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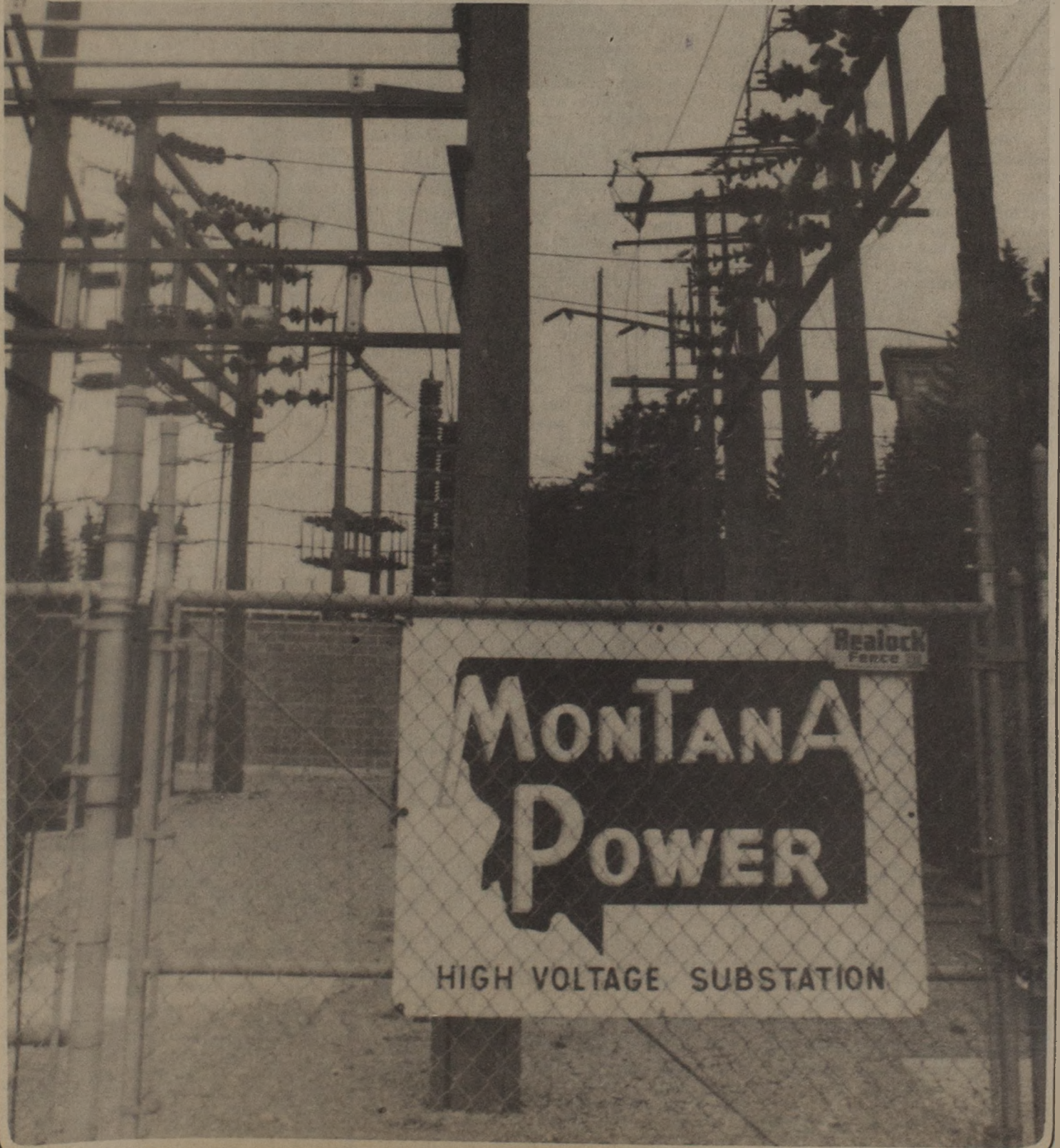
# Currents



Vol. 1, No. 3

A Publication of the Student Action Center

April, 1984



# The Arms Race Threatens Nuclear Annihilation

Dear Editor,

As a British citizen and father of two children I would like to make it known to the American People that all opinion polls in this country show that the majority are not in favour of the siting of Cruise missiles in Britain. An even larger majority object to the absence of 'dual-key control' of these weapons.

The U.S. government has admitted that Cruise was provided for political rather than strategic reasons; that is, to re-establish American prestige in the eyes of other NATO members. Strategically this weapon is worse than useless in a congested country such as Britain. It is totally 'offensive' (with questionable performance) and has no defensive roll whatsoever.

In the event of a threatened attack the missiles would first be moved to 'safe' areas from which they could be launched. However, in a densely populated country such as ours the military would first have to block all major roads in order to ensure that the missiles could be moved. Thus the civilian population would be prevented from joining their families. The Russians are also aware of this strategy and are therefore forced to plan on saturation bombing of the entire country in order to knock out the launchers. Such is the 'rationale' of nuclear defense.

The world is far too dangerous for such vain posturings. Everyone must realize that a peace based on the threat of mutual annihilation and the total biological death of the planet is no peace at all. Only overwhelming public opinion in both east and west can force the governments involved to look for alternative, non-aggressive, defence strategies. Letters similar to this are also being sent to sympathetic groups in the Soviet bloc in an effort to appeal directly to the people.

It is not a 'them' against 'us' situation. It is an 'us' against the primitive, immature functionings of the institutions which purport to represent us (ie. national governments) and against our own inertia and an unhealthy feeling of helpless fatalism. I would urge all like-minded Americans to "get out and get active." If enough of us lemmings turn around and start marching away from the cliff's edge then the others must follow. I hope that some of you will write and let me know how you feel about this issue.

Yours with urgency and hope,

Kenneth Cox  
Bexhill-on-Sea  
Sussex  
England TN40 2DU

# Dangerous Grizzlies?

By Lance Olson

Grizzly bears can be dangerous. North American lore is full of tales about the danger of grizzly bears. Some have even suggested that grizzlies should be eliminated from natural parks in order to make the parks safe for people. They have asked whether parks are for people or bears. If it is necessary, they say, to conserve grizzlies, there are "other suitable habitats". As recently as 1968, a nationally distributed scientific publication printed an article in favor of exterminating wild grizzly bears from Glacier and Yellowstone National Parks. But how dangerous are the grizzly bears?

