reading, pass consideration.
March 21, 1979	Second reading, concurred in as amended.
March 23, 1979	Third reading, concurred in as amended.

IN THE SENATE

March 24, 1979

Returned from second house.
Concurred in as amended.

March 26, 1979

Second reading, pass con-
sideration until March 28,
1979.

March 28, 1979

Second reading, amendments
adopted.

March 29, 1979

Third reading, amendments
adopted. Sent to enrolling.

Reported correctly enrolled.

Senate BILL NO. 323
 1 INTRODUCED BY E. Smith STEPHENS, Holwad NELSON
 2 *Related* Theresa, Don

3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT CERTAIN
 5 NATURAL GAS OR CRUDE OIL FACILITIES AND ASSOCIATED
 6 FACILITIES ARE NOT WITHIN THE DEFINITION OF "FACILITY" UNDER
 7 THE MONTANA MAJOR FACILITY SITING ACT; AMENDING SECTION
 8 75-20-104, MCA; AND PROVIDING AN EFFECTIVE DATE."

9
 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Section 75-20-104, MCA, is amended to read:
 12
 13 "75-20-104. Definitions. In this chapter, unless the
 context requires otherwise the following definitions apply:

14 (1) "Addition thereto" means the installation of new
 15 machinery and equipment which would significantly change the
 16 conditions under which the certificate was issued.

17 (2) "Associated facilities" includes but is not
 18 limited to transportation links of any kind, aqueducts,
 19 diversion dams, transmission substations, storage ponds,
 20 reservoirs, and any other device or equipment associated
 21 with the production or delivery of the energy form or
 22 product produced by a facility, except that the term does
 23 not include a facility.

24 (3) "Board" means the board of natural resources and
 25 conservation provided for in 2-15-3302.

1
 2 (4) "Certificate" means the certificate of
 3 environmental compatibility and public need issued by the
 4 board under this chapter that is required for the
 5 construction or operation of a facility.

6 (5) "Commence to construct" means:
 7
 8 (a) any clearing of land, excavation, construction, or
 9 other action that would affect the environment of the site
 10 or route of a facility but does not mean changes needed for
 11 temporary use of sites or routes for nonutility purposes or
 12 uses in securing geological data, including necessary
 13 borings to ascertain foundation conditions;

14 (b) the fracturing of underground formations by any
 15 means if such activity is related to the possible future
 16 development of a gasification facility or a facility
 17 employing geothermal resources but does not include the
 18 gathering of geological data by boring of test holes or
 19 other underground exploration, investigation, or
 20 experimentation;

21 (c) the commencement of eminent domain proceedings
 22 under Title 70, chapter 30, for land or rights-of-way upon
 23 or over which a facility may be constructed;

24 (d) the relocation or upgrading of an existing
 25 facility defined by (b) or (c) of subsection (7), including
 upgrading to a design capacity covered by subsection (7)(b),
 except that the term does not include normal maintenance or

1 repair of an existing facility.

2 (6) "Department" means the department of natural
3 resources and conservation provided for in Title 2, chapter
4 15, part 33.

5 (7) "Facility" means:

6 (a) each plant, unit, or other facility and
7 associated facilities, except for oil and gas refineries,
8 and except for facilities and associated facilities designed
9 for or capable of producing, gathering, processing,
10 transmitting, transporting, or distributing natural gas or
11 crude oil, that are designed for or capable of:

12 (i) generating 50 megawatts of electricity or more or
13 any addition thereto (except pollution control facilities
14 approved by the department of health and environmental
15 sciences added to an existing plant) having an estimated
16 cost in excess of \$250,000;

17 (ii) producing 25 million cubic feet of gas per day or
18 more or any addition thereto having an estimated cost in
19 excess of \$250,000;

20 (iii) producing 25,000 barrels of liquid hydrocarbon
21 products per day or more or any addition thereto having an
22 estimated cost in excess of \$250,000;

23 (iv) enriching uranium minerals or any addition thereto
24 having an estimated cost in excess of \$250,000; or

25 (v) utilizing, refining, or converting 500,000 tons of

1 coal per year or more or any addition thereto having an
2 estimated cost in excess of \$250,000;

3 (b) each electric transmission line and associated
4 facilities of a design capacity of more than 69 kilovolts,
5 except that the term does not include an electric
6 transmission line and associated facilities of a design
7 capacity of 230 kilovolts or less and 10 miles or less in
8 length;

9 (c) each pipeline and associated facilities designed
10 for or capable of transporting gas, water, or liquid
11 hydrocarbon products from or to a facility located within or
12 without this state of the size indicated in subsection
13 (7)(a) of this section;

14 (d) any use of geothermal resources, including the use
15 of underground space in existence or to be created, for the
16 creation, use, or conversion of energy;

17 (e) any underground in situ gasification of coal.

18 (8) "Municipality" means any county or municipality
19 within this state.

20 (9) "Person" means any individual, group, firm,
21 partnership, corporation, cooperative, association,
22 government subdivision, government agency, local government,
23 or other organization or entity.