Dr. Steven Herrero, a University of Calgary biologist, tried to answer this question by calculating the odds of being attacked by a grizzly bear in U.S. and Canadian national parks. He compared the number of people attacked by grizzly bears in national parks with the total number of people who visited those parks. He counted all attacks since the parks were officially designated. Herrero's calculations revealed that one person for every 2 million park visitors was injured by a grizzly bear. Only one person in 30 million was killed. But he noted that one per 100 persons in the U.S. was killed each year in automobile accidents.

Humans are generally more dangerous to grizzlies than grizzlies are to humans. Herrero found that only seventy-seven persons have been injured by grizzlies in North American national parks, but some researchers found evidence that federal wildlife agencies alone have been responsible for the deaths of as many as 35,000 grizzly bears.

Are grizzly bears dangerous? Actually, that is the wrong question. Are some grizzly bears dangerous? Yes, and some are more dangerous than others. Some are hardly dangerous at all. Canadian hunting guide Andy Russell has said that if grizzly bears were as dangerous as popularly imagined, hardly anyone would make it out of the mountains alive.

## Currents

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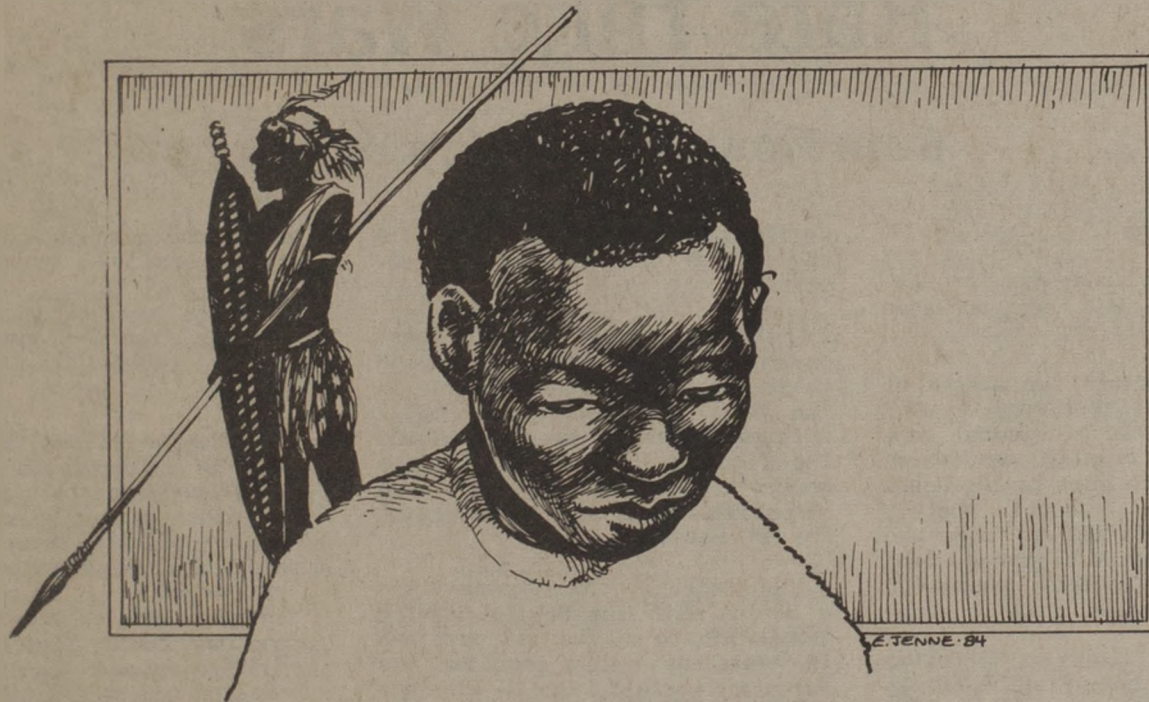
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# Divestiture in South Africa

## *More Than an Idea!*



### **Bill Miller**

American blacks have come a long way from the shackles of slavery. The recent Democratic primary in New York shows they now comprise a significant segment of voters in our society.

The attitudes of American people have changed with the transformation of blacks. Americans are striving, sometimes stumbling, but definitely reaching what this country is supposed to be about -- liberty and justice for all. The working towards this is one of the things that make this imperfect country great.

It is ironic, then, that the United States supports the economy of South Africa, a country where whites have the upper hand on everything and blacks are subjected to terrible wages, housing, nutrition, health care and working conditions. Blacks cannot vote or be members of the South African parliament.

It all has to do with Apartheid, a system of segregation which upholds the belief that whites have a God-given right to inhabit the southern tip of the African continent and to use its resources exclusively for their race.

And members of the South African government don't care who they have to shoot to maintain Apartheid. Photographs of the December 1982 raid on Lesotho show children, who have gaping bullet holes in their heads and chests, piled carelessly on top the corpses of their parents. The raid was intended to rub out members of the black militant group, the African National Congress. David W. Steward of the South African government called the United Nation Security Council condemnation of the raid a "complete travesty" and added, "We don't recognize the authority" of the council in the affair. Well, to hell with Apartheid and the mentality that it embraces it! The world should not tolerate it any longer. In view of the advances Americans have made in human and civil rights, we should not support the South African economy and all American money should be pulled out that country. If it is not, the American character will become hypocritical.

A few intellectual institutions in the United States have recognized this and have divested money from corporations doing business with South Africa. Schools such as Michigan State, Ohio University and the University of Massachusetts no

longer invest in corporations like Ford, G.E., Dupont, Pfizer, Xerox, and Bank of America.

The University of Montana invests in IBM, Dow Chemical and Union Carbide, all of which either have plants or investments in South Africa.

The investing process begins with the UM Foundation which is a non-profit organization that solicits and invests money on behalf of UM. This cash goes toward worthwhile projects like scholarships, program development and new campus structures like the new Radio-TV Fine Arts building. The Foundation employs three management companies to do the investing. They are Northwest Union Trust, Helena; First Trust, Billings; and Wood and Struthers, New York. According to Bill Zader, executive director of the UM Foundation, the firms apply \$3 million from the Foundation in the "safe vehicles for the maximum return on invested dollars."

Now it should be noted that the UM Foundation is a wonderful organization that is responsible for a

**Continued on 12**

# MONTANA PEOPLE

## News From the Colstrip Rate Hike Wars

from Montana People's Action

By Steve Summers

So far the prospects for victory look good, but there are some very important "Ifs".

Sifting through the stacks of legal technical testimony accumulating about this monumental controversy, we finally discovered one report which goes to the heart of the central issue: Whether Colstrip 3 qualifies as "used and useful" as required by Montana law. Our beloved Montana Power Co. claims that it does.

Professor John Duffield, testifying on behalf of Missoula County Commissioners, disagrees. In no uncertain terms (and figures) he shows that even by MPC's own loaded demand and generation projections, Colstrip 3 decisively fails both the "used" and "useful" tests. In fact, he uses MPC's historical data to show that the company has used Colstrip 1 in only two of its eight years of operation to supply power for Montana ratepayers (and even in those years at less than one half of capacity). Colstrip 2 has never been so used. The balance of that generating capacity (for both 1 and 2) has been used solely to export power (mostly to

California) and to displace idle capacity of other thermal generators.

The net excess cost to ratepayers of eight years of having these superfluous generators in the rate base has been \$88.3 million. These stark figures and the rigorous logic of Duffield's analysis appear to have provoked corporate terror in the bowels of the MPC bureaucracy.

On March 1, the company filed a motion with the Public Service Commission to strike all portions of testimony which consider the "used and useful" issue -- plus any other testimony "tainted" by the "irrelevant conclusion" that Colstrip 3 might not qualify. At the top of the list of testimony to be censored was Dr. Duffield's-- "in its entirety."

MPC's dubious legal logic is that the "used and useful" issue was settled for both Colstrip 3 and 4 in 1976 when they obtained the siting permit, therefore the PSC cannot "reconsider" the issue now.

Thus the company hopes to "end-run" the issue by carrying the legal ball into the Supreme Court where it can flex more political

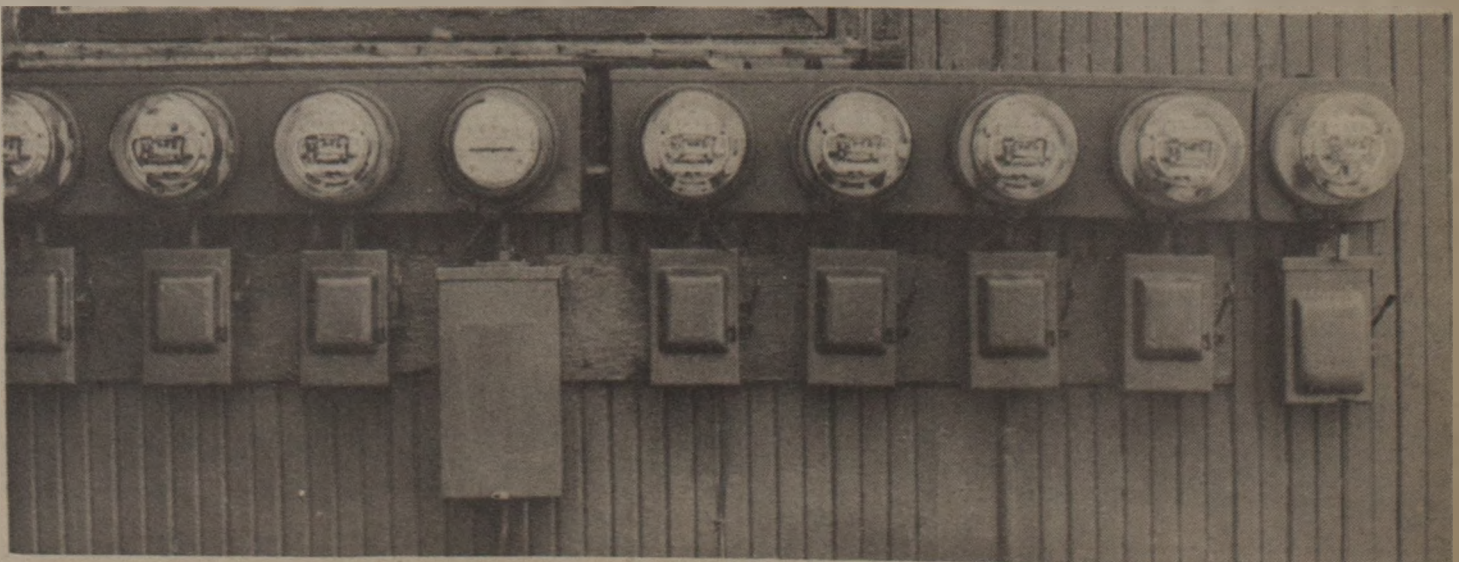
muscle and perhaps win the \$6.4 million game on a technicality.

MPC's legal grounds are almost whimsical: Montana Codes Annotated, Section 69-3-109 specifically states:

The (Public Service) Commission may, in its discretion, investigate and ascertain the value of the property of every public utility actually used and useful for the convenience of the public. The commission is not bound to accept or use any particular value in determining rates...and the commission may at any time of its own initiative make a revaluation of such property. (Emphasis added.)

But in the smoke-filled rooms of political reality, explicit laws and simple justice can be blown about like straws. This rate case is virtually certain to end up eventually being decided behind the closed doors of the Montana Supreme Court--a tribunal in which the influence of Montana Power has seldom failed to prevail.

*Continued on 12*



# MONTANA POWER

## EDITOR'S NOTE

In the interests of fairness, it seemed appropriate to print the Montana Power Company's position in defense of their rate hike proposal. But please read as much material as possible on this issue to gain a full perspective.

Which of two basic reasons has led you, as a reader, into this article?

1. You support Montana Power's request for an additional \$6.4 million in electric rates, and you're seeking reinforcement for your beliefs.
2. You're opposed to a rate increase, and you're curious what the utility company will offer as its effort to justify higher rates.

Because few of us get excited about paying more for anything--taxes, tuition, milk, newspapers, utility rates, gasoline or vehicles, to name a few--the expectation is that you're here because of reason two.

Thank you for taking the time, and I'll try to make it worth your while.

The major factor in Montana Power's electric rate case now being heard before the Montana Public Service Commission is, of course, the Company's 30 percent share of Colstrip Unit 3 and its associated facilities.