24 (10) "Utility" means any person engaged in any aspect
25 of the production, storage, sale, delivery, or furnishing of

1 heat, electricity, gas, hydrocarbon products, or energy in
2 any form for ultimate public use."

3 Section 2. Effective date. This act is effective on
4 passage and approval.

-End-

SB 323

STATE OF MONTANA

REQUEST NO. 502-79

FISCAL NOTE

Form BD-15

In compliance with a written request received March 22, 19 79, there is hereby submitted a Fiscal Note for Senate Bill 323 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

Description of Proposed Legislation:

Senate Bill 323 provides that certain natural gas or crude oil facilities and associated facilities are not within the definition of "facility" under the Montana Major Facility Siting Act.

Assumptions:

No dollar estimates have been provided. This bill clarifies that crude oil and natural gas facilities are exempt from the siting act. The Department has not studied this type of facility in the past.

Richard O. Trenham

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 3/22/79

Approved by Committee
on Natural Resources

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3 AXLESTAD, THIESSEN, DOVER

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16 machinery and equipment which would significantly change the
17 conditions under which the certificate was issued.

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19 limited to transportation links of any kind, aqueducts,
20 diversion dams, transmission substations, storage ponds,
21 reservoirs, and any other device or equipment associated
22 with the production or delivery of the energy form or
23 product produced by a facility, except that the term does
24 not include a facility.

25 (3) "Board" means the board of natural resources and

1 conservation provided for in 2-15-3302.

2 (4) "Certificate" means the certificate of
3 environmental compatibility and public need issued by the
4 board under this chapter that is required for the
5 construction or operation of a facility.

6 (5) "Commence to construct" means:

7 (a) any clearing of land, excavation, construction, or
8 other action that would affect the environment of the site
9 or route of a facility but does not mean changes needed for
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14 means if such activity is related to the possible future
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21 under Title 70, chapter 30, for land or rights-of-way upon
22 or over which a facility may be constructed;

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24 facility defined by (b) or (c) of subsection (7), including
25 upgrading to a design capacity covered by subsection (7)(b),

1 except that the term does not include normal maintenance or
 2 repair of an existing facility.

3 (6) "Department" means the department of natural
 4 resources and conservation provided for in Title 2, chapter
 5 15, part 33.

6 (7) "Facility" means:

7 (a) EXCEPT FOR CRUDE OIL AND NATURAL GAS REFINERIES;
 8 AND FACILITIES AND ASSOCIATED FACILITIES DESIGNED FOR OR
 9 CAPABLE OF PRODUCING, GATHERING, PROCESSING, TRANSMITTING,
 10 TRANSPORTING, OR DISTRIBUTING CRUDE OIL OR NATURAL GAS; each
 11 plant, unit, or other facility and associated facilities;
 12 except-for-off-and-gas-refineries-and-except-for-facilities
 13 and--associated--facilities--designed--for--or--capable--of
 14 producing----gathering----processing----transmitting
 15 transporting--or--distributing--natural--gas--or--crude--oil--that
 16 are designed for or capable of:

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 18 any addition thereto (except pollution control facilities
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 20 sciences added to an existing plant) having an estimated
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 11 transmission line and associated facilities of a design
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 13 length;

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 18 (7)(a) of this section;

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 20 of underground space in existence or to be created, for the
 21 creation, use, or conversion of energy;

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23 (8) "Municipality" means any county or municipality
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25 (9) "Person" means any individual, group, firm,

1 partnership, corporation, cooperative, association,
2 government subdivision, government agency, local government,
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5 of the production, storage, sale, delivery, or furnishing of
6 heat, electricity, gas, hydrocarbon products, or energy in
7 any form for ultimate public use."

8 Section 2. Effective date. This act is effective on
9 passage and approval.

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SB 323

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14 Section 2. Effective date. This act is effective on
15 passage and approval.

-End-

HOUSE OF REPRESENTATIVES
March 19, 1979

Natural Resource Committee Amendments to SB 323, 3rd Reading Copy,
as follows:

1. Title, line 6.

Strike: "NATURAL"

Strike: "OR CRUDE OIL"

2. Page 3, lines 7 through 10.

Following: "(a)"

Strike: remainder of lines 7 through "GAS," on line 10

3. Page 3, line 16.

Following: "are"

Insert: ", except for oil and gas refineries,"

4. Page 3, line 22

Following: "gas"

Insert: "made from coal"

5. Page 4, line 15.

Following: "gas"

Insert: "made from coal"

AND AS AMENDED BE CONCURRED IN

HOUSE OF REPRESENTATIVES
March 21, 1979

Committee of the Whole Amendments to Natural Resources Amendments,
dated March 19, 1979, to Senate Bill No. 323, 3rd reading copy,
as follows:

1. Amendments 1 through 4.

Strike: Amendments 1 through 4 in their entirety

2. Amendment 5

Following: "Insert:"

Strike: "made from coal"

Insert: "(except for natural gas)"

AND AS AMENDED
BE CONCURRED IN