Montana Power's share of the 700-megawatt Unit 3 is 210 megawatts.

The \$1.8 billion cost for the entire project includes about \$1.4 billion for the "Power Island"--Units 3 and 4, common facilities and environmental controls which cost about \$500 million. Again, Montana Power's share of the cost is 30 percent.

Two major areas of contention, by those who have intervened in the case, are related to whether there is need for the plant, and to what extent various classes of customers--residential, commercial, industrial, irrigator--should be assigned costs as reflected by rates.

You're probably aware that Montana Power's position is that the question of whether the plant is needed--"used and useful" in the language of regulator--was decided in 1976 by the Board of Natural Resources and Conservation, and is not an issue in this case. The PSC has not concurred with that position.

To summarize briefly the Company's position, Montana's Major Facility Siting Act took from the PSC and gave to the Board of Natural Resources the right to determine on behalf of the State whether a major utility facility would be used and useful. Under the doctrine of issue preclusion, the Montana Supreme Court's 1979 decision upholding the Board of Natural Resources' 1976 decision--that Colstrip Unit 3 is needed--is binding on all State agencies and the same issue cannot be tried again. And finally, under the doctrine of promissory estoppel, the State may not renege on its implicit promise that Colstrip 3 be included in the rate base.

There are two other significant portions of the Siting Act's supremacy that are worth noting:

If any provision of this chapter is in conflict with any other law of this State or any rule promulgated thereunder, this chapter shall govern and

control and the other law or rule shall be deemed superseded...Montana Code annotated 75-20-103.

...no State or Regional Agency or municipality or other local government may require any approval, consent, permit, certificate or other condition for the construction, operation or maintenance of a facility authorized...except that the State air and water quality agency or agencies shall retain authority...MCA 75-20-401.

One reason for the interest in the Siting Act's role is because Colstrip Unit 3 is the first major utility facility certified under the act to be completed, operational and in position to affect rates.

Some intervenors contend that Unit 3 is not needed because Montana Power customers are not using that much electricity, or because the Company makes out-of-state electrical sales.

The fact is that Montana Power's electric load today is somewhat less than forecast when the plants were certified in 1976. The primary reason is that the Anaconda Company--for decades Montana Power's largest customer--shut down its smelting and refinery operations at Anaconda and Great Falls in 1980, and by mid-1983 had suspended mining operations in Butte. That also caused 3,000 jobs to disappear.

But, despite the Anaconda closures and suspensions, there is growth on the MPC system. Four thousand customers were added in 1983 (more than 15,000 customers have been added in the last four years, despite economic recession in the State).

In fact, despite the loss of Anaconda's load (which we must be able to meet when Anaconda resumes mining), industrial consumption is up by one percent over 1973, commercial consumption is up 64.5 percent, and residential consumption is up by 67.8 percent.

Another measure of increased consumption by electric customers is the peak demand for electricity.



Continued on 8

# The World Seed Situation

By

**John Schneeberger**

Garden City Seeds is a collectively owned business operated by the Down Home project. We started Garden City to raise money and advance our educational goals as an environmental education corporation. The goal of DHP is to foster household and community self-reliance. The members of DHP believed that the general objective of self-reliance could be best advanced through organic intensive gardening. This was one area in which the staff of DHP had previous interest. The merits of organic gardening, with respect to food independence was, to us, readily apparent. The missing link in true self-reliant gardening and farming proved to be a reliable and quality seed supply.

While trying to decide on what seeds to carry in our garden supply store, one of our co-founders became aware of a potential crisis from information received by the Graham Seed Center Directory. The problem dealt with a disappearing genetic diversity in seeds. The directory contains the sources of rare traditional varieties of vegetable, fruit, and nut seed. The directory is published by the National Sharecroppers Fund, a non-profit organization dedicated to the preservation of the small family farm. Recently public awareness of the problem has been helped by an article in MOTHER JONES magazine, and a segment on ABC's "The Last Word" with Phil Donahue.

The problem is best described by comparing it with the dangers present in any biological system which has a narrow breeding base. As any natural scientist would affirm, the strength of biological systems is largely a function of its diversity. The genetic diversity of our breeding stock, which produces the country's food crop seed, has been greatly undermined by the "modern food industry". To

start with, traditional agriculture was characterized by a high degree of crop diversity; literally thousands of varieties of food crops were produced. Each variety is genetically distinct, even though these varieties may be the difference between two subspecies (say the difference between two varieties of corn.) This myriad of varieties was the result of thousands of years of plant domestication. The agriculturist would save seed from the best of a year's crop and, through care-

ful selection of plants with desired properties, would improve old varieties and create new ones. The main characteristics desired besides yield, was resistance to disease, pests, and the peculiarities of climate in that locale.

The result of this gradual process was a great diversity of seed varieties. Differing varieties were especially prolific in those areas where the original, wild version of the plant was first domesticated. These areas are known as the "centers of genetic diversity" or "Vavilov centers", named after the scientist who first discovered them. The diversity of the varieties in these centers, which are largely located in the equatorial regions of the world, owe their existence to the yearly practice of saving seeds by subsistence farmers.

duced seed for conditions in their specific area. Varieties differed from region to region, country to country, and often from farm to farm. Today's BURPEES catalog carries five varieties of turnips. The reason for this decline can largely be attributed to the changes that brought about the "modern seed industry" in 1950.

After World War II, private and governmental organizations began to invest in breeding programs that sought to increase yields and produce characteristics compatible with mechanized farming. As farming became less a way of life and more industry, food crop varieties were bred for maximum production, new varieties of grain were developed that could best utilize massive inputs of water and fertilizer. Vegetables were bred to produce cosmetically perfect fruit that was tough enough to endure

## Vavilov Centres



Source: *Genetic Conservation*. FAO Genetic Conservation Training Programme, Crop Ecology and Genetic Resources Unit, FAO. PI/F7460.

Most of the varieties of food crops grown in the United States come from these old world centers. Indeed, if we were only to eat native plants we would be dining exclusively on sunflowers, blueberries, cranberries, and Jerusalem artichokes. American farmers, however, introduced a great multiplicity of crops from the old world which they then developed and improved by the same methods described above. The WETHERSFIELD SEED GARDENS ALMANAC, in 1857, listed over 20 varieties of turnips. Farmers and seedsmen pro-

duced mechanical harvesting, long storage periods, and interstate shipping. Characteristics such as taste and nutritional value were sacrificed for the exigencies of a nationally integrated food industry.

Modern agriculture is dependent on predictability and uniformity. Plants with a uniform size, shape, color, and yield, are required to excel in today's monocropping method. Consequently, the seed industry practices a high degree of inbreeding to produce hybrids

which have the desired characteristics. Hybrids, for various reasons, can only be produced under controlled conditions. Seed from hybrid plants also cannot be used for breeding because they are often sterile or have a tendency to revert back to either of the two parent strains. For these two reasons, the farmers must go every year to the seed company for their yearly supply of hybrid seeds.

Concurrent and seminal to these developments in breeding techniques is the growing control of food production by large and multinational corporations. The predominance of 'agribusiness' is most pronounced in food processing, food retailing, and agricultural production tools such as machines, fertilizers, and pesticides. Today's corporations are now acquiring crop lands and seed companies. In a ten year takeover flurry, 60 of the best known seed companies were bought out by 20 Fortune 500 corporations. Independent seed companies are being bought up by firms such as Monsanto, I.T.I., Union Carbide, Occidental Petroleum, and Royal Dutch Shell.

property of a company which has the exclusive right to market the variety. Patenting legislation has made seed businesses attractive investments. The first week after Britain passed its patenting laws, one corporation bought up eighty-four seed companies.

This legislation can also make it illegal to grow a patented variety, or to grow a variety that could cross with a commercial variety. Crossing could cause a variety to lose its identifiable traits which distinguishes one variety from another and thus maintains the company's claim of ownership. In Europe, this has resulted in the publication of the "Common Catalogue of Legal and Illegal Varieties." Dr. Erma Bennet of the UN's Food and Agriculture Organization has predicted that this could result in the extinction of fully three-quarters of all vegetable varieties now grown in Europe.

Another factor that aids the exclusive marketing rights of corporations is the growing emphasis on hybrids. Because hybrids are grown in controlled environments,

have a more ominous effect on genetic diversity because of their agricultural marketing programs in developing nations. In the aforementioned "centers of genetic diversity" subsistence farmers have been encouraged to grow the new hybrids by international business corporations. Encouraged by the proponents of the "Green Revolution" (World Bank, IMF, AID, Ford Foundation) to grow the new seed, farmers often throw away or eat their old varieties of seed. The centuries of selection and adaptation that have brought these varieties into existence are thus wiped out in one fateful instance. The extinction of this genetic material can have grave consequences for farming here in the U.S.

Reliance on centralized seed sources has caused a growing uniformity in food crops grown by farmers and gardeners. Six strains now account for 71 percent of the nation's corn crop; four strains of potatoes for 72 percent; two strains of peas for 96 percent; etc. When food crops are genetically uniform they exhibit very similar vulnerability to certain pests, diseases, and climactic vagaries.

The worst case scenario has already taken place. The Irish Potato Famine in the 1840's occurred because the few varieties planted; all were susceptible to the blight. This was because Sir Walter Raleigh only brought back a few different varieties from the New World. More recently, in 1970, a corn blight wiped out 15 percent of the nation's crop (up to 50 percent of the crop in some southern states). The culprit in both cases was the same: genetic uniformity. If there had been a wide diversity of corn planted, the blight would have only affected those varieties susceptible, and immune plants in neighboring counties and farms would have helped prevent the spread of the disease.

When disease or insect infestation strikes a certain variety, breeders will search for sources of genetic material (referred to as germ plasm) that are resistant to the problematic disease or pest. They cross it with domestic strains to create a new resistant strain. The most obvious place to look for resistant germ plasm, besides the fledgling seed storage facilities, are those "centers of genetic diversity." What happens when that diversity has disappeared because people are growing hybrids purchased from U.S. or European multinational corporations?

## Crop Genetic Vulnerability

USA		
CROP	VARIETIES	%
Millet	3	100
Cotton	3	53
Soybeans	6	56
Dry Beans	2	60
Snap Beans	3	76
Peas	2	96
Corn	6	71
Potatoes	4	72
Sweet Potatoes	1	69

Sources: *The Prairie Pools: Crop Acreage Report*, 1978.  
US National Academy of Sciences, 1972.

There are many reasons why large corporations have acquired the bulk of what was once an industry controlled by independent family operations. It is interesting to note that this development took place on the heels of the 1970 Plant Variety Protection Act. This allows, for the first time, the patenting of life forms.

Plant patenting has not had its full effect on the United States, but the results in Europe have been disastrous with respect to genetic diversity. Plant patenting means that the genetic material of certain strains can become the

the breeder can control the purity and thus the identifiability of a strain in order to maintain ownership. The methods used to obtain the hybrid can also be kept from other breeders by stiffling the free-flow of genetic material. The farmer must also buy his hybrids every year, as mentioned before, thus we have a variety being the sole property of an individual or corporation. Critics charge that this is the main reason for the disappearance of older established, open-pollinating varieties in seed catalogues, and their replacement with hybrids.

Multinational corporations



# Montana Power (continued)

## Continued From 5

Until last December, the highest demand for electricity had been 1,171 megawatts on January 29, 1980. Included in that demand was Anaconda's load of 129 megawatts. During the cold spell last December, the peak record for electric consumption was shattered on five successive days, reaching a high of 1,282 megawatts on December 23--when Anaconda Company was taking only 4 megawatts, and Stauffer Chemical was using 30 megawatts rather than 60 because only one of its two furnaces was in operation.

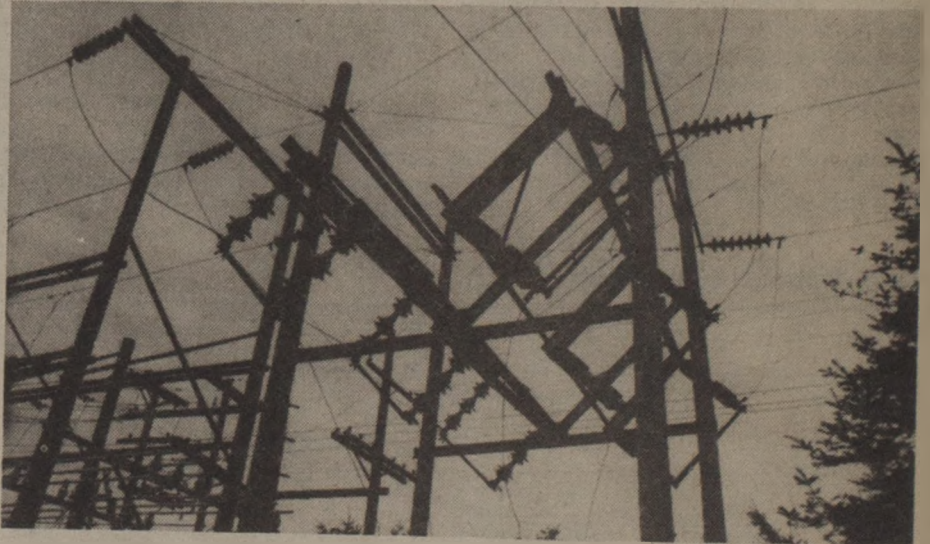
The Company was able to meet that firm load with firm resources--MPC has generating resources of its own with capacity of 1,314 megawatts if all of them were operating at capacity at the same time, in addition to firm contracts for importing 245 megawatts.

Of course, it's not wise to count on using all of your resources at full capacity all of the time--anymore than you would operate a car at the maximum revolutions per minute all of the time--because you must have assurance of being able to provide reliable service to customers even if a plant breaks down. So you have some reserve margin that provides that protection, allows regular maintenance of generating plants, and also provides room for growth--for example, adding the University of Montana's new Fine Arts Building, and a new Sheraton Inn in Missoula.

While the Utility provides firm resources to meet its winter peaking loads, there may be some unused capacity at other times of the year. And that's where off-system sales are in advantage. The revenue received from out-of-state sales reduces the amount of income needed from Montana customers--a benefit for Montanans, not a burden.

There are some intervenors who are critical of Montana Power's out-of-state sales. The fact is that Montana Power buys much more power from out-of-state than it sells out-of-state. In just four of the past 20 years has MPC been a net "exporter" or seller of power, the other 16 years it has been a net "importer" or purchaser. But the out-of-state sales, as they occur, benefit MPC's Montana customers.

There are critics of Montana Power who say, first, that the Company's rates to industrial customers are too low because they average about 1.4 to 1.9 cents per kilowatt hour while residential customers are paying about 4 cents per kilowatt hour. These same critics will then become verbal contortionists, maintaining that if industrial customers must have rates increased by 65 percent (2.3 to 3.1 cents per kilowatt hours), jobs will be lost. They can't have it both ways, but they make such an argument--in the face of national averages of 5 cents per kilowatt hour for industry.



One example of the impact on an industrial customer where concerns have been expressed about a \$1 million annual increase in electric rates: an oil refinery in the Billings area.

According to state figures, that refinery processed 15.22 million barrels (42-gallon barrels) of crude in 1983. Spreading a \$1 million increase across the oil refinery's 15.22 million barrels would increase costs by 6.57 cents per barrel--or 15/100ths of one cent per gallon. Given the cost per gallon of gasoline, or jet fuel, will 15/100ths of one cent drive the refiner out of business? Doesn't seem reasonable, does it?

At the same time, one must acknowledge that the 59 percent increase proposed for residential customers (raising a typical 750-kilowatt hour monthly bill from \$29.89 to about \$47) will have impacts for persons on low and fixed incomes. We are concerned about that, and work with these

people to keep their energy consumption and bills as low as possible, using the low-income energy assistance program, energy share, low-income weatherization programs, interest-free loans and monthly averaging for bills to level out the high and low months.

Finally, it may help to put rates in some kind of perspective. According to information from the National Association of Regulatory Utility Commissioners (NARUC), a group whose membership includes the Montana PSC, only eight investor-owned utility companies in the country have lower rates than Mon-

tana Power's customers presently enjoy.

MPC residential customers, who now pay about 4 cents per kilowatt hour would see an increase to about 6.27 cents per kilowatt hour if the full measure of Montana Power's application is granted. That's a sizeable increase, to be sure, but rates would still be more than 16 percent below the national average of 7.5 cents per kilowatt hour, according to Department of Energy figures.

Any time Montanans can buy products at 16 percent less than the national average, I think they're doing well. I'm sure we're not able to do that with cars, gasoline, food and housing. But electricity continues to be a bargain--even without the proposed rate adjustments.

I'm sure there are issues and areas of interest that I haven't covered. Thank you for taking the time to consider another perspective.

# Montana People

VS.

Kim Barta

# Montana Power

The Montana Power Company is asking for another rate hike. They are asking Montanans to pay \$6.4 million dollars a year to pay for an inefficient, polluting, electric generator. Although this electricity will never be needed for Montana, Montana Power has a two part argument to persuade us of its needs. First, M.P.C. claims that we need this generator for future Montana energy demands. Secondly, M.P.C. points out how much it benefits our economy by creating more jobs.

Although, in this article I will be primarily concerned with the second point, I would like to briefly comment that energy consumption in Montana is not on the rise. Apparently, conservation is more than keeping pace with any population increase which may be occurring in the state. Furthermore, conservation energy has not even begun to be used to its potential. All this casts considerable doubt on the first of M.P.C.'s justifications.

I am concerned primarily with the second of M.P.C.'s justifications. It is this claim which enables M.P.C. to pit the conservatives against the environmentalists by accusations that the latter are undermining the job base and thus eroding Montana's economy. Let's take a look at just how much, or more appropriately, just how little M.P.C. benefits our economy.

In this analysis I must first point out that Montanans own a very minute amount of M.P.C. stock. Those Montanans who do own stock own such minimal amounts of shares that the benefit acquired has an imperceivable affect on the state's economy (hardly comparable to the stockholders on Wall Street!).

Approximately 101 million dollars every year (from our pockets) go into the areas of interest, and profit for M.P.C. This is important because almost all of this money is lost from our state to: 1) interest to out of state banks (even banks out of the U.S.) and 2) profits to out of state shareholders. Comparatively,

M.P.C. pays 64 million dollars in wages to its employees annually. That means approximately 36 million more dollars are leaving the Montana economy, via M.P.C., than are being redistributed in the form of wages. This equates to 1,800 additional jobs for Montanans every year at 20,000 dollars per worker. This is just to keep the institution going year after year. Sadly, these figures are dwarfed if we further consider the economic impact of just one coalfire setup, say -- Colstrip 3.

M.P.C. is asking Montanans to pay \$6.4 million dollars annually mostly for just Colstrip 3. As we now know, Montanans will never need any of the electricity generated from this construction. The labor bill for construction bill for the construction of this plant was 9 million dollars. It must be noted that most of these jobs did not benefit the Montanan economy, because the majority of the workers were from out of the state. Being the short-term jobs they were, the workers went back to their former states after the job was done. It has been criticized by economists that this type of employment has more of a detrimental effect on the economy than a constructive one. The flooding of a small town for a short time by workers, only to be abandoned soon after is not a healthy way to contribute to our economy!

Furthermore, most of the materials for constructing this plant were purchased from out of state. For the sake of argument though, let's give M.P.C. the benefit of the doubt. We will consider that the jobs for construction and the materials purchased balance out to a neutral effect on the Montana economy. Better yet, let us assume that the 9 million dollars in jobs for constructing the plant actually did benefit our economy and none was lost out of state. Even so, we are left with 87 million dollars leaving our state annually, in the form of out of state interest, stocks, and bonds, for Colstrip 3 and additional profits. Add this to our previous figures and we get a grand total of 123 million dollars or 6,100 jobs at 20,000

dollars per worker every year lost from the Montana economy as a result of M.P.C.! Remember, this is just to keep M.P.C. going from year to year and for Colstrip 3. One must further consider that Colstrip 4 is not yet on-line and Colstrips 5 and 6 are on the drawing board as well as other unneeded projects such as dams on the Missouri and the Yellowstone. Overall, these projects will actually drain more revenues out of the state than they will contribute. It is not difficult to see that M.P.C.'s justifications are quite shallow. We neither need the electricity for the future, nor do we need M.P.C. to "contribute" to our economy. We already lose the 36 million dollars from our economy as a result of Colstrip 3. The rate hike proposed for residential use of electricity is 59.78%. To put this into dollar terms, consider the following:

This is what the Montana Power rate hike means to you:

If you now pay:	You will pay:
\$ 10	\$ 15.98
20	31.96
30	47.93
40	63.91
50	79.89
60	95.87
70	111.85
80	127.82
90	143.80
100	159.78
110	175.76
120	191.74
130	207.71
140	223.69
150	239.67
160	255.65
170	271.63
180	287.60
190	303.58
200	319.56

The figures are worse for businesses; the major impact will hurt the small business most. If we don't stop M.P.C. now, we have only to look forward to Colstrip 4 and 5 and 6 and...

# Commentaries

## From Tom Powers

(reprint from his

*KUFM* commentary)

How Dependable and Reliable are Conservation Measures as an Energy Resource

The problems associated with almost all of the technologies we use to produce electricity are staggering:

Acid rain from coal fired generation.

Carbon Dioxide global climatic modifications from any fossil fuel.

Nuclear proliferation and the need to isolate and guard radio-active wastes for millennia into the future with nuclear power.

The need to use military force and risk nuclear war over mid-eastern petroleum supplies for oil fired generation.

Strip mining for coal, oil shale, and uranium ores, and the disruption of eco-systems, water supplies, and social structures which goes with them.

Because of this doomsday list, many conclude that we have backed ourselves into a corner from which there is no escape. That certainly was the message of the EPA analysis of carbon dioxide climatic modifications, which concluded that such modifications are inevitable.

But people across the U.S. and around the world have been demonstrating the reliability and reality of a solution that almost all energy companies and government energy planners have told us is only wishful thinking. That solution is improvements in the efficiency with which we use the energy we already have available; another way of saying conservation.

From 1973 to 1978 efficiency improvements in energy use provided two and one half times as much energy as new sources of supply. Between 1978 and 1980 conservation generated fifty times as much energy as new supply additions. The same was true in the nine Common Market countries where during the same period 95% of all economic growth was fueled by energy savings, and only 5% by net energy supply additions. Conservation supplied 19 times more energy than new supply.

This is very important "retro-active" information with which to evaluate the alternative "energy crisis" solutions proposed in the U.S. in the late 1970's. It has turned out that with almost no serious government energy conservation programs, the U.S. between 1973 and 1978 actually got twice as much energy, twice as fast, from conservation energy savings as the synthetic fuel program advocates claimed they could provide at ten times the cost, if only we had been willing to give them \$88 billion, which they wanted just to get started.

Since the mid-seventies, efficiency savings or conservation has been by far the fastest growing part of world energy supplies. Millions of individual actions (people seeking to save energy to save money), are outpacing the centrally planned utility and government supply programs by tens or hundreds to one.

Despite this record our utilities and federal Department of Energy continue to say that we cannot rest our confidence on these uncontrolled individual conservation actions, because we cannot be sure that they will continue to take place. Yet those same advocates of expanded centralized supply pin their hopes on energy growth forecasts which are built around the same aggregation of millions of individuals' independent energy usage decisions. And of course these forecasts have been proven wrong over and over again. What has proven unreliable is the private energy planners' understanding of people's willingness to adapt energy usage to the reality in which we all find ourselves.

Montana Power Company for instance, continues to insist that conservation does not represent a substantial electric supply resource in Montana. In its attempt to get Montanans to pay for Colstrip 3 and 4, it has filed testimony which attempts to prove that conservation can contribute little to electric needs of Montanans. If that is the case of course, Colstrip 3 and 4 are bound to become necessary as soon as electric consumption in Montana returns to its old high growth path.

What Montana Power is ignoring is the dramatic impact that energy efficiency improvements, or conservation, have already had in producing useful electric energy.

MPC wanted to bring Colstrip 3 into operation five years ago. It also wanted to build a half dozen electric generating combustion turbines in the 1980's. Here we are five years later, and Colstrip 3 is still not needed and the combustion turbines have been abandoned and Resource 89 has become Salem 2000.

Conservation has done this, but MPC will not admit it. Conservation has displaced Colstrip 3, but MPC does not see it. MPC wants to at least double its rates over the next two years, but will not look at what this will do to people's use of electricity. When MPC's natural gas prices rose in this manner, it lost a good deal of its industrial customers, and usage per household fell significantly as well. When it doubles or triples industrial electric rates, it will see the same effect. But to admit that would be to destroy the justification for the two gargantuan plants it has already built. So MPC has to deny that what has already taken place could possibly have taken place.

Let us hope that the Montana Public Service Commission does not let MPC prove how much conservation is possible when prices double or triple. That would be a painful lesson for all of us, especially for the industrial customers, and the Montana economy. The rational alternative is to recognize why Colstrip 3 is surplus, why the entire region and nation have surplus electric generating capacity, and adopt policies that make sure Montana does not have to suffer through this sort of environmental economic fiasco again.



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# Prose & Perspectives

## THE SILVER GRILL CAFE

A dark girl with straight black hair tends bar in Alberton. Today she stares at her hands on the formica counter. The light is dull in this cafe this morning in winter. She looks at her fingers, the formica, she tries to mend the broken glass and bourbon in her head.

She does not want to order anything. No coffee, no breakfast. She wants to forget the people she served all night in the bar. The solitary woman who would not talk, the cruel man and his wife, the drunk who mumbled to the bar. No, she will not remember them.

The beautiful dark girl in Alberton rises and turns to the window. She sees that the low clouds have a color like pearl. She orders a burger. Brief sun gilds the painted letters on the glass and dark cliffs glow. She will take it home and watch the trains pull out along the river.

Outside, an old woman walks toward the Silver Grill. She lives alone and fears winter, fears ice and falling and broken bones. It took all morning just to get his far. The girl inside can tell that woman once was strong and quick and scorned the cold. She opens the door, helps her up the icy steps. The long dark girl can hear the street, the loud voices of railroad men eating lunch in this cafe. The old woman has coffee. The girl takes her meal and walks out into snow, and with each step knows we are all beautiful and deadly in our time.

*Matthew Hansen*

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## Montana Oil Fields?

Northwest Montana's Rockies may be the scene of a big deposit of oil. But development of the oil, if it exists, may make survival difficult for the state's wolves, mountain caribou, and grizzly bears.

An article in *EXPLORER*, the monthly magazine of the American Association of Petroleum Geologists, describes the oil industry's efforts to discover oil in north-west Montana. It describes drilling operations by Cenex, west of Kalispell, and by ARCO, south of Polebridge. The ARCO well will be to a depth of 18,000 feet. It is described as the deepest and most expensive well ever drilled in the state.

Interest in drilling in north-west Montana is partly due to known oil deposits in Glacier National Park. Oil was produced from hard-

dug wells around the turn of the century, before the area was designated as a national park. It is not legal to explore for oil in national parks. Glacier National Park has oil seeps from Paleozoic or Mesozoic rocks, according to the *EXPLORER* article. One geologist quoted by the magazine said that "geologists began thinking those rocks may extend westward." Thus, the drilling near Polebridge and Kalispell.

Some geologists suspect that oil-bearing rocks may extend westward as far as Idaho. The well west of Kalispell is regarded as a test of that possibility. If it yields oil, other exploration may take place in the area. It could have effects on the entire Rocky Mountains. One authority quoted by the geological publication said, "If that well is a discovery, all kinds of things are going to

*Lance Olsen*

happen from Canada to Mexico."

Northwest Montana is the home of grizzly bears, and wolves. A mountain caribou was seen near Polebridge two years ago. These wild animals have economic value because their presence can attract tourists. Elk, deer, mountain goats, and other wildlife of the area also attract tourists and tourist dollars. The economic opportunity provided by wildlife may be jeopardized by oil development, and oil wells run dry.

Oil companies are not limiting their exploration to areas west of Glacier National Park. They have also been drilling in the Rocky Mountain Front, south of the Park, and only a special effort of Congress, led by Montana's western district congressman Pat Williams, saved the Bob Marshall Wilderness from oil industry activity.

Continued From 3

## UM Divestiture

lot of exciting things happening on this campus; its involvement with the Radio-TV Fine Arts building is now perhaps the most visible example. Also, corporations such as Union Carbide have been known to conduct research projects that have resulted in products that have actually made our lives better.

However, these arguments cannot be used as justifications to sink money into a country which openly violates the most basic of human rights. If enough institutions like the UM pull their money out of these corporations because of South African atrocities, those corporations will realize that that country is a financial risk and will no longer invest in it. The effect of divestiture could be devastating and the South Africans are concerned.

Meyer Feldberg, a South African consultant to American and South African companies, reported to his government, "When an issue such as South Africa becomes significant among several hundred students at a great university, the policy (makers) and decision (makers) in the university, in government and business take note."

Divestiture does not harm American investors and can, in fact, help them. According to the Dec. 26, 1984 issue of Executive Wealth

Advisory, "...early in 1983, Barron's reported on a study comparing the Standard & Poor's 500 stocks for a recent six-year period with and without companies doing business in South Africa; the performance of the latter portfolios was consistently better."

This quote can be backed up by the South African divestiture at Michigan State. In 1979, that school sold all \$12,075,492 of its South African related stock. In 1980, the university produced an analysis comparing these two areas: the sales proceeds with the 1980 value of divested stock, and the value of the newly acquired investments to the 1980 value of divested stock. As a result, Michigan State learned that it had made a profit of over \$2 million through divesting from South African related companies.

In 1982, the Franklin Research and Development Corporation stated, "In our opinion, there is no material disadvantage created by excluding less than one percent of the listed companies (that deal with South Africa) from the approved investment list. Companies like Waste Management, Polaroid, Wang Labs, Signal, Ralston Purina, Quaker Oats, and Digital Equipment come to mind as alternatives."

These companies and perhaps some located in Montana should be investigated as alternatives to those investing in South Africa. Students, administrators, professors and alumni of UM would probably cringe if they knew UM was investing in the economy of a racist nation like Nazi Germany. They should definitely cringe at the investment of corporations with interests in the racist nation of South Africa.

## Colstrip 3

Continued From 4

We may rejoice that MPC is resorting to desperate legal defenses for Colstrip 3 but with MPC's legal gamble in progress, the stakes are effectively doubled--Colstrip 4 may well be decided in the outcome as well.

Copies of the 60-page Duffield analysis are available from the Missoula County Commissioners. An abstract of this testimony was published in the "Missoulian" Friday March 16, as a reader comment. Copies are available at MPA headquarters 208 E. Main.

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